

Evidence Basis

Background

Money Matters is a financial education program created by Boys & Girls Clubs of America (BGCA) in partnership with Charles Schwab Foundation. A 2012 evaluation of Money Matters showed a significant improvement in the knowledge and attitudes of budgeting and living within means, saving and investing, planning for college, and credit and debt.

In 2018 the program was updated to strengthen its potential impact on behavioral change. The goal of this program is to fill a gap in existing financial literacy programs, which primarily focus on increasing knowledge and attitudes. The program is an innovative design, integrating financial literacy skills, core social-emotional skills, behavioral economic concepts and youth development best practices. The goal of this financial education program is to build core skills in teens that lead to sound financial decision-making and the adoption of positive financial behaviors.

Pilot Evaluation

A pilot evaluation of the 2018 version of Money Matters was conducted with 20 Clubs from October to December 2018. The pilot explored the extent that the (1) resources and materials were high-quality, (2) the program was implemented in a high-quality manner, and (3) youth had positive and engaging experiences during their participation. Youth outcome objectives were also measured, focusing on the potential of the program to impact financial behavior change, financial decision-making skills and self-confidence in making sound financial decisions. Core evaluation findings showed that teens:

- Reported high levels of engagement and interest in the Money Matters program, particularly with games and competitions, and would recommend the program to other teens.
- Valued their relationships with facilitators of the Money Matters program and found this relationship to be integral to their program satisfaction. They also appreciated learning effective money habits.
- Endorsed the updated program as more engaging and relevant than the previous version.
- Felt the content and activities were relevant to their current and future lives.
- Experienced positive changes in their attitudes toward financial literacy, confidence and money management.
- Reported that they planned to use the skills they gained during Money Matters in the future.

After participating in the Money Matters program, **teens reported the greatest changes in two core financial behaviors: saving money and budgeting with their goals in mind.**

The Program

In the program, teens focus on their future selves. Each unit has an overarching question that asks teens to think about behaviors that can impact their goals. It takes them through an experiential learning experience that builds skills to help them reach the personal and financial goals of their future selves.

- **Unit 1:** My Life Right Now: How Do Today's Decisions Impact My Future?
- **Unit 2:** My Life After High School: How Do I Keep Working Toward My Dreams?
- **Unit 3:** My Life in My 20s and Beyond: How Do I Stay on the Path to My Life Goals?

Each session is scaffolded to build on the previous lessons. At the end of each unit, teens develop a tool, idea or concept demonstrating their personalized application of learning. This allows them to continuously practice skills and concepts in different situations, which increases their self-confidence and self-efficacy to adopt positive financial behaviors.

Research Basis

Money Matters was designed using the latest research on financial education, behavioral economics and youth development. Each of the following aspects of the design were specifically incorporated based on evidence of effectiveness and likelihood of contributing to positive outcomes. A logic model is provided at the end of this document.

Skill Building – Money Matters includes skill building in core financial skills, as well as core social-emotional skills. The core financial skills addressed in the program are: money management, earnings, savings and investing, debt management, risk management and insurance, numeracy, postsecondary and career planning. The social-emotional skills that were selected to help achieve these financial outcomes are: goal-setting, planning, evaluating, ethical responsibility and impulse control. Social-emotional skills are the social, cognitive and behavioral skills that enable people to interact appropriately, manage their own emotional states, and make decisions and choices for an active, safe and productive life.⁵ BGCA utilized several evidence-based frameworks and research from social-emotional development leaders in order to determine the core social-emotional skills that are incorporated into all Club and Youth Center programs, including Money Matters. Social-emotional skills are foundational to academic success, health, financial literacy, and college and career readiness. Because social-emotional development is rooted in personal, interpersonal and cognitive psychosocial skills that lead to behavior change, the integration of these skills in a financial education program can increase the chances of adoption of positive financial behaviors.^{5,6}

A Focus on the Future – Money Matters includes future-focused activities that support the adoption of positive financial behaviors. Research on maximizing future well-being and visualization to help with the engagement in long-term planning strategies informed the future-focused concept of the program.^{7,8,11} When young people are emotionally connected to their future selves, they make better long-term financial decisions. Additionally, behavioral economics theory focuses on the importance of executive function in supporting financial behavior change. Concepts of this theory were used in the updated program, with a focus on addressing the cognitive biases of discounting the future, overconfidence and loss aversion. Promising research in this field has shown that focusing on the future and setting goals, creating action plans, identifying strengths and providing accountability methods can lead to the adoption of positive financial behaviors.⁶ Core constructs from The Theory of Planned Behavior are also integrated into Money Matters through activities that address financial behavioral intent and perceived behavioral control of finances.⁹ The program asks teens to examine the impact of behaviors now on their future selves in order to target metacognitive behaviors that may impede behavioral change.

Experiential Learning – Money Matters has repeated experiential sessions for teens to practice these skills in order to build their self-confidence and self-efficacy of positive financial behaviors. Youth need to be involved in experiential-based activities that support planning, organization and impulse control.⁵ Additionally, there needs to be a focus on financial self-efficacy and perseverance in order to help youth build their ability to absorb financial shocks while still engaging in positive financial behaviors.^{6,9} Other future-oriented skills that influence financial decision-making include delayed gratification, goal-setting, problem-solving, evaluating and critical thinking. Skills impacting financial decision-making and the adoption of positive financial behaviors build metacognitive behaviors through the repeated application and reflection of learnings in the experiential activities. Money Matters includes the creation of financial products, concepts or ideas throughout the program to showcase learnings, spark creativity and demonstrate financial knowledge.^{1,9,10}

Financial Socialization – Financial socialization is the acquisition of values, attitudes, standards, norms and behaviors that shape financial practices. This theory recognizes the impact of peer norms, attitudes, and behaviors on financial behaviors and the reinforcement of these behaviors by parents and caregivers.¹ Money Matters also includes group problem-solving and interactions to address the impact of financial socialization. The Facilitator's Guide is embedded with staff practices that can support financial socialization if these practices are used consistently during delivery of the program's content across other interactions with teens.

Logic Model

Research has shown that the evidence-based foundational skills embedded in Money Matters can lead to the outcomes shown in the logic model below.¹² The logic model outlines the short, intermediate and long-term outcomes that can lead to the adoption of sound financial behaviors.

Objective	Teens build their knowledge, confidence and decision-making skills related to budgeting, saving and investing, managing credit and debt, and postsecondary planning to make behavioral changes in managing their finances.
Short-Term Outcomes (0-3 months)	Teens gain self-confidence in creating a budget, developing a savings plan, and using financial planning tools to help them reach their personal and postsecondary goals.
Intermediate Outcomes (3-6 months)	Teens improve skills to make financial decisions in budgeting, saving and investing; managing credit and debt; and using financial resources to reach their personal and postsecondary goals.
Long-Term Outcomes (12 months or more)	Teens are equipped with decision-making skills and engage in sound financial behaviors that put them on the path to financial well-being to achieve their personal and postsecondary goals.

Evaluation Resources

Research has shown that the evidence-based foundational skills embedded in Money Matters can lead to the outcomes shown in the logic model. The evaluation resources that follow are tools your Club or Youth Center can use to measure the impact of this Targeted Program on the youth outcomes that have been shown to lead to the adoption of sound financial behaviors.