Future Self Tool

Helping people stay on track for financial goals (For practitioners)



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Training objectives

As a result of this training, you will be able to:

- Describe the role of the Consumer Financial Protection Bureau in promoting financial empowerment.
- Locate the Consumer Financial Protection Bureau resources
- Know how to use the Future Self Tool
- Identify when to use this tool to help clients visualize their long-term goals
- Use the Future Self Tool with clients



Introductions

- Your name
- Where you work and who you serve
- What is one financial topic that clients raise that could be considered part of longer-term goals and planning?



Future Self Tool

Introduction to the CFPB and the Office of Consumer Education



Introduction to the CFPB

- Consumer Financial Protection Bureau
- The CFPB is a 21st century agency that helps consumer finance markets work by making rules more effective, by consistently and fairly enforcing those rules, and by empowering consumers to take more control over their economic lives.



Office of Consumer Education (CE)

- Part of the CFPB's Division of Consumer Education and External Affairs
- Creates opportunities for people to make choices about money to better reach their own life goals.
- Develops and maintain tools, programs, and initiatives that provide information to consumers and serve individual financial well-being.
- Develops overall financial capability skills in financial decision making
- Takes steps to prepare the next generation for financial success by developing money management habits and skills for youth.



Future Self Tool

Helping people stay on track for financial goals



Opening Activity: Share your experience

- List some of the ways that you have observed clients keep themselves motivated to pursuing their long-term financial goals.
- Share with the group.



Exploring the Future Self Tool

 If you don't have the tool, download a copy now.

Future Self Tool

Introduction to the Future Self Tool

Help clients connect with their future selves to improve their financial futures

Research shows that people who feel a strong connection to their "future selves" are more likely to make financial decisions that benefit them in the long run. People can increase their connection to their future selves by vividly and realistically imagining themselves in the future. In turn, this stronger connection leads to actions that can help secure their financial well-being in the years ahead.

This tool is designed to help you motivate and support your clients toward their longer-term financial goals through exercises that strengthen their connection to their future selves. This can include supporting longer-term financial resiliency goals such as building emergency savings.

Read the research behind these exercises at bit.ly/38VHvqK.

This tool complements goal-setting and other financial planning tools by being:



Experiential – contains three interactive exercises that help clients connect to their future selves ten years from now. The exercises promote this connection by helping clients imagine their futures vividly and realistically. Visions of the future that are overly optimistic or overly pessimistic don't motivate people to take action.



Future oriented - is appropriate for clients who are working to save money, improve credit, or take other financial actions to meet financial goals three or more years into the future.



Motivational - helps clients feel emotionally connected to their future selves, which can help them take action steps toward their long-term financial goals and strengthen financial resiliency.



FUTURE SELF TOOL 1



Purpose of this tool

- Help clients connect with their future selves to improve their financial futures
- Improve follow-through on longer-term goals



About this tool

Experiential

□ Contains three interactive exercises

Future Oriented

 Focuses on goals three or more years into the future

Motivational

 Helps clients take action steps toward long-term financial goals

Future Self Tool

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FUTURE SELF TOOL 1



Introduction to the Future Self Tool

The Future Self tool is appropriate for clients who:

- Have a long-term goal (three or more years away) for their financial well-being
- Want to build their financial resiliency
- Need additional motivation toward their goal
- Can complete the exercise with a financial educator or coach



Introduction to the Future Self Tool (continued)

The Future Self Tool is not appropriate for clients who:

- Are currently experiencing a financial crisis
- Are currently experiencing any other kind of emergency
- Are only working on immediate financial goals
- Cannot work with an educator to complete the exercises
 - □ The tools should not be given to the client as homework



Tool structure

Prepare

Assess your client's situation

Connect

 Use one of the exercises to help your client connect with their Future Self

Take Action

 Help your client take an action step toward their long-term goal

Using the Future Self Exercises Prepare (10 minutes) Connect (20-30 minutes)

Prior to engaging your client in this tool, you will need to do a little preparation. The Practitioner Worksheet on the next page will help you:

Assess your client's situation – Review your client's long-term goals, motivation, and ability to complete the tool in a session with you.

Choose exercise A, B, or C – Review the exercise options and consider three factors to help you choose which one to use with your client.

Identify potential action steps – Next, identify a few action steps (for example, making one extra debt payment, opening a savings account, creating a budget) that your client can take immediately after the exercise

TIPS:

 It may help you to better understand the exercises and describe them to your clients if you do them yourself first. Next, in a session with your client, help them connect to their Future Self by having them complete the exercise you selected in the previous step.

Exercise A. Write a letter from their Future Self to present day self.

Exercise B. Draw a picture of their desired future reality.

Exercise C. Have a conversation with their Future Self.

Each exercise has a set of instructions for how to use it with your client.

TIPS

- The exercises ask your client to envision their life ten years into the future. It is fine if this is a longer time horizon than that for their long-term financial goal (which may only be three years).
- At the end of the exercise, ask your client to think of one action they can take in the next few weeks. Guide your client to break that action (or goal) into a series of small, simple, concrete steps, and help them find the easiest to take first.
- Encourage your client to think about their future in a way that is not too pessimistic or too optimistic.

Finally, help your client take an action step

Finally, help your client take an action step toward their long-term goal. Research shows that people are more likely to make good financial decisions immediately after exercises that enhance their connection to their future selves.

Work through the **Take Action worksheet** at the end of this tool with your client to facilitate a conversation about the exercise and take the action.

TIP:

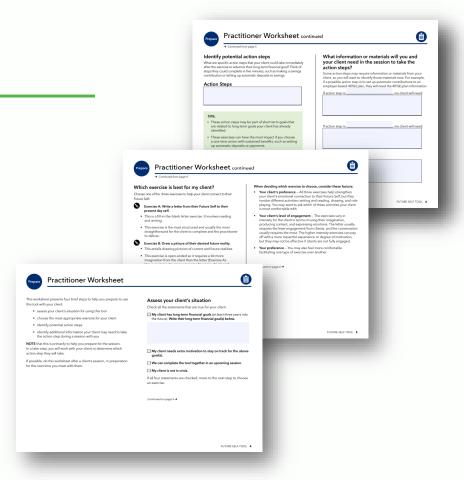
 Print this tool single-sided so your clients can take home the exercise and Take Action sheets as reminders of today's session.

FUTURE SELF TOOL 3



Practitioner Worksheet

- Assess your client's situation
- Choose the best exercise for the client
- Identify potential action steps
- Identify additional information your client will need to take the action step





Activity: Practitioner Worksheet

Assess your client's situation

- My client has long-term financial goals (at least 3 years in the future) write their long-term goal
- My client needs extra motivation to stay on track for the above goal(s).
- We can complete the tool together in an upcoming session.
- My client is not in crisis.



Which exercise is best for my client?

- Exercise A: Write a letter from their Future Self to their present-day self.
- Exercise B: Draw a picture of their desired future reality.
- Exercise C: Have a conversation with their Future Self.



Which exercise is best for my client? (continued)

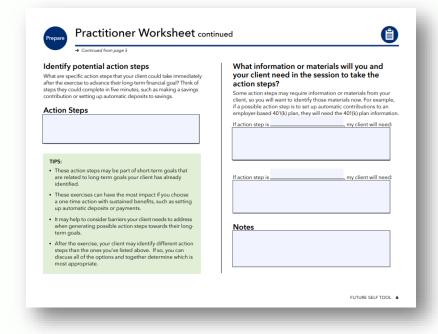
When deciding which exercise to choose consider these factors:

- Your client's preference
- Your client's level of engagement
- Your preference



Practitioner Worksheet

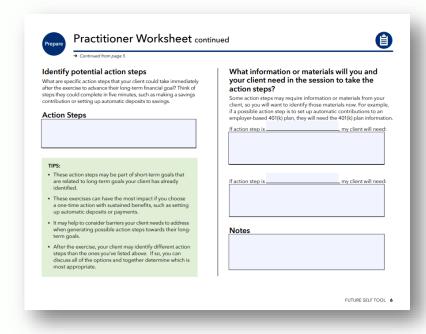
- Think of a client and the long-term goal they are trying to accomplish
- The action steps may be part of short-term goals related to long-term goals
- Choosing one-time actions with sustained benefits can be impactful
- Consider potential barriers the client will need to address to achieve goal





Practitioner Worksheet

- Identify potential action steps
- What information or materials will you and your client need in the session to take the action steps?





Exercise A – A letter from My Future Self

 Client writes a letter from their Future Self to their Present Self.



You-my y though w you know	is is your "Future Self," 42 -year old Alex. ounger self-have had a major impact on my life even e never met. I'm writing to tell you about my life and let
though wo	
you know	e never met. I'm writing to tell you about my life and let
,	
accou	how you influenced it. I'm working full-time doing
	nt management When I'm not working I
	me with my family . I live in my own home I bought
	the neighborhood is quiet and schools are good
	lot of time with my kids
	d like to spend more time with
	ny friends; it's hard to find time to get together
	e to go on vacation to Florida because
	relax on the beach and take my son to a theme park. One this
	ally like to do more of is make a garden and coach soccer.
	ny life is <u>busy but good</u> . To help me get where I an
	ı, my past self, did have to overcome ding my oredit so ı could buy my house To do that, yo
2 1	elf, paid off one bill at a time and watched my budget closely
	pest part of life today is seeing my kids do well in school.
	ay goodbye, I want to give you some advice based on earned. This is
	I know you'll reach your goals
	renow you a reach your gours .



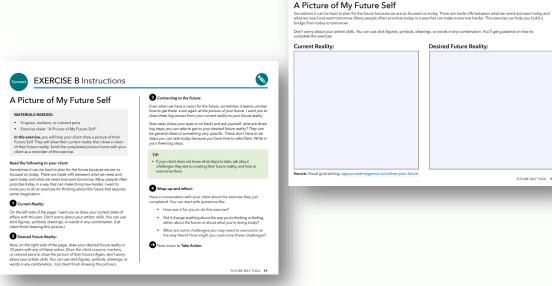
Exercise A – A letter from My Future Self (continued)

- Read the letter aloud
- Wrap-up and reflect
- Now move to Take Action



Exercise B – A Picture of My Future Self

Client draws a picture of their current reality and desired future reality.



EXERCISE B Instructions



FUTURE SELF TOOL 12

Exercise B – A Picture of My Future Self

- Connecting to the future
- Wrap-up and reflect
- Now move to Take Action



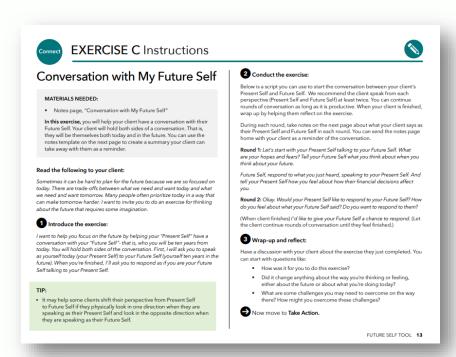




Source: <u>Draw Your Future | Up your Creative Genius with Patti Dobrowolski</u>

Exercise C – Conversation With My Future Self

 Client holds a conversation with their future self





Exercise C – Conversation With My Future Self

- Holding a conversation between your client's present self and future self
- Wrap-up and reflect
- Now move to Take Action

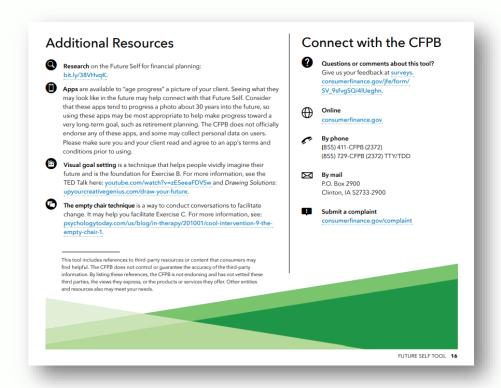


Action Step





Additional Resources





Closing



Wrapping up

- How will your organization share this tool with your staff and volunteers?
- How do you plan to use this tool with the people you serve?



Closing

- Let us know what you think!
 - Let us know how you use the Future Self
 Tool with economically vulnerable
 people that you serve.
 - News of your successes and constructive feedback helps the CFPB to develop new resources and enhance existing resources.
 - Give us your feedback at <u>surveys.consumerfinance.gov/jfe/form/</u> SV 9sfvgSQi4lUeghn.

- Visit <u>consumerfinance.gov/</u> to
 - Leave your questions or comments about this tool
- Visit <u>consumerfinance.gov/complaint</u> to
 - Submit a complaint

