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# Tips and Tools #1

## How to Choose a Financial Education Curriculum

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### Introduction

One of the first issues practitioners find themselves grappling with when planning the financial education component of their Assets for Independence (AFI) project is deciding what curriculum to use. This issue has been complicated by the vast array of financial education curricula available from financial institutions, government agencies, faith-based organizations, credit card companies, cooperative extensions, intermediary organizations,



private businesses, and other community service organizations, often for free or no cost.

Many AFI grantees, as well as other entities that administer individual development account (IDA) projects, find it challenging to find a curriculum that both meets the needs of their IDA project participants and fits the knowledge base and experience of the project staff

that will be providing the training. The goal of this installment of the Tips and Tools series is to provide suggestions for a clear process for evaluating financial education curricula. It is usually most effective to start with a curriculum that is most closely aligned with the needs and outcomes of the IDA participants in the AFI project.

The Tips and Tools component is organized into two parts:

- ▶ **Part 1, Start with Your Participants**, helps you (i.e., project staff) assess and understand the particular needs of your project's target market or audience.

- ▶ **Part 2, Steps to Evaluating a Financial Education Curriculum**, provides guidelines and helpful hints for evaluating the strengths and weaknesses of the financial education curricula you may be considering. It includes a Financial Education Curriculum Evaluation Worksheet for reviewing key aspects of the curricula’s materials, content, approach, and organization.

## Part 1: Start with Your Participants

A first step in choosing a curriculum is to identify the characteristics, needs, and skill levels of your project’s **target market**. Your target market, or target audience, is the group of people you plan to serve in your IDA project and who will participate in the financial education component.

- ▶ What are the common characteristics of your target market? Common characteristics may include geographic location (e.g., families from the same neighborhood), stage in the family life cycle (e.g., grandparents raising grandchildren), or specific situation (e.g., survivors of domestic violence).
- ▶ What knowledge and skills do they need to save money for their IDA, acquire and retain their assets?
- ▶ What knowledge and skills do they already have that you can build on?

Answering these questions will help you to define the knowledge and skills that your IDA participants will develop as a result of participating in your project’s financial education component.

### ***Target Markets, Market Segments, and Eligibility Criteria***

Your AFI project may plan to serve more than one target market or audience within the population of AFI-eligible individuals. The financial education needs and backgrounds of your IDA project participants may vary widely from participant to participant as well as among different target markets and **market segments** (segments or subgroups within the target market). It is important to identify these groups of participants in order to design your project’s financial education component appropriately.

	<b><i>Target Market or Segment</i></b>	<b><i>Target Market or Segment</i></b>	<b><i>Target Market or Segment</i></b>
<b><i>What knowledge and skills do they need in order to save for, purchase, and keep assets?</i></b>			

## Target Markets, Market Segments, and Eligibility Criteria

**Target Market:** A target audience or target market is a specific group of individuals you plan to serve in your IDA project. Members of a target market share key characteristics that make them a group. Common characteristics may include geographic location (e.g., families in the Heritage Hills neighborhood), stage in the family life cycle (e.g., grandparents raising grandchildren), or specific situation (e.g., survivors of domestic violence). [Click here for further examples of target markets or audiences commonly served by IDA projects.](#)

**Market Segments:** While members of a target audience will have many traits or characteristics in common, there also will be different segments or sub-groups within that target audience. These are called market segments. For example, if your program serves New Americans, you may have market segments based on primary languages spoken. If your program serves youth, your market segments may be based on participant ages and developmental stages.

**Eligibility Criteria:** Target audience and market segment are different from eligibility criteria. Eligibility criteria are requirements that members of your target audience or market segment must meet in order to qualify for an AFI project. Eligibility criteria for AFI project participants include: having a household income at or below 200% of the federal poverty level, assets at or below \$10,000 (excluding the value of a primary residence and one car), and a source of earned income. (A person who is TANF or EITC eligible would also qualify for AFI.)

<b>What knowledge, skills and experience resources do they already have?</b>			
<b>In what language do they need the materials?</b>			
<b>What is their reading literacy level?</b>			
<b>What cultural aspects need to be recognized in order for the financial education material to be relevant?</b>			

Understanding the needs, resources and characteristics of your target markets and market segments will help to ensure that your AFI project's financial education component is responsive to your participants' needs and skills. For example, you could modify the design

and delivery of your marketing materials, financial education, asset specific education, case management, enrollment forms and procedures, and other aspects of your project to reflect your target audience.

Identifying the subgroups within your projects' target market is important for designing effective services. For example, if your project serves recent immigrants, you may have market segments based on the primary language spoken. If you are serving young people (youth), you may have segments based on ages and developmental levels. Note: target markets and market segments are different from **eligibility criteria**, which are the requirements that members of your target market or market segment must meet in order to qualify for your AFI project.

Ultimately, analyzing your target markets and market segments will help you design and implement a more effective and efficient AFI project. The following table<sup>1</sup> will help you to organize information about your target market or market segment and identify the key issues to consider when reviewing financial education curricula.

### ***Defining a Set of Desired Outcomes for Your Financial Education Component***

Once you have assessed the needs and starting point of your target market and market segments, the next step is to defining the outcomes you want participants to achieve as a result of participating in your financial education. Participant outcomes are a set of statements that describe how participants will be changed by or will benefit from the financial education program.

You should develop participant outcomes for each target audience or market segment. Because the outcomes will be based on your analysis of the needs and characteristics of the target markets and market segments served by your IDA project, this tip sheet cannot provide a comprehensive list of all the outcomes you may need to develop. However, following are examples of some of the possible outcomes you could develop for three hypothetical market segments:

- ▶ Young people, aged 18-20
- ▶ New Americans from Central America
- ▶ Families experiencing a recent dislocation from work .

(Typically your list of outcomes will be longer than those presented here.)

#### ***Outcomes for young people, aged 18-20:***

- ▶ Increased understanding of the real costs of living independently, the income level needed to support basic costs of living, and the education and training needed to earn a basic income level.
- ▶ Decreased or no use of credit cards.

- ▶ Increased use of budgets to achieve short and long term goals.
- ▶ Increased awareness of the impact of the media on youth culture and their desires for consumer goods.

### ***Outcomes for new Americans from Central America:***

- ▶ Increased understanding of the U.S. financial services system.
- ▶ Increased use of products from financial institutions to keep and manage their money.
- ▶ Decreased use of predatory financial service providers.
- ▶ Increased understanding of rights and protections provided through the Federal Trade Commission Act, the Truth in Lending Act, the Fair Debt Collections Act, and the Equal Credit Opportunities Act.

### ***Outcomes for families experiencing a recent dislocation from work:***

- ▶ Increased ability to negotiate with creditors and others to whom financial obligations have been made.
- ▶ Increased ability to access other resources to cover household needs until other employment is secured.
- ▶ Increased ability to develop and maintain a budget.
- ▶ Increased understanding of rights and protections provided through the Federal Trade Commission Act, the Truth in Lending Act, the Fair Debt Collections Act, and the Equal Credit Opportunities Act.

## Part 2: Steps to Evaluating a Financial Education Curriculum

Once you have a good understanding of the financial education needs, starting knowledge and skills, and desired outcomes for your target markets or segments, you are ready to start reviewing financial education curricula.

**Step 1: Review each curriculum based on your analysis of your target market and market segments, and the outcomes you have defined for your project.**

When reviewing a curriculum, consider the curriculum's intended audience, which should be

described in the beginning of the curriculum’s facilitator’s guide (sometimes referred to as an Instructor’s Manual or Teacher’s Guide). This will provide important information on the focus of the curriculum and whether it will be appropriate for your target audience.

Next, review the topics covered in the curriculum—the list of sessions. This will help you identify whether the curriculum covers all major areas needed by your target markets.

Last and most important, examine the outcomes that the curriculum states it will achieve. Some curricula refer to the outcomes as “competencies” to be developed by the participants. Compare this list with your project’s desired participant outcomes. If more than half of your outcomes seem to be covered by the curriculum, the curriculum is probably worth a closer look.

## **Step 2: Review the curriculum using the Financial Education Curriculum Evaluation Worksheet**

Once you have found a few curricula you think might work for your IDA participants based on your target market analysis and outcomes, you can evaluate these curricula further using the Financial Education Curriculum Evaluation Worksheet. This worksheet is designed to guide you through an in-depth analysis of each curriculum in a systematic and organized way.

The Financial Education Curriculum Evaluation Worksheet is organized into five sections:

- ▶ Materials
- ▶ Content
- ▶ Approach
- ▶ Organization
- ▶ Background

Each is described below.

### ***Materials***

This section helps you evaluate the materials provided with the curriculum. Does it include participant workbooks? Does it include a facilitator’s guide or instructor’s manual? Does the facilitator’s guide align with the participant workbooks and other participant materials?

This section also shows you how to evaluate the layout and usability of the curriculum, including font size, line spacing, white space per page, and use of illustrations to convey concepts. Larger type fonts, spaces between lines of text, large margins on each page and between sections, and pictures help make the materials friendlier and more usable by participants who may have difficulty reading. (For example, participants with functional levels of literacy are only able to pick out pieces of information from text and understand

only some of the words).

### **Content**

The questions in this section of the worksheet help you evaluate the curricula in terms of whether they are consistent with the outcomes or competencies you have identified for your participants. For IDA participants, for example, the curriculum should ideally include the following topics at a minimum:

- ▶ Goal setting
- ▶ Budgeting
- ▶ Finding money to save
- ▶ Cutting spending
- ▶ Strategies for managing and paying down debt
- ▶ Understanding credit including reading credit reports, repairing credit and maintaining credit
- ▶ Understanding credit score and increasing it
- ▶ Calculating net worth and strategies to improving net worth
- ▶ Consumer protection laws including overview of consumer rights and responsibilities
- ▶ Evaluating financial services and using financial service to manage money

Ideally, the curriculum would also address financing related to the asset goals:

- ▶ Small business capitalization,
- ▶ Home mortgages and the true cost of buying and owning a home, and
- ▶ Post secondary education financing.

These topics are generally beyond the scope of most financial education curricula; therefore you will need to augment the financial education curriculum with materials on these topics that exist in other asset-specific curricula, or ensure that this information is covered during the asset-specific education you provide.

One of the most important aspects of the content review is whether the curriculum meets participants “where they are” with respect to their experience and knowledge. The

curriculum should include activities that will build on participants' knowledge, skills, and experience and should articulate clear and pragmatic goals for how the new information will benefit participants.

The materials should also be error free, culturally appropriate and free of corporate product promotion. If you are new to financial education, determining whether materials are error free can be a challenge. The best way to ensure that materials are correctly presented is to seek assistance. You can contact the AFI Resource Center for assistance in reviewing curricula. You can also contact a Certified Financial Planner, a Certified Public Accountant, an attorney, an experienced financial education provider, experienced staff from banks or credit unions, or experienced staff from Consumer Credit Counseling Services to help you evaluate the accuracy of specific parts of the curriculum.

The curriculum should also use direct, concise, and simple language that is written at a reading level to accommodate the least literate participants (generally a 4th to 7th grade reading level), and should start simple and build toward more complex topics. The examples provided in the curriculum should also be sufficiently diverse (in terms of age, stage of life, family composition, culture) so that participants feel the material is relevant to them.

In assessing the content of a curriculum, be sure to examine both the participant materials and facilitator's or instructor's guide. In the participant materials, you should look for how well the curriculum incorporates or builds on participants' knowledge of the topic, offers space for individual reflection, and conveys an overall respectful tone. As described below, the facilitator's guide should include participatory activities that focus on participants sharing experiences through discussion or activities.

### ***Approach***

The questions in the "Approach" section of the Curriculum Evaluation Worksheet focus on how the content is delivered or covered. Many successful trainers use a variety of training methods and materials. By using a variety of training methods, you will help keep the financial education classes engaging. This also helps to ensure that the training will accommodate different learning styles and will work on different aspects of learning: knowledge-building, skill-building (i.e., how to put the knowledge into practice), changes in attitudes about money, and changes in behavior with respect to money.

Many financial education curricula claim to be participatory, but quite a few include only facilitator-led discussions in addition to lecture or presentation. What are good tools to look for when evaluating whether a curriculum will be engaging for participants? Here are a few examples: case studies, exercises, video and discussion, and small group work are other simple methods that should be included even in the most basic curriculum. There are many other participatory techniques that could be included, such as games, simulations, skits, role-plays, field trips, and debates. You should consider the needs and preferences of your target audience(s) when reviewing a curriculum's approach to delivering content.

## **Organization**

This section asks a series of questions related to the order in which information is presented in both the participant materials and facilitator guide. Key questions in this section include:

- ▶ **Are there clear transitions or linkages from one section to the next?** Transitions are important as they connect concepts and provide a sense of continuity for participants. In the participant materials, you should look for transitional paragraphs or exercises at the beginning or end of each sub-section and chapter. In the facilitator's guide, you should review the materials for specific guidance on how to provide transitions for your project participants.
- ▶ **Does the facilitator's guide provide clear instructions for setting up, running, and processing each activity?** A strong facilitator's guide gives instruction on setting up activities, running them, and helping participants process the information they learn from the classes (i.e., helping them to apply the new ideas or skills to their own situation). These instructions are important for helping instructors work effectively with participants throughout the learning cycle.

## **Background**

This section of the worksheet focuses on basic information about the curriculum, including its costs, the characteristics of the audience(s) for which it is designed, the length of each session, the number of sessions, and author information.

## **Conclusion**

In order to provide the best financial education component possible, it is worth taking the time to review several curricula. First analyze the skills and needs of the people you think will be participating in the project (your target markets and market segments), then identify a set of desired outcomes for these participants, and refer to your market analysis and outcomes in reviewing the different curricula. These are fundamental steps for identifying a financial education curriculum that will meet your needs. The curriculum you choose should provide a foundation for your financial education efforts and provide most of the materials you need to create a financial education component that not only good, but transformational for participants. However, you should be open to adapting sessions and adding materials to ensure that your participants complete the financial education portion of their AFI project with the knowledge, skills, and confidence they need to save for, purchase, and keep assets for the long-term.

## **Resources**

For additional information, please refer to the tip sheet “Resources for Effective Financial Education in AFI Projects.” The tip sheet discusses key issues in choosing, adapting, or developing a financial education curriculum and includes examples of how AFI projects and other financial education providers have measured the effectiveness of their curricula.

[1] Source: Based on a target audience assessment tool developed by Inger Giuffrida for the IDA Training Institute. The Assets Alliance. 2004. Please cite author and source when using these materials.

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**For more information, please contact the Assets for Independence Resource Center**  
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