



Strategies to Meet the Challenge of Recruiting to AFI Projects

This resource document offers an overview of participant recruitment issues, such as basic eligibility rules and how characteristics of the targeted population and geographic areas affect recruitment strategies. It also discusses recruitment planning and provides hints and tips from several successful AFI Projects from across the nation.

The AFI Project Builder provides more suggestions about understanding your target populations and marketing and recruitment. The guide is available on the OCS Asset Building webpage at <http://www.acf.hhs.gov/assetbuilding>.

AFI Program Considerations

Eligibility

AFI participants must meet either of two basic eligibility criteria:

- Their household must be eligible for assistance through the TANF program on the day they apply for AFI; or
- The applicant's overall household income must be less than 200 percent of poverty on that day or the household must be eligible for the Earned Income Tax Credit on the day they apply. Applicants who apply based on their household income or EITC eligibility must also have a household net worth of less than \$10,000, excluding a residence and one automobile per household.

Some AFI Projects apply additional eligibility criteria, such as residence in a particular neighborhood, employment stability, prior completion of some form of financial education or asset training (such as homebuyer training), or demonstrated ability to save. Sometimes funders restrict use of their cash contributions to eligible members of particular groups, such as employees or workers in a particular industry sector.

The Importance of Place

Place or neighborhood targeting can be an important recruitment factor. As part of the process of applying for grant funds, grantees are asked to assess their target group's potential for asset-building. This assessment should include a review of the characteristics of the population to be served and the availability of affordable assets such as affordable housing, strong potential for small businesses, or access to postsecondary education or training that will boost the participants' earnings power over the

long term. Availability of complementary services, such as credit counseling, job placement, childcare, or transportation support, may be essential to find and keep successful participants. Another critical aspect of the targeted area is identification of other organizations that work with eligible individuals and can refer them to the AFI Project. If participants are saving for their first home, but, in the end cannot find affordable housing in a stable neighborhood where their investment will grow, then the goals of the AFI Project might not be met.

Other AFI Factors

Other AFI program requirements also affect recruitment planning. For example,

- Projects must allocate Project Reserve Account funds when the participant opens his or her IDA. AFI Projects should not enroll a participant and have them begin their IDA savings until the grantee has allocated the full amount of funds in the Project Reserve Account to match his or her savings.
- Projects operate in a five-year timeframe. Projects must recruit and retain eligible participants who are able and ready to make the long-term commitment to save in Individual Development Accounts and make an asset purchases within the AFI Project timeframe. While each AFI Project grant is for five years, the time available for any one participant to complete his or her savings and make the asset purchase may be substantially less than five years. Last, because of limited administrative funds, many projects choose to offer AFI IDA services for periods less than the full five years.

Recruitment 101

Designing effective and efficient recruitment is no easy task. Here are a few basic pointers.

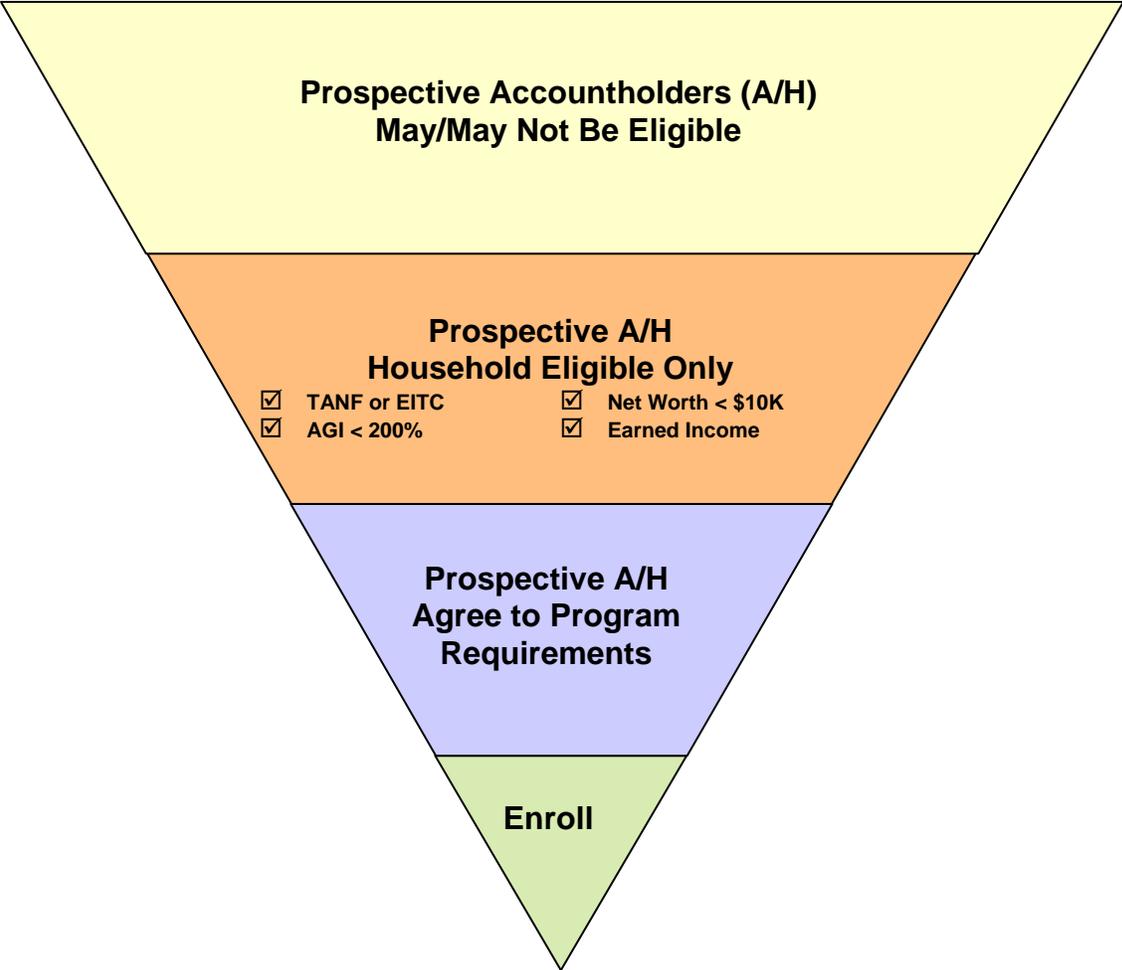
Develop a Clear Recruitment Plan

Think of recruitment as a series of three related phases:

- Phase 1: Understanding the target population and neighborhood;
- Phase 2: Developing and implementing marketing and outreach strategies to generate interest;
- Phase 3: Converting interested potential participants into enrolled participants who are likely to complete the training, meet their savings goals, and purchase their asset in the allotted time.

One way to think of the process is to envision a funnel, with a wide mouth at the top (the targeted population) and a narrow mouth at the bottom (successful AFI participants who exit with assets purchased as planned).

The goal of a recruitment plan is to maximize the number of participants who are carried forward from one phase to the next with a minimal expenditure of staff and financial resources. Per participant, the costs—staff time, printing or event costs, and the like—increase as you move from the top of the funnel to the bottom. Therefore, tight planning in the early stages is more effective than making wholesale adjustments later. In reality, almost every AFI Project makes some adjustments to their project design as they implement their project. One of the least effective approaches is to cast a huge net, attempting to reach all eligible individuals in a targeted area with a one-size-fits-all media blitz.



Understanding the Target Population and Neighborhood

Grantees usually consider their target population as part of their application for an AFI grant. However, it's not unusual for grantees to be faced with unanticipated challenges during project implementation. As you address recruitment issues, think about your target market and consider the questions listed below. Once you can answer these kinds of questions, you can begin to tailor your marketing and outreach efforts most efficiently.

- What is my target market?

Examples of target populations include current TANF recipients, residents of particular neighborhoods who meet eligibility thresholds, families your agency already serves through other programs, youth transitioning from foster care, ex-offenders, and entry-level workers with local large employers. Each of these groups has different priorities and different challenges that the recruitment plan must address.

- What do I know about my target market?

Points to consider include average earnings, likely living expenses for the basics, people's ability to save, and eligibility for other assistance in the purchase (such as other homebuyer programs). Other important factors are educational levels, which will affect your design and delivery of financial education as well as recruitment materials; and what relationships they may or may not have with financial institutions. Recruitment messages need to take such factors into account.

- Where do I find my market?

This question goes beyond where potential participants live. Perhaps most important to know is where and how they get information, where they gather, and whom they trust. Many an AFI Project has had to invest time and resources to create credibility, as potential participants often assume the idea of multiplying their savings is some kind of scam. This is where strong referral partners, whose staffs understand the project, may be invaluable.

Marketing and Outreach to Generate Interest in the Community

The goal of marketing and recruitment is to generate interest among potential participants who will actually enroll in your project. While you want to generate interest, it's important to devise your strategy to generate such interest among families who meet the eligibility criteria, not among families who are not eligible. So, be sure to target your marketing narrowly and keep it focused on people who will be eligible to participant—and who will be likely to succeed once they enroll.

Over the past few years, some AFI Projects' initial marketing strategies have failed to produce intended results. It's helpful to learn from those mistakes – and not to repeat them. Some grantees attempted to market their AFI Project to their existing clients without considering whether they would be good candidates for an IDA. For example, some tried to recruit participants in their food assistance

program. While these families were needy and trusted the agency, many of them were not really able to meet the savings requirements and accumulate enough IDA savings in the project's time frame. Similarly, some grantees developed information materials that gave too many details about their AFI Project, only to discover that all those details actually overwhelmed possible participants. If your description of the IDA savings and match process is too complicated, potential candidates may not respond. Finally, in the past, some grantees have relied on free advertising, with little success. For example, some attempted to promote their project on radio stations that their target market doesn't listen to. This only resulted in many calls from families outside of the target group or who were not eligible for AFI. This is a waste, even if the promotion or announcements are free.

Here are a few marketing strategies that have proved to be effective – and that can be tailored to your target group:

- AFI Project managers concur that word of mouth is an effective strategy for promoting an AFI Project. A successful microentrepreneur or homeowner will generate loads of questions and calls from potential participants, even just among friends and family.
- Publicize success stories in local media. This will produce much interest on the days immediately following when the story appears, so be sure you are prepared to field a large number of information calls in a short time.
- Coordinate with other agencies that understand, serve, and are trusted by your target groups. Such agencies will refer families and individuals who are likely to be interested. In effect, they can pre-screen and market your project to people they believe are ready and able to participate and succeed with an IDA. With these sorts of referrals, it is your job to make the sale, so to speak, by providing a clear and clearly understandable description of what your AFI Project offers to participants and what it requires of participants.
- Work with partner agencies to feature information about your AFI Project in existing financial education, credit counseling, homebuyer training, or business planning curricula or programs. Your staff or theirs (if trained) could present basic project benefits and requirements to individuals already showing interest in their financial futures.
- Offer enrollment in the AFI Project as a reward for participants who progress in other self-sufficiency programs you manage, such as adult education, job training, or youth development.
- Keep in mind that you should offer something your audience believes will help them achieve *their* dreams, not yours. Recruitment material—brochures, application forms, print or media spots—must speak the language of benefits. For example, enrolling and saving will lead to homeownership; learning to manage money will lead to less debt. Be simple, clear, accurate, and complete.
- Place or distribute project information where potential participants gather: consider daycare centers, schools, laundromats, grocery stores, and bus stops. Other service agencies may be good places to put posters and brochures, but will be most rewarding if agency staff understand your program and can answer basic questions. Therefore, training or at least general

information to other staff is important. Some venues, such as Head Start centers or the TANF agency, may require special attention. Staff of a TANF agency, for example, may already have many topics they must cover with too many individuals to explain your offering effectively. Parents or staff associated with a Head Start program may be eligible and even interested, but may not have the income or household stability to commit and succeed in your time frame. Using such partners must include attention to the specific conditions in each agency.

- Don't underestimate the value of staff and referral partners fluent in the languages of your target market, and be sure your materials are also accessible in multiple languages if appropriate to your target groups. Images or graphics should be compatible with your target as well. Be sure it is easy to come to your orientations or office with hours and locations that accommodate potential participants.
- Finally, offer a warm welcome to potential applicants who visit your office or partners' offices: don't greet potential participants with requests for documentation or other bureaucratic response; ask them about their dreams for the future.

Moving from Interested Person to Enrolled Participant

Be prepared to respond to calls or visits generated by your marketing and outreach activities. Whether you recruit steadily over a long period or in waves at designated times, you need to have knowledgeable staff to respond to calls for information. Responses must be as rapid as possible. If someone calls about your project, a delay of days in getting back to them can easily squelch interest and suggest that AFI IDAs lack high priority. Here are some strategies for responding to potential participants:

- Use a telephone script that asks for key evidence of interest in terms of personal goals and then basic eligibility information. Include a question about how the caller learned about the program to help gauge the impact of your outreach efforts. The same approach works for walk-in visitors and may also be effective if your project has several referring partner agencies. Note, however, that some individuals will not want to divulge personal and financial information to a stranger on the phone.
- Have frequent orientation sessions. Don't leave long gaps between when a potential participant asks for information and your response. Staff can respond quickly with the next available date and perhaps do a quick assessment of eligibility and interest. Group orientations may be more efficient than holding one-on-one interviews with all eligible queries.
- Use one-on-one meetings to sort strongly interested—and eligible—potential participants into two groups: those ready to start and those who should deal with some other issues first. Rather than turning away the second group, encourage them to overcome their barriers and come back later. Whenever possible, send them to other organizations that can help prepare them for your program, for example by working on credit repair or debt reduction, or increasing earnings. This will support project credibility and create a more positive reputation in the community. Information accumulated through such interviews could also suggest a shift in your asset

options, for example to focus more or less on education or homeownership, depending on level of interest and the types of challenges you find.

In addition to a prompt response to questions about your project, be prepared to clearly explain what the Project provides and what the participant is responsible for doing. For example,

- Offer an easy to follow illustration of a participant’s path from enrollment through saving, education and training, to asset purchase. (See example at the end of this document.)
- Use a Savings Plan Agreement that clearly lays out your services; your match rate; savings requirements, such as minimum deposit per period and frequency; policies regarding termination and emergency withdrawals; asset purchase requirements; and time frame. Participant requirements should be outlined clearly with respect to completion of financial education or training, improvement in credit or debt, and documentation for asset purchase.
- Clearly explain the IDA account procedures and encourage direct deposit.
- Devise checklists of documentation required, benchmarks, or other key indicators of participant progress. Share them with participants so they will be able to see their path and document their own progress. This strategy also will help your staff keep track of key information from the beginning.

Tip: Include intermediary benchmarks in your recruitment plan. If you track outreach activities, queries, applications, and enrollment, you will know whether you are progressing as needed to achieve project goals for enrollment and completion (according to your chosen match formula and minimum savings policies). If you need 25 enrollments per quarter and are getting only 15, it’s time to review the outreach and marketing activities, along with follow up to queries, to identify where you can make changes that lead to higher enrollment. Do not wait two years, for example, to improve enrollment. Remember that participants who enroll later have less time to meet their savings target, work on credit, and make their purchase.

Recruitment Advice from AFI Projects Across the Nation

Community Action Agency of Oklahoma City

Contact: Bonnie Schwartz, bschwarz@caaofok.org; Twyla Gable, tgable@caaofokc.org.

- Cross-train staff so they can explain the AFI IDA to families who are receiving other forms of assistance and promote the AFI Project in any venues where they make presentations.
- Carry out outreach and recruitment in “waves” or groups rather than as a continuous effort. Recruitment activities increase when the matching funds become available in the Project Reserve Account and taper off when those funds are committed.

- Partner with the state housing finance agency and the local public housing authority. This AFI Project has enrolled a number of residents who are already participating in a Family Self-Sufficiency plan. Such participants build up escrow funds that they may use in asset purchase, though not as contributions to their IDA. Several other AFI Projects are also using this strategy successfully, among them Penquis Community Action Agency and Community and Shelter Assistance Corporation of Oregon.

Covenant Community Capital Corporation

Contact: Lauren Gates, lauren@covenantcapital.org

- Post the project application form online, in PDF and Word formats, along with background information and a Frequently Asked Questions document, a graphic illustration of the process, and general information on the AFI IDA project. Include a checklist of required documentation and the Savings Plan Agreement. This grantee encourages interested parties to download the documents and complete them without coming into the office. Originals of necessary documentation, of course, do have to be supplied before applicants are officially enrolled. Those without Internet access can come to the office to apply or get forms from various community partners.
- Establish a fast track process for potential participants who can move through the AFI IDA process quickly. Time is a major factor for both the project and the potential participant. Some participants do not want to wait six months, even though AFI requires the six months, to make their purchase. For some participants this sounds too lengthy and complicated to be attractive to them. Covenant works with the participants over the first six month period to support their goal to move quickly through the process, while reinforcing the six month minimum requirement. Through this process some of our participants are able to purchase their asset in less than a year. Agencies need to find time to encourage participants in their ability to save, savings target, and asset target, as well as maintain their own capacity to sustain a project.

New Hampshire Community Loan Fund

Contact: Chris LeBrun, clebrun@nhclf.org

- Plan ahead and invite other organizations who work with AFI-eligible populations to participate in the overall project planning. Such partner organizations often become effective referral partners and help to craft effective messages based on their own experience of what appeals to a particular group. They may also alert you to particular challenges of specific groups.

Penquis Community Action Agency

Contact: Jennifer Giosia, jgiosia@penquiscap.org

- Reach out to local community colleges, especially to its programs that involve older women returning to school, as a strong source of eligible applicants who actually enroll and complete the asset purchase. Students already enrolled in postsecondary education constitute a likely pool.

- Require applicants to provide credit report as part of the application process. The report is the basis for one-on-one financial counseling that addresses general issues as well as the applicant's prospects in the AFI program. Credit history, or no credit history, is a critical factor. If a candidate's credit history presents challenges that are unlikely to be overcome in the time available, enrollment may not yield a successful participant and, instead, contribute to a negative view of your project in the community. Credit status is especially important for applicants planning on home purchase, but may also be an issue for micro entrepreneurs. Applicants with overwhelming problems are referred elsewhere for help and encouraged to come back when their situation has improved.

Pike's Peak Community Action Agency

Contact: Bart Givens, bgivens@ppcaa.org

- Publicize success stories to boost the number of queries and enrollment for the agency. Other AFI Projects, such as Penquis Community Action, also endorse the importance of publicity for the project and successful participants, with 40 percent of queries having heard of their program through the newspaper.
- Link up with local housing authorities or government or faith-based programs that implement HUD-funded programs that serve homeless families. The HUD programs provide education and work supports, such as childcare.
- Require an enrollment fee (as much as \$50) up front in order to ensure that new participants are truly interested and ready to succeed. This screening also decreases the resources required for additional outreach and recruitment. The fees are applied to general administrative costs of the project. Several other AFI Projects use enrollment fees, in some cases refundable at program completion.

Southern Good Faith Fund

Contact: Ramona McKinney, rmckinney@southerngoodfaithfund.org

- Make sure that referring partners know how the AFI Project helps them achieve their own organization's mission and goals. They should see the AFI IDA as another tool to reach their own targets.

Steans Family Foundation

Contact: Felicia Dawson, fdawson@fic-sff.org

- Consider whether the targeted community can sustain the program with respect to the availability of assets, such as affordable housing, as well as eligible and interested people. This grantee amended its original project plan in order to recruit people interested in accessible assets, such as education and small business, rather than housing.
- If a funder will provide match funds only for participants living in a specific neighborhood, be sure you know both who the eligible people might be in that neighborhood as well as what assets are accessible that fit the funder's definitions.

Wisconsin Community Action Program Association

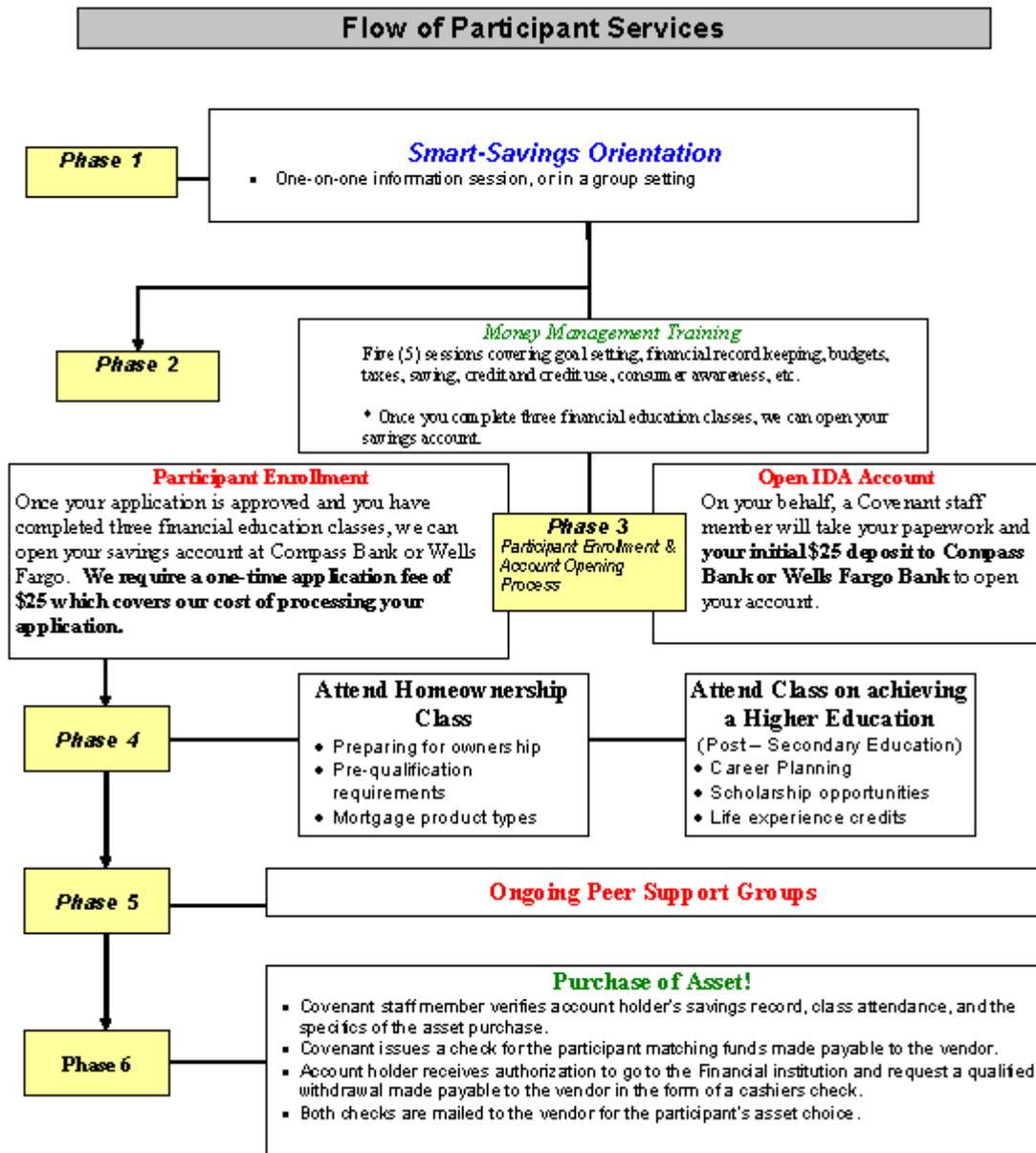
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- Keep consistent staffing, even if it requires additional funding. Partner organizations with high staff turnover are usually not as successful at recruiting and retaining AFI IDA participants. It is a plus if staff of other programs understand the AFI Project and know how participation in more than one program may benefit their clients.
- Provide regular staff training. With multiple partners and especially with networked projects or other multi-site efforts, regular training of staff is important, for staff retention and for program operations to go smoothly.
- For network projects, reallocate AFI IDA slots among sub-grantees that are more effective at recruitment.
- Keep alert for the “scam factor.” The program explanation of matching funds will sound too good to be true for many likely candidates. Word of mouth from successful participants may be the best strategy for countering any skepticism about the savings match.

¹ Long Vue, former IDA Program Coordinator for Wisconsin Community Action, provided these operational tips.

This is the Participant Flow Chart used by Covenant Community Capital in their AFI Project. You may also visit their site on line at: <http://www.covenantcapital.org>.

Covenant Community Capital: AFI IDA Participant Flowchart



For more information on this flow chart or other materials on the Covenant Community Capital Web site, contact Lauren Gates: com or 713.223.1864 ext. 15.