

Financial Health

What Is It? Why Does it Matter?

Panel Discussion

Red Accion Meeting

May 9, 2019

"I spend more than what comes in—that's unhealthy"

—Betty | Nairobi, Kenya

"Financial stability is when you don't have to ask other people for help"

—Abraham | Nyahruru, Kenya

"Financial health is when I have what I need every day"

—woman from small group | Sinnar, India

"When you have no debt, that's when you're healthy."

—woman from small group | Sinnar, India

People across the world use similar words to describe financial health.

They desire to manage money effectively to meet day-to-day needs, pursue opportunities, and build resilience.

"Financial health is when you can pay your bills and have money left over."

—Phoebe | Nairobi, Kenya

"Financial health is a house and a good salary"

—Rahul | Mumbai, India

We will be financially healthy when all of us three brothers start earning and we start earning more"

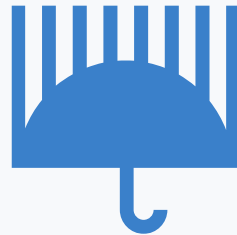
—Yogesh | Sinnar, India

Defining Financial Health: Three Elements

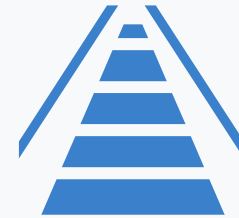
1. Balanced daily systems,
2. Resilience – ability to weather financial shocks
3. Ability to pursue important life goals



Day-to-Day



Resilience



Goals



**LEORA KLAPPER,
LEAD ECONOMIST, WORLD BANK**

As a Lead Economist in the Development Research Group at the World Bank, Ms Klapper focuses on corporate and household finance, banking, entrepreneurship, and risk management. Her research studies the impact of digital financial services, especially for women. She is a founder of the Global Findex, which measures how adults around the world save, borrow, make payments, and manage risk. Previously, she worked at the Board of Governors of the Federal Reserve System and Salomon Smith Barney. She holds a Ph.D. in Financial Economics from New York University.





GRETA BULL, CEO, CGAP

Ms. Bull has primarily focused on small and medium enterprise finance, microfinance, and digital financial services. She has worked with both financial services providers and policy makers in all major world regions. Previously, she was a manager for Financial Institutions Advisory Services at the International Finance Corporation. Her background includes senior positions at DAI Europe and at the Eurasia Foundation. She has a Master's in Public Policy from Harvard's Kennedy School of Government and an undergraduate degree from the University of Washington.



Accion Employee Financial Health Survey Results

71

Average Score of
Accion Employees

Standard Deviation: 15



Through this survey Accion identified emergency savings and student loans as areas of concern among its staff.