

Washington Asset Building Coalition 2011 Conference

High Impact Financial Education:

Using Adult Learning Principles and Participatory Training Methods in
Financial Education

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Developed and presented by Inger Giuffrida, Financial Educator
and Asset Building Consultant

Opener—Instructions for Group Activity

- ▶ As a team, **brainstorm 1 idea per card** in response to the question.
- ▶ Use marker.
- ▶ Pick a spokesperson.



Group 1: What feelings and emotions do participants bring to financial education with them?

Group 2: What experiences and resources do participants bring to financial education with them?

Group 3: What knowledge and skills do participants bring to financial education with them?

Opener—Instructions for Group Activity

Continued

- ▶ As a team, *brainstorm 1 idea per card* in response to the question.
- ▶ Use marker.
- ▶ Pick a spokesperson.



Group 4: Where do participants want to end up as a result of the financial education?

Group 5: Where do we as practitioners want our clients to end up?

Great Financial Education

The key to really great financial education is meeting participants where they are with respect to financial education and then providing them with the information, skills building opportunities and experiences that lead them to where they want to be and to new places they may not have known were possible.



Where Do Participants Start? What Do They Bring With Them?

What Do We Need to Provide to Create a Bridge?

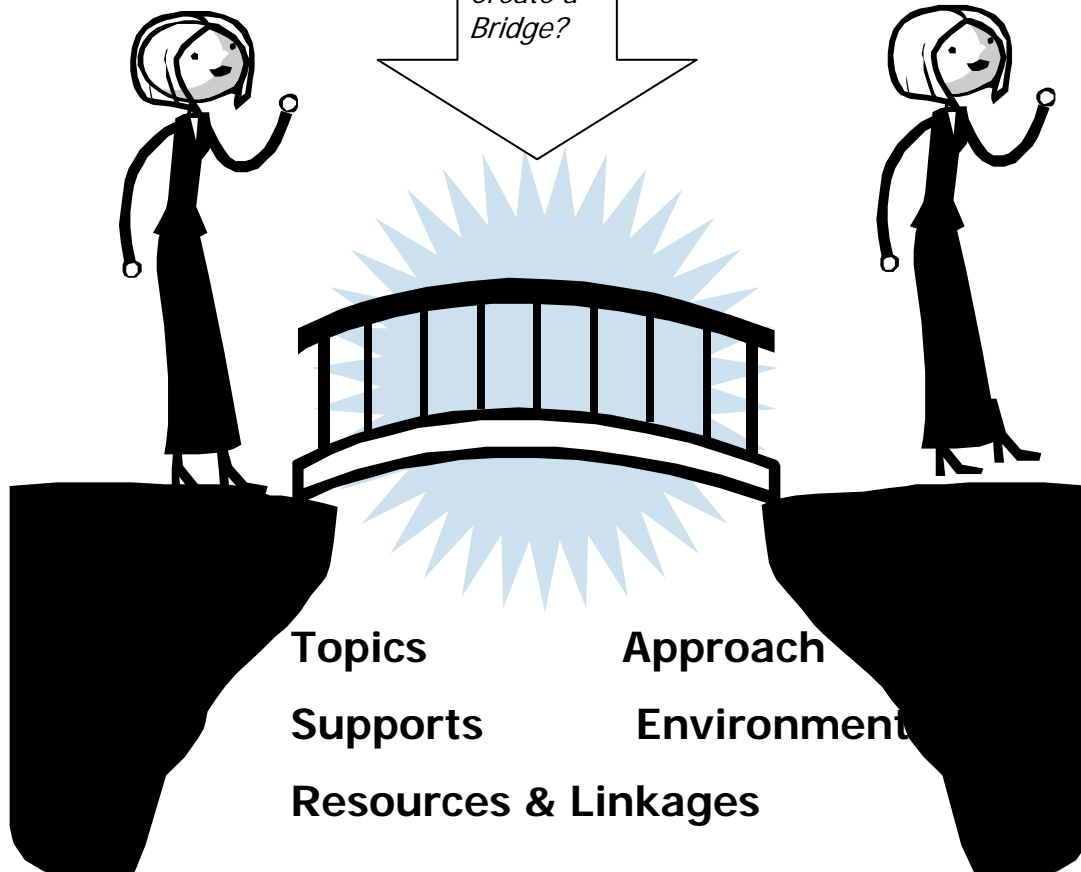
Where Do They Want to End Up? Where Do We Want Them to End Up?

Experiences

Feelings and Emotions

Resources

Knowledge and Skills



Opener

- ▶ We do that by:
 - Providing the right **CONTENT (TOPICS)**
 - Using the right **APPROACH (MODEL)**
 - In an **ENVIRONMENT** that is safe
 - Providing a variety of **SUPPORTS** along the way
 - And providing **LINKAGES** to **RESOURCES, SERVICES** and **PRODUCTS** that help them use what they have learned and reach their goals

Making the Case for Financial Education: The Macro-level Perspective

- **Formal education NOT systemically provided on understanding and managing personal finances even though this touches every person's life.**
- **Increased complexity of financial products and services.**
- **Increased number of choices for financial products and services; paradox of choices.**

Making the Case for Financial Education: The Macro-level Perspective

- **Increased and aggressive marketing of financial products, especially debt-creating financial products to individuals; deregulation of credit.**
- **Increased responsibilities for the average individual—retirement (shift from defined benefit to defined contribution plans), health care, and education.**
- **Increased complexity and instability in the financial services industry/financial markets as a whole.**

Financial Education

- ▶ Providing information, skills building opportunities, experiences and linkages to products, services and resources that build individual and family capacity to get, manage, and use their resources to maintain a healthy existence and achieve their goals and financial stability.
- Many definitions.
- Many approaches.
- Many topics.
- Many results.

Sidebar on Terminology: Staying ahead of the curve

Consumer education

Economic literacy

Financial literacy

Financial education

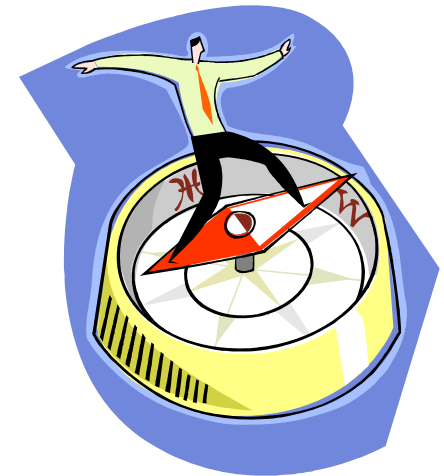
Financial fitness

Financial capability

What's next?

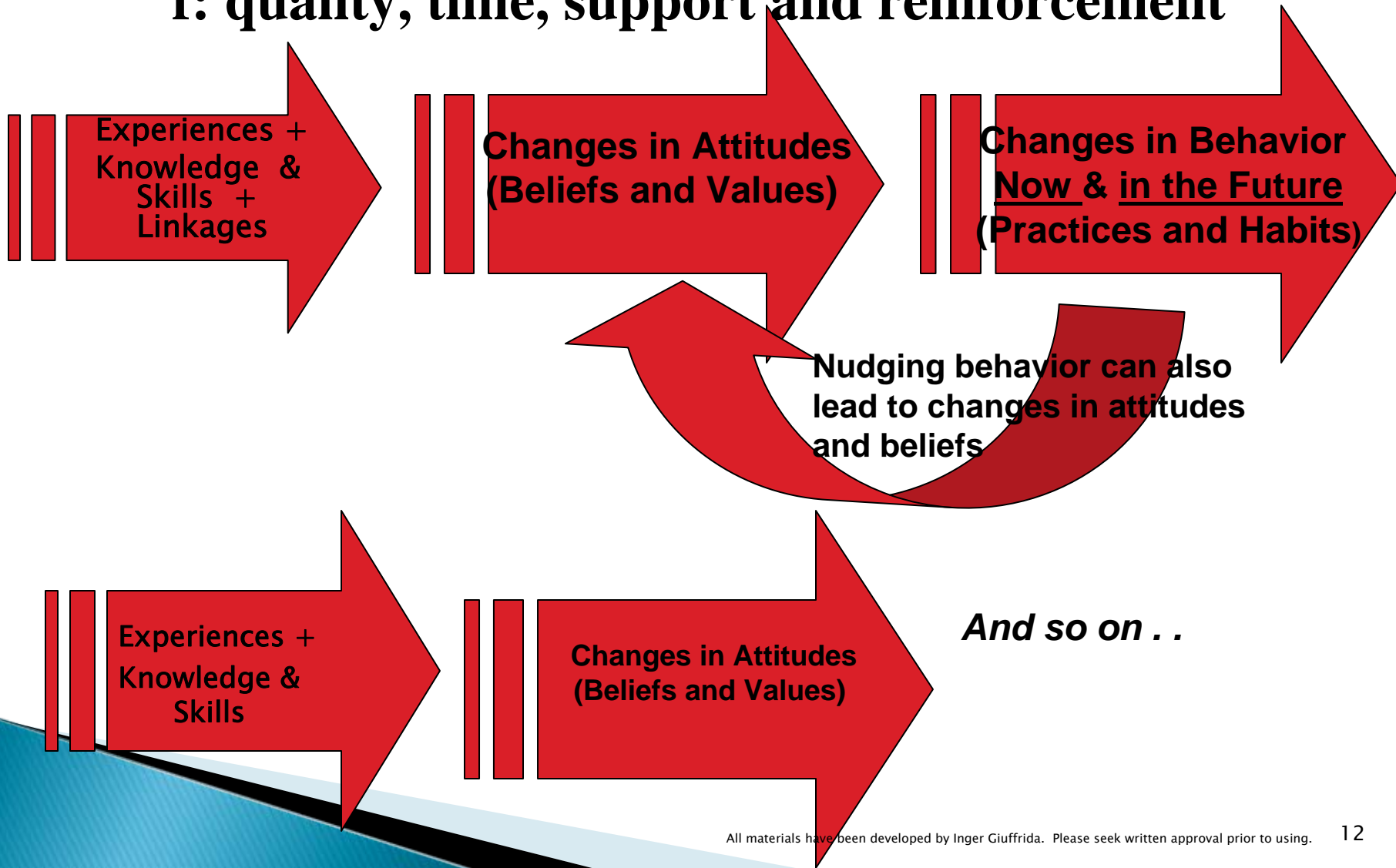
Theory of Change

- ▶ What causes someone's behavior or practice to change?

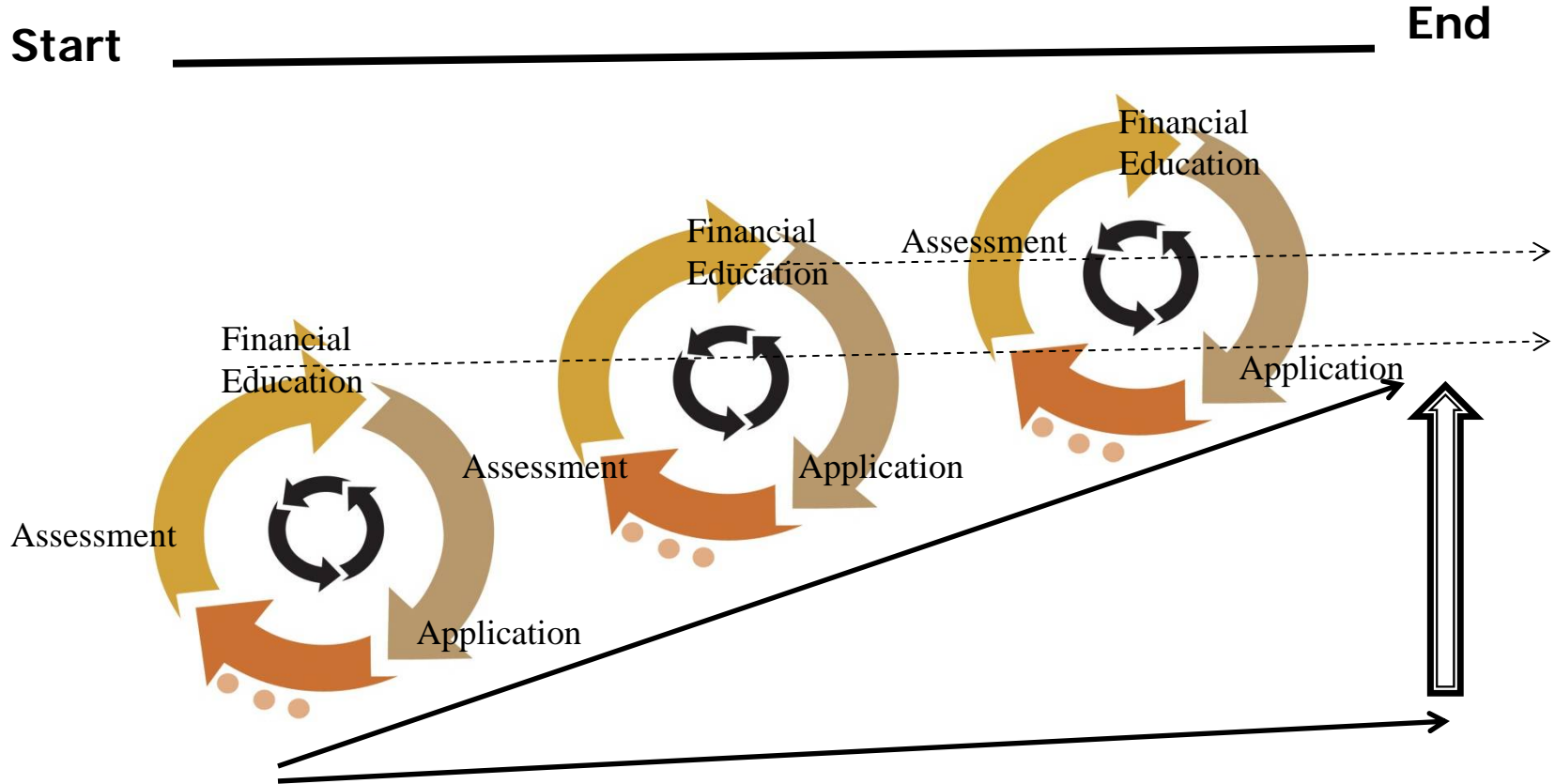


Behavior Change

f: quality, time, support and reinforcement



Reinforcement

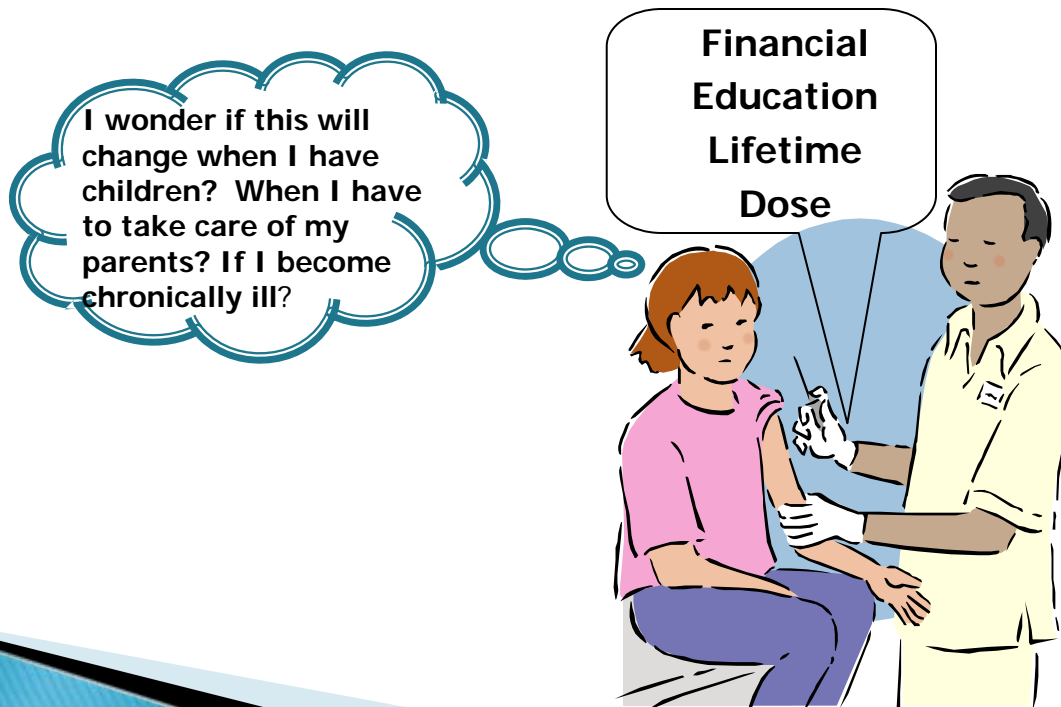


Theory of Change

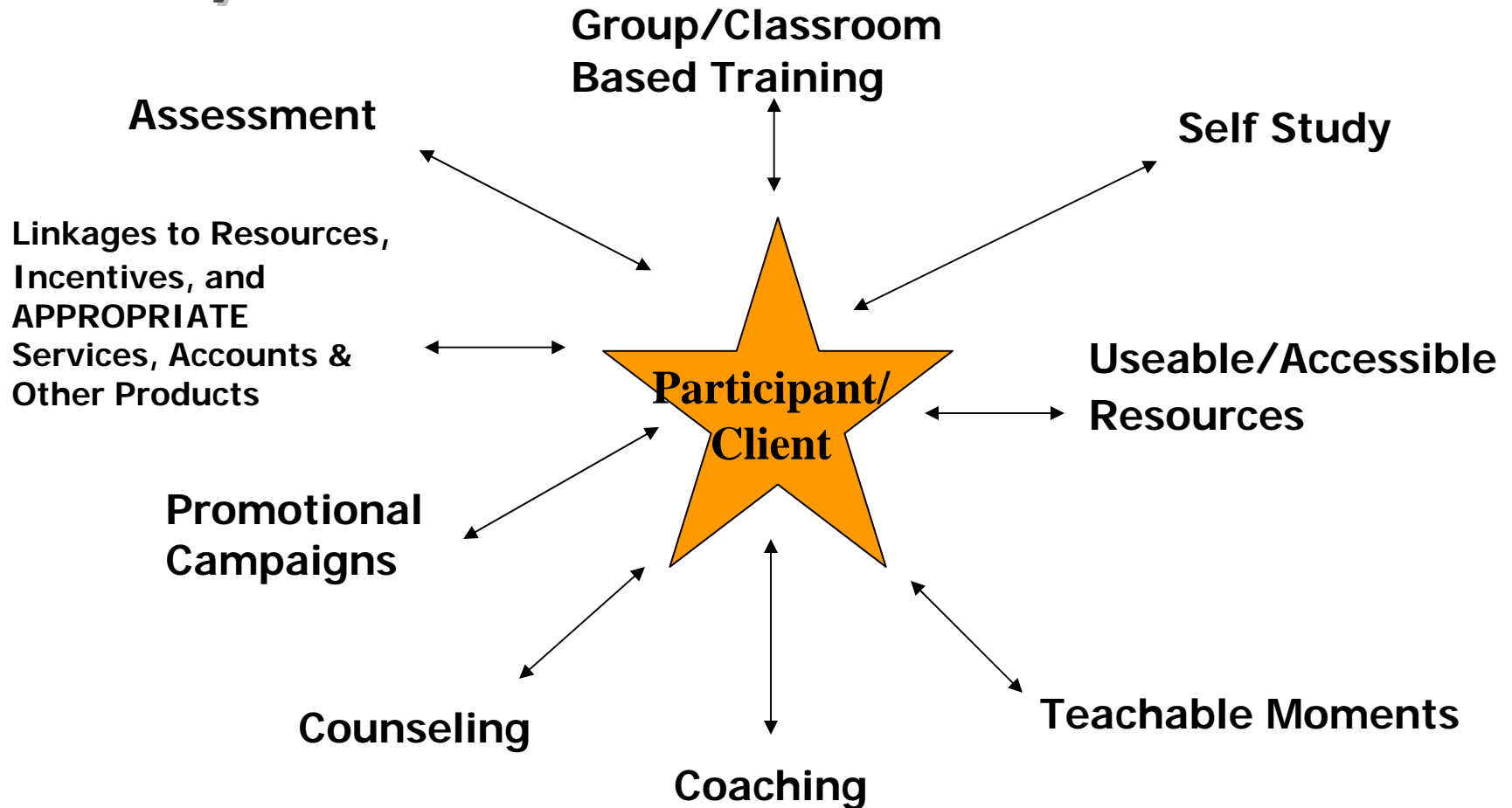
- ▶ Based on this model of change, what are the implications on the *design* and *delivery* of our financial education efforts?

Financial Education: A Perpetual System Rather Than Episodic

- ***A financial education course is not a lifetime vaccination ESPECIALLY GIVEN life stage/life cycle concerns.***



System of Financial Education



Ongoing Advocacy for Systemic and Policy Changes

Training that is E3

▶ **Effective**

- *Meets objectives (competencies) AND objectives meet the needs of the participants*

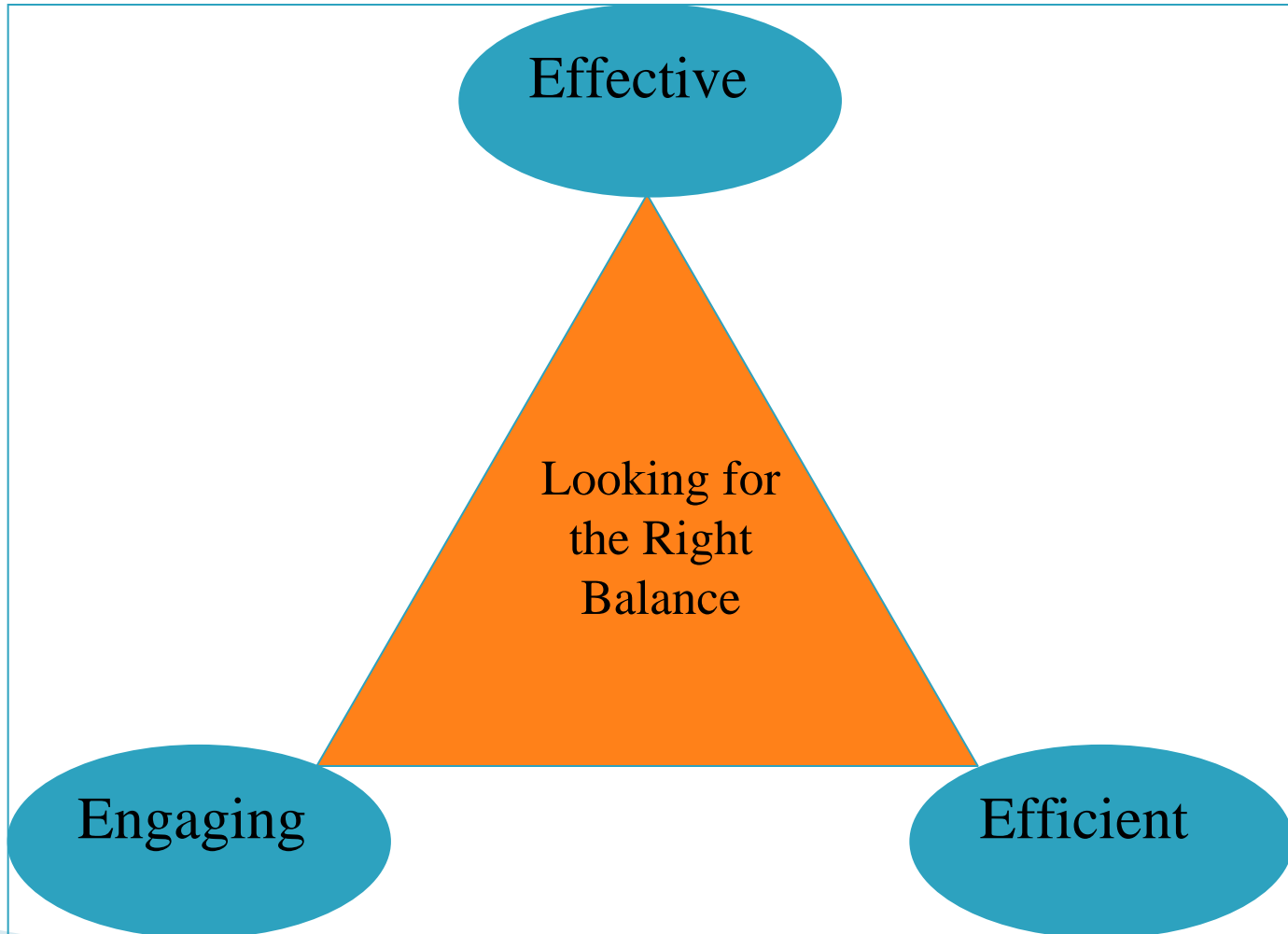
▶ **Efficient**

- *Uses time prudently to accomplish objectives*

▶ **Engaging**

- *Grabs learner and draws him/her into learning process, one another and the content*
- *Draws out his/her experience and knowledge*

E3 Tension



Key Elements of E3 Financial Education

1. **Skilled Facilitator** —what does a skilled facilitator know? What do they do?
2. **Based on the Principles of Adult Learning**
3. **Includes Assessment**



Key Elements of E3 Financial Education

4. **Well-Planned Training Tied to Behavioral Objectives/ Competencies with a Focus on Application that flow from Outcomes (Example)**



Example

- ▶ **Outcome** = Increase amount and regularity of savings.
- ▶ **Competencies** = Define savings and the benefits of saving; describe how they will find money to save; explain where they will save and their rationale; anticipate obstacles to saving and strategies for eliminating those obstacles; open and maintain a saving accounts; make regular deposits

Key Elements of E3 Financial Education

5. Content Relevant to Your Audience

What would youth transitioning out of foster care need v. older (>55) savers v. refugees from _____? (Table talk)

6. Balances the Diversity of the Learners



Key Elements of E3 Financial Education

7. **Appropriate & Accessible Location**
8. **Scheduling that Reflects the Needs of Your Target Audience Evaluation**
9. **Evaluation**



Key Elements of E3 Financial Education

10. Provides Options

II. Provides real linkages to resources and *appropriate* services and products that help participants use what they have learned, solve their problems and reach their goals

Adult Learning Principles

- #1 Adults need and expect to be treated with respect and recognition.
- #2 Adults are practical and want solutions they can implement for their real-life challenges.
- #3 Adults are self-directed and need to be given the opportunity to reflect on and analyze their own experiences.
- #4 Adults have different learning styles.
- #5 Adults need the support of their peers.
- #6 Adults need to be able to express themselves in ways that respect their own cultures.

Adult Learners

To children, experience is something that happens to them; to adults, their experience is who they are . . . The implications of this for adult education is that in any situation in which adults' experience is ignored or devalued, they perceive this as not rejecting just their experience, but rejecting them as persons."

–Malcolm S. Knowles

ALP Implications for Financial Education Efforts

- ▶ Adults need to integrate new knowledge, ideas and skills with what they already know if they are to retain and use the new information. If a new concept contradicts what they already know, it will take longer for acceptance and integration of the idea.
- ▶ *Allow sufficient time for topics that are in contrast with the participant's reservoir of experience and knowledge.*
- ▶ Adults tend to try to avoid making mistakes and errors are taken personally; therefore, they tend to take fewer risks in the learning process by adhering to “the way it has always been done.”
- ▶ *Provide effective feedback to create a safe environment that encourages individuals to try new skills, ideas or approaches to problem solving.*

ALP Implications for Financial Education Efforts

- ▶ Adults have a wide range of value sets and are at different life cycle stages; therefore, their viewpoints and ideas may vary widely, and they may feel alienated if their own values or life situations are not validated.
- ▶ *Approach both process and content from a variety of values sets and use examples reflective of a different life stages.*
- ▶ Adults have goals and expectations based on their own specific circumstances and learning is motivated by a desire to solve specific problems or situations through the acquisition of new information or skills.
- ▶ *Clarify participant expectations early in the coaching, counseling or training session.*

ALP Implications for Financial Education Efforts

- ▶ Adults bring a wealth of experience from their lives to the training and want to be acknowledged and respected for this experience.
- ▶ *Structure the training to allow for and encourage dialogue and sharing among the learners.*
- ▶ Adults arrive at training or coaching/counseling sessions after a full day of work in the home, at a job or both, and may be distracted and tired; therefore the meeting or learning environment should be comfortable and in the case of the training, it should be engaging with opportunities to practice what they are learning.
- ▶ *Ensure the training methods are varied and participatory, regular breaks are scheduled, long lectures are avoided and the physical space is comfortable.*

Core Philosophy

*Tell me and I'll forget.
Show me and I may not remember.
Involve me and I'll understand.*

--Native American Proverb

Training Methodologies

- ▶ Energizer
- ▶ Icebreakers
- ▶ Openers
- ▶ Exercises
- ▶ Case Studies
- ▶ Games
- ▶ Debates
- ▶ Simulations
- ▶ Role Play/Skit
- ▶ Listening Teams for Panels, Movies
- ▶ Presentation
- ▶ Brainstorming/NGT
- ▶ Discussion Panel



Individual, Pairs, Triads, Small Groups, Large Group

Retention

- ▶ 20% of what they hear
- ▶ 30% of what they see
- ▶ 50% of what they see and hear
- ▶ 70% of what they see, hear and talk about
- ▶ 90% of what they hear, see, talk about and do

Choosing Methodology

- ▶ Outcomes, competencies/objectives
- ▶ Nature of the content
- ▶ Size of the group
- ▶ Expectations of the group
- ▶ Your access to resources
- ▶ Your skill and comfort as a facilitator
- ▶ Is the methodology the most efficient approach? Effective approach? Engaging approach?

Choosing Content

- ▶ Linked to outcomes and objectives/core competencies
- ▶ Has immediate as well as long term application
- ▶ Relevant
- ▶ Interactive, fun and engaging
- ▶ Respects participant culture

The Role of the Target Audience

All decisions about what should be covered in financial education and how it should be covered flow from the needs, personal assets, and aspirations of the target audience.

Examples of Turning Lecture into Activity

- ▶ Credit Scoring—a new way to approach information typically delivered in lecture format
- ▶ Difference among debit, credit and ATM cards—a new way to approach information typically delivered in lecture format
- ▶ Budgeting—using a simple simulation to understand the budgeting process
- ▶ Energizers—fun ways to energize a group

Facilitator Biography

Inger Giuffrida, Financial Educator & Asset Building Consultant

Inger Giuffrida has operated her own consulting business for nine years. As a financial educator and asset-building consultant, she has developed and delivered financial education “training for trainers” to thousands of practitioners in the asset building field across the United States and Canada and is frequently asked to be a keynote speaker or featured trainer at state and national conferences.

She served in the U.S. Peace Corps in East Africa, ran a community-based non-profit in Michigan helping women with low income build businesses and achieve economic security, and led the asset-building department at a think tank in Washington, D.C. She has written several nationally distributed financial education curricula, including one named the best financial literacy curriculum of the year by the Financial Literacy Institute.

She is currently developing a national financial education program for Jim Casey Youth Opportunity Initiative, a foundation dedicated to helping young people make the transition from foster care to independence; serving as the lead trainer and TA provider for United Way Worldwide and FINRA Investor Education Foundation; developing resources and training and serving as a lead trainer for the Financial Literacy Enhancement Initiative for the AFI Resource Center (Abt Associates); serving as project consultant for the Pioneer Library System Smart Investing @ your library® initiative; and providing financial education for Citizen Potawatomi Nation’s youth asset building camp, among other projects.

She has served on numerous community boards and has volunteered in every community in which she has lived. Currently, she serves on the board of the Oklahoma JumpStart Coalition for Personal Financial Literacy, the steering committee of the Oklahoma Asset Building Coalition, the Family Impact Council for United Way of Cleveland County, the Truman Elementary PTA and the Pack 217 Committee. She also founded Touch a Truck Day, a fundraiser for the children’s section of the Norman Public Library in 2005. She holds an MBA from Western Michigan University and a BS in Business Finance from Miami University. She lives in Norman, OK where she resides with her spouse, two young children and a house full of pets.

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