# Design Thinking Project Workbook

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# Team

## Team Name:

**SMART SAVERS**

## Team Logo:

## Team Members:

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# 2. Problem/Opportunity Domain

## Domain of Interest:

Personal finance and budgeting machine learning model that can help users manage their income, expenses, and savings.

## Description of the Domain:

Description of the Domain: The personal finance budgeting domain focuses on assisting individuals in effectively managing their financial resources to achieve their financial goals. Key elements include:

Budget Creation: Developing a personalized budget that allocates income to various expenses and savings.
Expense Tracking: Monitoring spending habits to identify areas where adjustments can be made.
Goal Setting: Establishing short-term and long-term financial goals, such as saving for emergencies or major purchases.
Budget Creation: Developing a personalized budget that allocates income to various expenses and savings.
Expense Tracking: Monitoring spending habits to identify areas where adjustments can be made.
Goal Setting: Establishing short-term and long-term financial goals, such as saving for emergencies or major purchases.
Challenges:

Financial Literacy: Many people lack the knowledge needed to create and stick to a budget, leading to overspending and debt accumulation.
Behavioral Barriers: Emotional spending and procrastination can hinder effective budgeting practices.
Complexity of Existing Tools: Current budgeting tools may be too complicated or not tailored to individual user needs, leading to frustration and disengagement.
Opportunities:
User-Friendly Solutions: There is an opportunity to develop intuitive budgeting tools that simplify the budgeting process and enhance user engagement.
Personalization: Offering customized budgeting strategies and reminders can help users stay on track with their financial goals.

## Why did you choose this domain?:

We chose the personal finance budgeting domain for several reasons:

Passion for Financial Empowerment: I am passionate about helping individuals take control of their financial situations. Effective budgeting can lead to reduced financial stress and improved overall well-being.
Market Demand: The increasing focus on financial wellness and literacy presents a significant market opportunity for innovative budgeting solutions.
Impact on Lives: By creating a budgeting tool, I can directly help people improve their financial habits, achieve their savings goals, and ultimately build a more secure financial future.
This domain resonates with my commitment to making a positive impact in people's lives by equipping them with the tools and knowledge needed to manage their finances effectively.

# 3. Problem/Opportunity Statement

## Problem Statement:

The growing complexity of personal finance management leads to significant challenges for individuals striving to balance their income, expenses, and savings. Many people struggle with overspending, lack of savings, and insufficient understanding of their financial health, which can lead to long-term financial instability.

## Problem Description:

The inability to effectively manage finances results in individuals not having a clear overview of their financial situation, leading to poor budgeting practices. Many people do not have tools that provide personalized insights into their spending habits, making it difficult to identify areas for improvement.

## Context:

This problem arises during monthly budgeting periods, at the end of the month when expenses need to be reconciled, and when planning for future financial goals. It is particularly acute during times of financial uncertainty, such as job loss, unexpected medical expenses, or economic downturns.

## Alternatives:

Currently, customers may rely on traditional methods such as spreadsheets, manual tracking of expenses, and generic budgeting apps that do not provide personalized advice. Some may also seek financial advice from friends or family, which can be inconsistent and not tailored to their individual circumstances.

## Customers:

The primary group affected by this problem includes young professionals, families managing household budgets, and individuals seeking to improve their financial literacy. Additionally, people living paycheck-to-paycheck or those with inconsistent income streams are often more impacted.

## Emotional Impact:

Customers frequently experience anxiety, frustration, and helplessness when trying to manage their finances. The stress of financial uncertainty can lead to feelings of inadequacy and overwhelm, especially when they struggle to save or manage debt effectively.

## Quantifiable Impact:

The measurable effects of poor financial management can include an increase in debt levels, failure to meet savings goals, and financial stress leading to reduced quality of life. For example, studies show that individuals who struggle with budgeting may overspend by an average of 20% per month, leading to financial losses of thousands of rupees annually.

## Alternative Shortcomings:

The measurable effects of poor financial management can include an increase in debt levels, failure to meet savings goals, and financial stress leading to reduced quality of life. For example, studies show that individuals who struggle with budgeting may overspend by an average of 20% per month, leading to financial losses of thousands of rupees annually.

## Any Video to showcase the problem:

https://www.youtube.com/watch?v=8LsD73abBYo&pp=ygUmcHJvYmxlbXMgaW4gcGVyc29uYWwgZmluYW5jZSBidWRnZXRpbmc%3D

# 4. Addressing SDGs

## Relevant Sustainable Development Goals (SDGs):

**SDG 1:** No Poverty

End poverty in all its forms everywhere.

**SDG 8:** Decent Work and Economic Growth

Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

**SDG 12**: Responsible Consumption and Production

Ensure sustainable consumption and production patterns.

## How does your problem/opportunity address these SDGs?:

**SDG 1:** No Poverty

By providing personalized financial insights and budgeting tools, the project can empower individuals to make informed financial decisions. This can lead to increased savings, better management of debt, and ultimately, a reduction in financial hardship. By helping users manage their finances more effectively, the tool can contribute to lifting people out of poverty.

**SDG 8:** Decent Work and Economic Growth

The financial literacy promoted by the budgeting tool can lead to better financial stability, enabling individuals to invest in their skills or entrepreneurial ventures. Improved financial management can lead to higher productivity and economic growth as individuals can focus on achieving their career goals without the stress of financial insecurity.

**SDG 12:** Responsible Consumption and Production

The budgeting tool encourages users to track their spending habits, promoting responsible consumption. By analyzing spending patterns, the model can suggest areas for reduction or optimization, fostering a culture of sustainability and awareness about financial resources. This can lead to more mindful consumption habits among users.

# 5. Stakeholders

## 1. Who are the key stakeholders involved in or affected by this project?

The key stakeholders are a faculty member from your college and a financial advisor who provides expertise in personal finance.

## 2. What roles do the stakeholders play in the success of the innovation?

The faculty member provides academic guidance, ensuring that the project aligns with educational objectives and incorporates sound financial principles. The financial advisor offers expertise and insight into practical financial management, helping to ensure the tool provides accurate and useful financial advice.

## 3. What are the main interests and concerns of each stakeholder?

Faculty Member: Interested in the educational impact of the tool, its alignment with curriculum goals, and its effectiveness in teaching students about personal finance. Concerns may include the accuracy of the financial advice and whether the tool meets educational standards.

Financial Advisor: Interested in ensuring the tool provides reliable financial guidance and adheres to best practices in personal finance. Concerns may involve the tool's applicability to diverse financial situations and the potential risks of users mismanaging their finances based on the tool's recommendations.

4. **How much influence does each stakeholder have on the outcome of the project?**

The faculty member has a moderate influence, particularly in shaping the educational content and ensuring the tool meets academic standards. The financial advisor has high influence due to their role in providing critical financial insights that impact the tool's effectiveness.

5. **What is the level of engagement or support expected from each stakeholder?**

The faculty member is expected to engage by providing feedback on the tool’s educational value and suggesting improvements. The financial advisor is expected to actively participate by offering expertise, reviewing financial content, and ensuring the tool's recommendations are sound.

6. **Are there any conflicts of interest between stakeholders? If so, how can they be addressed?**

Conflicts may arise if the faculty member wants to include detailed educational features that may extend the project timeline, while the financial advisor may prefer a more straightforward approach that focuses on practicality. To address this, open communication about project priorities and timelines can help balance educational depth with practical application.

7. **How will you communicate and collaborate with stakeholders throughout the project?**

Regular meetings will be scheduled to update both stakeholders on progress, gather feedback, and address any concerns. Collaboration tools (e.g., emails, project management software) will facilitate ongoing communication and ensure everyone is aligned.

## 8. What potential risks do stakeholders bring to the project, and how can these be mitigated?

The faculty member may raise concerns about the educational efficacy of the tool, which can be mitigated by involving them in the development process to ensure alignment with academic standards. The financial advisor may highlight risks associated with financial recommendations; these can be addressed by ensuring that the tool is based on sound financial principles and includes disclaimers about the nature of financial advice.

# 6. Power Interest Matrix of Stakeholders

**Power Interest Matrix:**

| | High Interest | Low Interest |
|---|---|---|
| High Power | Manage Closely | Keep Satisfied |
| | - Financial Advisor | - College Administration |
| | - Faculty Member | - Stakeholder Organizations |
| | | |
| Low Power | Keep Informed | Monitor |
| | - End Users (Students) | - Researchers/Academia |
| | - Project Team | - Community Organizations |

- High Power, High Interest (Manage Closely):

  Financial Advisor, Faculty Member

- High Power, Low Interest (Keep Satisfied):

  College Administration, Stakeholder Organizations

- Low Power, High Interest (Keep Informed):

  End Users (Students) , Project Team

- Low Power, Low Interest (Monitor):

  Researchers/Academia, Community Organizations