



# HOPE Impact Report

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Q3 - 2023

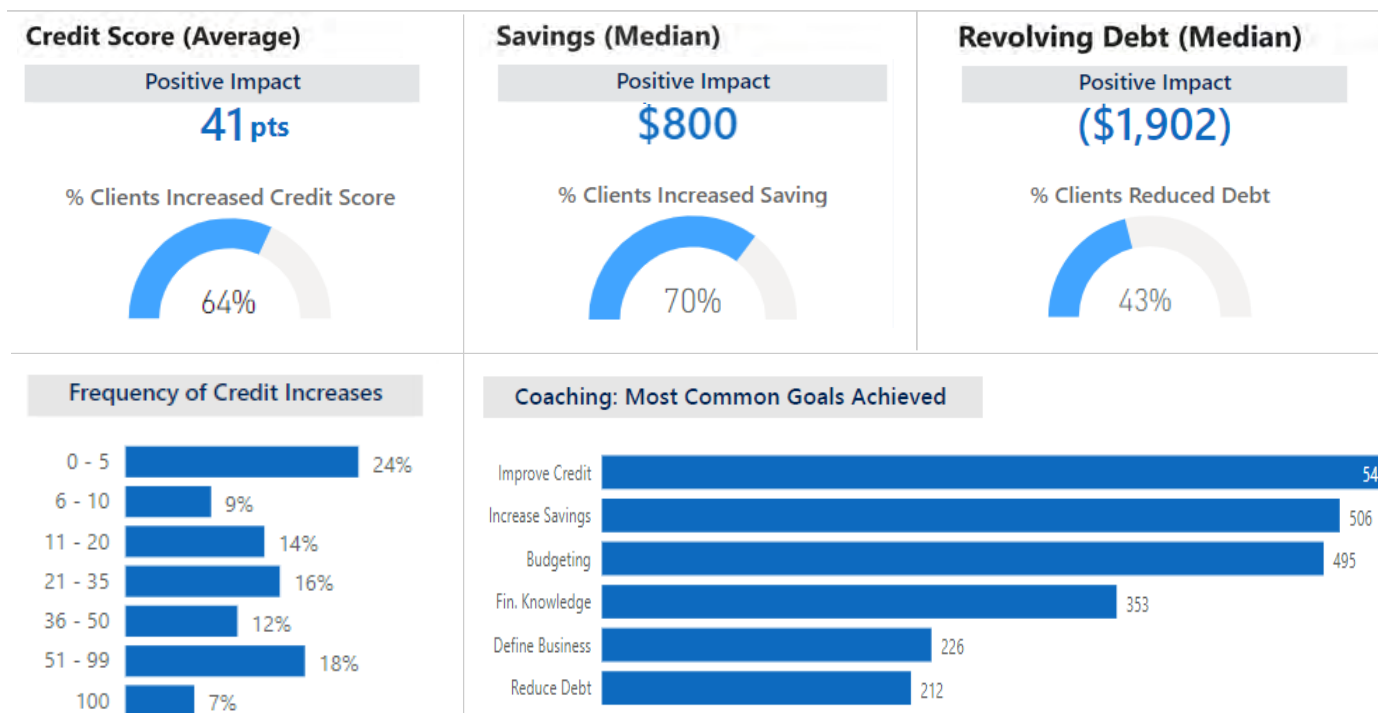
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# Economic Empowerment

## Improved Financial Outcomes

Among HOPE clients, 64% see an improvement to their FICO Score after participating in HOPE's financial coaching program. Among this sample that saw an improvement, **the average increase was +41 points with 36% of clients reaching above prime FICO Scores of 660 or higher.** Among a large sample of 33,363 clients, of whom both at entry and secondary financial data were obtained, the average FICO Score change was +19 points. These improvements are 2x the rate of other financial empowerment firms (see Journal of Financial Economics, Kaiser et al, 2022)<sup>1</sup>.



## Improved Financial Health and Behavior

1 - strongly disagree, 5 - strongly agree

I am confident in my abilities to manage my finances.



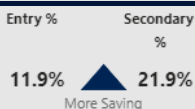
In the past month, I have had serious financial worries.



I have a budget and plan ahead financially.



Percent of clients who have 3 months of savings for a financial emergency.



Percent of clients who are unbanked.



Percent of clients who are underbanked.



### HOPE Assessments: Adult Financial Health

In addition to positive financial impacts, HOPE measures program success through the HOPE financial wellness assessment for adults. Driven by our Theory of Change and refined Financial Wellness Coaching Model (updated in 2022), HOPE clients continue to report improved financial health, including: **increased financial confidence, decreased financial worry, increased financial budgeting and planning, and increased emergency savings.**

<sup>1</sup>Kaiser, T., Lusardi, A., Menkhoff, L., & Urban, C. (2022). Financial Education affects financial knowledge and downstream behaviors. Journal of Financial Economics, 145(2), 255–272. <https://doi.org/10.1016/j.jfineco.2021.09.022>



# HOPE Activities

## Q3, 2023 Summary

With 257 adult HOPE Inside locations (servicing individuals from 46 states and Puerto Rico) currently open across the country, HOPE served over 19,600 individuals in Q3, 2023. These clients engaged in over 71,400 financial empowerment services including group education and one-on-one financial coaching. Client participation in HOPE activities led to numerous outcomes such as improved financial health (e.g. improved credit scores, reduced debt and increased savings), homeownership, and small business creation.

### HOPE Client Profile

The average HOPE client served this quarter was a Black, non-Hispanic female, with an average household income of \$44,658.

At entry, the client had an average FICO score of 599, median revolving debt of \$1,310 and an average savings of \$340.



Avg. Income  
**\$44,658**



% Low-to-Mod. Income  
**68%**

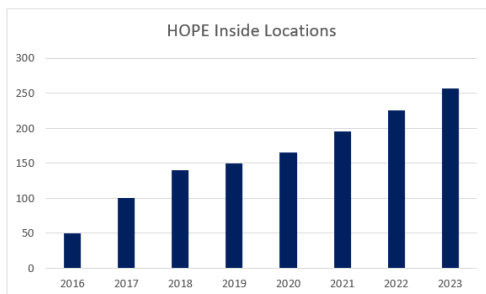


Female / Male  
**69% / 31%**



Black / White / Other  
**65% / 21% / 14%**

### HOPE Inside Locations



### HOPE Production

|                                | Q3, 2023 | PTD       |
|--------------------------------|----------|-----------|
| Clients Served                 | 19,669   | 1,737,899 |
| Financial Empowerment Services | 71,437   | 5,393,732 |
| HOPE Inside Adult              | 61,047   | 2,807,381 |
| HOPE Inside Disaster           | 10,115   | 1,505,087 |
| HOPE Inside Youth              | 275      | 1,081,264 |

## HOPE Program Highlights



### Homeownership

#### Program Spotlight: Closing Cost Assistance Program (CCAP)

In partnership with Fulton Bank, HOPE assisted 155 clients to get approved for closing cost assistance grants totaling \$240,500, and helped clients secure more than \$35M in mortgage lending during Q3, 2023. To date, this partnership has assisted in allocating more than \$9.8M in down-payment grants to help clients obtain more than 6,250 funded mortgage loans totaling more than \$1.1B.

**\$35.85M**

Mortgage Loans  
Funded in Q3, 2023  
through the HOPE-Fulton  
Bank CCAP Partnership

**\$1.1B**

Mortgage Loans  
Funded to-date  
through the HOPE-Fulton  
Bank CCAP Partnership



### Small Business Development

#### Program Spotlight: 1 Million Black Businesses (1MBB)

Since program inception (10.20.20 - 9.30.23), HOPE's 1 Million Black Businesses Initiative (1MBB) engaged 388,703 individuals with over 437,604 small business development services through HOPE-1MBB Small Business programs and in conjunction with HOPE's outstanding 1MBB partner, Shopify. Additionally, HOPE has secured 48 Coalition of the Willing partners to further support 1MBB small businesses.

**388,703**

Black Businesses  
Engaged in 1MBB  
services to-date,  
in partnership with Shopify

**437,604**

HOPE 1MBB  
Services to  
Black Businesses to-date,  
in partnership with  
Shopify

**56,820**

HOPE Coalition of  
the Willing partner  
organization businesses  
pledged to 1MBB to date

## Client Satisfaction

Launching in April of 2023, the Operation HOPE Client Satisfaction Initiative and Survey have served as a medium to determine client satisfaction with Operation HOPE programming and coaches, uncover trends and issues for improvement, and provide additional success metrics for partner relationships. Clients are asked to complete a satisfaction survey, based on a Likert scale, after completing interactions with coaches. Since inception, Operation HOPE clients have provided over 6,400 individual responses.

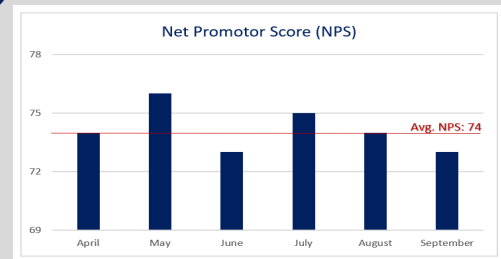


### Overall Satisfaction Scores

|                                   |       |
|-----------------------------------|-------|
| <i>Strongly Agree (5)</i>         | 76.5% |
| <i>Agree (4)</i>                  | 17.4% |
| <i>Neither Agree/Disagree (3)</i> | 4.1%  |
| <i>Disagree (2)</i>               | 0.5%  |
| <i>Strongly Disagree (1)</i>      | 1.5%  |



### Net Promoter Score



Net Promoter Score (NPS) is a metric used in customer experience programs to measure the loyalty of customers to an organization and their satisfaction with their service. Created by Bain and Company in 2003 and regarded as the professional standard metric for customer experience, NPS is measured on a scale of -100 to +100 with higher scores being more desirable. Since launch, Operation HOPE has maintained an average NP of 74, an outstanding testament to the experience provided to our clients.

## Reporting Updates

### Partner Dashboards

As of Q3, 2023 HOPE has officially launched our interactive PowerBI based reporting for all HOPE Inside and HOPE Inside the Workplace partners. These reports, going live to our partners on November 15th, will provide interactive, web-based, reports that position HOPE at the forefront of business intelligence. Consisting of Demographic, Activity, Outcome, and Impact data, these reports will provide the next level of insight to our partners and allow HOPE to transition into a monthly reporting cadence going into Q4.

- Reports are dynamic, allowing partners to interact with the data visualizations and further dig into their reports.
- All partner dashboards will include prior quarter data as well, allowing partners to access all previous reports in one central location anytime they wish.
- This will reduce the QA time for both HRI and Operations staff as there will be one central location of all data and no static reports will be created, increasing internal efficiency.

### Coach Dashboards

In an effort to optimize data quality and provide increased insight into reporting for all areas of the organization, HOPE launched and continues to improve on Coach Dashboards for real time insight into metrics reported externally to partners. The dashboards are available to all HOPE operations staff.

- Dashboards allow coaches to quality check what they have entered into HOPE systems is reporting as they expect.
- Increase data transparency across the organization and ensure a cohesive understanding of all relevant KPI's.
- Improve QA and data issue resolution to allow HOPE to report to partners more often than quarterly.

## ***A Story of HOPE***

*"Byron was referred to Operation HOPE by one of our banking partners. A few years ago, Byron suffered an injury in an accident at his job. Soon after, he was laid off due to COVID. Unfortunately, he was not prepared for the uncertain times. Although he started working again, he was going through hardship and living paycheck to paycheck. His credit was affected because he could not pay his credit cards and other bills. He hired a credit counseling company but decided to cancel their service because he was paying too much and was not satisfied with the results. Although the credit repair company did assist Byron a little, he wanted to learn what he needed to do to repair his credit himself. During our sessions, we covered his financial assessment, budget, credit report, and work plan. In six months, he has negotiated \$7,180 of collection accounts and settled by paying \$5,500 using his tax return money. His credit score increased from 583 to 679. He was approved for a car loan in the amount of \$23,000 and now has dependable transportation. He opened a savings account and currently has an emergency fund of \$700. I have also noticed increased confidence from Byron and am proud of the success he has had.*

*The client states: 'Thank you, Mr. Jimmy, for educating me and my family and for giving us hope and courage so that minorities can also live without stress. I'll never forget what you told me when we met. You said that 'proper preparation will prevent poor performance.' I will always be grateful for what this organization does for people like me."*

**Jimmy Castro, Financial Wellbeing Coach, HOPE Inside Huntington Park, CA - Bank of America**

