

Financial Literacy as a context for strengthening literacy and numeracy for adults

NZ Vocational Education and Training
Research Forum 2011
Postgraduate Research Showcase

Presentation overview

- What is financial literacy?
- Why financial literacy?
- Key research questions
- Overview of findings
- Key considerations for organisations
- Resources available

What is financial literacy?

- *Financial literacy is being aware of financial opportunities and risks and having the literacy and numeracy skills, financial concept knowledge and confidence in one's skills and knowledge to make informed choices in financial behaviour.*
- *This includes knowing when to request help and from whom, and is dependent on the needs of the individual which can be affected by their life stage, personal experiences and cultural understandings.*

Why financial literacy?

- People are more aware of the need to strengthen their understanding of financial concepts and the risks related to a changing financial environment
- Increased learner motivation to engage with financial literacy programmes provides the opportunity to strengthen literacy and numeracy for adults through embedding in a financial context
- Positive outcomes for both employers and employees

Key research questions

- What is the relationship between financial literacy knowledge and behaviour, and literacy and numeracy skills?
- Where and how has financial literacy been used as a context for strengthening literacy and numeracy skills and knowledge for adults?
- How can financial literacy be used as a context for strengthening adult literacy and numeracy skills and knowledge in New Zealand?

Overview of findings

- Financial literacy needs are relative to the individual's personal, social, cultural and economic situation
- Financial skills and knowledge includes understanding financial terms, monetary systems and underlying literacy and numeracy skills are integral to adult's having the ability to access information, make decisions and act as required in different situations
- Explicit teaching and learning activities should be aimed at providing understanding and strategies for approaching each task

Key considerations for organisations

- Need to connect financial literacy explicitly with other study and work with learners to select relevant topics
- Resource appropriateness including reading/ numeracy demands & consideration of the learner's life stage
- 'flexibility the key to success'
- Avoid giving learners financial advice!

Resources available

- [National Strategy for Financial Literacy](#) – Retirement Commission
- [Sorted](#) website resources i.e. [Calculators](#) and [case studies](#) linked to [life stages](#)
- [Managing My Money](#) - A money management education package include workbooks, study guides and facilitators manuals linked to Unit Standards
- [Pathways Awarua](#) – *forthcoming* online learning system in reading and numeracy – numeracy activities have financial focus