

Institution: Coventry University		
Unit of Assessment: 17 Business and Management Studies		
Title of case study: Reducing the Public's Financial Vulnerability		
Period when the underpinning research was undertaken: 2015 - 2020		
Details of staff conducting the underpinning research from the submitting unit:		
Name(s):	Role(s) (e.g. job title):	Period(s) employed by submitting HEI:
Professor Sally Dibb	Professor of Marketing & Society	2016 - present
Dr Lindsey Appleyard	Assistant Professor	2015 – present
Dr Helen Roby	Assistant Professor	2017 – present
Dr Hussan Aslam	Research Assistant	2017 – present
Period when the claimed impact occurred: 2018 - 2020		
Is this case study continued from a case study submitted in 2014? No.		

1. Summary of the impact (indicative maximum 100 words)

In 2019, the Joseph Rowntree Foundation found that half of UK adults were financially vulnerable, with 8 million working-age adults, 4 million children and 2 million pensioners living in poverty; a situation made worse by the COVID-19 pandemic. A lack of ability to appropriately manage their personal finances can contribute to people's financial vulnerability. The underpinning research investigated the effectiveness of different approaches to help adults in low-middle income households to successfully manage their money. The findings created impact **by informing the policies** and **improving the practices** of national and community organisations that work **to reduce the public's financial vulnerability**.

2. Underpinning research (indicative maximum 500 words)

The primary underpinning research was a joint project between Coventry University (CU) and The Open University involving Dibb, Appleyard and Roby, funded by the Money Advice Service (2017-2018) as part of its What Works programme (hereafter the MAS project) (G1). The MAS project built on CU's strong track-record and coherent body of research on personal financial wellbeing, including projects funded by the AHRC, Barrow Cadbury, Carnegie UK Trust and internal Coventry University funding (2015-2018), which involved Appleyard, Dibb and Research Assistant Aslam (G2-G5). These other projects grounded the underpinning MAS research as follows: (i) informing understanding of the relationship between individuals' behaviour and their financial capability (G2, G5); (ii) clarifying the institutional and other causes of financial vulnerability (G3, G4); and offering deeper insights into the role of responsible lending in increasing financial resilience (R4, R5). All projects (G1-G5) contributed to developing the community, practice and policy network used during the MAS project (R3), with this network also subsequently used to support impact. Collectively these projects have been synthesised in a series of project reports and policy documents (R3, R6), and disseminated through internationally-regarded journals and conferences (R1, R2, R4).

Money Advice Service project

The MAS project (G1) included CU researchers Dibb (CU PI), Appleyard and Roby, with support from CU Research Assistants. Being financially capable can significantly improve an individual's ability to make good financial decisions (R1-R3). A research intervention with people in low-to-moderate income households showed that using teaching materials to improve these individuals' financial understanding increased their ability to make good financial decisions. The research tested the effectiveness of teaching materials that introduced them to simple budgeting and saving tools. The tools were designed to improve their day-to-day financial decision-making and help them build a modest 'emergency' fund to reduce their vulnerability to unexpected bills or financial shocks. The efficacy of several channels of delivering the teaching materials was tested with different participant cohorts.

Qualitative and quantitative data were collected across eight sites from 4,195 participants who were credit unions members, housing association tenants, local community residents and

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mature students from a HE college. Data were gathered pre- and post-intervention concerning people's attitudes towards money, their financial understanding, financial capability and financial behaviour. Qualitative data were collected via personal interviews, workshops and focus groups; with quantitative survey data gathered using a Randomised Control Trial design. Actual savings data from three credit unions was reviewed to provide tangible evidence of the intervention's effectiveness. The CU researchers were specifically responsible for the collection and analysis of the qualitative data. They also supported the design of the quantitative research instruments, contributed to the quantitative data analysis, co-authored the final project report, and led on the project impact work; working alongside non-academic project partners including Community Action: Milton Keynes, whose volunteers gathered data from local community members (R3).

The findings showed that the teaching materials and budgeting and savings tools improved the financial understanding of participants, so they understood how to budget, the need to save for the future and the importance of creating an emergency fund (R3). Qualitative feedback from the mature students and credit union members gathered in the months after the intervention also indicated improvements in financial capability, with many using their new skills to routinely save and budget. The quantitative data gathered from the credit unions involved in the project supported these results, showing that participants were more likely to budget and were saving an average of £21.73 more after one month (R3). Feedback from community volunteers in Milton Keynes found that the biggest effect was on reducing people's spending. The final project report concluded there was:

'...good evidence that a short, low-cost, behaviourally-informed intervention can work to improve financial behaviour and resilience, and can do so for people who are Just About Managing who are most in need of financial capability but tend to be hard to reach' (R3: p.51).

The findings also revealed more about the challenges people face and how they navigate the hard choices they encounter in managing their money. For example, new insights were gained into the complex role of emotional factors in influencing individuals to make economically inadvisable spending choices, even though these decisions sometimes increased their financial vulnerability (R1, R2). The intervention findings and the insights into individuals' financial behaviour (G1) were central to the activities that later led to impact from the project.

3. References to the research (indicative maximum of six references)

R1. Dibb, S., Merendino, A., Aslam, H., Appleyard, L. and Brambley, S. (2020) 'Whose rationality? Muddling through the messy, emotional reality of financial decision-making'. *Journal of Business Research*, DOI: <https://doi.org/10.1016/j.jbusres.2020.10.041> [2 October 2020].

R2. Dibb, S., Merendino, A., Aslam, H., Appleyard, L. & Brambley, W. (2020) 'The messy realities of financial decision-making and the policy implications for reducing financial vulnerability'. in *British Academy of Management Conference-in-the-Cloud*. Held 2-4 September 2020 at Manchester, UK.

R3. Brambley, W, Akter, S., Appleyard, L., Aslam, H., Degli Esposti, S., Dibb, S., Monne, J., Morris, J., Nguyen, T., Oliver, M., Roby, H., Siemers, O. and Zaksaitė, T. (2019) *Managing My Money for the Just About Managing: Final Report*. UK: The Money Advice Service. Available from https://pure.coventry.ac.uk/ws/portalfiles/portal/24938952/Open_University_Final_Evaluation_Report_Branded_1_.pdf [25 February 2021].

R4. Rowlingson, K. Appleyard, L. and Gardner, J. (2016) 'Payday lending in the UK: the regul(aris)ation of a necessary evil?'. *Journal of Social Policy* 45 (3), 527-543. DOI: <https://doi.org/10.1017/S0047279416000015>.

R5. Appleyard, L., Packman, C. and Lazell, J. (2018) *Payday Denied: Exploring the lived experience of declined payday loan applicants*. UK: Barrow Cadbury and Carnegie UK Trust.

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Available from <https://www.barrowcadbury.org.uk/wp-content/uploads/2018/11/Payday-Denied-Report-lores.pdf> [25 February 2021].

Grants

G1. Appleyard, L. (CoI), Dibb, S. (CoI) and Roby, H. (CoI) (2017 to 2018) *Managing My Money for the Just About Managing*. Money Advice Service: What Works Fund. Total grant amount: £400,000.00, funding to Coventry University: £123,251.00.

G2. Appleyard, L. (CoI) (2017) *How do we ensure responsible lending and borrowing?*. Arts and Humanities Research Council (AHRC): AHRC Follow-on Funding for Impact and Engagement. Total grant amount: £46,511.00, funding to Coventry University: £24,638.82, grant number: AH/P006019/1. Available from <https://qtr.ukri.org/projects?ref=AH%2FP006019%2F1> [25 February 2021].

G3. Appleyard, L. (PI) (2018). *Payday futures: sub-prime credit markets in transition?* Carnegie UK Trust: Enabling Wellbeing. Total grant amount: £28,904.00.

G4. Appleyard, L. (PI) (2016-2018) *Payday futures: sub-prime credit markets in transition?* Barrow Cadbury Trust: Economic Justice Programme. Total grant amount: £60,000.00.

G5. Appleyard, L. (PI) (2016) *Financial citizenship: building financial security, capability and inclusion in communities*. Coventry University: Pump-prime research grants scheme. Total grant amount: £7,583.00.

The quality of the underpinning research is indicated by peer-reviewed publications and project reports (R1-R5), and through peer-reviewed, competitively awarded grants (G1-G5).

4. Details of the impact (indicative maximum 750 words)**Overview**

The impact of the research was to significantly influence the policies and practices of national and community organisations that work to reduce the public's financial vulnerability. These organisations play a crucial role in improving individuals' understanding of their finances and their ability to manage them effectively. Prioritising this route afforded good reach for the impact and enabled access to large sections of the public. Changing these organisations' policies and practices provides a pathway to enable more individuals to access materials and tools that help increase their financial capability and lead in some cases to better financial decisions.

All achieved impacts have been undertaken subsequent to the underpinning research cited in section 2 and are attributable to it. The impact activities described draw on the underpinning research in several ways: (i) the findings have directly influenced the content of national and community organisations' policies and practices; (ii) impact materials created for these organisations have been informed by the project findings (G1) about how individuals can be helped to manage their finances; and (iii) insights into suitable channels and approaches for disseminating materials have informed how impact is achieved; for example, the underpinning research revealed preferences among younger participants to manage their money using apps and web-based platforms. These insights (G1) were the basis for a subsequent Coventry University Impact Acceleration project to create a free-to-use *MoneySkills* app (S1) as a vehicle for impact. The app, available via iOS, Android and in web-based format, has been used by several of the national and community organisations.

Below, the scale and scope of the achieved impact on the policies and practices of national and community organisations is shown, and the links with the research findings explained.

Impact on the policies and practices of influential organisations

Impact has been created with national organisations including the (i) **Money and Pensions Service**, (ii) **Salary Finance**, (iii) the **Centre for Community Finance Europe**, (iv)

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Creditspring; and (v) at a community level through organisations that work to reduce financial vulnerability, such as the **England Illegal Money Lending Team**.

After submitting our findings to the MAS Consultation on Working-Age Money-Management, we were invited to contribute to the future priorities and UK Strategy of the **Money and Pensions Service (MAPS)**, the national body formed from the 2019 merger of the Pensions Advisory Service, Pension Wise and MAS. Our findings showing the efficacy of digital education tools and the use of community partnerships to improve access to hard to reach audiences (R2), directly influenced the national future priorities, including in relation to the need for goals-based saving (S2). As the Policy Manager at MAPS confirmed (S3):

“Yes, your consultation contribution really helped. In fact, it fed into both our 2018/19 Business Plan and the Listening Document that is informing our national strategy.”

His email also explains the impact of our findings on their future work, including through three subsequent MAPS projects: the *Youth Checkpoints project*, which focused on supporting younger people’s financial capability; *Money Supporters project*, which embedded financial capability in front-line services; and a *local community partnership pilot*.

UK organisation **Salary Finance** (www.salaryfinance.com), which is recognised for its socially responsible approach to supporting employees’ financial wellbeing, used our research findings in a toolkit developed for its membership of over 500 UK employers, which represent circa 3 million UK employees. As Salary Finance’s Head of Financial Education explained, the research:

“...played an important role in shaping Salary Finance’s practices in how it supports employers to look after the financial wellbeing of their employees. This impact is seen in the practical toolkit created for employers to design financial wellbeing support in their organisations” (S4).

His letter gives specific details of three ways the project findings (G1) directly influenced the content of the financial wellbeing toolkit: (i) in emphasising the role of trusted ambassadors in supporting individuals to manage their money effectively; (ii) in demonstrating the importance for individuals to be able to access financial tools in a paper-based format; and (iii) in encouraging the sharing of stories to help individuals talk about their money.

The **Centre for Community Finance Europe** (www.cfcfe.eu), a membership organisation for 46 credit unions across Europe, invited us to produce a CFCFE White Paper (S5) on financial capability guidelines informed by the underpinning research findings (R1-R3). This was launched and promoted to its members, which offer services to 150,000 individuals in the UK (S6). The White Paper (S5) guided these credit unions on best practice: how these individuals can be helped to budget, save and set financial goals (R3) and avoid making emotional decisions that increase their financial vulnerability (R1, R2). This guidance included explaining the use of the *MoneySkills* app (S1). CFCFE state that:

“... the research from [CU] has shaped and continues to influence our practices in the advice we offer to our credit union members about how they can support the financial capability of their membership” (S6).

Direct feedback from the credit unions themselves shows that their practices in dealing with members who have accounts with them has changed as a result. For example, one credit union described it as a “great resource” and emphasised the need for resources like the *MoneySkills* app, while another is using the app to support the financial education of 18-30 year olds (S7).

Creditspring (www.creditspring.co.uk), a Fintech company, is using the *MoneySkills* app (S1) via its portal to support the financial stability of its 10,000 UK members, as their Marketing Executive explains:

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“The MoneySkills App is great for Creditspring members as the e-zines are super easy to use and helpful. Everything is straightforward and easy to understand, which our members value” (S8).

The underpinning research (G1) and contacts from earlier projects (G2-G5) have led to our findings about suitable money-management tools that use apps and web-based platforms influencing the content of training offered by the national **England Illegal Money Lending Team**. This training has used the *MoneySkills* app in a virtual course to prevent people from falling victim to loan sharks, and to help them rebuild their finances. In the six months since the course started in mid-2020, 123 people attended the training from organisations embedded within vulnerable communities, including: Citizens Advice, YMCA, Disability Advice, Big Local - Local Trust, the DWP, schools, colleges, councils, housing associations, mental health charities and the police (S9).

5. Sources to corroborate the impact (indicative maximum of 10 references)

S1. Dibb, S., Appleyard, L., Roby, H. and Aslam, H. (2020) *MoneySkills App* [online]. Available from www.moneyskillsapp.com [25 February 2021].

S2. Appleyard, L. and Dibb, S. (2018) *Submission to MAS Consultation on Working-Age Money-Management Commissioning Plan*: Money and Pensions Service (2019) *Listening Document* [online] (see pp. 38-39) available from <https://moneyandpensionsservice.org.uk/wp-content/uploads/2019/04/Listening-Document.pdf> [25 February 2021].

S3. Policy Manager, Money and Pensions Service (2019), testimonial email to Appleyard, L. Links provided in the email to demonstrate how the research (R1-R6, G1-G5) has impacted on the priorities set by the UK Money and Pensions Service:

- Money and Pensions Service *Our priorities for 2020/21* [online] available from <https://moneyandpensionsservice.org.uk/business-plan/> [25 February 2021].
- Money and Pensions Service *Listening phase and UK Strategy* [online] available from <https://moneyandpensionsservice.org.uk/listening-events/> [25 February 2021].

S4. Head of Financial Education, Salary Finance (2020). *CBiS Financial Capability Research and Impact*, testimonial letter to Dibb, S. and Appleyard, L.

S5. Appleyard, L. Dibb, S. and Aslam, H. (2020) *Financial capability: Supporting credit union members towards greater financial wellbeing*. Manchester: Centre for Community Finance Europe (CFCFE). Available from https://cfcfe.eu/wp-content/uploads/2020/09/202013_CFCFE013_Members_Financial_Capability.pdf [25 February 2021].

S6. Director of Research, Centre for Community Finance Europe (CFCFE) (2020) *CBiS Financial Capability Research and Impact*, testimonial letter to Dibb, S. and Appleyard, L.

S7. Sample feedback gathered from and subsequent to the workshop for credit union members of the Centre for Community Finance Europe that took place on 31 January 2020.

S8. Marketing Executive, Creditspring (2020), testimonial email to Coventry University.

S9. LIAISE Officer, England Illegal Money Lending Team, hosted by Birmingham City Council (2020), testimonial emails to Appleyard, L.