Financial capability research: New work and future directions

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Pillar 1: Expand Financial Information education and counselling to 1 million low income Canadians
Components of financial capability

1. Objective knowledge
2. Financial self-efficacy (perceived f.c.)*
3. Opportunity to act

Via Margaret Sherraden (2013)
Model 1: Direct model

Objective knowledge \( c \) Saving outcomes
Model 3: Partial mediation

Objective knowledge \[\rightarrow\] Fin. Self-efficacy \[\rightarrow\] Saving outcomes

\[a \rightarrow b \rightarrow c\]
Using CFCS to understand the impact of any financial education or coaching..
Financial capability of human service professionals

Pillars 1, 2, and 4
Financial capability and social work

• Financial Capability and Asset Building for All - a Grand Challenge for social work in 21st Century

• FCAB meetings
  • Gathering of sw educators and practitioners
Levels

- Case level
  - Broker
  - Advocate
  - Educator

- Worker
  - Understand – and perhaps improve – your own financial capability; training and certification
  - Integrate into assessment and planning

- Agency
  - Measurement, evaluation

- Community
  - Advocate
  - Organize

- Political
Financial stages

• **Clients in financial crisis**
  • Earning and spending
    • Tax-related questions
    • Education about public benefits
    • Spending plans, tracking spending, managing bills
    • Legal issues – theft and fraud

• **Asset poor families**
  • Spending
  • Saving
    • Setting goals
    • Managing assets – tracking
  • Borrowing
  • Protecting

Collins & Birkenmaier (2013)
Financial stages

- **Family service clients (general)**
  - Major life events have financial implications
    - Career changes
    - Marriage
    - Separation and divorce
    - Birth
    - Death
  - Children with disabilities
  - Domestic violence
  - Older clients
  - Children in care

Collins & Birkenmaier (2013)
Other action

• University students as researchers
• Comparative work with other countries
Thank you

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