



SHARPENING FINANCIAL EDUCATION

How the right partnerships can hone the skills
of tomorrow's entrepreneurs and employees



THE CASE STUDIES

1 | Non-stop curricula from primary to upper secondary

Poland



"At JA Poland we are convinced that financial education should be introduced as early as possible and continued on all levels of education. Only then we can expect the development of most wanted attitudes in children concerning both saving and rational spending of money. In order to achieve this the classes need to be attractive and children should be thought according to a learning-by-doing method."

Zbigniew Modrzewski, CEO, JA Poland

JA Poland (Fundacja Młodzieżowej Przedsiębiorczości) has in place a large scale financial education effort that offers programmes at primary ("Safe Trips. From a Penny to a Pound"), lower secondary ("Everyday Economics") and upper secondary level ("My Finance"). This approach ensures the progression of the learning outcomes throughout the student's education pathway and fosters a higher and steadier long-term impact. This effort involves working with schools and teachers to start with the delivery of basic and foundational concepts applied in a broad context at primary level and progress by adding 'building blocks' that reinforce previous learning and add more specific financial knowledge at each educational stage. By working in collaboration with public and private organisations, these programmes reach more than 250,000 students and 4,700 teachers every year.

An important part of JA Poland's work in recent years has been the focus on primary school, as it is understood as a key moment to influence attitudes and behaviours. Both the **cross-curricular nature of teaching** at this stage and **close cooperation with parents** actively contribute to an effective delivery of financial education.

Teachers can freely introduce concepts transversally across all subjects in a comprehensive way. Concepts such as 'savings' are placed in the mind of the children in a different way as they learn the importance of savings applied to different contexts and not only to money (e.g. saving water, electricity, etc). Additionally, teachers work closely with the parents to ensure that the lessons learned in the classroom are reinforced at home. Through homework activities (e.g. "talk to me about" stickers) parents are invited to discuss with their children the topics introduced in the classroom, increasing the dialogue about money but also strengthening the intergenerational relationships.

"JA Poland is a very strong organisation and there are a lot of experts working together to develop the programmes. We also appreciate the network of schools they work with. There is a really good relationship that allowed us to run the programme for 11 years now."

Norbert Konarzewski, Programme Development Director,
Kronenberg Foundation

Context

Poland is an interesting case of the development of financial education in Europe. Since 2002 the National Bank of Poland (Narodowy Bank Polski) has been taking a leading role in the field, allocating c.a. 4-5 million EUR (20 Million Zlotys) yearly to financial education, and above all working intensively in the financial educational needs in terms of financial education in the country. The National Bank of Poland has an evaluation division: one of its major duties is to survey Polish society and based on that the Education Department develops an education strategy with a six-year perspective and yearly plans with specific objectives.

However, the NBP is not working alone and usually it develops programmes in partnership with other organisations (e.g. NGOs, foundations, etc) depending on the target group they want to reach.

“In most of the projects we work in partnerships. It is the only possible way. We believe that on such a scale we have to work with partners. The reasons are twofold: on one side they know the target groups better because they are closer to them, and secondly they quite often have built a network which is important to disseminate such knowledge,” said Marcin Staniewicz, Head of the Department of Education and Publishing, National Bank of Poland

On top of all the educational programmes that are sponsored by the NBP there are others developed by private organisations (mainly banks), which all together create a very wide and diverse “palette” of financial education initiatives in the country. Overall, according to the Map of Financial Education in Poland (Polish Banking Association, 2015)¹ there are around 100 organisations in the country implementing more than 150 financial education initiatives. On the negative side, a lot of them are small scale and looking for immediate results, which might compromise an effective impact in changing behaviours of the Polish population. On top of this the Polish NGO sector, which is usually responsible for the implementation of such programmes, has limited capacity and only a few organisations (e.g. JA Poland) are able

¹ Since 2004 and every 2-3 years after that (2009/2010, 2012, 2015), the Polish Banking Association (Związku Banków Polskich) creates an inventory of the financial education initiatives and organisations involved in financial education in Poland.

to deliver large scale projects². Moreover, the Polish school system, which is able to deliver structured financial education to a large portion of the population and could be used as the primary delivery channel, does not have it embedded in the curriculum until the upper-secondary level, which is rather late.

Regarding the level of financial literacy in Poland, the situation has been evolving positively even if not showing substantial changes. According to a yearly survey published by the Kronenberg Foundation³ on financial knowledge and behaviours of Poles (age 15+) it is possible to identify small changes through the years (e.g. more than 50% of Poles have savings today while 8 years ago only 42%)⁴. Also, Poland was one of the 13 participants in the PISA 2012 financial literacy assessment⁵ that scored above average for the participating OECD countries and economies. These figures show that the work that has been done so far is showing results; however there is also a feeling that it is necessary to maximize the potential.

In conclusion, having so many players involved in so many different initiatives there is a need to develop a national strategy backed up by the government and able to reconcile the commitment of all organisations (public and private) involved in financial education in Poland. This approach would unleash the potential of a common and structured financial education delivery able to show steadier and more long-term results on a national level.

² This is very important in a big country such as Poland (with a population of more than 38.5 Million) because if the implementing organisations do not have enough capacity to deliver large scale projects then the funds are spread among smaller projects, which might compromise impact and coordination.

³ The Kronenberg Foundation, founded by City Handlowy, is another important player in the field that is well recognised due to its work both on research and delivery.

⁴ However, recent research done by the National Bank of Poland (Attitudes towards Savings, 2014) shows that there is still a lot to be done, particularly among the less educated population. According to this study, 14% of Poles do not control their expenses and 31% do not save at all, being usually those with basic education, middle or old age, and with poor knowledge of financial products.

⁵ PISA is an international assessment tool developed by OECD to measure the levels of financial literacy of 15-year-old students. A first round of data was collected in 2012 (13 OECD countries took part), with results released in 2014 and another one was collected in 2015 with outputs to be released late this year.

Financial education progression model

JA Poland (Fundacja Młodzieżowej Przedsiębiorczości) has in place a large scale financial education effort that offers programmes at primary (“Safe Trips. From a Penny to a Pound”), lower secondary (“Everyday Economics”) and upper secondary level (“My Finance”). By working in collaboration with public and private organisations, these programmes reach more than **250,000 students and 4,700 teachers** every year⁶.

In order to strengthen the learning experience, JA Poland is implementing an approach that ensures the progression of the learning outcomes throughout the education pathway. This approach involves working with schools and teachers to start with the delivery of basic and foundational concepts applied in a broad context at primary level and progress by adding “building blocks” that reinforce previous learning and add more and more specific financial knowledge at each key stage. The ultimate objective is to ensure that the students have multiple touch points throughout their education journey, guaranteeing a higher and steadier impact later in life.

Starting at primary level, the “Safe Trips from a Penny to a Pound”⁷ programme engages children aged 7-9 years old. As a primary school in Poland does not have different subjects, teachers are able to adapt and integrate the content of the programme freely into class time and at the same time develop close cooperation with parents. The cross-curricular nature of teaching at this age also encourages the use of entrepreneurial methodologies not only to link different content areas but also to introduce the concepts in a comprehensive way and not specifically focusing on money. For instance, the programme includes content related to risk and safe behaviour applied in a variety of situations among which financial security but also road safety.

⁶ At primary level, “Safe Trips. From a Penny to a Pound” reaches 14000 students and 700 teachers every year with positive changes in students' behaviour and attitudes reported by their parents. At secondary level, “Everyday Economics” reaches 120000 students and 2400 teachers every year and “My Finances” reaches around 120000 students and 1600 teachers every year.

⁷ The programme is part of a series of 10 lessons implemented through the school year (approximately 20 contact hours per month). The programme is structured as a trip through different planets that are focused in different topics (e.g. in “Planet Wallet” students learn about pocket money, in “Planet Piggy Bank” students understand the importance of savings, etc). Initially the programme was developed in cooperation with the Kronenberg's Foundation but is currently supported by the Foundation of General Insurance Company.

At lower secondary level (15-16 y/o), the programme “Everyday Economics” is implemented through a partnership between JA Poland, the National Bank of Poland, and the Ministry of Finance. The programme builds on the content delivered at primary level, deepening the concepts and knowledge related to personal finance management (e.g. budgeting, accounting, taxation, and banking services). An important advantage of the programme is its interdisciplinary nature which allows it to be implemented across different compulsory subjects and/or in extra-curricular activities. To enable it, teachers are provided with quality, attractive, and accessible educational materials and tools as well as teacher training in the beginning of the school year.

Finally, the programme “My Finances” is delivered to upper secondary students (16-19 y/o) within the subject “Basics of Entrepreneurship” or other economic subjects. Due to the increased complexity of the topics covered by the programme that has a clear focus on the principles of the financial sector and investments, it requires a more structured approach to the delivery with specialised teachers and volunteers from the financial sector that are experts in the field. “My Finances” is one the most successful large-scale financial education programmes in Poland implemented for over 10 years in partnership with the National Bank of Poland, and the Kronenberg's Foundation. It also proposes an innovative way of teaching financial education, being supported by modern educational tools posted on the online platforms.

“JA Poland is a very strong organization and there are a lot of experts working together to develop the programmes. We also appreciate the network of schools they work with. There is a really good relationship that allowed us to run the programme “My Finances” for 11 years now,” said Norbert Konarzewski, Program Development Director, Kronenberg Foundation

By definition, learning implies progression. JA Poland's strategy ensures that high-quality financial education is available for every key education stage. This helps teachers to assess how learning progresses in this specific domain, offering them the content and tools appropriate for the different age groups and objective goals on how students are expected to progress. The set of programmes in place defines a structured skeleton for financial education delivery in Poland.

Starting early and cooperation with parents

Financial Education is a big part of JA Poland's work across all age groups, both by having it embedded in their core programmes but also by developing specific programmes dedicated to the topic. Nevertheless, there is a particular focus on primary education; first because there is a gap in the school curriculum at this age group in Poland, and then because they recognise the benefits of starting delivering financial education at an early age⁸. Already back in 2005, based on previous studies, the OECD recommended that financial education should start as early as possible in schools and, on top of this, recent research⁹ actually reveals that money habits are formed by the age of seven. Primary school is therefore the right moment to start financial education in a formal setting.

"At JA Poland we are convinced that financial education should be introduced as early as possible and continued on all levels of education. Only then we can expect the development of most wanted attitudes in children concerning both saving and rational spending of money. In order to achieve this the classes need to be attractive and children should be thought according to a learning-by-doing method. Actions taken by parents at home are absolutely necessary for success. All these elements are present in our programme and have been highly appreciated by children, teachers and parents." said Zbigniew Modrzewski, CEO, JA Poland

Starting the implementation of financial education in primary school is not only beneficial because children at this age have the right mind-set to learn new things (they are more open and interested) but also because the school environment better enables it. The cross-curricular nature of teaching allows teachers to embed financial education more easily in the school. Teachers can freely introduce such concepts transversally across all subject areas ensuring that they are aligned with the programme content required in the curriculum. They are able to combine the content of the programme with social and natural sciences, Polish language, mathematics, music, and physical and artistic education. When involved in the programme "Safe Trips from a Penny to a Pound", the children are learning about money at the same time that

they develop their listening, writing and reading comprehension, mental calculus, dramatic expression, etc.

On the other hand, teaching financial education at primary level requires a broader approach¹⁰, which in a way is more effective as it impacts their behaviours in a deeper and longer term perspective. Concepts such as "saving" is placed in the mind of the children in a different way. They learn the importance of savings applied to different things and not only to money (e.g. saving water, electricity, etc). They understand the meaning of having a safe behaviour not only towards their financial security in the future, but also related to aggressive advertising or road safety.

To complement the benefits mentioned above, implementing programmes at primary level also allows a broader and closer cooperation with parents, which is very important to ensure that the lessons learned in the classroom are reinforced at home. Additionally, since an important part of the acquisition of knowledge is done through the cognitive process of imitation, parents are undoubtedly the primary influence for young children and applying this influence in favour of the programme is an advantage.

Cooperation with parents is nicely built into the programme. Teachers prepare them to work with the students during a meeting in the beginning of the school year. During the year, different homework activities are envisioned (e.g. "talk to me about" stickers) where parents are invited to discuss with their children the topics that were presented during lessons time. The objective of these activities is to increase the dialogue between parents and children about money but also to strengthen the intergenerational relationships at the same time that they learn from each other. Moreover, important spin-offs can be identified from this approach: on one side the parents act as consultants and actively contribute to the design of the programme, taking an active role in the entire process, and, on the other side, they also develop their knowledge and skills vastly extending the reach of the programme.

⁸ Studies collected in the Financial Education Map (Polish Banking Association, 2015) show that over 50% of Polish parents believe that financial education should start between the age of 6 and 9 and almost 30% of them even between 3 and 5.

⁹ Money Advice Service, Habit Formation in Young Children, May 2013

¹⁰ According to research collected by the Money Advice Service (2013) in the UK, teaching young children explicit forms of "financial" knowledge per se is likely to be ineffectual in shaping or changing their behaviours.

2 | Large scale blended learning initiative

Romania

MoneyIQ & MoneyOnline are two large scale financial education programmes implemented through a partnership between Visa (and its client banks in Romania) and JA Romania, as well as backed up by the Ministry of Education. In 5 years of implementation, the programmes have reached over 800,000 beneficiaries (age 16-18 and +18) both offline and online using e-learning modules.

Through a blended learning approach, which combines face-to-face training sessions and two main e-learning platforms, students learn about personal finance (MoneyIQ) and e-commerce (MoneyOnline). The programmes leverage the power of digital tools in order to enhance traditional teaching methods and to complement the face-to-face interactions, thus helping teachers and business volunteers to better deliver high-quality financial education.

"It is very important for young people to understand the fundamental concepts of financial services and to learn how to find information. This programme serves as an introduction to the world of financial services. That is primarily our objective. You cannot do everything that needs to be done in one course but at least we give them the fishing rod and then they can do the fishing on their own"

Catalin Cretu, Romania Country Manager, Visa Europe



"Financial Education for Romania is more than a curriculum addition or a pile of eLearning or extracurricular trainings. It has to be a real movement with all stakeholders involved (providers of financial services, schools, teachers, parents, youth and adults from urban and rural areas, public policy makers) if we want the majority of the population to be aware of what money, budget, and financial services are. We need financial inclusion especially in small towns and rural areas and more exposure of young generations to real financial case studies, practices, lectures, and media articles. What we did in Romania with young people for now, is just the beginning of such movement."

Stefania Popp, CEO, JA Romania

The complementary use of digital tools is a key success factor of this initiative. The training preserves a close interaction between students, teachers, and volunteers, which is particularly important to influence students' financial behaviours and, at the same time the digital dimension opens opportunities to overcome some specific obstacles in financial education. Additionally, it brings financial education closer to teachers from various fields of study, increasing the possibility of applying financial education in an interdisciplinary way. On the other hand, blended learning gives students control over time, pace and place and it helps better meet the different learning needs according to the financial challenges they face at the moment.

Context

Romania is among the countries hit hardest by the global financial crisis. Unlike other countries in Eastern Europe that implemented rapid reforms to move from central planning to market economies after the collapse of communism, Romania's transition was gradual and accompanied by severe economic turbulence and a banking crisis¹. This led to strong resistance among the population to participate in the financial system despite the increasing availability of financial services in the country. The data available 5 years ago² (prior to the implementation of the programme) showed that over half (52%) of population of 16 years or more did not use any financial service³ and up to 25% of households with savings preferred to hold them as cash rather than in a savings account⁴. The same research showed that 65% of the population was not able to keep up with their financial commitments without difficulty⁵.

Lastly, Romania does not have in place a National Strategy for Financial Education. In 2007, a working group composed of representatives of the National Authority for Consumer Protection, National Bank of Romania, National Commission for Supervision of Private Pension Systems, banks, and consumer protection associations prepared a national strategy⁶ together with an implementation plan that has not been approved yet.

1 Beckmann (2013), Financial Literacy and Household Savings in Romania

2 By comparison to recent available data Romania has still the lowest rate of financial literacy in the European Union, with only 22% of the population being financially literate (S&P, 2015).

3 World Bank (2010), "Analysis of the Financial Literacy Survey in Romania and Recommendations"

4 Stix (2012), Why do people save in cash? Distrust, memories of banking crises, weak institutions and dollarization. OeNB Working Paper No. 178

5 According to the FSA (2006) this is one of the criteria that defines a financially capable person in the domain of money management. In Romania, the main determinants of the capability of making ends meet are household income, individuals' level of financial literacy, education, age and location in urban areas. Ceteris paribus the higher the household income/the financial literacy level/ the attained level of education/ age/ and the location in urban areas, the higher people capability of making ends meet (World Bank, 2010).

6 The document is available [here](#)

The programme

Based upon on the information available at the time regarding the low levels of financial literacy and also by taking note of the impact of a programme that was being implemented in Turkey⁷, Visa Europe's member banks in Romania decided to develop a financial education programme in the country – MoneyIQ (BaniIQ).

Therefore, MoneyIQ started in 2012 as a pilot project (15,000 students target objective) aiming at improving basic financial literacy skills focusing on personal finance management. Since then the programme has increased and extended its scope and target. The overall objective now is to reach out to one million Romanians by 2017⁸.

The programme is being implemented through a partnership between Visa Europe (and its member banks in Romania) and JA Romania which, on account of its protocol with the Ministry of Education, is able to formally deliver the programme in high schools and universities throughout the country. This aligns with the main objectives of the project that envision to reach Romanians throughout the entire country and starting at a young age, before they become active consumers of financial products and services. According to the Ministry of Education, MoneyIQ is today one of the most successful public-private educational partnership in Romania.

"We appreciate the connection that JA Romania has with the Ministry of Education, which is not common in many countries. JA Romania has also a very good business understanding and the resources capacity to deliver large number of training sessions", said Madalin Nitis, Romania Marketing and Communications Manager, Visa Europe

"Financial education in Romania is more than a curriculum addition or a pile of eLearning or extracurricular trainings. It has to be a real movement with all stakeholders involved (providers of financial services, schools, teachers, parents, youth and adults from urban and rural areas, public policy makers) if we want the majority of the population to be aware of what money, budget, and financial services are.

7 See Turkish Case-Study: "Peer-to-Peer Education Model"

8 Until July 2016, Money IQ reached 480,184 people, where 85,5% (410,557) of them belong to the age group between 16-18 y/o and 14,5% (69,627) have 18+ y/o. MoneyOnline reached in total 182,226 people.

We need financial inclusion especially in small towns and rural areas and more exposure of young generations to real financial case studies, practices, lectures, and media articles. What we did in Romania with young people for now, is just the beginning of such movement”, said Stefania Popp, CEO, JA Romania

MoneyIQ was the first development of the project, a financial education programme segmented according to two different age groups (age 16-18 and older (+18)) to be delivered offline through face-to-face training in schools. The training sessions are delivered with the support of volunteers from the banks supporting the programme, which together with the teachers provide the students with high-quality and expert knowledge. At the same time, the interaction with business volunteers improves students’ career aspirations as they expand their business network.

After the good results of the pilot, an online platform was created as an add-on to the face-to-face training already in place. The platform was planned with a dual objective: firstly to introduce a blended learning approach to the programme delivered in schools and, moreover, was identified as the most cost-efficient way to reach to people that were not in school (extended target)⁹. The partners understood the need to make the programme accessible to the young adult population that did not have access to adequate financial education in schools and are exposed to financial products on a daily basis¹⁰.

“It is very important for young people to understand the fundamental concepts of financial services and to learn how to find information. This programme basically serves as an introduction to the world of financial services. That is principally our objective. You cannot do everything that needs to be done in one course but at least we give them the fishing rod and then they can do the fishing on their own”, said

⁹ The programme has two different target groups. The core target that includes the young people that could be reached in schools (students aged 16-24 y/o attending high-school and university) and adults that are not in school.

¹⁰ The online platform is also a sharable resource that any entity interested in supporting this objective of training Romanians could implement through their own online channels. So far, online retailers, telecom companies, websites that provide price comparisons have shown interest in the platform.

Catalin Cretu, Romania Country Manager, Visa Europe

Building on the success of the MoneyIQ programme, in May 2014 it was launched **MoneyOnline**, an ecommerce education programme. MoneyOnline is also delivered through an online platform and this new addition arose from the need to complement the basic concepts of personal finance management acquired through MoneyIQ with knowledge in e-commerce and modern payments. As the online purchases among the Romanian population have rapidly increased in recent years¹¹, MoneyOnline aims to help them better understand the benefits and risks of e-commerce and their rights as e-shopping consumers.

Significant resources have been allocated among the partners to put in place a large online initiative able to reach the entire country. However, even if the overall penetration of internet and online services is quite high in Romania the reality in rural areas is slightly different. Since rural areas host 46% of the Romanian citizens¹² that usually do not have access to internet in their houses, JA Romania and Visa Europe established a partnership with the National Association of Public Libraries (Asociatia Nationala a Bibliotecarilor si Bibliotecilor Publice din România) to have the online sessions available through its network. This partnership allows MoneyIQ and MoneyOnline to be available to a wider pool of users across a broader territory.

¹¹ According to Eurostat (Information society statistics - households and individuals, June 2015), the % of individuals in Romania aged 16 to 74 who ordered goods or services over the Internet has doubled between 2012 and 2014 (5% in 2012 and close to 10% in 2015). Before that, Romania had been already placed in the top 5 emerging countries in what concerns e-commerce growth (Ecommerce Europe, 2013: e-sales of goods and services).

¹² Rural population (% of total population), World Development Indicators, The World Bank (last updated in 02/05/2016)

Blended learning applied to Financial Education

The use of technology to enhance traditional teaching methods has been used with increased frequency all over the world and throughout all areas and subjects. Blended learning¹³, where new technologies and pedagogical approaches are being “blended” with the traditional classroom setting, has completely transformed the way education delivery has evolved and has become one of the most relevant education trends today.

There are multiple arguments in favour of the use of blended learning approaches. Overall, it combines the positive aspects of both more traditional and more interactive teaching methods, allowing the learning experience to go beyond the walls of the classroom, taking place at any time and any place. In this particular case, blended learning opens specific opportunities for the delivery of financial education since it facilitates overcoming some of the observed obstacles.

MoneyIQ has succeeded in combining both assets. On the one hand, it preserves traditional approaches where close interaction with the students is the core focus of the pedagogical practice. This learning process is particularly important in financial education to influence students’ behaviours in their nearest environment (see chapter 4. The volunteers’ workforce).

On the other hand, the programme adds an extra dimension by using digital tools to enhance and enable a more effective learning experience. In Romania, teaching methods are still mainly transmissive rather than interactive and therefore the introduction of a digital component helps moving towards that direction while it helps filling some gaps. The lack of teachers’ confidence is known as one of the most challenging obstacles concerning the delivery of financial education not only in Romania but also all over the world¹⁴.

¹³ The European Commission defines blended learning as “a teaching approach that combines online and in-person learning allowing a higher degree of personalisation and learner autonomy”.

¹⁴ According to the [OECD publication on the role of schools on financial education](#), one of the listed challenges linked to the introduction of financial education in schools was the insufficient expertise and know-how among teachers to deliver financial education.

The digital component of MoneyIQ includes online training, case studies, and a series of online activities and exercises that help teachers deliver financial content. Additionally, as it brings financial education closer to teachers from various fields of study, it also increases the possibility of applying financial education in an interdisciplinary way across all subject areas.

From the students’ point of view, using blended learning applied to financial education increases their interest in the subject as the use of interactive tools raises their curiosity and their willingness to actively engage in the training session. Usually financial issues are not appealing for them, as they do not clearly understand the need for it, and in this case they are learning in fun and creative ways. By introducing game mechanisms (gamification)¹⁵ in the online activities, the students feel encouraged to explore and learn as they move towards the end goal of getting the final diploma. The online tool includes training structured in 5 sections (personal budget, revenues, expenses, relationship with the banks, and payment plan) with explanations and small exercises, and a final test. A minimum threshold of correct answers in each section allows every student to take the final exam and to finish the training¹⁶ thus receiving the diploma of completion.

Blended learning also increases students’ access and flexibility to learning. In financial education this is important because it allows them to progress at their own rate and to revisit the topics when they need to apply that knowledge. It gives students control over time, pace and place and it helps better meet the different learning needs according to the financial challenges they face at the moment. In connection with this fact, MoneyIQ is frequently used as a complement of other JA programmes such as the JA Company Programme¹⁷.

¹⁵ Gamification of e-learning is the use of game elements and gaming techniques to non-game elements (in this case, financial education content) in an effort to make it fun and engaging.

¹⁶ In March ’15, a yearly competition for schools was launched, [Money for Your School](#), where students, parents and friends are stimulated to take the online training to earn a monetary prize for the modernization of their school

¹⁷ JA Company Programme gives students the opportunity to establish and operate a real business under the guidance of business advisers.

Students often use the resources available in the online platform to recall information they need when managing their mini-company and to simulate operations related to accountancy, making the overall experience more valuable for them.

“MoneyIQ helps teachers to deliver financial content. The interaction between MoneyIQ and other JA programmes (such as the JA Company Programme) introduces a digital component to the programme and gives students the opportunity to test the operations and evaluate which is the best option. Overall, it helps them to develop their critical thinking”, said Goruneanu Gratiela, teacher, National College Al. Ioan Cuza

However, the shift from traditional to blended learning approaches implies challenges for those involved as well. Redefining the role of the teacher is part of the process. Teachers will act more as guide, mediators, facilitator, helping each individual to build their learning experience according to their specific needs. The teachers are instead in charge of developing the learning environment that leads to reflection, critical-thinking, and sense of initiative among the students. On another dimension, ensuring students' commitment throughout the digital elements (“non-live elements”) has to be addressed in the design of the programme in order to keep the curriculum interesting, which in this particular case was built-in from the beginning.

In conclusion, the introduction of online and interactive tools in financial education opens up new possibilities for both teachers and learners, which need to be explored holistically ensuring that the interpersonal relations are not only kept but even enhanced.

The volunteers' workforce

MoneyIQ has an important digital component, which is unique in Romania. The most interesting particularity of the programme is that the digital tools are used as complementary and not as a substitute for face-to-face interactions. As stated before, financial education aims at influencing behaviours and in this case the interaction with business volunteers is key. An important part of the learning is done through imitation which means that it is very important for the students to be able to understand

how an expert would act and think in a specific situation.

In this context, even if teachers have a very important role, business volunteers have a significant impact on students since they are the experts in the topic. Bringing volunteers from the business community into the classroom was progressively added into the programme and up until now, more than **550 volunteers from 10 different organisations** (mostly banks) have participated in MoneyIQ sessions. It's undoubtedly a win-win situation as both students and volunteers benefit from this positive experience.

For the students, it is important to interact directly with professionals that are dealing with this type of issues on a daily basis while for the volunteers it gives them a very good volunteer opportunity together with the prospect to interact with potential customers and understand what the pain points are for them.

The interaction with the business community allows the students to gain sound understanding of real life situations exploring on how these persons manage their finances, how they budget both in personal and professional context, and how important it is to plan for the future. Additionally, by interacting with volunteers, students also develop their employability skills and improve their career opportunities/aspirations as they expand their business network.

“Last year, a lot of my colleagues volunteered. It is a great opportunity to learn together with the students. They were able to meet new people, to understand who they are and what they do. Having volunteers from the banks helps them to learn about the topics but also to be better prepared to get a job”. said Vasile Anton, Transilvania Bank

3 | Partnering with the banking association Spain

“Personal finances are part of our daily routine and economic decision-making occurs more often at earlier ages. Through the development of these abilities, students enhance their skills for life, becoming responsible and critical citizens, thus contributing to improve their quality of life and to a better functioning of the society.”

Blanca Narvez, CEO, JA Spain

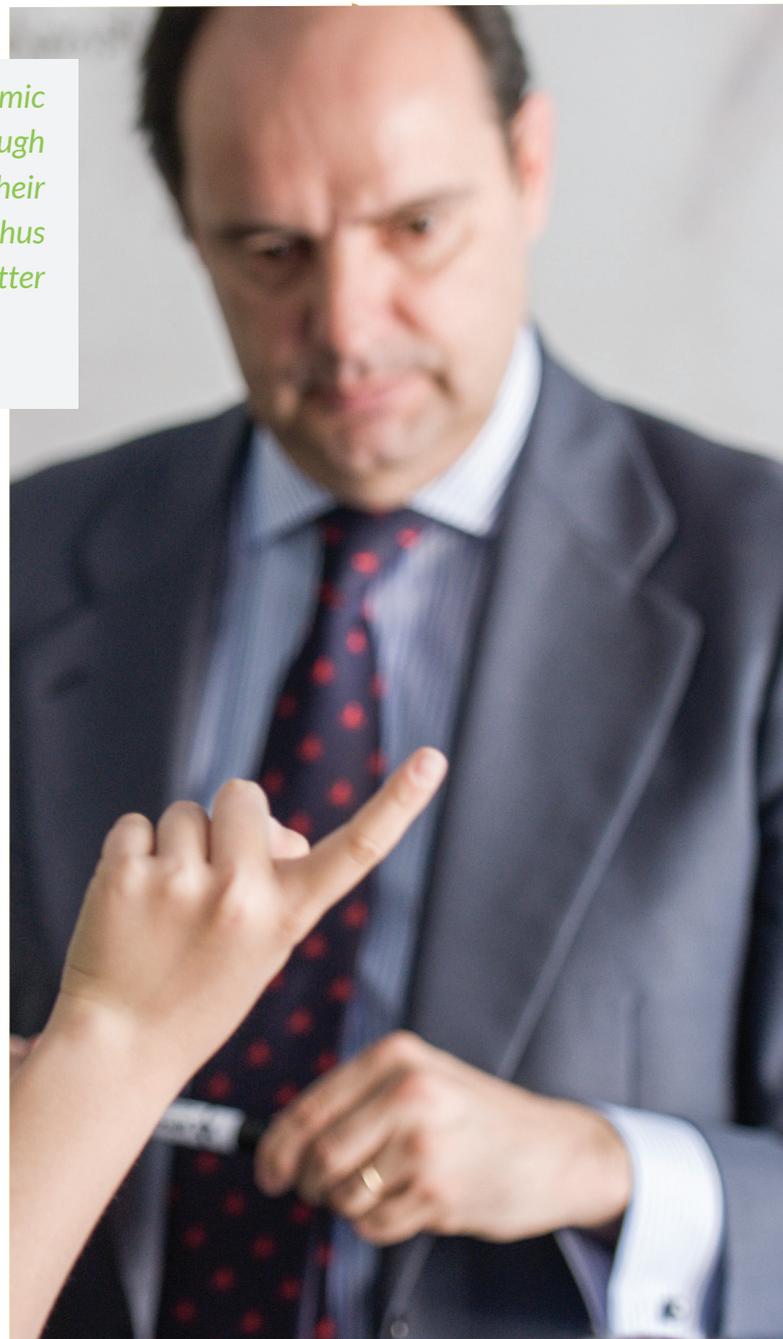
Your Finances, Your Future is a financial education initiative delivered by JA Spain through a partnership with the Spanish Banking Association (Asociacion Espanola de Banca) and its member banks. It is a 3 sessions classroom programme (1 hour each) delivered in schools by volunteers from the banking community. In two years of implementation, the programme involved 1,043 volunteers from 24 banks and reached 14,211 students, from 172 schools in 37 cities.

Being a sector initiative, the Spanish Banking Association is acting as a facilitator, coordinating the activities on behalf of the associated banks. JA Spain developed the content and is responsible for the implementation in schools, therefore ensuring **quality, neutrality, and transparency** of the programme.

The **cooperation between the educational and the banking sector (business)** is one of the most interesting points of this initiative, bringing multiple benefits for all involved. Having volunteers in the classroom reduces the gap between school and the world of work, ensuring that the curriculum is relevant, but also provides students with different role models and mentorship. From the teachers’ perspective, they recognise the impact volunteers have on students and they also understand the advantages for themselves as educators. Volunteers feel personally motivated to get involved in this initiative as they feel they are contributing in a positive way to the education of the next generation.

“Junior achievement shared our passion to boost financial literacy and financial education for young people. The purpose of the project was not only bringing a 3 hours financial course for kids but raise awareness among the students that managing your own financials is one of the key set of skills that will allow them to make better decisions and ultimately, be happier citizens.”

Beatriz Morilla, Head of CSR, Spanish Banking Association



Context

In the last years, Spain has suffered its worst financial crisis in decades. One of the positive outcomes of the crisis has been the increased focus on financial education, from within the government and from banks themselves.

In 2008 the Central Bank of Spain in a joint initiative with the CNMV (Spanish securities supervisor) and the Ministry of Economy designed, developed, and implemented a National Plan for Financial Education. The plan had the objective to develop a framework adapted to the Spanish circumstance¹.

The results from the Pisa Report in 2012 revealed for the first time the concrete dimension of the problem. According to the OECD assessment tool, Spanish students' financial knowledge was below the average of the OCDE members² and above all, financial education was not available to over 80% of students.

Recently, major accomplishments have been attained. On one side, a revised version of the National Plan for Financial Education has been formulated with a bigger focus on promoting financial education through the education system. On the other side, a new education law was approved in 2013 that introduces financial education in the curriculum of primary school and compulsory secondary education³.

1 A first round of funding was approved for the period 2008-12, which was recently reviewed and approved for 2013-17.

2 In Spain, 1 in every 6 young people does not have the minimum level of financial knowledge (OECD, 2012).

3 The relevance of this law (Organic Law 8/2013, of 9 December for the Improvement of Education Quality) does not lead to the establishment of financial education within the curriculum but goes beyond that. The law established a social discussion around the education system in Spain, raising the importance of focusing on competences and the connection between school and the world of work. As a result, a network of two million of education experts in all areas are meeting to discuss these topics.

Apart from improvements that might be needed⁴, current developments show a step forward in national policies to improve access to financial education.

Your finances, your future

As a result of the Spanish circumstances in the past years and following the enhanced awareness of the low levels of financial literacy in the country, the banking sector decided to launch a sector initiative addressing the community educational needs. In 2015, under the umbrella of the Spanish Banking Association (Asociación Española de Banca – AEB) and working together with

Fundación Junior Achievement) in the content development and implementation, 22 banks joined forces to develop a programme that enables young people (aged 13-15) to acquire the knowledge and skills to make prudent financial decisions in a successful way throughout their life.

“Junior achievement shared our passion to boost financial literacy and financial education for young people. The purpose of the project was not only bringing a 3 hours financial course for kids but raise awareness among the students that managing your own financials is one of the key set of skills that will allow them to make better decisions and ultimately, be happier citizens” said Beatriz Morilla, Head of CSR, Spanish Banking Association

“Personal finances are part of our daily routine and economic decision-making occurs increasingly more often at earlier ages. Through the development of these abilities, students enhance their skills for life, becoming responsible and critical citizens, thus contributing to improving their quality of life and to a better functioning of the society” said Blanca Narváez, CEO, JA Spain

4 In Spain, education competences are decentralized to the regions (Comunidades Autónomas) that have the responsibility for the design of the curriculum, which might have hindered the process. However, according to the authorities behind the National Plan for financial Education most regions have approved regional regulations that ratify the national law.

Your finances, your future (Tus finanzas, tu futuro) is a 3 session classroom programme (1 hour each) delivered in schools by volunteers from the banking community. In two years of implementation, the programme has involved **1,043 volunteers from 24 banks reaching 14,211 students, from 172 high schools in 37 cities.**

The Spanish Banking Association mainly acts as facilitator, coordinating the activities on behalf of the associated banks. Junior Achievement developed the content and is responsible for the implementation in schools, ensuring **quality, neutrality, and transparency** of the programme.

Mainly focusing on personal financial management, the sessions are structured around different topics. While in one session students understand the importance of designing a balanced budget, the other two are more focused on the importance of being a savvy consumer. Using a learn-by-doing methodology, students start by structuring different budgets depending on the diversity of professions' monthly wages. With this exercise they not only learn the importance of allocating money according to the different expenses (housing, food, holidays, and a particular attention to the savings), but they also become aware of the wage differences across professions. Over the session, students learn to be careful when planning, giving their attention to unforeseen events such as a job loss or unexpected expenses. In another session, and after the students have reflected on the importance of saving, they are introduced to different types of investments, always underlining the associated profitability and risk. They learn that people have different risk profiles at different stages of their lives. The last session focuses on the consumption patterns and the students are encouraged to reflect and distinguish their needs from their wants.

Teachers particularly like the programme because it allows students to reflect on the importance of personal finance and they develop competences that allow them to overcome all kinds of challenging situations.

"The session with the volunteers is very dynamic, because it implies a lot of participation from the students. The reflection about the relation between the career option and the wage is very important as it makes them think about different things, it broadens their horizons to other realities, and it makes them understand that not all parents have the same wage. The programme therefore develops their critical thinking and by compelling them to make choices it makes them responsible for their future", said María Luisa Barrenechea, Counselor of Colegio Menesiano in Madrid

Every year, an event is planned to give visibility to the programme and, in a broader context, to raise awareness of the topic. In 2015, the CEOs of the banks involved were invited to go back to school and volunteer for the programme. The volunteer day involved a mass media campaign that generated a great deal of attention in civil society⁵. In 2016, the event focused on networking and the objective was to bring together people from different profiles interested in financial education. Using the format of "Ted Talks" and collecting different points of view (students, teachers, and business), the event instigated a discussion on how to strengthen financial education in the country.

One of the main challenges of the initiative is to keep the momentum and overcome the negative perception civil society has of the banks, which is particularly demanding from the perspective of the parents. Nevertheless, the initiative is steadily growing and its positive impact reported by both students and teachers plus the commitment from the banks to make it a long term initiative is helping to move it forward.

School-business partnerships - a triple win situation

The cooperation between the educational and the banking sector (business) is one of the most interesting points of this initiative. Benefits have been reported from everyone involved (students, teachers, and volunteers/banks) and in multiple dimensions.

Bridging the gap between school and the world of work has a very positive impact on **students**. These links between schools and business are important, not only to ensure that the curriculum is relevant, but also in order to provide different role models, mentorship and expertise. For students, it is extremely important to learn and experience financial education in a real world context. The volunteers from the business world help students to contextualize and objectivise what they learned.

"It is important that everything that the students learn is connected with the reality outside of school. We cannot work backside with what the society is demanding. Because only with this approach can we ensure that we do not end up with thousands of architects when there is no construction", said Ana Celia Virosta, Headmaster of Colegio Menesiano in Madrid

⁵ A corporate video was developed for the initiative. You watch the video here.

Teachers, who sometimes have more doubts engaging in these partnerships, are completely delighted with the programme. Firstly, they witness the impact of having volunteers in the classroom and they also understand the advantages for themselves as educators. On another level, financial education is often a topic that teachers do not feel confident with, and therefore the assistance from an expert is beneficial and very well accepted.

“Volunteers prefer to do this type of volunteering because it is more linked with their capabilities and skills. This programme was good for us because is more aligned with the type of volunteering they want to do. The content is very close to us”, said Julio Carlavilla, Director of Public Affairs, City

When it comes to financial education, the expertise from the banking sector can impart important financial knowledge and content from the work world. With this partnership, students have access to practical education they lack in the curriculum, which will help them in their personal and professional lives. From the beginning, the banks were eager to engage their employees to show that is not just about funding an initiative they think is important but also using employees as a sign of commitment to the cause. Beyond that **volunteers** also feel personally motivated to get involved in this initiative as they feel they are contributing in positive way to the education of the next generation while developing their own skills, and getting insights from potential future consumers. Many volunteers are attracted by volunteer opportunities that take advantage of their professional skills and knowledge. It is also a short programme, not requiring too much preparation. JA Spain worked directly with the volunteers in the development of the programme which has made the content more relevant.

4 | Peer-to-peer learning module

Turkey

In Turkey, Visa joined forces with its member client banks in 2009 to support a financial education programme for young people *I Can Manage My Money*. The project runs in partnership with UNDP, Habitat Association and the Turkish Ministry of Development.

Through peer-to-peer education, **young people from a similar age group, background, culture and/or social status teach their peers on how to budget and make wise choices regarding their finances.** One of the main advantages of this model relies on the strong connections built between trainer and trainees.

Learning from someone who has the same level of income, speaks the same language, and potentially faces or will face in the near future similar financial problems makes the learning process more real to the trainees allowing a higher achievement in terms of enhanced learning outcomes.

Since its launch, 2.24 million people benefited from the programme which is active in 81 cities (the whole country). In addition, a further 242,000 people are actively engaging with the programme via Facebook and Twitter, creating around a 1.5 million reach and engagement on a monthly basis via both media.

“Most people that attend the training don’t have any dreams. I don’t think I’ve affected them all but I believe I triggered the change in most of them. I inspired them to be more careful about their expenses, to think about their future and to save for the future.”

Kunter Gulec, trainer of I Can Manage My Money

“We are very happy with this partnership. From the beginning we are a group that thinks alike. Everyone knows what their role is and we all work towards the same objective.”

Hansin Dogan, Programme Manager, UNDP

“It has been a very successful partnership. Visa contributes with the financial resources, thought leadership and the management discipline needed to take the project forward’. UNDP brings the governance transparency and the worldwide dimension. Habitat is the field force that has been able to spread the volunteer network across the country facilitating the link with local organisations.”

Merve Tezel, General Manager, Visa Turkey



National Context

Studies show that with high ratios of poverty, young people are one of the most vulnerable groups, and in Turkey the 2008 crisis contributed and highlighted it even more.

Basic financial knowledge is therefore key to help Turkish young people to overcome this condition enabling them to handle not only life's challenges but also day-to-day situations in the most effective way, maximizing their chances of success.

However, several studies done prior to the implementation of the project showed that young people in Turkey are not prepared to manage their finances. According to Infakto Research (2007)¹, 71% of the Turkish young people did not budget regularly, and only 27% monitored and controlled their past spending. Another study² showed that 87% of young people did not save money for high value purchases they plan for the future (like buying a house or a car).

These evidences show that there was a need for more financial education across the country and I Can Manage my Money addressed this need and paved the way for the country's development in this field.

The Project

[I Can Manage My Money](#) is a financial education programme targeting young people aged 15 to 30 in Turkey. The programme was launched in 2009 aiming at improving financial awareness among the youth by teaching them basic financial concepts and budget management. In the long term it is expected to contribute to sustainable development and a healthy economy in Turkey.

¹ Infakto Research, 2007

² ERA Youth Research, 2009. This study also shows the lack of trust in the banking system by the Turkish young population as 94% of young people prefer to have their savings out of the banking system. Additionally, even if 44% of young people had their own bank account, 52% of them did not deposit money in a bank account.

The project is being implemented through a partnership between Visa Europe with the support of 23 Visa member banks, the Ministry of Development, UNDP, and Habitat Association. The partnership has proved to be very effective and it seems to be at the heart of the project's success. Each organisation has been highly involved and contributed with their resources and unique expertise for a common goal.

"We are very happy with this partnership. From the beginning we are a group that think alike. Everyone knows what their role is and we all work towards the same objective. Visa Europe and its 23 member banks contribute not only with the financial resources needed to implement the project but also with a very solid human resource capacity which is very different from other partnerships we have with the private sector", said Hansin Dogan, Programme Manager, UNDP

"It has been a very successful partnership. Visa contributes with the financial resources, thought leadership and the management discipline needed to take the project forward, establishing clear guidelines and targets. On the other side, the involvement of public organisations raised the credibility to project and helped increasing the reach. UNDP brings the governance transparency and the worldwide dimension. Habitat is the field force that has been able to spread the volunteer network across the country facilitating the link with local organisations", said Merve Tezel, General Manager, Visa Europe Turkey

"We are building a communication bridge between young people in 81 cities across the country. They are able to build their own network, share best practices, share what they learn during their journey. This is an important aspect of the project. They discover themselves when they take part in the project. Discover their abilities and plan their future careers. Overall, we are positively affecting the social change", said Sezai Hazir, President of Habitat Association

Face-to-face training sessions³ are the core element of the project since the beginning. In 2012, due to the sprawl and reach of the programme it identified the need and the opportunity to design different segments targeting different age groups. Within the segments, there are core transversal topics (e.g. budget and expenses) and other themes that address the specifics needs of that target group (e.g. for high school students the focus is on managing their pocket money while for young adults planning for big investments such as buying a house is introduced in the training).

More recently, in 2014 a new segment was created focusing on the financial needs of young entrepreneurs⁴. In Turkey the large majority of the private sector companies are SMEs⁵ and one of their biggest challenges is to manage their company's budget. In this segment the focus shifts from personal to business finance, allowing young people to develop the set of skills needed to manage a sustainable business, which is socially responsible and can be connected to global value chains.

Summarising, today there are available 4 different segments according to each target group:

- High school students (15-18)
- University students (19-23)
- Young adults (24-30)
- Young entrepreneurs (15-30)

³ Through the training sessions young adults learn about planning and managing their finances, the importance of savings, designing a balanced personal budget, the effective and responsible use of financial products, and their financial rights and responsibilities. Although the topics covered are crosscutting, the content is adapted to different age groups and delivered through different channels.

⁴ Recently, a government agency supporting entrepreneurs (Small and Medium Enterprises Development Organisation) recognised this segment's training to be part of their official training sessions.

⁵ In Turkey, Small and Medium Enterprises (SMEs) constitute 99.8% of the total number of enterprises providing 3 out of 4 jobs and producing more than half of the country's value added. Moreover, 97% of the total number of enterprises has less than 19 persons employed (micro enterprises). (European Commission, 2015 SBA Fact Sheet – Turkey, 2015)

The sessions are usually structured in two parts. Initially the trainer introduces the topic and explains basic concepts using real-life situations that are close to the target group of the session. In the second part, the trainees are invited to prepare and manage a budget for a specific situation⁶ understanding the challenges and benefits of planning in advance.

Since its inception the project reached more than **224,000 participants** across **81 cities** in Turkey. According to UNDP's multiplier effect⁷ more than **2.24 million people benefited** from the project. As such, for each young person involved in the training sessions, the person can be expected to act as a linchpin influencing and educating the persons in his/her circle. The impact analysis⁸ annually conducted by an independent research company also shows that the project has made a difference to disadvantaged groups and positively affected their budgeting habits.

Building on that success, in 2013 **online training sessions** were developed for all segments and are available on the project's website. These training sessions reach out to a broader audience that did not have the opportunity to attend the F2F training sessions plus enables people that took the training sessions to revisit and/or deepen their knowledge.

Social Media have become an important element since 2014 when a Twitter and Facebook account were created for the project. The objective was to bring the network closer together by establishing a close interaction and build a platform where young people can get coun-

⁶ Usually the trainers are asked to prepare a budget for a determined person and situation (e.g. a university student) different from their own in order to not create enough distance to enable reflexion on the topic and not allowing social comparisons in the group.

⁷ UNDP's multiplier effect ration for this type of project is of 1/10.

⁸ This long-term impact analysis compares the budget habits of those who were trained with a control group with similar characteristics that did not follow the training sessions. Some key findings show that the people trained have better budgeting habits (81% of the trainees actually do their budget vs 55% for control group); more regular saving habits (50 % of the trainees save regularly vs 23% for the control group); and have a better understanding on fundamental concepts in decision-making, such as interest compounding and inflation (62% of the trainees correctly answer questions on compound interest rate vs 31 % for control group and 66 % of the trainees correctly calculate the impact of inflation rate vs 39% for control group).

selling on budget management. Currently there are 242,000 followers on both channels.

In 2015 a **Mobile app** was launched as a response to the need of the trainees to implement what they had learnt during the training sessions. The app plays a key role towards the change in behaviours following the training sessions as it allows the users to plan their budget and keep track of their expenses.

The Methodology

'I Can Manage My Money' uses a **peer-based education** model to educate young people how to budget and make wise choices regarding their finances. Peer learning is an important methodology implemented all over the world whose potential has begun to be highly recognised.

Through this peer education model young people from a similar age group, background, culture and/or social status educate each other about financial literacy. One of the main advantages of this model relies on the strong connections built between trainer and trainees. Learning from someone who has the same level of income, speaks the same language, and potentially faces or will face in the near future similar financial problems makes the learning process more credible and real to the trainees allowing a higher achievement in terms of enhanced learning outcomes.

"Most people that attend the training don't have any dreams. I don't think I've affected them all but I believe I triggered the change in most of them. I inspired them to be more careful about their expenses, to think about their future and to save for the future", said Kunter Gulec, trainer of I Can Manage My Money

Nevertheless, this model suggests a two-way learning process, being mutually beneficial and, therefore providing learning opportunities for both sides. 'I Can Manage My Money' initiative empowers the trainers by allowing them to develop their communication, organising and planning skills, body language, and classroom management. They learn to work collaboratively with others, giving and receiving feedback and evaluating their own performances. Moreover, the participation in the project brings greater psychological well-being as they feel they are doing something good for society, increasing their social competence and self-esteem.

On another level, being part of the project substantially expands their network of relations as they get in contact with the governmental representatives in their towns and they have the chance to come together with the project partners in the annual project meeting.

"The most important benefit for myself is self-confidence. I've also started learning more details about financial services from the trainees that have more knowledge about the subject, especially business administration and economics students. And I definitely developed my network, now I know people from all the country", said Seyma Kula, master trainer of I Can Manage My Money

However, peer education models usually face significant sustainability challenges, as they demand constant volunteer's engagement and training. In this particular case the flourishing volunteer spirit in Turkey positively affected the project. The project was able to build the **biggest volunteer network in the country with 1,034 volunteer** so far. The sessions' content is designed to trigger a positive change in the both trainees who often become volunteers afterwards and in the trainers who tend to volunteer more as they feel ownership of the project.

"Being together with young people and being able to share knowledge with them is a motivation for me. We're touching people's lives, acting as role models", said Yusuf Evin, trainer of I Can Manage My Money

Influencing Public Policies

As the very first financial education programme implemented in Turkey and running for over 6 years, I Can Manage My Money was able to not only to reach a high number of young people and increasing the levels of financial literacy but also help influencing public policies in the country.

The project was able to develop a case to raise awareness of the topic among the national and local governments, the media, and the general public. It opened the path and provided the scope for the emergence of several initiatives. Thereafter, the Turkish Government began to consider financial education as a crucial factor to enable sustainable human development and decided to reference its relevance in the 10th Development Plan

for Turkey (2014-2018)⁹. In addition, Turkey's Strategy on Financial Literacy was announced in June 2014 together with the Action Plan for Financial Education (2014-2017). Under the coordination of the Capital Markets Board of Turkey the strategy intends to increase awareness and information levels of consumers and enable them to use financial products and services wisely. The development of such a strategy allowed an open dialogue between organisations involved in financial education in the country, showing commitment and assigning roles to different stakeholders.

Very recently, I Can Manage My Money received **official permission from the Ministry of Education Directorate General for Innovation and Education** in Turkey that enables the delivery the programme in high schools. According to the National Strategy Action Plan it is also on the agenda of the Ministry of Education to develop basic finance content within the national curriculum and non-formal education programmes. Even preceding this, the Council of Higher Education, which is the organisation responsible for universities, issued an official statement mentioning that financial education should be delivered to freshmen in universities.

Lastly, following the results and expertise accrued by the project, other countries started implementing financial education programmes using similar models adapted to different contexts, as occurred in Romania in 2012 where a similar partnership is in place or in Israel in 2013, followed by Croatia and Greece.

⁹ The document include the following statement: "raising financial awareness and dissemination of financial training to all segments of the society."

5. The interaction between financial and entrepreneurship education

United Kingdom

In 2014, Young Enterprise UK merged with pfeg (personal finance education group), a leading charity on financial education and research. Together they became the specialist 'one stop shop' for teachers and students, empowering young people to develop the knowledge and skills and they need to meet their aspirations for work and for life. Both organisations share the same commitment to helping young people making the transition to employment as easy as possible. The merger between Young Enterprise UK and pfeg (personal finance education group) enabled the organisation to maximise the resources and results achieved, being able to provide more useful and powerful experiences for young people.

"It's a blended model now. Young people are receiving the input from volunteers but also teachers are being trained to deliver. So they can almost lead-in to the experience with YE-UK programmes and then lead-out of the experience. It's a really nice bookend experience for young people."

Sharon Davies, Chief Operating Officer, Young Enterprise UK

"Young people don't understand managing their finances as separate from other life decisions they have to make, so tying it with employability and enterprise is the right thing to do. It's all about giving them the tools that helps them meeting their future aspirations"

Steve Stillwell, Head of Education, Young Enterprise-UK

Financial education has always been an important component of Young Enterprise UK's programmes; however, by **coupling both expertises** YE-UK now offers a wider and improved range of programmes and services (training, support, advice, and accredited materials) that allow schools and teachers to be better prepared to equip young people with the skills, knowledge, and attitudes they need to manage money for work and for life. **Entrepreneurship education is a highly effective way to teach financial education** as it provides the context and the possibility for the students to apply their knowledge in a concrete case of interest to them. The fact that financial education is already delivered inside the curriculum in the UK means that a blended approach is also more operationally efficient in terms of demand on teachers' time.



The context

The UK is living an interesting, promising, and yet uncertain time as concerns financial education. As of September 2014, financial education became statutory within secondary education within the National Curriculum in maintained schools in England¹. This important step forward was achieved after an intensive lobbying campaign and the active involvement of the All Party Parliamentary Group on Financial Education for Young People.

However, recent experience has showed that by making it statutory in the curriculum only gives the schools the mandate to deliver it, which doesn't necessarily translate into effective and quality content delivery². In fact, in the UK that doesn't even ensure an enlarged reach. England's complex education system³ includes, apart from the maintained schools, a large number of academies and free schools that are not bound to follow the national curriculum and therefore have total freedom to decide to what extent (if any) financial education is part of the school curriculum. Over half of the secondary schools in England are today within this category and it's likely that in the future they'll represent the majority of the schools. Therefore, and without undermining the political relevance of such action, the consequence is that impact is quite limited.

It should also be noted that the Government often stresses the importance of financial capability in the context of reducing the level of personal debt instead of supporting it as a key life skill that allows people to raise and meet their aspirations. This vision hinders the con-

¹ Financial education was already statutory in the curriculum in Scotland, North Ireland, and Wales.

² In England, all educational institutions except higher education are inspected and evaluated by [Ofsted](#), the Office for Standards in Education, Children's Services and Skills and the results are published nationally. However, Ofsted evaluates the quality of the school's curriculum based on a common inspection framework that includes quite high level outcomes and not subject related. Therefore, the quality and extent of the financial education in schools is not specifically monitored or recorded.

³ There are two types of schools funded by the Government in the UK: maintained schools receive their funds from the Government via a local education authority and they have to follow the national curriculum. Academies are free schools that receive the funds directly from the Government and are not obliged to follow the statutory curriculum.

solidation of a broader and constructive approach that foresees the development of financial skills important in all aspects of people's life.

On the optimistic side, and despite the large number of delivery organisations for financial education in the country, there is a collective willingness to strength a collaborative dialogue around the topic, allowing charities that are delivering financial education programmes

The [Money Advice Service](#) (MAS)⁴ has been playing a key role coordinating, reconciling, and encouraging all these stakeholders to align strategies on key issues of financial capability particularly focusing on children and young people. An important piece of this work goes through leading the development of the [Financial Capability Strategy for the UK](#)⁵.

This outline indicates the need to continue working with schools and teachers to instil the value of providing high-quality financial education in schools. On the other hand, new ways of collaboration should be pursued in order to make the delivery of financial education more

⁴ The Money Advice Service (MAS) is a UK-wide, independent service set up by the Government to improve people's financial well-being. The MAS is funded entirely for by a statutory levy on the financial services industry, raised through the Financial Conduct Authority. Its statutory objectives are to enhance the understanding and knowledge of members of the public of financial matters (including the UK financial system); and enhance the ability of members of the public to manage their own financial affairs. In recent years, MAS have been particularly focusing their work on children & young people (aged between 3 and 17/18), including detailed mapping of existing provision, in-depth research into the financial capability needs of CYP, and support to test 'what works' (MAS 2016/17 Business Plan). In the 2016 Budget announced that the government intends to replace the Money Advice Service with a new arms-length body, reporting to the Treasury. The new organisation will need to be created by primary legislation and is not expected to be fully operational until April 2018. Over the coming two years, MAS will continue to fulfil their statutory role. It should be noted that the Ministry of Education is very reluctant to engage in these conversations as they understand their mandate to be restricted to the provision of the general framework.

⁵ The Financial Capability Strategy for the UK, developed by the Money Advice Service and overseen by the Financial Capability Board, intends to harness the knowledge, experience and reach of many organisations in order to encourage 'collective impact' by proving and scaling what works and share learning.

efficient. Combining financial and entrepreneurship education allows just that. The related competencies are hugely transferable and delivering a combination of financial and entrepreneurship education enhances the educational experience and outcomes at the same time that it increases the level of engagement.

Another positive element relates to the healthy engagement and good partnership with the financial services sector in the UK. As the major funders of the financial education programmes they are involved in a constant dialogue with the parts involved.

The Merger

Financial capability plays an important role in entrepreneurial success, so there is a strong link between financial and entrepreneurship education. The learning outcomes are intertwined and related competences and skills completely aligned.

In 2014, Young Enterprise UK (YE-UK) merged with pfeg (personal finance education group), a leading charity on financial education and research, and together became the specialist 'one stop shop' for teachers and students, empowering young people to develop the knowledge, skills and attitudes they need for work and for life. Both organisations share the same commitment to help young people making the transition to employment as easy as possible.

"Young people don't understand managing their finances as separate from other life decisions they have to make, so tying it with employability and enterprise is the right thing to do. It's all about giving them the tools that helps them meeting their future aspirations" says Steve Stillwell, YE-UK Head of Education and previously working in pfeg

Entrepreneurship education is actually a highly effective way to teach financial education as it provides the context and the possibility for the students to apply their knowledge in a concrete case of interest to them. A recent research work⁶ indicated that financial education initiatives offered at a "teachable moment" (i.e. when the teaching is directly linked to decisions being of immediate relevance to the target group) show greater

⁶ Kaiser & Menkhoff, 'Does financial education impact financial behavior, and if so, when?', 2016

positive effects.

Financial education was always an important component of Young Enterprise UK's programmes however by **coupling both expertises** YE-UK now offers a wider and improved range of programmes and services (training, support, advice, and accredited materials) that allow schools and teachers to be better prepared to equip young people with the skills, knowledge and attitudes they need to manage money for work and for life.

Prior to the merger Young-Enterprise and pfeg had in place very different business models and the integration allowed both organisations to learn from each other's experience. Since its establishment pfeg's efforts build on the need to work closely with teachers to equip them with the knowledge to deliver the financial education in schools while YE-UK's business model was based on direct delivery to students through the support of business volunteers.

Young-Enterprise's full strategy has been repositioned since the merger, moving progressively towards a blended model that's is **more sustainable** and **educationally aligned**. Now, YE-UK has not only the know-how to provide young people with the hands-on experience but also it has become an educational partner for schools helping them to meet their educational needs by looking at their current provision and identifying the gaps.

"It's a blended model now. Young people are receiving the input from volunteers but also teachers are being trained to deliver. So they can almost lead-in to the experience with YE-UK programmes and then lead-out of the experience. It's a really nice bookend experience for young people", said Sharon Davies, YE-UK Chief Operating Officer

However the exchange of experiences fostered mutual learning at other levels as well. Firstly, Young-Enterprise's 'pay for' model was introduced in some of pfeg's programmes⁷ alongside with the YE-UK strategy to deliver core programmes with long-term proven records instead of constantly developing new ones. On the other hand, pfeg's long tradition working closely with schools

⁷ pfeg built a pay for model to delivery financial education directly to students and the training of teachers a have also evolved into a similar model. Although in the past all pfeg's services were free, the team was already aware of the benefits of a paid model that would make the users better value the services provided.

and teachers to embed financial education in the structure of the school curriculum and encourage a [whole-school approach](#) is being expanded to entrepreneurship education.

Overall, YE-UK is today an organisation capable of reaching out to a bigger and more diverse pool of students and teachers⁸ and to deliver programmes and services that meet their specific needs and will significantly improve outcomes for thousands young people.

Whole-school approach – ‘Centre of Excellence’

A whole-school approach is an holistic view based on structured multi-disciplinary work promoted consistently and systematically across all dimensions of school life (including within the curriculum, extra-curricular activities, teacher training) as well as collective and collaborative engagement of all members of the school community (leadership and management, teaching and non-teaching staff, learners, parents, and families)⁹.

In cross-cutting subjects such as financial and entrepreneurship education the development of a whole-school approach is key to enable a wider and complete integration in the school curriculum, so what is taught in the classroom is reinforced by messages learned in the playground and the rest of the school environment. The development of such key transversal skills has to occur throughout the school activities, throughout the years, and with the involvement of the entire school community.

pfeg’s tradition always envisioned to embed teaching and learning into the structure of the school rather than as an ad-hoc initiative. This is a more sustainable model as it is far less affected by any type of change. Additionally, since it is more permanent in space and time it allows the learners not only to gain the knowledge but also to have the opportunity to think more widely and to explore their attitudes towards money.

⁸ With the merger financial education will reach not only teachers from PSHE, Citizenship and potentially Maths but will also reach subjects such as business studies, and economics.

⁹ European Commission, Directorate-General for Education and Culture, ‘A whole school approach to tackling early school leaving’, 2015

pfeg’s Centre of Excellence has been the primary programme used for that and it has a proven track record in helping schools and teachers achieving greater outcomes. With the merger Young-Enterprise UK is piloting the same methodology in entrepreneurship education by certifying Centres of Excellence for both financial and entrepreneurship education.

On one dimension, the programme allows the school to have a 360° vision for the future and to develop an action plan to achieve it. The process starts with a baseline assessment of their financial and entrepreneurship education provision and associated gaps. Thereafter, the financial education champion¹⁰ working alongside an external consultant finds ways to guarantee that fundamental financial and entrepreneurship education outcomes are delivered in each key stage and through different subjects. This process is tracked by using the pfeg’s Financial Education Planning Framework and YE-UK is also developing a similar framework for entrepreneurship education that will be available in 2016/17 school year¹¹. To meet the Centre of Excellence criteria a minimum of 40% of learning outcomes have to be covered in each Key Stage and featured in timetable lessons in at least two subject areas.

On another level, this work is supported by [Continuous Professional Development \(CPD\) training for teachers](#) allowing them to develop the competences and the confidence to deliver financial and entrepreneurship education in their lessons. Financial education is often a subject that teachers do not feel comfortable with. According to the Developing Excellence Framework¹², the champion is responsible to develop a CPD plan addressing the needs expressed by the peers and taking into account the materials/services from pfeg, the Local Authority, and other providers.

The involvement of parents, family, and community completes the ultimate package. Supported by the theoretical learning in the classroom, parents need to allow the children to have the real life /practical experience with money and discuss it at home. Evidence suggests [that parents are](#) the primary influence as financial ca-
¹⁰ The financial education champion is the person/teacher in the school that leads the process to become a Centre of Excellence.

¹¹ Until then YE-UK is using a framework from another organisation.

¹² The Developing Excellence Framework is a document developed by pfeg that provides the standards required to meet the Centre of Excellence criteria.

pability develops, acting as mirrors, particularly with respect to developing attitudes and behaviours towards money¹³. The pfeg Centres of Excellence programme allows schools and parents to act together towards the same objective.¹⁴ The parents are invited to come to the school and get actively involved in the process by taking part in activities for students and parents meetings to discuss the topics and share information. Additionally, to become a Centre of Excellence the school is invited to showcase and share expertise with other stakeholders in the community, inviting business volunteers to participate in their activities and spreading the achievements in local media.

The triangulation between these three dimensions (school's curricula, teachers training, and parents/community engagement) will ensure a continuous and sustainable path towards improving young people's chances of success.

Supporting teachers - CPD training

As stated before support to teachers is an important piece of pfeg's work and from the merger on it was added to Young Enterprise UK's priorities.

Providing teachers with the quality tools, resources, and services is particularly relevant to financial education. YE-UK research suggests that while financial education is delivered mostly by teachers in lesson time (on the curriculum), entrepreneurship education is mainly delivered by external organisations outside lessons time. Consequently, even if the delivery of entrepreneurship training will happen in the near future, the demand for teacher's training in financial education still has a higher demand.

For some time now teachers have been recognised as an important player in what concerns financial education;

¹³ National Assembly for Wales Commission, Financial Education and Inclusion (Wales) Bill, 2014

¹⁴ Lifesavers is another project focused on the role of the all community to develop children's financial competences. It aims to bring together primary schools, local credit unions and church partners to deliver holistic, joined up and values-based financial education for children, their families and the wider school community. LifeSavers is currently being piloted in six primary schools, but will roll out to 120 primary schools over the next three years.

however a survey¹⁵ of 450 secondary teachers involved in financial education in the UK states that 19% of them still feel unconfident about the topic and only 17% of schools have received any kind of training or advice. In 2012 OECD recommendations it is mentioned that teachers should be adequately trained and they should have access to easily accessible, objective, high-quality and effective learning tools and resources. YE-UK/pfeg has been working hard in fulfilling these needs.

Particularly in the UK where schools are free to integrate financial education within any or all subject areas, it is key to provide the adequate training (both initial teacher training and CPD). Therefore, YE-UK/pfeg not only provides face-to-face training and remote support and advice¹⁶ but also accredits financial education resources designed to give teachers confidence that the materials they are using contain accurate and up-to-date information and are of the highest educational value.

Both initial teacher education and continuing professional development are crucial but often represent a major obstacle when it comes to introducing financial education into the classes. The joint work YE-UK/pfeg is crucial to making headway to having teachers confident to deliver financial education having at the same time a sense of understanding of entrepreneurship education as well as entrepreneurial learning methods.

¹⁵ APPG on Financial Education for Young People, Poll of Secondary School Teachers in England, March 2016

¹⁶ A diverse range of teaching resources is available in [pfeg's website](#).



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