

Focus Groups Inform Disaster Preparedness Resources and Strategies

This article details the findings of a focus group study conducted with disaster survivors, professionals, and volunteers to explore disaster financial preparedness needs. During fall 2018, two Extension Educators led four focus groups to determine the need for additional disaster financial preparedness resources. The twenty-seven participants provided insights on disaster financial issues survivors encounter; financial knowledge, attitudes, skills, and behaviors that support financial resilience; sources of financial information and assistance; identification of current and needed financial preparedness resources; as well as recommendations on what good resources look like and how to make them accessible and utilized.

Lori Hendrickson, M.Ed., AFC, CFCS and Sara Croymans



The need for financial preparedness in times of disaster has been well documented. The National Oceanic and Atmospheric Administration (NOAA) reported that in 2020 there were 22 climate disaster events with losses exceeding \$1 billion each across the United States (NOAA, 2021). Being financially prepared for a variety of emergencies is a key factor in being resilient (Castillo, 2018). Larrimore et al. (2018) reported that 4 in 10 adults, when faced with an unexpected expense of \$400, would not be able to cover the expense or would need to sell an item or borrow money. The 2019 Federal Emergency Management Agency (FEMA) National Household Survey (2021) indicated that 69% of adults have saved some money for an

emergency, but only about half have saved more than \$700. Although many organizations have stressed the importance of disaster preparedness, levels of preparedness remain extremely low (Annis et al., 2016). Much of the existing literature focuses on emergency preparedness, with limited discussion of financial preparedness (Perry et al., 2001).

Few disaster financial preparedness resources were identified in a search. The Emergency Financial First Aid Kit (EFFAK; FEMA, 2019) focuses on the organization of financial paperwork (compiling, safeguarding, and updating important papers, and reviewing insurance). The Consumer Financial Protection Bureau's

(CFPB) website highlighted three steps for preparation (CFPB, 2021). A FINRA blog post (2019) discussed financial preparation basics, including developing a preparedness kit, and an inventory of personal belongings. Perry et al. (2001) explain preparedness as having necessary resources in place before a disaster or being able to obtain items as needed. In this review, we identified gaps in resources that assist people to take small preparedness steps and foster resilience.

OBJECTIVE

The objective of this study was to determine the need for additional disaster financial preparedness resources. We wanted to learn about current resources, information gaps, and content necessary for individuals to become financially prepared for disasters.

METHOD

Focus groups are an appropriate qualitative data collection method as they acknowledge participants as experts in their experiences (Levine & Zimmerman, 1996) and provide interaction with people having similar experiences (Kitzinger, 1995). Stewart and Williams (2012) identified that an online synchronous group allows geographically dispersed people to participate simultaneously. Web conferencing provided the opportunity to invite individuals from across the country, while still providing an environment similar to a traditional, in-person focus group (Tuttas, 2015).

Seven hundred ninety-three disaster professionals, volunteers, and survivors from across the U.S. were invited via email to participate in the

focus groups. These individuals were past workshop and webinar attendees, as well as listserv subscribers. Sixty-six people indicated an interest in participating. Twenty-seven individuals participated in one of four online focus groups held via WebEx. Participants represented 5 states (IL, MN, MS, MO, RI) and various agencies including Cooperative Extension, universities, governmental organizations, emergency managers, philanthropic, nonprofit, social service organizations, public health, emergency services, and disaster and faith-based relief organizations. Disaster professionals, volunteers, and survivors were equally represented in the focus groups.

A pilot focus group was held before the scheduled focus groups to determine if the questions were understandable and if the flow was appropriate. Each focus group was one hour in length with 4-11 participants. One educator facilitated the discussion while another took notes, identifying any significant nonverbal behaviors, although this was difficult in a virtual setting. We inquired about disaster financial issues survivors encounter; financial knowledge, attitudes, skills, and behaviors that support financial resilience; sources of financial information and assistance; identification of current and needed financial preparedness resources; and recommendations on what good resources look like and how to make them accessible and utilized. The specific questions asked during the focus group are included in Appendix A. Discussion notes, chat transcripts, and WebEx recordings were used in the qualitative analysis. Educators grouped responses to each question into themes. Using these themes, financial content and strategies were identified to assist in disaster financial preparedness.

FINDINGS

FINANCIAL ISSUES DISASTER SURVIVORS DEALT WELL WITH

Focus group participants were asked, “Think back to the last disaster you responded to or that impacted you. What financial issues were survivors better able to deal with and why?” Participants shared that survivors who had *cash on hand* were better able to recover. Those with *adequate insurance*, who understood their coverage, and had a positive relationship with their agent were able to recover more quickly. Participants emphasized that individuals who *organized their important papers* and *completed a household inventory*

before a disaster were better able to traverse the recovery phase. Participants indicated that individuals who were *financially stable* (adequate savings and manageable debt) before a disaster were more resilient, resulting in more recovery options and less stress following a disaster. In addition, participants shared that informed individuals, skilled in identifying and accessing services, navigate the recovery process better.

CHALLENGING FINANCIAL ISSUES FOR DISASTER SURVIVORS

Focus group participants were asked to think back to the last disaster they encountered. This time, they were asked, “What financial issues were more challenging for survivors to deal with and why?” Participants indicated that disaster recovery involves a lot of ‘red tape’ so survivors need to be tenacious self-advocates. The remaining themes mirrored responses to the previous question. Participants indicated that individuals with no or inadequate insurance faced more challenges. One participant shared, “Insurance is a complicated issue, and many are underinsured and they don’t even know it.” Individuals who had not organized their important papers (including contact information) were more overwhelmed as they faced challenges replacing documents. Participants emphasized that good communication skills were vital. Participants shared that individuals who lack savings and resources are less resilient, facing greater financial challenges. Also, participants pointed out ‘low-resource communities’ likely face greater housing and food insecurity issues immediately following a disaster.

FINANCIAL KNOWLEDGE, ATTITUDES AND SKILLS SUPPORT FINANCIAL RESILIENCE

Focus group participants were asked, “What financial knowledge, attitudes, skills, and behaviors support financial resilience in disaster recovery?” Participants indicated that *financially capable individuals* are more resilient. Financial skills mentioned included budgeting, saving for non-monthly expenses and emergencies, spending less than one earns, assessing risk management, and having adequate insurance. Participants indicated that *‘insurance literacy’* (the ability to understand coverage, assess adequacy, and having a positive relationship with one’s agent) was important. Participants mentioned that possessing positive communication skills and knowing the questions to ask impacted outcomes. Focus group participants also identified that those with *self-advocacy skills* were better able to find and access disaster recovery resources. Possessing decision-making, evaluation, and

and information-seeking skills, as well as the ability to deal with bureaucracy, were beneficial.

Participants were asked, “Where do people go to get information/assistance on getting their finances in order?” They identified community, nonprofits, social service organizations, community leaders, and local businesses. Friends, places of worship, and social media were identified as personal supports. Participants acknowledged that many people don’t know where to go for help.

CURRENT FINANCIAL PREPAREDNESS RESOURCES IDENTIFIED

Participants were asked, “Which resources are currently available to help survivors financially prepare for a disaster?” Participants identified: Cooperative Extension, EDEN, United Way, www.preparemybusiness.org, insurance companies, and United Policyholders. Governmental and non-governmental resources, Red Cross, FEMA, CFPB, Small Business Administration (SBA), www.Ready.gov, and the Internet were also identified as resources.

Many participants agreed that preparedness resources, in general, are lacking or those that are available are not being utilized. Some participants indicated most resources are related to recovery rather than preparedness. Participants stated that many resources are too complicated, only available in print, while others don’t meet low literacy, learning style, and language needs. Finally, when asked which resources were missing, participants identified basic financial education accessible to all, resources that motivate people to prepare, and simple planning tools. One participant pondered how to, “stress the importance of preparedness, [because] preparing itself is a privilege”.

CHARACTERISTICS OF GOOD RESOURCES

Participants were asked, “What would ‘good’ resources look like?” and “What delivery formats would allow survivors to be more financially resilient following a disaster?” Participants indicated *resources should be simple*, visually appealing, provide small action steps, use bullets, and provide checklists. Focus group participants emphasized that good resources should *utilize multiple delivery formats and tools*. Social media, podcasts, videos, and apps were seen as effective. On-demand online courses and packets with fillable forms were thought to be good while face-to-face disaster preparedness education was not a priority. Participants shared that good resources are *accessible for multiple*

languages and income levels. Good resources offer real-life stories that are relatable and encourage preparedness. Participants discussed that *offering incentives to motivate preparedness actions* might be beneficial. Finally, participants stressed the need to *find people, get their attention, and encourage action*. Participants suggested a matched savings program for low-income people who may find it difficult to set money aside for something that might never happen.



MAKING RESOURCES ACCESSIBLE AND UTILIZED

The next question asked, “What do we need to make resources accessible and utilized?” Responses included: *timing of resource delivery* (building upon existing designated disaster/weather weeks); *location of resource delivery* (offering resources where people currently receive information, such as laundromats or events like preparedness fairs); *diverse delivery strategies* (employing multiple formats to reach varied audiences and collaborating across organizations to maximize reach); and *incentivizing resource use* (offering incentives by financial institutions, insurance companies, or employers to increase preparedness actions).

DIVERSITY ISSUES RELATED TO PREPAREDNESS

Focus group participants were asked if there were specific issues of diversity that impact financial preparedness and resilience. One participant acknowledged, “The systems we have in place to help people become financially prepared and responsive have some barriers [related to diversity]”. Participants indicated that one’s *socioeconomic status* may impact their ability to engage in preparedness activities. Low-income individuals may not have the capability to save for emergencies. In addition, some may have trust issues with agencies that they feel have previously failed them, making them hesitant to consider options.

Participants shared that *cultural beliefs* may impact preparedness. Some cultures may not prepare as they believe their higher being will protect them. Other cultures forbid talking about bad things, such as disasters. Other cultures limit which family members participate in financial discussions or may simply rely on family for support. Another factor identified was *geographic diversity*. Rural people might believe they are already prepared and not respond to preparedness tips, while resources available in an urban area may make recovery easier.

SUMMARY

Disasters are occurring more frequently and having a greater financial impact on more people. Financial preparation for disaster may be overwhelming, resulting in many individuals being ill-prepared for the financial repercussions of a disaster. Because of these factors, there is a need for financial preparedness education. The focus group participants identified financial preparedness content and strategies to help individuals be more resilient and financially prepared. As data was coded, we found that several themes appeared repeatedly. *Key themes related to financial preparedness content* included: being financially stable and capable (including having adequate savings), having cash on hand, acquiring adequate insurance, being insurance literate, organizing important papers (including a household inventory, contact information, and a 'grab & go bag'), and having strong communication and self-advocacy skills. *Key themes related to delivery strategies included:* making resources and education accessible to all (multiple delivery methods and tools, appropriate for low-literacy and low-income individuals, appeal to multiple learning styles, available in multiple languages, and acknowledge cultural and geographic differences), and resources should be simple (easy to consume, visually appealing, include bullets, checklists, and small action steps). In addition, to create awareness and education it was suggested to build upon existing designated disaster and weather events, collaborate with other organizations, and reach people where they are at. Participants indicated that motivating people to act may require incentives.

Often, Extension's role has been in disaster recovery. Black (2012) identified that Extension is uniquely positioned for disaster work and encouraged greater work in emergency preparedness. We assert that Extension should serve as a catalyst for disaster financial preparedness, resulting in personal financial

We developed an infographic (Appendix B), Disaster Financial Preparedness: Start planning today! (Croymans & Hendrickson, 2020) to highlight the strategies identified in the study.

There are certain limitations to the study. The small focus group size and geographic representation from only five states limit the types of disasters experienced, impacting views and perceived needs. Earlier, we discussed non-verbal cues as being more difficult to identify in online focus groups. One strength in the study is the variety of participants involved in the focus groups (disaster survivors, volunteers, and professionals) and the diverse experiences each brought to the discussion.



CONTACT INFORMATION

Lori Hendrickson
Extension Educator
University of Minnesota Extension
1861 E. Highway 169 E.
Grand Rapids, MN 55744
lhend@umn.edu



You may click here to access the references, tables, and graphs for this article.

References

- Annis, H., Jacoby, I., & DeMers, G. (2016). Disaster Preparedness among Active Duty Personnel, Retirees, Veterans, and Dependents. *Prehospital and Disaster Medicine*, 31(2), 132-140.
<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5069973/>
- Black, L. (2012). Disaster Preparedness and the Cooperative Extension Service. *Journal of Extension*, 50(3), n3. <https://www.joe.org/joe/2012june/comm1.php>
- Castillo, C.J. (2018, December 18). *Resilience Starts with Financial Preparedness*. Association for Financial Counseling & Planning Education. <https://www.afcpe.org/news-and-publications/blog/resilience-starts-with-financial-preparedness/>
- Consumer Financial Protection Bureau. (2021). *Preparing, recovering, and rebuilding after disasters and emergencies*.
https://www.consumerfinance.gov/consumer-tools/disasters-and-emergencies/?_gl=1*18v9zg9*_ga*ODYzNDkzOTE5LjE2MTI5ODg5MjI.*_ga_DBYJL30CHS*MTYxNzkxNDYzOC43LjEuMTYxNzkxNDcxNC4w
- Croymans, S. & Hendrickson, L. (2020). *Disaster Financial Preparedness: Start planning today!* [Infographic]. University of Minnesota Extension Center for Family Development.
https://drive.google.com/file/d/1_y7hSEVwrOd_qJFBRvOfJ2UkGL25iZRD/view?usp=sharing
- Federal Emergency Management Agency. (2021). *2019 FEMA National Household Survey*.
<https://www.fema.gov/about/openfema/data-sets/national-household-survey>
- Federal Emergency Management Agency. (2019). *Emergency Financial First Aid Kit (EFFAK): Strengthen Your Financial Preparedness for Disasters and Emergencies*. https://www.fairfound.org/wp-content/uploads/2020/05/ready_emergency-financial-first-aid-toolkit.pdf
- Financial Industry Regulatory Authority. (2019, August 30). *Emergency Funds: As Hurricanes Bear Down, Lock Down Your Financial Emergency Kit*. <https://www.finra.org/investors/insights/lock-down->

[your-financial-emergency-kit](#)

Kitzinger, J. (1995). Introducing focus groups. *British Medical Journal*, 311(7000), 299–302.

Larrimore, J., Durante, A., Kreiss, K., Park, C. & Sahm, C. (2018). Report on the economic well-being of US households in 2017. Board of Governors of the Federal Reserve System.

<https://www.federalreserve.gov/publications/files/2017-report-economic-well-being-us-households-201805.pdf>

Levine, I. S., & Zimmerman, J. D. (1996). Using qualitative data to inform public policy, Evaluating choose to de-fuse. *American Journal of Orthopsychiatry*, 66(3), 363–377.

https://onlinelibrary.wiley.com/doi/pdf/10.1037/h0080187?casa_token=22eylbyj1ugAAAAA:dZGLV_OdFe8j79LuWe4GZRG18xi9PDI_5fH1tz5SpdGavTMIbcsnTTEb0euKpmy0V7vQowQS2TG_Q

NOAA National Centers for Environmental Information (2021). *U.S. Billion-Dollar Weather and Climate Disasters*. <https://www.ncdc.noaa.gov/billions/>

Perry, R. W., Lindell, M. K., & Tierney, K. J. (Eds.). (2001). Facing the unexpected: Disaster preparedness and response in the United States (Natural hazards and disasters). Joseph Henry Press.

https://www.academia.edu/download/49067950/Facing_the_Unexpected_Disaster_Preparedn20160923-26439-yqo3w1.pdf

Stewart, K., & Williams, M. (2012). Researching online populations: the use of online focus groups for social research. *Qualitative Research*, 5(4), 395-416.

https://journals.sagepub.com/doi/pdf/10.1177/1468794105056916?casa_token=bd6HDtmuvCAAAA:uT92vsAk2GKlf3QM6kAQWocQzCQjRohJrYammpiAj8LgwDZUkyg6kJdDf5JBugehEpa1Gxyg4Dg

Tuttas, C. A. (2015). Lessons learned using web conference technology for online focus group interviews. *Qualitative Health Research*, 25(1), 122-133.

https://journals.sagepub.com/doi/pdf/10.1177/1049732314549602?casa_token=3JDsAQvCu9IAA

[AAA:zcpt5BPWkLxFAXeW4vFMWPIIGhLRZQI1IpPuORXTxERB9LJz5V-rfZV8Fz-](#)

[bHNSwgA8wKHAROWQ](#)

Appendix A

Questions asked during the focus group included:

1. What financial issues were survivors better able to deal with and why? What financial issues were more challenging for survivors to deal with and why?
2. What financial knowledge, attitudes, skills, and behaviors support financial resilience [in disaster recovery]?
3. Where do people go to get information/assistance on getting their finances in order?
4. What resources are currently available to help survivors financially prepare for a disaster? How effective are current resources (which are meeting the need, missing the mark, or are missing altogether)?
5. What would good resources look like? What delivery formats would allow survivors to be more financially resilient following a disaster?
6. What do we need to make these resources accessible and utilized?
7. Are there issues of diversity that impact how individuals and/or families prepare their finances to be more resilient following a disaster?
8. What else would you have wished we discussed today? Are there items that you feel we missed in this conversation? What are other disaster preparedness or recovery needs that you think Extension should be looking at?
9. Of all the things we've talked about today regarding financial preparedness resources what is most important?

Disaster Financial Preparedness

Start planning today!



Create and use a spending plan

Income
Expenses

- Fixed
- Flexible
- Non-monthly/periodic

Balance bottom line



Develop an emergency fund

Keep 3-6 months of income liquid for unexpected uses.



Have cash on hand

- Banks may be closed
- Power outages means no credit cards or ATM's
- Allows continued purchasing



Determine debt to income ratio

Monthly debt payments ÷ monthly net income = debt to income ratio.



Review credit report

www.annualcreditreport.com



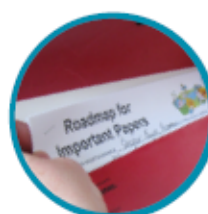
Develop household inventory

Serves as proof of possessions and helps determine insurance needs.



Review insurance

- Determine coverage
- Assess needs
- Understand how it works
- Identify needed changes



Organize important papers

z.umn.edu/grab-n-go



Seek assistance

z.umn.edu/disaster-prep



Questions? Contact:

Sara Croymans,
Extension educator
croym001@umn.edu