Delivery Models for Financial Literacy Interventions: A Case Study Approach

Spring 2008
Prepared by SEDI

Acknowledgements

Financial support from Industry Canada to conduct the research on which this report is based is gratefully acknowledged. The views expressed in this report are not necessarily those of Industry Canada or of the Government of Canada.

SEDI also gratefully acknowledges the support of Elaine Kempson and Adele Atkinson who acted as reviewers of this research.

This research was also made possible with the kind cooperation of management and staff at case study research sites, and key informants who lent their expertise and time to reaching the research goals of this project.

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SEDI 2008

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Executive Summary

The ability to make informed financial decisions is essential for basic functioning in Canadian society, as in all countries with complex financial systems. These decisions range from simple daily spending and budgeting, to choices of insurance, banking or investment products, to saving for major life events like retirement and education or purchases like a home. These individual and household decisions and behaviours have profound impacts on the financial security, well-being and inclusion of individuals and families.

For some time, interest in financial literacy has been growing in Canada. In 2007, the Federal Budget Plan dedicated 3 years of funding support for financial literacy programming for Canadians with a focus on youth. The 2008 Budget Plan increased the commitment to $2 million per year on an ongoing basis.

Yet, with increased support comes increased demands from funders and other stakeholders to understand not only the need among the public for financial literacy supports, but also what constitutes effective programming. This paper describes research undertaken to explore effective practices in the delivery and evaluation of financial literacy programs, both nationally and internationally, in an effort to contribute to the identification of best practices and innovative delivery.

Recent research in Canada reveals that there is no shortage of financial literacy products and services available to Canadians, yet a large portion of those resources are only available to those who can afford them. At the same time, only a handful of programs are targeted towards those who also have much to gain from financial literacy training: low-income earners. These programs tend to be delivered through the community sector. Consultations with Canada's non-profit sector suggest that, while the demand for financial literacy supports from clients of community organizations is growing, the ability to meet those demands is not. This is primarily attributed to resource constraints as funding for financial literacy programs through the community sector is uncoordinated and, therefore, scattered and often short-lived.

To date no meta-analysis specific to Canada has been done to consider effectiveness in financial literacy programming and evaluation among existing financial literacy resources. This research project, therefore, seeks to explore the following:

- Issues in effective delivery of financial literacy interventions;
- Issues in measuring program effectiveness; and
- Examples of effective delivery of financial literacy interventions in Canada.

The research approach for this study consisted of a literature review of evaluation methods applicable to financial literacy, a document review of current practices in delivery and evaluation of financial literacy and key informant interviews with experts in the field of delivery and assessment of financial literacy program outcomes. This complimentary three-pronged approach served to create a framework for effective financial literacy programming. The framework was then used to choose 5 examples of financial literacy programming in Canada for in-depth analysis using case study methods. Five case studies examined include the Financial Basics program (FCAC, Investor Education Fund and George Brown College); The Independent Living Account Project at Fort York Residences; Money Skills: Partnership to build strong community (Family Services of Greater Vancouver); Money Management Training Program of non-profit agency SEED (Supporting Employment and Economic Development) Winnipeg Inc.; and Your Money Matters Program at ASPECT (The Association of Service Providers for Employability and Career Training) of British Columbia.

Conclusions from this research focus on key issues in delivery, effective practice and practical evaluation as drawn from contextual case examples of financial literacy programming and include:

- While several basic skills are important to developing financial literacy, the most important skills are not necessarily related to topics as important skills are generalizeable across topics.
- Despite the difficulties of evaluating outcomes of financial literacy interventions as explored in this research, the guiding principle to effective financial literacy intervention has included an approach that focuses on client outcomes rather than objective knowledge acquisition. It is the subjective change in knowledge, confidence and behaviour that, while difficult to measure effectively, programs and interventions should strive for.
- While a convenient way to deliver financial literacy is through the targeting of individuals through life stage changes, this strategy needs to be supported by longer term interventions where these learnings are reinforced once the 'teachable moments' have passed.
- Measuring consumer gaps in skills, confidence and knowledge accurately will require long-term follow-up evaluation and on-going process evaluations of the program itself. The sites that underwent case study review in this research all demonstrated some ability to assess client knowledge, attitudes and/or behaviour over the course of the intervention and all have recognized the need to follow-up with learners in the long-term in an effort to better understand client outcomes over time.
- While there is some skepticism around the ability of open-ended and client-focused programming to be able to reach scale, the case studies reviewed in this research demonstrated ways in which scale can be pursued without undermining the commitment to client-focused service.
- While measurement of positive outcomes of financial literacy programs on clients is important, this research has also revealed that effective processes in program implementation are also an important part of effective programming.
- In terms of summative evaluations, or measuring client outcomes, each intervention, again, will balance the capability of the delivery agent to perform rigorous and meaningful evaluation against the need to understand client outcomes in order to better serve clients.

Introduction

The ability to make informed financial decisions is essential for basic functioning in Canadian society, as in all countries with complex financial systems. These decisions range from simple daily spending and budgeting, to choices of insurance, banking or investment products, to saving for major life events like retirement and education or purchases like a home. These individual and household decisions and behaviours have profound impacts on the financial security, well-being and inclusion of individuals and families.

For some time, interest in financial literacy has been growing in Canada. In 2007, the federal Budget plan dedicated 3 years of funding support for financial literacy programming for Canadians with a focus on youth[1]. The 2008 Budget Plan increased the commitment to $2 million per year on an ongoing basis.

Yet, with increased support comes increased demands from funders and other stakeholders to understand not only the need among the public for financial literacy supports, but also what constitutes effective programming. This paper describes research undertaken to explore effective practices in the delivery and evaluation of financial literacy programs, both nationally and internationally, in an effort to contribute to the identification of best practices and innovative delivery.

For the purpose of this and other research, SEDI proposes that financial literacy is a three-dimensional construct that includes:

Financial knowledge and understanding: The ability to make sense of and manipulate money in its different forms, uses, and functions, including the ability to deal with everyday financial matters and make the right choices for one's own needs.

Financial skills and competence: The ability to apply knowledge and understanding across a range of contexts including both predictable and unexpected situations and also including the ability to manage and resolve any financial problems or opportunities.

Financial responsibility: The ability to appreciate the wider impact of financial decisions on personal circumstances, the family, and the broader community and to understand rights, responsibilities, and sources of advice or guidance[2].

Financial literacy is a continuum along which all consumers may move however market structures may be creating particularly vulnerable groups. At the same time, financial and government services are evolving quickly and in ways that place a greater burden of responsibility for informed decision-making on individuals. We should expect that financial skills, understanding and confidence will only continue to increase in importance for all Canadians.

Recent research in Canada[3] reveals that there is no shortage of financial literacy products and services available to Canadians, yet a large portion of those resources are only available to those who can afford them. At the same time, only a handful of programs are targeted towards those who also

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1 Government of Canada, *Aspire to a Stronger, Safer, Better Canada: Budget Plan 2007,* (Ottawa: Government of Canada, 2007), http://www.budget.gc.ca/2007/pdf/bp2007e.pdf

2 Adapted from: SEDI, *Financial Capability and Poverty: A discussion paper*, (Ottawa: Policy Research Initiative, 2004).

3 SEDI, *Environmental Scan of Financial Capability Products and Services in Canada,* (Toronto: SEDI, 2006).

have much to gain from financial literacy training: low-income earners. These programs tend to be delivered through the community sector. Consultations with Canada's non-profit sector suggest that, while the demand for financial literacy supports from clients of community organizations is growing, the ability to meet those demands is not[4]. This is primarily attributed to resource constraints; funding for financial literacy programs through the community sector is uncoordinated and, therefore, scattered and often short-lived.

Classroom-based resources tend to be educational and offer consumers the opportunity to interact with course instructors, classmates, and to get specific questions answered. They are also, however, labour intensive for the delivery agent and represent a small proportion of the overall offering of financial literacy resources in Canada in terms of audience reach. Resources in the form of products, such as web pages or brochures, tend to have a broader reach, target more general audiences, are geared towards providing information rather than education, and can be easily accessed by consumers with low intervention from delivery agents[5]. Rarely, however, are these available from neutral sources, in fact many are available in conjunction with the sale of financial products and services.

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The research approach for this study consisted of a literature review of evaluation methods applicable to financial literacy, a document review of current practices in delivery and evaluation of financial literacy and key informant interviews with experts in the field of delivery and assessment of financial literacy program outcomes. This complimentary three-pronged approach served to create a framework for effective financial literacy programming, which is discussed later in this paper. The framework was then used to choose 5 examples of financial literacy programming in Canada for in-depth analysis using case study methods. Conclusions from this research focus on key issues in delivery, effective practice and practical evaluation as drawn from contextual case examples of financial literacy programming.

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4 SEDI, *Financial Capability: Learning from Canadian Communities,* (Toronto: SEDI, 2006).
5 SEDI, *Environmental Scan*

Methodology

Overview

In order to arrive at a framework that would identify effective financial literacy programming, this study employed a complimentary multiple method qualitative approach. First, a literature review of secondary, academically reviewed articles and grey literature was performed to gather information about financial literacy program evaluation. The survey of this literature was broad, intending to generate a comprehensive understanding of issues in evaluation ranging from its effect on program delivery, challenges in implementation, and challenges in interpreting results.

A document review of currently existing programs from around the world was also undertaken and a spreadsheet of programs was assembled that charted program evaluation approaches, delivery approaches, program reach and results. The spreadsheet consisted of 20 examples of programs from around the world with different approaches to delivering financial literacy. Programs varied by size, location, target audience, end-goal, evaluation type, results, objectives, delivery type, and learning tools; information on each program's components as they refer to these categorizations were detailed. The review had two intended uses: first, to develop a critical mass of key components that describe a broad scope of financial literacy programs that in turn helped to select programs for case study review. The second was to gather candidates for potential case study review with emphasis on programs from Canada (See Appendix A – Financial Literacy Program Samples).

Key informant interviews were then conducted with 10 experts in the field of financial literacy program delivery and evaluation in Canada, the UK and the US. Appendix B lists the key informants. The key informants were asked to comment on a brief consultation paper that described issues in programming as well as evaluation. Questions for informants were geared towards identifying components of effective program delivery and evaluation. Appendix C details the key informant discussion guide. Key informant feedback was used to revise and synthesize the framework with support from the project methodologist who oversaw the validation of the framework (described below in *Program Delivery: Assessment Framework*).

The assessment framework (see Appendix D) was used to select a judgment sample of five financial literacy interventions from Canada for case study review. According to Yin (1984) a case study is "an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used[6]." Case study methodology was chosen in this case to offer a broad, balanced and in-depth or 'vertical' view of financial literacy successes. To date, most attempts at discussing financial literacy programs have been made across sectors and endeavours. By focusing on single programs and the various environmental, organizational and other tertiary factors that influence their success, the case study approach allows for a discussion of effectiveness in context. From the case studies, principles and guidelines for further consideration in the development of financial literacy programs were generated (see *Conclusions* later in this report).

An effort was made to ensure the judgment sample included a wide range of interventions, with diverse characteristics such as variation in target audience, delivery method, objective, location, size and sector. Guidelines for collecting case study data were developed taking into consideration the

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[6] R. K. Yin, *Case study research: Design and methods,* (Newbury Park, CA: Sage, 1984), p. 23

assessment framework (See Appendix E – Case Study Guidelines). As such, this part of the study was descriptive in nature rather than prescriptive where the objective was not to test a hypothesis, but rather to collect a wide spectrum of information on effective delivery and evaluation in practice.

Limitations

Limitations in case study data collection were few, concentrated mostly on the difficulties of extracting data from organizations, for example grey data that is often buried in company files or on websites. These were not always available for review and direct communication with staff was used heavily to supplement with information on quantitative and qualitative aspects of program development, management and evaluation.

A key concern in performing the case studies was ensuring an unbiased and objective research approach while extracting information from a highly-invested subject. Few organizations or program leaders are likely to be willing to divest information about a program if they regard the report as reflecting poorly on their work. While this was a concern in designing the case study guidelines, it did not materialize largely in practice. Case study respondents were largely staff and managers of programs who welcomed the opportunity to have their programs profiled as examples of innovative and effective work regardless of any possible disclosure of shortcomings they encountered during program development and implementation.

The resulting set of case study sites, while drawing on informants that were willing to respond objectively to questions, yielded only 1 case study where the program had been in operation for longer than 5 years. This is not surprising as previous studies have revealed that a lack of consolidated and long-term funding for financial literacy interventions creates an environment in which programs and services are delivered in an ad-hoc or short-term basis[7]. While longevity was not included in the framework for effective financial literacy programming, it cannot be understated that without continuity and longevity, it is difficult for a program to be measured for effectiveness. Currently, effective financial literacy programs in Canada with a longer history that allow for feedback to be generated, incorporated and then re-assessed are extremely rare.

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[7] SEDI, *Financial Capability*

Literature Review : Effective Evaluation in Financial Literacy Interventions

Focusing on articles that address financial literacy program evaluations, this review sought to answer 4 key questions:

- What can funders and policy-makers reasonably expect from impact evaluations of financial literacy interventions in terms of size of the impact, scope of the impact and duration of the impact?
- Can evaluations of financial literacy interventions show impact on financial behaviors such as use of mainstream banking, savings, uptake of public financial programs and benefits?
- Can evaluations of financial literacy interventions show impact on financial confidence such as consumer confidence in the use of electronic banking services or participating in disclosure and know-your-client processes in the sale of financial products and services?
- Can evaluations of financial literacy interventions show impact on vulnerable consumers?

Considering the full scope of effective evaluation

Increasingly, literature on financial literacy program evaluations has revealed that traditional approaches to measurement of results are no longer sufficient and new standards need to be installed across all programs. Traditional "program outputs" such as the number of program participants, programs delivered, and educational materials distributed, are inadequate tools to take full stock of the socio-economic capital built through such programming[8]. Before entering into a discussion of what the right metric of changed financial literacy at the participant level might be (i.e. behavioural change, knowledge change or attitudinal change are most often referred to as key measures of effective programming), it is important to consider whether the scope of evaluations should not also take into consideration program operations. It is important to know the characteristics of the program to understand where to attribute positive or negative results. For example, a certain program may yield positive outcomes in the participants, not because of high quality program structure or content, but because of a highly skilled facilitator for that particular session.

The work of Fox, Bartholomae and Lee strongly promotes a standardized framework for evaluation, making the case for both formative and summative evaluation types to be included in any such framework[9]. Summative evaluations attempt to discern and measure participant outcomes from a specific program or intervention. These evaluations include outcome evaluations, impact evaluation, cost-benefit analysis and broader meta-analysis. Formative evaluations attempt to discern from current planning or practice how to best implement and reform program delivery. These evaluations include needs assessment, evaluability assessment, structured conceptualization, implementation evaluation and process evaluation[10].

Borrowing from Francine Jacobs' five-tier approach to evaluation, the authors describe the process that effective programming must follow in order to leverage effective summative evaluations. These

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8 A. Lyons, et al., "Are We Making the Grade? A National Overview of Financial Education and Program Evaluation", *The Journal of Consumer Affairs* 40, no. 2 (2006).

9 J. Fox, S. Bartholomae and J. Lee, "Building the Case for Financial Education", *The Journal of Consumer Affairs* 39, no. 1, (2004): 195-214.

10 This section borrows from Introduction to Evaluation Methods. http://www.socialresearchmethods.net/kb/intreval.htm

steps are: program and client pre-implementation considerations, accountability, program clarification, progress towards objectives, and, finally, impact[11]. Formative evaluations focus on the context in which the program is delivered; while seemingly irrelevant to the measurement of program outcomes, this important stage of creating organizational 'readiness' to implement the program goes far to ensure program sustainability.

In *Are We Making the Grade?*, Lyons et al. also agree that focusing solely on outcome evaluations is problematic. Without a full understanding of the objectives behind the program, the rationale behind them and the capacity issues that contributed to establishing the objectives of a program, evaluations would only be telling a small part of the story of an intervention's outcomes. The authors question the merit of imposing a rigid framework for evaluation on all programs. Many programs must defer to the needs of their clients for certain financial literacy supports and imposing a structured and quantifiable measurement of success will not necessarily capture all of the successes. In addition, any such structure would disregard the delivery agent's capacity to perform program evaluations. Drawing on focus group research with non-profit organizations delivering financial literacy, the authors conclude that requirements for sophisticated evaluation can undermine a program's impact[12]. While the authors do not suggest that evaluation guidelines be completely discarded, they do warn against imposing unreasonable requirements on programs. Some providers, especially those in the non-profit sector, will need more flexibility in assessing the effectiveness of their programs which are usually constructed with a focus on client needs rather than financial literacy outcomes.

Measuring the impact of financial literacy programs: behaviour and cognition

Building on the work of Lyons et al, the question remains: what should be the measurement of client outcomes and what, exactly, are the indicators of success? While Fox et al.'s contribution to the literature lays a foundation for program evaluation, it does not determine or isolate a single measure that can be used to determine what constitutes a successful program.

In order to determine effectiveness of a program, measures of success need to be agreed upon and consistent throughout the financial literacy field. There is currently much debate in the literature as to whether impact is constituted by changes in client knowledge, attitude or behavior[13]. Allison O'Connor, in a presentation to the Inaugural New Zealand Symposium on Financial Literacy in Wellington in December 2006, describes evaluation types as falling into three categories[14]:

- First are evaluations of specific programs which tend to use test scores, knowledge measures and changes in attitude to evaluate the outcomes of programs. These programs could include anything from small community programs to large initiatives that have placed an emphasis on producing outcome measures.
- A second type of evaluation are 'convenient experiments' which differ from evaluations of specific programs in that they have available datasets that allow for comparisons between participant

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[11] F. Jacobs, (1998) "The five-tiered approach to evaluation: Context and implementation", In H. Weiss & F. Jacobs (Eds.), *Evaluating family programs,* (Hawthorne, NY: Aldine deGruyter, 1998), p. 37-68.
[12] A. Lyons et al., *Are we Making the Grade?*
[13] A. Lyons, "Financial Education and Program Evaluation: Challenges and Potentials for Financial Professionals", *Journal of Personal Finance* 4, (2005).; A. Lyons, *Are we Making the Grade?*
[14] A. O'Connell, "Measurement and Effectiveness" (presentation to the Inaugural New Zealand Symposium on Financial Literacy, Wellington, NZ, 1 December 2006) http://www.retirement.org.nz/symposia_2006_papers.html

groups and synthetic control groups. The availability of these data sets can allow for more precise measures of program outcomes.

- The final evaluation category is population level financial trends which seek to determine if there are changes in general levels of financial knowledge or composite financial literacy scores for a given population. This is done through national general or target population surveys that are able to establish a baseline that might be tracked over time.

To date, the most effective evidence in the field has been drawn from convenient experiments, which are usually economic studies[15]. Yet, while these have shown that financial literacy training has some effect on behavior, questions remain about the causal relationship between the financial literacy training and improved behaviour. In these experiments, measurable outcomes of a treatment group are compared to those of a control group that did not receive treatment. The results, however, are interpreted based on classic economic theory where the standard economic assumption is that more information will lead to better decisions. Little research exists to examine the nature of this causal relationship.

The United States Government Accountability Office, as part of the mandated Federal Government's role in financial literacy, convened a group of experts to debate issues of effective measure of program outcomes and reached consensus that the goal should be behavioral change, although they did not define how this should be measured[16]. What the group did not address in the discussion of behavioural measures of program outcomes, is whether or not positive behavioural outcomes are generalizeable to other areas of a person's financial decision-making. Behavioural measures were the core of the UK Financial Services Authority measurement approach[17].

Researchers Xiao et al.[18] and Shirer and Tobe[19] suggest that behavioural change occurs over a longer time-frame and that it progresses in 5 key stages of change:

1. Precontemplation;
2. Contemplation;
3. Preparation;
4. Action; and
5. Maintenance.

This model of change, adapted from health research to describe improved behaviour around habits like smoking, is called the Trans Theoretical Model (TTM). This model has been applied to financial education programs as well as programs more specifically targeted to effect a certain financial behaviour, such as reduce credit card debt. What the researchers suggest is that behaviour change towards improved money management occurs in several stages and that programs should be geared towards working with people in those different stages. Regression analyses in classic experiments control for the effects of key social variables found in social field research so that, upon interpretation of the results of these experiments, researchers do not over- or under- estimate the change that

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[15] Elizabeth Bell and Robert I. Lerman, *Can Financial Literacy Enhance Asset Building?* Urban Institute, 2005.; Fox, Bartholomae and Lee, *Building the Case for Financial Education*.

[16] Lyons et al., *Are We Making the Grade?*

[17] Financial Services Authority, *Financial capability baseline Survey: methodological report*. (United Kingdom: FSA, 2006), http://www.fsa.gov.uk/pubs/consumer-research/crpr47a.pdf

[18] J.J. Xiao et al., Applying *the Transtheoretical Model of Change to Consumer Debt Behavior,* (Association of Financial Counseling and Planning Education, 2004).

[19] K. Shirer and E. Tobe, *Getting Ready to Save: Applying Stages of Change Theory to Financial Education for Families with Low Income*, (USA: National Endowment for Financial Education, 2006).

actually occurs. The TTM differs, however, in that it is not only a model that explains how change occurs, it is also a tool that helps educators and counselors build programs that help to move individuals from one stage of change to the next. While this model does not allow for behavioural outcomes to be generalizable to other areas of a person's financial decision-making, it does allow both the client and the practitioner to better understand how the individual's personal process of behaviour change occurred and perhaps identify patterns or latent factors inhibiting change that otherwise would not have been identified.

Measuring the impact of financial literacy programs on client knowledge, attitude and confidence

Paralleling the discussion of whether or not behavioural measures are accurate is the question of whether they are practical. As discussed in *Are We Making the Grade?,* measures used to assess behavioural change can be taxing for delivery agents[20].

In *Moving from Unbanked to Banked: Evidence from the Money Smart Program,* Lyons and Scherpf make the case that behavioural change dynamics are not always observable immediately at the time of the intervention. They point out that "some individuals, …because of their particular financial situation, may not be able to change certain financial behaviours no matter how much financial education they receive[21]". Therefore, the authors argue against behavioural change outcome measures as the 'industry standard' as they may be constructed to sample activity that only those in opportune situations may be positioned to demonstrate. Ultimately, this measurement is not seen as being the most cost-effective given the difficulty in interpreting the results.

Measuring impact on vulnerable consumers

A central research question around evaluations of discreet, community-based financial literacy programs is whether there are methods and techniques that can allow for good, valid evaluations of community-based financial literacy programs in the field[22]. There is an emerging trend in the United States toward simple, malleable and user-friendly resources for program evaluation in this area. While the goal identified by many researchers has been a consistent set of national standards for measuring program impacts, there has been some recognition, based on input by organizations on the ground, that there cannot be a one-size-fits all evaluation approach.

Given this, some authors suggest that retrospective pre-and post surveys that focus on knowledge and attitude change rather than behavioural change, may be the most practical method to evaluate community-based program delivery. While there are documented limits and issues with pre- and post- test assessments of client knowledge and attitudes, this kind of evaluation nevertheless provides for the practical and logistical needs of delivery organizations to produce results on immediate changes in financial literacy. Key informants in this research also suggested that more needs to be done by program evaluations to track knowledge and attitude over time. Without a window into the long-term effects of such programming, interpreting positive results in knowledge increase and attitude improvement will be inadequate.

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20 Lyons et al., *Are We Making the Grade?*

21 Lyons and Scherpf, "Moving from Unbanked to Banked: Evidence from the Money Smart Program", *Financial Services Review* 13, no. 3, (2004): 61.

22 Lyons*, Financial Education and Program Evaluation*

This is especially true of those vulnerable populations who are most often targeted through the non-profit sector. For vulnerable consumers, there are many indirect barriers to improving financial literacy that require programming to focus more on the individual's self-identified goals rather than goals prescribed by a program. Vulnerable consumers tend to experience more issues with accessibility of resources and, as a result, may also suffer from a motivation gap in improving financial management skills and knowledge. Reaching these individuals effectively is a central tenet of programs targeting this group; therefore building awareness about the utility of financial literacy often factors among the key objectives of programs addressing the needs of vulnerable groups.

Program Delivery

The discussion of effective evaluations of financial literacy programs suggested that there is a myriad both of different types of programs ranging in their format, size, reach and topics and types of consumers of financial literacy interventions. This is combined with a need to build awareness of the dangers of low financial literacy levels. The literature reviewed informed discussions with key informants who gave insight into four main areas of inquiry around effective delivery of financial literacy programs:

- What delivery formats have been most effective?
- Are there basic content components for financial literacy programs?
- Who is in need of financial literacy and why?
- What are measures of effectiveness in financial literacy programming?

These discussions served to inform a framework for effective financial literacy programming.

Effective delivery formats

Many different kinds of programs have been established in attempts to help individuals reach the goal of improving their financial literacy. These include, but are not limited to, self-directed programming, facilitator-assisted adult-education and teacher-assisted school-level education.

Self-directed learning allows learners to set their own pace for learning and often provides a variety of formats for obtaining material such as brochures, hotlines, and web-based modules. While often over-looked as an effective method for building financial literacy, recent research suggests that there is a place for such programming within the set of effective financial literacy interventions[23]. Self-directed programming allows individuals to learn at their own pace and access specific information that they might require on an as-needed basis. This model has proven to be particularly favoured among those individuals with limited time availability such as middle-to-high income earners who are too often busy with work and family demands to be able to participate in any program that is not accessible on-line[24]. Perhaps ironically, it was also found that low-income earners, who might have even lower time availability due to working long hours, several jobs, reliance on public transport and low affordability of childcare, were not found to be attracted to self-directed programming. In fact, they were among some of those least likely to turn to self-directed learning. Contributing factors to this tendency might be that they do not tend to have internet access at home, are not targeted by store-front or hotline services, or simply that the modules available to them do not meet their needs[25].

Evidence from the US suggests that those who take advantage of self-directed programming are often looking for just-in-time information: information or advice that provide 'quick-fixes' to pressing

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23 Caezilia Loibl and Tahira K. Hira, "Self-directed Financial Learning and Financial Satisfaction", *Financial Counseling and Planning* 16, no. 1, (2005).

24 J. Hogarth and M. Hilgert, "Financial Knowledge, Experience and Learning Preferences: Preliminary Results from a New Survey on Financial Literacy", *Consumer Interest Annual* 18 (2002); M. Toussaint-Comeau and S. Rhine, *Delivery of Financial Literacy Programs,* Consumer Issues Research Series, Federal Reserve Bank of Chicago, 2000, http://chicagofed.org/publications/publicpolicystudies/ccapolicystudy/pdf/cca-2000-7.pdf

25 Hogarth and Hilgert, *Financial Knowledge, Experience and Learning Preferences*; SEDI, *Vulnerable Consumer Preferences for Financial Literacy Interventions,* (Toronto: SEDI, 2007).

questions a consumer might need answered in order to make a financial decision[26]. Key informants suggested that just-in-time information has a role to play in opening the door to financial literacy training for those who have had none, as it is often minimally invasive, user-friendly and convenient (perhaps accessible from the home after hours through internet connections or hotlines). The value of just-in-time programs as financial literacy interventions becomes limited if they are remedial in nature and not invested in more preventative approaches. Often seen as a 'quick fix' or a 'front door', general consensus is that financial literacy training must be available, as well, to ensure individuals are not only getting the information they need, but are also building skills and knowledge around that information.

Perhaps the most studied types of programs are facilitator-led educational programs that can focus either on adult education or delivery through the school system. Adult education programs are often delivered through the community sector, can be as short as a single session or as long as 30 hours. Key informants generally felt that education-based programs were effective when they gave participants the opportunity to interact in groups, learn from one another and apply information to their own lives. While self-directed learning offers the client the opportunity to learn at their own leisure, education-based programming is considered effective because it offers clients the opportunity to receive feedback and interact not only with a facilitator, but also with other students. Many participants suggest that such reinforced learning is a key component of their own learning process – to hear other concerns, realize that they are not the only ones experiencing such issues and compare and contrast different approaches to problem solving[27]. Indeed, many classroom-based programs are designed to reinforce problem-solving and critical thinking skills, which many informants thought to be key components of financial literacy training. Where one-on-one or 'counseling' sessions are available for following up on lessons and applying learning to daily living, the educational experience is enriched.

At the same time, however, and in contrast to self-directed learning, facilitator-led learning is seen to be highly labour-intensive and therefore likely more costly. While this raises questions about cost-effectiveness, many funders are beginning to support such programs because they can target an individual learner's particular needs and work within their particular set of learning abilities to create more sustainable and realistic results. When asked about what the linchpin of such a program might be, key informants claimed that the value of a strong facilitator cannot be underestimated. A strong facilitator would be someone who can not only answer specific questions about financial literacy, but also someone who can identify gaps in a participant's specific financial literacy skills and work from a basic curriculum guideline to begin to address those gaps. An effective financial literacy facilitator is both engaging and knowledgeable, however no research has been done to date to determine what the specific skill set of such a facilitator might be.

Basic components of financial literacy programming

To date, much discussion of effective programming has focused on getting the topics right within any given financial literacy program. In the UK, the Financial Services Authority approached financial literacy as a basic skill and has gone far to create a framework to respond to the need for financial literacy training within the general population. This framework includes 4 key areas that address gaps in both hard skills and soft skills: money management, planning ahead, choosing products and

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[26] Lewis Mandell, *Does Just in Time Instruction Improve Financial Literacy?* (presentation to National Credit Union Youth Week, 2006).

[27] SEDI, *Building Future Foundations: Final Report of the Independent Living Account Project,* (Toronto: SEDI, 2006).

staying informed[28]. The resultant 'Strategy on Financial Capability' strives to build programs and opportunities for individuals to address gaps in these key areas. A national baseline survey has also been developed by the Personal Finance Resource Centre at the University of Bristol (pfrc) to assess national levels of financial literacy (or 'financial capability' as it is referred to in the UK).

While this approach helps to guide program development and measure aggregate shortages in a population's knowledge, skills and confidence baseline, it does not necessarily address the individual needs of learners and the contexts within which people find it difficult to build or apply their financial literacy. In *Rethinking Financial Capability,* Mike Dixon draws on behavioural economics to illustrate why the current financial capability strategy in the UK needs to go further to ensure effective practice in financial literacy training in that country. The author makes the case that there is no set, patterned, rational consumer behaviour around financial decision-making[29]. Each individual will make decisions based on their own situation, readiness, knowledge and circumstance. According to Dixon, financial literacy will evolve further if funders and practitioners recognize that financial literacy is highly subjective. Some learners might build knowledge without recourse to applying that knowledge. Others will build the knowledge, skills and practice and still make decisions based on contributing factors to their circumstances that do not appear in models of optimal financial literacy. An example is "people (who) may keep large amounts of cash liquid in a current account rather than investing it in short- or medium-term savings" whose level of financial literacy will not necessarily "automatically translate into… appropriate action to manage their financial situation better[30]". According to Dixon, there may be deeply rational reasons for seemingly irrational behaviour which the current baseline does not account for.

Key informants in this research agreed that effective programs must take into account client-specific outcomes as measures of program effectiveness. Programs, therefore, would not necessarily have a list of topics or areas of personal development for clients, but rather key processes by which practitioners might facilitate learner identification of their own strengths and needs when it comes to financial literacy. At the same time, however, informants also emphasized the need for programs to reach scale which makes individually-focused programming costly and impractical.

Who is in need of financial literacy?

Key informants agreed that financial literacy is an important asset for all consumers in a rapidly-changing financial marketplace and that every individual, regardless of the demographic into which they fall (i.e. gender, age, financial status, education level, etc.), should be given the opportunity to build their financial literacy. Key informants also agree that shifting market structures and the speed of those shifts might be creating more vulnerable consumers.

It is important to note, however, that while a person's income level is not correlated to their level of financial literacy[31], the socio-economic situation in which a person finds themselves can influence financial literacy levels. For example the low-income person with few resources might feel that

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[28] Personal Finance Research Centre, *Levels of Financial Capability in the UK: Results of a baseline survey,* (London: FSA, 2006), http://www.pfrc.bris.ac.uk/Reports/Fincap_baseline_results_06.pdf ; see also Financial Services Authority, *The National Strategy for Financial Capability: The UK Financial Capability Study (Establishing a Baseline),* (London: FSA, 2006).

[29] Mike Dixon, *Rethinking Financial Capability: Lessons from economic psychology and behavioural finance*, (London: IPPR, 2006).

[30] Ibid, p. viii.

[31] pfrc, *Measuring Financial Capability: An Exploratory Study,* (London: FSA, 2005).

financial literacy is not 'for them' or might not find the time to access the available supports even if they want to. At the same time, the high-income earner might pay a financial planner to make financial decisions instead of making financial decisions on their own. Nevertheless, it is important to note that there is no causal or clear directional relationship between high income and high financial literacy levels[32].

The question of what constitutes 'need' for financial literacy is outstanding and many debates exist. The need might be a function of a sub-optimal mix of financial products and services; a low level of commitment to activities around money management; inadequate demonstration of certain behaviours and decision-making; some mixture of these behaviour, knowledge and attitude-based measures, or some other similar or completely other measurements.

Setting the bar above which individuals no longer need financial literacy training, or developing a standard level of financial literacy to which all individuals would conform, therefore, is not only difficult but also undesirable. Financial products and markets are constantly evolving creating an ever-changing environment within which new knowledge and skills are always required. Given the contextual nature of need described above, it is also not helpful to take a reductionist approach of a flat level of functioning. Further, informants agreed that, while a baseline survey can give a good overview of a general population's aggregate financial literacy level, it does not go far enough to indicate where the interventions need to take place and what forms they should take.

The objective of a financial literacy program or strategy, therefore, should be to choose a progressive universal approach and tailor services to address individuals at risk due to low financial literacy. Several innovative approaches have been documented as well as discussed in this research. Targeting individuals at life stages where new responsibilities also require fiscal responsibilities, such as saving for post secondary education, starting a family or buying a home, have been identified by key informants to be effective. Life stage changes open opportunities for 'teachable moments' that can bridge learners into longer-term learning and financial literacy building. Partnerships among different sectors such as government services, healthcare, community sector, educational institutions, etc. can go far to capture audiences entering life-changes who are already galvanized towards learning about money management.

Key informants also suggested that while life stage changes sometimes mean that an individual is motivated towards improving their financial literacy, this is often not the case in cases of chronic financial stress. For example, in situations of under -employment or low-income, depressed earning potential may not necessarily motivate an individual to pursue learning opportunities. These individuals are often those most skeptical of financial literacy, therefore recruiting participants to programs and building awareness of the benefits of financial literacy at *all* points throughout a person's life is, therefore, especially important.

It should not be surprising, then, that the financial literacy programs that have been targeted towards individuals in financially straitened situations have been labour-intensive. Many programs have been built to address the particular needs of marginalized individuals, with programs often run out of community sector organizations that are most familiar with serving the needs of these populations in accessible and accommodating ways.

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32 Ibid.

There are also those within the general public who face a 'motivation gap', that is they may exhibit knowledge but do not act on it. Indeed, many consumers exhibit apathy towards, or sluggishness around, making changes to their financial behaviour. Therefore, need for financial literacy is also subject to life-long time lines, not only points along a lifetime. For example, programs that teach the merits of pension planning address an individual's need to generate delayed benefits. These kinds of programs, however, are traditionally shown to be of lesser interest to consumers than those that promise short-term impacts.

From wherever consumer need for financial literacy interventions might stem, a key feature of any successful program is the understanding and responsiveness to consumer preferences. Identifying a demand for financial literacy and balancing it with relevant material will not go far if consumers do not feel that it is accessible or relevant to them. Different individuals emphasize different parts of accessibility, whether due to personal preference or different learning styles – those who are employed tend to emphasize time availability and value those programs that allot them certain flexibility in time and medium when accessing the program[33]. Others might value the availability of a facilitator who is familiar with their particular socio-economic situation, or even familiar with an individual's personal or professional life or history. Cultural preferences might call for certain accommodations as well such as discretion in the mixing of genders in a classroom or in discussing certain aspects of financial management. The challenge in addressing consumer preferences is, again, that preferences are individually-driven and subjective; it would be erroneous to assume that people of the same culture or demographic all prefer the same learning methods, as learning is a deeply personal undertaking. This tips the balance of effectiveness again towards that programming which finds ways to address the personal needs of individuals.

Measures of effectiveness in financial literacy programming

Key informants agreed with the findings from the literature review that financial literacy evaluations need to include some measure of client outcome in order to measure success. A client that reaches all the goals of a financial literacy program (as might be determined through knowledge surveys or economic experiments) may not necessarily have increased their financial literacy if there has been no generalizable or sustainable effect on their behaviour.

At the same time, while standards are necessary, key informants also reinforced the notion that evaluations should not undermine the capacity of the delivery agent. Effective measures in determining program success will draw results from clients directly. This might be as simple as identifying a goal with a client that should be reached through the life of a program. Where programs are short, efforts should be made to perform follow-up assessments with clients that track knowledge, behaviour and attitude over time.

Assessment framework

Following from the literature review and the key informant interviews, effective delivery and evaluation of financial literacy interventions cannot be modelled or set according to a closed set of outcome measures. What follows, instead, are findings as to what constitutes good practice in ensuring client-centred or client-relevant support, keeping in mind that some clients might need minimal intervention while others a more comprehensive intervention scheme.

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[33] Hogarth and Hilgert, *Financial Knowledge, Experience and Learning Preferences;* and Toussaint-Comeau and Rhine, *Delivery of Financial Literacy Programs*.

Practitioners should endeavour to identify the learning preferences of their target audience[34]. Programs seeking to target broader audiences should strive to offer a range of media and examples in their program delivery and material to not only reach a broader audience, but also increase the potential of offering relevant, inclusive and individual-specific material.

Indeed, a 'mixed-media' approach to programming is all the more important if we consider that such an approach reaches across a wide breadth of learning styles as well as socio-economic barriers. A one-size-fits-all model or format does not go far enough to meet the needs of end clients.

As implied throughout these points, individual outcomes matter and should be considered when assessing program success. In order to ensure that a person is motivated to learn, the learning should be individualized in both substance (for example relevance of topics to personal needs) and delivery (the intervention should be offered in an accessible format).

[34] Virginia Hopley, "Financial Education: What it Is and What Makes it So Important: Results from the Federal Reserve Bank of Cleveland Community Affairs Survey", *Community Reinvestment Report,* Federal Reserve Bank of Cleveland, 2003.

Case Studies

Your Money Matters: A self-directed program meeting the needs of clients and practitioners

Self-directed learning: adapting a model to suit the needs of clients and practitioners

Products and self-directed tools, as opposed to services and classroom educational programs, are often left out of the discussion of effective financial literacy interventions. As discussed earlier, products and self-directed tools do not usually benefit from the facilitation and animation that a facilitator can provide and are, therefore, often considered a lesser resort among financial literacy interventions. At the same time, however, recent research has emerged that supports self-directed financial literacy tools for their ability to cater highly to the client's context-specific educational needs rather than content-specific needs[35]. While the tool described here is not necessarily strictly self-directed, it does have the ability to be so, while also being easily tailored to agency delivery needs and contexts. The flexibility that this model offers clients and delivery agents alike is the highlight of this program as it has the potential to reach a broader clientele in a much more cost-effective manner than any in-class educational service could offer.

The Your Money Matters Program at ASPECT

The Association of Service Providers for Employability and Career Training (ASPECT) of British Columbia is an association of community-based employment trainers. As an association, ASPECT has more than 150 members in over 100 communities throughout B.C. One of ASPECT's key services as an organization is to develop programs and tools for its membership. These programs are designed to meet the needs that employment trainers have when trying to assist clients in the community.

The Your Money Matters program is an example of the tools designed by ASPECT. This web-based program consists of 5 modules that end-users and clients of employability programs (whether free or fee-for-service) can walk through independently, usually with minimal intervention from a facilitator. The topics covered in the full program include cheques, banking, debt, budgeting and managing finances and saving.

Program Development

ASPECT developed the program in response to member reports of poor job retention among their clients which seemed to be exacerbated by their clients' low levels of financial management ability. Through regular contact and communication with its membership, ASPECT is able to gauge common trends in client needs. These observations encouraged ASPECT staff to attend the Financial Capability Symposium in Ottawa in 2005. The proceedings of this conference served to reinforce what staff and management at ASPECT had been hearing from members: there was a major systemic gap in government services where people were not getting the essential financial management training required in order to succeed in the world of work. According to consultations with ASPECT's membership, financial literacy was seen as not only an essential lifeskill, it was also necessary for job retention. Without money management skills, clients were at a disadvantage when entering the job market and possibly at-risk of falling back into unemployment.

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[35] Caecilian Loebl et al., "Self-Directed Financial Learning and Financial Satisfaction", *Financial Counseling and Planning,* 16, no. 1 (2005).

Moving forward with plans to create a financial literacy learning tool, ASPECT staff conducted intensive research. This research reviewed primary and secondary, paper-based and online, resources and literature on financial literacy programs around the world.

Based on the findings of this research, a framework for content creation was established to ensure quality from development to delivery. These best practices included objectivity in the viewpoint; showing different options and examples; fun and engaging story lines; plain-language; interactivity; appropriate reading level; materials to reflect diversity (age, race, gender, etc.); accuracy and relevance; cultural sensitivity in appearance and content; graphics that are not too juvenile-looking and examples relevant to low-income individuals.

A needs assessment was completed by ASPECT which involved consultation with both front-line staff and clients. The needs assessment revealed key principles such as the need for a grade 7-9 literacy level and that simple information is better than detail yet specific examples are better than offering general guidelines. It also indicated specific areas of concern such as cell phone charges are a major consumer issue;; and that transitioning to work can be a financial pitfall when clients are not used to receiving regular cheques and begin to access payday loans..

The needs assessment also reinforced ASPECT's decision to develop a web product rather than a front-line service. An online program offered clients and delivery agents flexibility by addressing accessibility issues. It also offered the advantages of computer-based technology such as performing instant calculations; its appeal for visual learners; and its ability to improve computer skills and data entry. It was also decided that the pilot delivery method would be in-class facilitated access where clients would work to complete the modules on computers at community delivery sites.

The needs assessment revealed that not all clients had access to computers at home, therefore offering directed learning in-house was considered to be an important element of the program. That said, self-directed learning is one of the primary applications of this tool. Wherever it is hosted, it can be available to learners on an on-going basis so that clients can return to the modules again and again for refreshers as they move through the employment process.

Vancity Credit Union funded the development of the program and a user pilot project starting in the fall of 2006 and ending in the spring of 2007. ASPECT engaged an interactive software development company to design the web program which was vetted and beta-tested by its project contributors including Vancity, the Financial Consumer Agency of Canada, SEDI and Literacy BC. The pilot project underwent an external evaluation that sought to gather data on the project's process as well as its outcomes and agency/ client impacts.

Program Evaluation

The external evaluation of the pilot phase focused on measuring the short-term program objectives: 1) to develop and pilot a basic financial literacy program curriculum specific to unemployed or underemployed individuals; 2) to engage and inform clients while increasing their computer literacy; 3) to test and correct the application for usability and effectiveness. The first objective was reached once the program development phase came to a close. Pre- and post- knowledge surveys undertaken by clients at the end of each of the 5 modules in the tool served to measure how informed clients became, while attitude and confidence surveys upon exit served to indicate how engaging the program was for clients. Client and delivery agent feedback surveys provided information on the usability and effectiveness of the program.

Overwhelmingly, the program met with satisfaction from both clients and delivery agents. Client knowledge tended to increase as did client confidence in their abilities to pursue further training or seek out answers to questions pertaining to financial decision-making. This could be attributed to the fact that much emphasis was placed on developing the program according to client needs, and that much flexibility was offered to delivery agents in delivering the program. From the pilot phase's evaluation, the program proved to raise client confidence by a greater percentage than it raised knowledge, that is, knowledge levels were not too far below the level of the program clients entered the program. Confidence levels, which were sometimes as low as 36% self-confidence in the ability to apply knowledge and pursue further training or assistance around financial subjects, reached significant increases through the project.

In moving towards longer-term assessment of program impacts on clients, ASPECT recognizes that more detailed evaluation over time will be required and is committed to sustained improvement. Data collected at the end of the pilot phase which details clients' intended activities in the area of savings, debt-reduction and banking as a result of the training, will be used as a baseline to gather information about sustained change and long-term impact of the program. As such, ASPECT has gone far to maximize their resources towards generating summative evaluations of the program and its outcome on clients.

Program Delivery

In addition to the intended benefits of the program, unanticipated benefits were identified in follow- up surveys with delivery agencies. For example, the online format proved to be an effective alternative to class-based delivery as facilitators noted that sometimes it was difficult to hold the attention of students in class-based delivery. With the computer-based learning tool, a learner's attention was easily focused and directed on the subject matter. While the format was flexible, the content remained highly structured and straight-forward; this combination was seen as particularly useful.

With the pilot phase of the project complete, ASPECT has begun to increase the tool's marketability by licensing the tool to agencies and offering them assistance in tailoring the tool to their own programs and organizational needs. There is growing interest not just from ASPECT's own membership, but from other organizations and institutions, as well, both in B.C. and across Canada.

Addressing Client Needs

The fact that the tool focuses specifically on the needs of people entering or re-entering the job market allows for the tool's content to be better focused. The needs assessment went far to identify the clientele; their particular needs and topics of relevance.

As many of ASPECT's member agencies serve clients who are entering the British Columbia workforce for the first time (youth or newcomers) or those who are re-entering after bouts of unemployment or being on social assistance, clients do not often have a recently-completed B.C. high school education. B.C.'s high school curriculum has only recently included financial literacy training, acknowledging the fundamental importance of this material to every day life and basic functioning. Most clients served by ASPECT's member agencies do not benefit from this, so embedding this service within employment training is an alternative way to offer them this essential information. .

At the same time, however, there is little to no government funding for financial literacy as a part of employment training. As a result, financial literacy programs do not emerge and are not supported.

With this vacuum in developmental funding, ASPECT's role as a membership-driven association is a tremendous resource to service providers who would not otherwise have the opportunity to develop new programs or products. ASPECT, serves as a valuable resource for the service providers who are already resource-strapped.

ASPECT had the Financial Literacy program assessed under the Canadian Language Benchmarks to determine the level of English comprehension required for newcomers to begin using the tool. With such adjustments and adaptations to allow for better accessibility, the demand for the program is growing among clients and delivery agencies alike and serves as an example of how the program has been adapted to suit client learning needs.

Upon completion of the pilot, it became evident that much of the program's success will rely on the delivery agent's ability to deliver the program in a relevant, accessible and appropriate format to clients. ASPECT is taking action to add its own facilitation and adaptation of the product to focus attention on its relevance to delivery agencies and their specific client needs.

Recently, a Credit Union in northern BC acquired the Your Money Matters program as part of their community leadership initiative. Through them, Your Money Matters is being made available in credit union branches, schools, libraries, employment agencies and Aboriginal community centres throughout the region.

The Credit Union recognized the value of the information for a wide range of people in their community and embraced the flexibility and accessibility of the online delivery. ASPECT staff provided several "train the trainer" sessions and customized facilitators' guides for credit union staff so they can assist the many diverse organizations and individuals who can benefit from the program.

ASPECT has created a tool that is unique, timely, relevant and accessible to clients and a welcome resource to community-based organizations that want to help improve the financial literacy of their clients and communities.

Money Management Training: A support for programming founded in community need

Program Description

Non-profit agency SEED (Supporting Employment and Economic Development) Winnipeg Inc. works to combat poverty and create inner city renewal by offering programs in small business start-up and asset building directly to clients in Winnipeg's inner city. While the Money Management Training (MMT) course, offered as a component of SEED's asset-building program, is not a stand-alone intervention, it has played an integral role among SEED's service offerings and has contributed much to the well being of communities throughout Winnipeg.

In 1999 SEED began exploring the possibility of adding asset-building programs to its roster of services. These programs seek to help low-income families save towards productive assets through a combination of 3 inter-locking supports: a $3 credit matching scheme for every $1 saved while a client is enrolled in the program; case worker support; and Money Management Training (MMT). At the same time, the Alternative Financial Services Coalition, a coalition of organizations working with residents of the city's north end, were becoming alarmed as banks in this low-income area of the city began to move out while pawn shops and payday loan brokers started to move in. The coalition began looking at ways to provide the city's poor with adequate financial services. Given this interest in supporting low-income earners in accessing adequate financial services, SEED began to develop a MMT curriculum. The objective was to include the course in future asset-building programming slated to begin in 2000.

Currently, the curriculum covers topics of goal-setting, information-gathering, budget-making, financial services, credit, problem solving, consumerism and community economic development. The curriculum is delivered through 10 weeks of classroom instruction by facilitators at SEED. Since the asset-building programs began in 2000, over 900 participants have enrolled.

Program Development

Development of the MMT component began with client focus groups aimed to determine relevant content and to understand issues in access faced by vulnerable populations. A longer, classroom-based program rooted in adult education principles was decided upon. Staff at SEED acknowledge that long training courses are sometimes onerous for clients living in straitened conditions as they can sometimes cut into already-low levels of free time or conflict with work and home-production commitments. At the same time, however, the program developers felt that a longer training schedule was necessary so that good behaviour could be reinforced over time and built upon in a group setting. Staff felt that the long-term commitment required of clients in order to participate in the program improved their chances of succeeding and that the matched-credit incentive was enough to keep clients committed to the training.

In developing the money management curriculum content, care was taken to ensure that the material was accessible and appropriate for vulnerable audiences, particularly those with low literacy levels. The curriculum is under constant review and updates are made on an ad-hoc basis as necessary. Given the disproportionate amount of Aboriginal peoples within SEED's catchment area, early iterations of the curriculum were highly directed towards the urban aboriginal population in Winnipeg and incorporated many aboriginal learning techniques. As the program gained momentum over the years and received community and participant feedback, changes to the curriculum have broadened its inclusion of other vulnerable sub-populations in the community.

Internally, SEED has worked to incorporate components parts of the MMT into other programs such as the Build a Business program. Staff have also encouraged clients from other programs to enter the Asset-building stream where appropriate. As a result, the MMT has served as an asset to the organization's operations, leveraging some services and attracting clients across programs. Making the MMT available on a stand-alone basis was, therefore, never necessary at SEED where staff are constantly working to integrate positive elements of resources and services across the organizations. This culture of sharing positive outcomes and resources internally, among programs, has served SEED as well as its clients by increasing impacts, sustaining outcomes and allowing staff to provide more relevant and innovative services to the community.

Funders of the Asset-building program include the Province of Manitoba, United Way of Winnipeg, Investors Group and various anonymous donors. SEED's experience with the funding partners has been positive where the program has received much latitude from funders to seek new partnerships, applications and improvements.

Determination of Client Need

Working within its own catchment community and working to target those living on low-incomes, SEED's assessment of client needs for the program was extensive. Focus groups and consultations with community members and organizations took place over the course of a year. These extensive consultations served to inform not only the program content, but also the delivery methods that would best suit client needs.

At present, with over 7 years of asset-building and money management experience, SEED has begun to apply its expertise and knowledge in this field of work to leverage other community efforts and, thereby, broaden its reach in the community. Demand for the program from inside the organization is now steady and program staff have acquired enough skills and knowledge in the direct delivery of financial management to mentor other organizations and partner with new initiatives that seek to build similar supports for clients. To date, SEED has trained 6 organizations in providing asset-building programs to their clients and will be working with 3 organizations this year, building their capacity to deliver this programming.

Throughout the program's development, expansion and new applications inside and outside the organization, the asset-building program has remained driven by community need. Beyond the initial needs assessment, staff continue to collect client feedback and incorporate it into the fabric of the program.

Program Delivery

Currently, applications to the asset-building program come from all parts of the city and lists of interested participants have reached sums of 300, therefore demand for the program is growing.

Driven by the need and demand in the community, SEED made some attempt to offer the MMT curriculum to other organizations as a stand-alone course. With funding from Manitoba's *Neighbourhoods Alive* program, SEED undertook a pilot project whereby staff delivered the financial literacy training to clients at other community sites. After the pilot was completed, partners were invited to seek further funding in order to continue to partner with SEED and offer the MMT as a part of their services. Regardless of the positive response to the training, all partners found themselves under-resourced and could not commit to such a partnership.

Recognizing that 'exporting' parts of the model is largely inefficient for clients, host organizations, their existing programs, as well as for SEED staff, SEED has begun to build strategic partnerships with organizations well-positioned in terms of size, capacity and goodwill, to incorporate asset building and the accompanying MMT into their programming.

In conjunction with the United Way of Winnipeg, SEED has begun to identify organizations with an environment conducive to asset-building programs such as those that already offer workshops to clients, have staff and facilitators that accommodate learner needs and schedules, and also have a culture where staff are accustomed to receiving regular training. This arrangement is preferred when compared to expanding the program's delivery through satellites of its own asset-building programs. SEED prefers the partnership model to grow the program's delivery because it allows for client needs to be responded to within a context that they are familiar with and feel comfortable with, that they recognize as being relevant and where the organization's understanding of the client base can reinforce the relevance of topics, materials as well as teaching styles and delivery methods.

Program Evaluation

SEED has taken several steps to regularly evaluate not only its asset-building programming, but also the MMT curriculum using both summative and process evaluations.

A summative evaluation of program outcomes (including separate evaluations for each of the 3 asset building streams and the MMT component that is common to each stream) was commissioned from an external evaluator in 2005. This evaluation of the MMT was based in a survey and applied to a sample of participants who had completed the training. Follow-up questions were asked about the areas in which clients developed new knowledge and what aspects of their financial management behaviour were changed as a direct result of the training.

Although the survey relied on self-reported data from participants and did not benefit from objective measures of participant progress in terms of knowledge and behaviour, the results do reveal an overwhelmingly and consistently positive trend in participant attitudes, knowledge and behaviour as a result of the course.

Outcome variables for the survey were developed using the 'sustainable livelihoods' model of wellbeing where the accumulation of 5 out of 6 basic kinds of assets were measured. These include money management skills; employment development; personal development; community connections; and improvements in home and family life. The sixth basic kind of asset – the accumulation of physical or material assets - was left out of this part of the program evaluation because the asset-building program already uses a database management information system to capture participant savings, rates of savings, and use of savings towards savings goals.

These two summative evaluations – the tracking of savings over time and the survey-based evaluation of knowledge, attitude and behaviour change, provide a strong basis on which to build future evaluations. Recognizing that attitudes, behaviour and knowledge can shift over time, SEED staff is considering extending the summative evaluations to include long-term tracking of client self-assessments.

In terms of process evaluation, the regular feedback forms are distributed among clients at the end of training sessions. Clients are required to fill out the anonymous forms that are used to better gauge effective process and to suggest improvements to the current program structure, content and delivery. The responses are compiled and used to inform adjustments to the asset building program, as well as SEED's strategic plan.

Client-centred service is central to SEED's work and the success of its programs. The organization listens to client preferences for learning which in turn helps SEED make decisions not only about changes to programs, courses and curriculums, but also to the organization's functioning in developing new partnerships, projects and activities. SEED's ability to respond to effectively gauge and respond to client needs has been the backbone of the success of its asset-building program and the MMT, as well.

Money Skills: Partnership to build strong community

Since 1928, Family Services of Greater Vancouver (FSGV), a community-based non-profit organization, has been providing 'crucial social services to children, youth, adults and families. FSGV focuses its activities on the geographic catchment area of British Columbia's Lower Mainland and serves a population of approximately 20,000 on an annual basis.

Program Development

Through the regular delivery of programs at FSGV, staff has become increasingly aware of a general lack of money management skills among the organization's clients and an interest among clients to develop skills in this area. Clients often present with an array of circumstances such as seeking job re-training, entering the workforce for the first time, adjusting to life after divorce or overcoming any other adversity. While in situations of need and/or transition, staff noticed that there were few resources available to help people put their finances in order during straitened and difficult times.

In exploring the concept of financial literacy training, FSGV made contact with the Mennonite Central Committee (MCC) of Calgary which had much experience delivering financial management training to low-income earners. A money management curriculum was bought from MCC and modified to address the particular issues raised by FSGV staff in regular contact with clients. In 2005, after a successful six month pilot project sponsored by Vancity Credit Union, FSGV entered into a 3-year partnership with Vancity to develop and deliver the *Money Skills* program. FSGV staff attribute much of the program's success to their partnership with Vancity which has proven to be not only a funder, but also a partner, highly invested in improving access to financial information, education and advice for those struggling economically.

In an effort to make the program fully community-based and, therefore, community-accessible, FSGV delivers the course off-site through other community-based organizations in and around Vancouver. To date, the program has been delivered to approximately 1400 adults and 1300 youth through a total of 36 community partners and 14 schools and alternate programs.

Program Model

While a strong partnership with the funder provides a solid foundation for the Money Skills program, it is the partnership with community sites and community-based organizations that is the keystone to this program's accomplishments.

FSGV began implementing the program by promoting it through its own networks and received much response from community organizations. In order to ensure the success of partnerships, FSGV strove to be responsive to the needs of partners which proved to be challenging while maintaining operations from inside a highly-structured organization such as FSGV. It was not uncommon for partners to encounter logistical issues such as securing staff to host sessions, and recruiting enough participants to the program. Nevertheless, FSGV was committed to finding ways to accommodate these needs which proved to be invaluable to the program's growth and success.
The Money Skills program is a classroom-based 6-8 hour curriculum that is offered either over 4 weeks or as a weekend course, free of charge to the client as well as to the partner site. The curriculum consists of 4 key topic areas: credit, budgeting, financial services, consumerism Staff at the community site and FSGV facilitators hold an informational discussion to talk about the course content before the partner begins to recruit participants. The relevance of the course to the

community partner's clients and other aspects of the program are also discussed so that FSGV and the partner site might find the areas of greatest fit for the client group in question. After the recruitment and a week before the session, FSGV staff contact the partner to learn as much as they can about how the session will run, from information about the clients recruited and what some key issues might be, to logistical considerations like parking, refreshments, etc.

The program has experienced rapid growth over its first 2 years of operation. FSGV now not only works to build new partnerships, but also to renew and maintain existing partnerships as staff turns over at both FSGV and partner sites, as new clients become interested in the program and as demand for the program grows.

Given the growth of the program and the positive response in the community, FSGV is working to expand its delivery model to include capacity-building among partner sites so that those sites might deliver the program themselves. Expanding into the role of capacity-builder allows for FSGV to grow the potential of the Money Skills program into one that could be offered through the regular service menu at partner organizations. Already, this expansion is helping FSGV to better serve clients. For example, in the settlement community, newcomer populations seeking services and programs are constantly changing, therefore effective delivery relies heavily on connections between clients and settlement practitioners. By building capacity within the settlement sector, those relationships of trust will not only be drawn upon, but also reinforced as clients receive financial literacy training from familiar staff.

Determination of Client Need

Partners tend to drive the client population as they identify need, do the recruiting and often operate within specific program parameters such as geographic catchment areas or a mandate to serve certain sub-populations. Yet, while Money Skills' response to the need is circumscribed by partner affinity to the topic and their target populations, FSGV staff works alongside community partners to identify larger groups in need who may not be benefiting from the training.

For example, partner feedback has identified those on fixed incomes (i.e. disability), seniors who often fall victim to consumer scams or those with very low literacy or low ESL capability as clients in particular areas of need who might be well-served through the Money Skills program. Expansion of the program to address these needs is currently under development.

To date, special curriculum has been developed to serve youth as well as newcomers. The recognition of youth as a target group with specific and unique financial literacy training needs began when client feedback offered by adults in the Money Skills sessions revealed time and again that 'nobody had ever taught them this before'. In addition, through other programming at FSGV, staff observed that those who fall into financial difficulty at a young age have a greater probability of remaining financially straitened throughout adulthood. Hence the movement to 'get at clients early'. While a youth program was being contemplated and discussed with the program funder, FSGV was approached by the Public Guardian and Trustee of British Columbia (under provincial Attorney General's) office in charge of overseeing the assets and entitlements of youth-in-care. FSGV was asked to create a tool that would help those minors awaiting settlements, to build money management skills before coming of age. Building on experiences with the Money Skills program, FSGV developed *Dollars and Sense*, a modified guide under the Money Skills Program that was offered to youth in the Attorney General's care and then incorporated into youth pre-employment programs at FSGV.

Identifying this gap, FSGV decided to pilot *Dollars and Sense* in schools. The pilot revealed that the curriculum was of greater relevance to students in grade 12 than to those in grade 10 and the program has since been re-focused on students who plan to enter the workforce after high school, or who plan to enter non-university post secondary training.

Program Evaluation

Evaluation of the Money Skills program is an on-going process that examines both the program's processes as well as client outcomes in assessing program success.

Summative evaluations focus on client outcomes where clients undergo a pre- and post- assessment of knowledge and attitudes. They are asked to map their confidence and knowledge on a 5-point likert scale before and after participating in the program. Participants are not asked to disclose their identity on the surveys, and survey results are reported in aggregate, qualitatively, offering an overall picture of the progress that is made as a group.

Participant outcomes to date have been positive, with clients overwhelmingly identifying increases in knowledge and confidence. While the questions asked elicited responses that were subjective, the responses reveal satisfaction with the course and a new-found engagement with financial decision-making. In addition, FSGV has begun to track the long-term trends of these outcomes by following up with clients who have exited the program. This is an effort to gauge the lasting impact of the course learnings on clients and the sustainability of the outcomes.

At the same time, participants fill out satisfaction surveys where indicators of program success include measures of the course meeting client expectations and whether or not new things were learnt in the course.

A key characteristic of the survey evaluations is that they are easy to implement and to interpret. FSGV designed the evaluations in-house with the idea that evaluations, while not foregoing quality, need to be easily administered in order to elicit responses from clients, as well as easily analyzed by busy project staff.

Partner sites contribute to the formative evaluations of the program by offering feedback on the program's processes such as implementation and logistics from client recruitment to delivery to follow-up. During the 2007 program cycle evaluation, there was a 31% response rate from partner sites which indicates a strong sample of feedback. Examples of comment categories include the relevance of the curriculum content and format appropriateness with respect to the particular client group served.

Suggestions from delivery agents are recorded in the final report and discussed with the funder. Attention to partner feedback has resulted in several program changes such as targeting the curriculum to the needs of specific groups with learning needs such as those with low ESL or general low literacy and enhancing modules on debt and credit while decreasing emphasis on consumerism in order to keep the content relevant. FSGV and Vancity meet periodically to discuss the ongoing feedback that is received from community partners and to consider the feasibility of changes based on the feedback.

The Money Skills program at FSGV and the growing network of community partners that participate in the program reveal that financial literacy interventions are highly relevant to a large demographic of individuals. The program also reveals that strong partnerships can ensure the relevance of much-needed interventions to clients in need. A program manager that recognizes that partnerships are key to engaging the at-risk community increases the relevance and reach of the program.

The Independent Living Accounts Project at Fort York Residences: the importance of knowledgeable and dedicated staff

Project Overview

The Independent Living Accounts (ILAs) project was conceived of by SEDI in 2004 in an effort to offer asset-building supports to the homeless population. The project was designed as a demonstration of asset-building principles, which uphold that, when adequately supported, low-income earners can and do save. SEDI implemented the project with research funding from Canada's Federal National Homelessness Initiative and delivered the program by partnering with 5 shelter sites in 2 cities across Canada. The program was also funded by the York Credit Union in Fredericton, City of Toronto's Shelter and Housing Support Division, City of Fredericton, the Edmonton Housing Trust Fund, TD Canada Trust, the Toronto Rotary Club, and the New Brunswick Building and Trades Union.

Project participants were those who had been recently homeless or had a history of homelessness and were living in transitional housing facilities. The goal of the project was multi-purpose: to teach participants good financial behaviour, to allow them to practice what they learnt and to transfer financial assets to them that could be used towards a savings goal associated with transitioning into the private rental market. As such, the project's overall goal was to equip participants with both tangible and non-tangible assets necessary for a sustainable move towards self-sufficiency.

Participants were required to save a minimum of $10 per month for a minimum of 6 months. The maximum allowable savings for which participants could receive the $3 matched credit for every $1 saved was $400 over the entire savings period. This amounted to a possible maximum match of $1200. Participants were encouraged to save beyond the minimum.

While saving, participants were required to complete a financial management training (FMT) course consisting of 5 sessions lasting 3 hours each. The curriculum covered topics such as basic banking, budgeting, credit and debt, saving, self-assessment, asset accumulation as well as responsibilities associated with living independently.

In addition to the FMT, participants were assisted by case workers who helped them open bank accounts, make deposits, explained the rules of the project and reinforced those rules. Case workers also helped individual participants with their challenges associated with saving and did this on a one-on-one service.

This case study review focuses on the experiences of one of the project sites in implementing the ILA project.

Site Information

Located in Toronto's west downtown core, the Fort York Residences served as one of the project's 5 partner sites. The Fort York Residences is a transitional housing facility funded and managed by the City of Toronto for people experiencing homelessness. This facility serves to reinforce the varied structure in daily living in order to prepare residents for community living. For example by providing programs that support transitions to employment, volunteer opportunities for residents, and providing supports to obtain identifications for banking and government supports.

Upon receiving the national call for proposals from SEDI, the Fort York Residences staff and management became interested in the ILA project based on observations through regular counseling and case management. Staff was noticing that many shelter clients had very low financial information and knowledge. There was some concern that clients with low financial literacy would be at a disadvantage upon leaving the shelter system and that low financial literacy was a possible contributor to the re-entry of many former residents back into the shelter system.

Enrollment into the program required participants to apply and applicants were largely recruited from within the shelter, with case workers and shelter staff offering information directly to candidates and through word-of-mouth information about the project spread quickly. Demographic summaries reveal that the majority of participants were single men between the ages of 40-49 who had at least a high school education, some form of employment and did not identify as visible minorities, people with disabilities or aboriginal populations. The vast majority were not receiving any form of social assistance.

The demographic of participants in the project was representative of the shelter's population which indicates that this program was not disproportionately taken up by any particular group over another. At the same time however, it should be noted that those in the transitional facility are largely of this particular demographic because they have reached a point in their life where they are motivated, perhaps by years spent on the streets and the imminence of middle age, to put life on the streets behind them.

Program Delivery

The effectiveness of the FMT cannot be considered in isolation from the other elements of the project structure which were the matched-credit savings incentive, and case work management over a medium-term savings period. Each element of the program operated integrally to support people on their way through the program. For example, through the case work, staff, who were trained to administer the ILA project, were better able to understand the challenges that clients faced and to identify trends. In addition, staff were able to transfer this information between themselves, and also draw on it when helping other participants. Client situations and the challenges they faced in managing their money were used to support the FMT in providing examples, shaping discussions or helping facilitators focus in on relevant topic areas.

Initial challenges in project delivery included low recruitment and retention of participants as this particular client population had a tendency to be transient. Many participants were discouraged by the commitment to the training and savings schedule. For example, it was not uncommon for participants to opt out of the project because they were looking for immediate results and failed to grasp the underlying value in saving over time within one's means rather than finding 'fast money' with which to 'win' the match in short order.

Some others could not commit to the financial management training in addition to their other activities which might include volunteer work, attending addition support meetings or work. Still other participants found that the casework and FMT schedules conflicted with other programming at the shelter such as employment training. Finally, some were simply overwhelmed by the prospect of saving, having little faith in their ability to not only have the necessary funds each month, but also to be able to put them away. This proved to be a constant struggle for many participants throughout their involvement in the project, and perhaps the most challenging barrier to break was the cognitive one, requiring reinforced positive behaviour, conditioning and feedback.

That said, however, many who remained in the project felt that the schedule of financial management training worked well. Shelter staff strove to ensure that the training schedule was flexible and accommodated the needs of the participants. Participants noted that allowing individuals to move to other scheduled groups, in order to cover a particular session, was particularly helpful.

While this flexibility served participants well, it proved challenging for the Fort York staff who were required to work off-hours and weekends to not only accommodate participant schedules, but to prepare lessons and sessions that related specifically to the needs of each participant. And, while extremely labour-intensive, staff have acknowledged that the most valuable tool in delivering the FMT curriculum successfully was the ability to tailor the content of the training to the particular needs and circumstances of the individuals present.

Before implementing the training, staff were most concerned about the relevance of the training content and participant capacity to sit through 3-hour sessions. Not only were their concerns eased, staff noted that the training schedule and content was well-received when participants appeared engaged throughout the 3 hour sessions. What staff thought might be one of the greatest challenges – promoting discussion among members of a group who do not necessarily identify with one another – proved to be one of the dynamics that had a lasting positive impact on many clients who testified to the benefits of peer learning. Although disagreement and in-fighting is not uncommon in shelters where clients struggle with many stressors, participants seemed eager to learn from one another's logic, experiences. Therefore, peer learning went far to reinforce the positive outcomes of the FMT.

Despite the successes in delivering the financial management curriculum, issues of mistrust of staff by participants, and mistrust among participants created difficulties. Staff strove to divide their labour so that those clients who enjoyed a rapport with particular staff members would be trained by them and also followed by them through case work. This was not, however, always possible and issues of mistrust were not always avoidable.

As a result of the attention to detail staff put into organizing the sessions and the enthusiasm with which participants engaged in the sessions, few problems with the training's implementation were experienced. In fact, if individuals exited early from the program or had to 'drop out' due to other unforeseen commitments, it was not uncommon for them to continue to attend the FMT even without the additional program benefits. This was interpreted as an indicator that financial literacy is relevant to shelter clients and that clients, despite their various obstacles, are motivated to plan for their futures and improve their skills, knowledge and confidence.

Some participants exploited the mistrust of authority that is common among shelter residents who often feel that they are 'over-caseworked' and 'over-managed'. Staff maintain that manipulation and coercion of shelter-mates away from positive activities is common in the shelter system and that in the case of the ILA there were several residents, whether participants or not, who attempted to sabotage the project. The 2 full-time staff working on the project therefore spent much time in reinforcing the merits of the program, often guiding participants through the early steps by attending their bank visits, helping them open an account and helping them to make deposits. It is this countervailing positive reinforcement offered by resident staff that helped propel the success of the program.

Therefore, the main issues in successfully delivering the FMT as a part of the ILA were not about the curriculum content or structure, but rather the context in which participants were labouring to move through the program at this site.

Project Evaluation

As the project was not part of the regular programming of Fort York Residences evaluation of the ILA project was mostly summative and implemented by SEDI, the project coordinator. While extensive quarterly reviews were conducted to gauge whether the site was meeting the project objectives at every stage and what the key challenges were, there was little follow-up assessment by Fort York staff to examine the impacts of the asset-building project on the facility and its residents. This is not to say that shelter staff and management did not recognize the worth of this project, but rather that the size and detailed scope of the project would be difficult to pursue given the resource constraints of the shelter without an outside coordinating body.

That said, staff and management did discuss the feasibility of incorporating at least the FMT as a regular program at the facility. However, after much deliberation between management and staff, the idea was deferred. The main reason for this was a lack of funding for sustained delivery. In a shelter system where counselor caseloads reach up to 50 clients, there is very little latitude to introduce new programming without start-up and renewable funding. In addition, although it played a minor role in the decision to defer the establishment of a financial literacy program, SEDI held intellectual property rights over the FMT curriculum and any use of the curriculum outside the purview of the ILA project by shelter partners was prohibited. While staff at Fort York maintain that the curriculum's importance to a successful FMT is second to that of a strong facilitator, the lack of a curriculum from which to begin turned the funding vacuum into an even greater obstacle.

Incentives that might help to overcome these institutional barriers could involve the provincial social assistance program offering a premium to individuals who have undergone the financial literacy training. Any subsequent delivery of such a course would depend on a government or other central source of continued funding for its effective integration into other shelter programs.

While formative evaluations, conducted by SEDI on a quarterly basis to assess the functioning of the pilot at each of the ILA project sites, summative evaluations primarily focused on the quantitative analysis of participant savings and credits earned and used. This criteria for success was established by SEDI as it is common to asset-building demonstration programs. As this project served as a demonstration of asset-building's viability as a tool to assist people transitioning into the shelter system, the project design was focused on obtaining results that would contribute to a policy discussion.

Overwhelmingly, of those Fort York participants who remained in the project, more than 50% reached the maximum savings goal allowable. In addition, upon exiting the project, many attributed their success to the FMT which helped to build the long-term skills they needed in order to remain confident that their savings and positive financial decision-making will continue beyond the life of the project. Follow up surveys with staff and participants after one year of the project's closure corroborated that clients continued to value the FMT well beyond the life of the project.

A new round of the ILA project is being implemented in 2008 with a larger number of accounts for shelter sites in Toronto, and the Fort York Residences is among those sites. Building on the success of the FMT and the positive reception it was given, this second round will also establish a network of shelters, in addition to program sites, where financial literacy training will be offered in an effort to demonstrate the demand and relevance for this program component in the shelter system.

Financial Basics: A large-scale program that ensures learner-specific content and delivery

The Financial Basics program was developed through the collaborative partnership of three organizations: the Financial Consumer Agency of Canada (FCAC), Investor Education Fund (IEF) and George Brown College (GBC). The FCAC is a federal government agency with a mandate to ensure compliance with consumer protection laws and to provide consumers with accurate, objective information about financial products and services. FCAC helps Canadians develop the financial skills and confidence necessary to function effectively in a dynamic, fast-paced financial marketplace.

The Investor Education Fund, funded by settlement proceeds from the Ontario Securities Commission, was established in 2000 to address the lack of financial skills in the general population, and George Brown College is a post-secondary institution in Toronto that delivers a variety of courses, including personal development courses, through their continuing education program.

Program Development

In 2007, the FCAC received funding to develop a comprehensive program strategy to address financial literacy needs among Canada's youth population, defined as 15-29. The mandate to focus on youth stems from trends in youth spending and consumerism that indicates their tendency to be vulnerable as inexperienced financial managers and, at the same time, constantly confronted with a rapidly changing financial and consumer marketplace. Low financial literacy among young people can leave them susceptible to poor decision-making that could have lasting consequences far into their adult lives.

In partnership with the B.C. Securities Commission, FCAC met one of its strategic program goals of developing a financial life skills resource for teachers and financial education providers. The financial lifeskills resource is aimed at the youngest portion of the youth population, those ranging in age from 15-18. The high school setting is an ideal venue for targeting this young population, but once students leave high school, they are more elusive. Whether they go on to further education, training, the job market or a gap year, they become difficult to reach, yet their vulnerability to making poorly-informed financial decisions does not diminish. In fact, many young people leaving high school are often embarking on the first major investment they will ever make – their education – while others might be receiving paycheques for the first time.

In considering different approaches that might effectively target the 18-29 youth segment, the FCAC learned of the IEF's interest in developing a college-level financial literacy curriculum. With IEF already in discussion with George Brown College, representatives from the three organizations met to explore ways in which to collaborate towards their mutual objective of providing a meaningful learning opportunity to recent high school graduates. An agreement was struck among the collaborators to develop and implement a pilot project that would be delivered to the general public, free of cost, through George Brown College's Continuing Education program which would target a

young audience. The result is the *Financial Basics* program which, in the Spring of 2008, completed its first round of three nine-hour courses.
Through several meetings to develop the course content, the collaborators decided on three general topic areas, each of which to be covered in a course session: credit, loans and debt management; basics of financial planning; and the basics of investment. The topics were decided upon through discussions among the collaborators where IEF and FCAC provided expertise on important topics in basic financial literacy and GBC offered input on the demographic, learning styles and any observed trends/ interests among this population.

In addition to drawing on the expertise of staff at IEF and FCAC, a course director was hired who had a background in writing, news reporting and teaching money matters to adults, both young and old. With the course director's expertise, the course content was developed further to ensure that the topics were conducive to delivery in a classroom setting and that the topics followed a logic stream befitting to a classroom environment.

The process of improving the content and delivery will continue throughout the pilot phase with the course director sharing feedback with partners on what is working and not working. Through the delivery of each round of the program, improvements will be made to the course recruitment, content, delivery and evaluation to ensure that the course is relevant, easy to use by delivery agents and effective in achieving knowledge change among a young adult population.

Program Delivery

In the pilot phase of the program, the course was delivered to audiences of different sizes, starting with 100, then 300 and increasing to 400 with the final round. With each round of the course, feedback from the course director serves to improve subsequent rounds of the course. For example, adding various interactive teaching tools such as video segments relating to the students' own lives, and assessment tools such as quizzes to asses the students' level of knowledge on particular financial products and services. Each enhancement was made with the overall objective of keeping students engaged in an effort to ensure information retention.

Participants are recruited to the course through local print media and through email networks. The advertisement campaign focused on a younger audience, and was developed through GBC's creative marketing department. Currently, the course is, on average, attracting people in their early 30s. While this demographic is just outside the categorization of 'youth', the collaborators are making allowances for the fact that there are some demographics that are given to the themes under discussion and fill up spaces quickly. As the pilot unfolds, this dynamic will be closely watched.

The collaborators anticipate that awareness-building among younger populations will need to be a part of the pilot process as young people may not necessarily see the relevance of financial literacy training to them. In subsequent rounds, it is expected that the course will be 'talked up' and through word-of-mouth might be gaining the attention of a younger crowd.

Timing was a key consideration of successful program delivery, where following an academic calendar while avoiding the summer as a time in which to deliver a course was a key component of ensuring accessibility and relevance to a young audience.

While timing and recruitment play a role in attracting a certain audience, it was also important that the delivery style be dynamic and engaging in order to ensure student attendance of the full 9 hours. The collaborators employed an open-ended delivery format that allowed for much classroom discussion, animation of the topics and engagement of students by the course director. According to the collaborators, it was important that students felt comfortable asking questions that related to their own experiences. Students were encouraged to think of the course content in terms of their own life and needs and ask questions not only about the concepts, but about how concepts relate to their daily life.

For this reason, the course director plays a key role in ensuring the course's effectiveness. The course leader was dynamic and knowledgeable not only about the content, but also about how the lessons sometimes played out in reality and the human response and daily obstacles that make the lessons difficult for students to apply in their own lives. The course director's ability to ground the lessons in daily life served to animate and engage the students and increased the relevance of the course material.

While the pilot is currently being delivered in a college setting in one of Canada's major urban centres, the objective of the project partners is to create a curriculum that will be deliverable through different institutions and forums, to audiences of different sizes and in a variety of communities, whether urban or remote. The curriculum, therefore, has to fit into a variety of delivery frameworks, for example groups of different sizes, venues of different capacities and communities of different approaches to money management.

As the program moves forward, a key challenge will be maintaining the course's integrity as it is delivered through different sites. Partners feel that recruiting strong course directors to lead the program will go far to ensure the program's relevance and the interest of local populations. While a set definition of what constitutes a 'strong course director' has not been developed, partners are already establishing contact with potential collaborators interested in delivering the curriculum. A key part of any course director's profile will be that they have significant local and general knowledge about financial decision-making and that they will be available to take ownership of the program while also working closely with the project partners.

Program Evaluation

As a pilot project, this phase of the collaboration emphasizes process evaluation and incorporating feedback into all components of the program. As discussed above, the course director's feedback on the GBC rounds have focused on evaluating the effectiveness of the program. Partners have looked at student retention throughout the course, the relevance of topics to students as deemed from commentary received on satisfaction surveys, the 'scalability' of the course in terms of its applicability to smaller and larger venues. This process of following-up on the program's integrity for meeting student demands will be worked into the evaluation plan for the course once it enters the program phase.

At the time of this research, a general overview of the results of the client satisfaction revealed overwhelming approval for the course director and 100% of respondents agreed that they will most likely recommend others to the course.

Measurements of student performance complement their course satisfaction and offer a reading of participant outcomes. A summative assessment of the course's effectiveness takes place in the form of a knowledge change survey at the end of each session. This will allow for a read of progress from session to session as well as from course to course. At the time of this research, the composite results of the knowledge surveys were not available.

Student testimony offered to the course director during the second and third session of the course reveals that attitude change is already occurring among students. They are applying the learning to their lives, taking new financial decisions into consideration and pursuing more knowledge from sources that they either did not know existed or felt they had little recourse to try to access. From this anecdotal evidence, one might conclude that the course has already inspired action.

While still under development, the *Financial Basics* project is proving to be a meaningful collaboration between project lead collaborators and the course director. The project directors recognize that the program will have to be amenable to student needs as they come up in different venues across the country To this end, the lead collaborators have built in the freedom to work with local schools, colleges and other venues, as well as with local experts, to capture the needs of young learners and ensure that the program is relevant to those young learners from the marketing and recruitment stage through to the content and course follow-up stage.

Conclusions

This research has sought to explore 3 key areas of understanding in the field of financial literacy:

- Issues in effective delivery of financial literacy interventions;
- Issues in measuring program effectiveness; and
- Examples of effective delivery of financial literacy interventions in Canada.

This research has revealed that while several basic skills are important to developing financial literacy, the most important skills are not necessarily related to topics as important skills are generalizeable across topics. Attitude change and behaviour change are important components of any financial literacy intervention. The challenge is the difficulty of assessing the full breadth of knowledge, attitude AND behaviour change through any given program or intervention as often, many social and personal factors can intervene between an intervention and resulting behavioural change.

Despite the difficulties of evaluating outcomes of financial literacy interventions as explored in this research, the guiding principle to effective financial literacy intervention has included an approach that focuses on client outcomes rather than objective knowledge acquisition. It is the subjective change in knowledge, confidence and behaviour that, while difficult to measure effectively, programs and interventions should strive for.

The focus of programs and intervention, therefore, may not necessarily be on the transfer of information and facts on topics such as credit, debt, investing and banking, but rather the engagement of these topics with an individual's daily life through the building of critical thinking, confidence and problem solving skills.

Key informants, while recognizing that a convenient way to deliver financial literacy is through the targeting of individuals through life stage changes, also recognize that this strategy needs to be supported by longer term interventions where these learnings are reinforced once the 'teachable moments' have passed. In addition, key informants expressed the need to embed programming in the 'immediate term', that is to explore ways of reaching clients who may not be in a positive life change stage, and might be experiencing crises or might be failing to practice sound financial decision making in ways that will affect them negatively in the long run. The research suggests that failing to address these prime areas of intervention in ways that are relevant to clients can lead to incomplete financial literacy building strategies.

Accounting for vulnerable consumers may help to ensure financial literacy interventions are inclusive. However, programs must not conflate 'vulnerable' with 'low-income' as many living below the poverty line already make sound financial decisions based on a host of skills, confidence and knowledge. 'Vulnerability', however, is a highly personal and individual-specific feature. As such, this research has focused on the need for client-centred approaches to interventions. Effective financial literacy interventions will be able to gauge client knowledge, attitudes and behaviours through an open-ended needs-assessment process and will also employ the means by which to respond to gaps in an individual's skills, confidence and knowledge.

Measuring consumer gaps in skills, confidence and knowledge accurately will require long-term follow-up evaluation and on-going process evaluations of the program itself. The sites that underwent case study review in this research all demonstrated some ability to assess client knowledge, attitudes and/or behaviour over the course of the intervention and all have recognized the need to follow-up with learners in the long-term in an effort to better understand client outcomes over time.

While there is some skepticism around the ability of open-ended and client-focused programming to be able to reach scale, the case studies reviewed in this research demonstrated ways in which scale can be pursued without undermining the commitment to client-focused service. Key elements of successful financial literacy programs include: partnerships among delivery agents, whether coordinators or facilitators, are important to ensure relevance of intervention content and delivery; staff, facilitators or course directors that understand their clients' needs for the topics who also have an understanding of locally-based financial literacy resources or supports; and incentives given to clients and/or learners to move them towards positive reinforcement of learnings and attitudes.

While measurement of positive outcomes of financial literacy programs on clients is important, this research has also revealed that effective processes in program implementation are also an important part of effective programming. Given that financial literacy is an area of work that is highly consumer-specific, programs will inherently be able to adjust to consumer and client needs. In order to do that, interventions must incorporate mechanisms that allow for clients, delivery agents and course leaders to provide input into the program delivery and structure. Projects whose funding structures do not allow for ongoing feedback and incorporation of changes will not be successful.

In terms of summative evaluations, or measuring client outcomes, each intervention, again, will balance the capability of the delivery agent to perform rigorous and meaningful evaluation against the need to understand client outcomes in order to better serve clients. This will require some mix of knowledge, attitude and behavioural change measures, however there is currently much debate as to the extent to which such evaluations can effectively determine change.

Further research might focus on elaborating what constitutes acceptable client outcomes. From the literature reviewed in this study, as well as from the key informant interviews conducted, it is evident that client outcomes are being overlooked in the movement to gain proof of intervention effectiveness which, with its focus on benchmarks and measures, can undermine the entire project of building financial literacy. While program standards are important, there is much debate as to what objectives those standards should be applied to: the objective of increasing financial knowledge, confidence and skills or ensuring the practicability of these three as demonstrated through everyday consumer activity.

Appendices

Appendix A: ***Financial literacy program samples***

Appendix B: ***List of key informants***

Appendix C: ***Key informant discussion guide***

Appendix D: ***Assessment framework***

Appendix E: ***Case study guidelines***

Appendix F: ***Bibliography***

Appendices are available upon request. Please contact SEDI at info@sedi.org

Annexes

Annexe A: ***Échantillons de programmes d'éducation financière***

Annexe B: ***Liste des répondants clés***

Annexe C: ***Guide de discussion avec les répondants clés***

Annexe D: ***Cadre d'évaluation***

Annexe E: ***Directives pour les études de cas***

Annexe F: ***Bibliographie***

Les annexes sont disponibles sur demande. Veuillez contacter SEDI à info@sedi.org