



Empowering young people to make positive financial choices

New Zealand 2021

## IMPACT AND OUTCOMES

SMART\$ is a Theatre-in-Education (TIE) interactive performance designed to provoke thinking and conversation around every day financial decisions and opportunities impacting young people.

Created specifically for New Zealand rangatahi and the financial challenges they face, SMART\$ was created for Year Ten students in a school setting.

The interactive 45 minute performance follows the decisions and behaviour of characters focusing on traditional needs versus wants and opportunity costs covering; saving vs deferred payment schemes, credit cards and KiwiSaver.

SMART\$ was trialled in 2020 and delivered nationwide to over 4,000 students. Feedback gathered from 2020 was used to further develop the programme for 2021, which has been delivered to nearly 8,000 students. Unfortunately lockdowns impacted the number of schools we have been able to reach the last two years.

### OUR REACH

7,936  
students

participated in 2021\*

&

4,024 students  
participated in 2020



## WHY FINANCIAL EDUCATION IS CRUCIAL

New Zealand's financial environment is challenging for young people growing up today. Financial education is patchy in schools despite widespread recognition of its importance.

Life Education's interest is teaching life skills. The poverty trap and intergenerational impact of poor financial skills is real. Without 'skills and knowledge to apply to real life situations involving financial decisions'<sup>1</sup>; strategies to lift household income will have limited impact.

Ongoing life challenges from poverty include addictions, mental health challenges, family violence, long-term unemployment, and ill-health/disability. People in financial difficulties are often under considerable stress. The accumulation of hardship-associated problems may result in family breakdown. Some families do not seek help for financial problems because of the stigma (Families Commission, 2012).

1. Financial Capability of Secondary Students and the place of financial capability in schools – NZCER 2015  
\*11,998 students booked for 2021 pre-COVID

## THE PROBLEM

The Commission For Financial Capability (CFFC) contracted the New Zealand Council for Educational Research to assess financial capability in secondary schools.

Teachers believe that students' money management skills are low. Importantly though, 82% of secondary students want to learn more about how to manage their money, and see the value of obtaining advice on money issues.

And, while school leaders see the importance of teaching financial skills across the curriculum, just five percent strongly agreed that their school has a strong emphasis on it.

By teaching students about money and making financial decisions we can prepare students to contribute to our society and our economy in a meaningful way.

SMART\$ supports a teaching plan, rather than learning in isolation. It supports teachers by introducing key concepts and providing a platform to continue the learning in class, including teacher resources ensuring the learning extends.



Life Education partner with Banquer to support teachers – bringing every day decisions to life.

Banquer High provides an online simulation of real life financial concepts, giving students the opportunity to manage a budget, explore career paths, go flatting and dabble with investing. Through the simulation learnings from SMART\$ can be put into practice.

## DIFFERENT LEARNING STYLES

SMART\$ uses powerful interactive live theatre to follow the decisions of young people and how financial decisions can affect their lives, consistent with the competency and values of The New Zealand Curriculum.

Theatre in Education (TiE) delivers key messages utilising well-known education and psychological theory – Social Cognitive Theory (SCT). SCT contends that in addition to direct experiential learning, people learn vicariously by observing models of behavior. And, it's a tool that can aid a 'whole of school approach' enabling the conversations that flow to transcend all subject areas.



## SMART\$ SURVEY SUMMARY OF FINDINGS

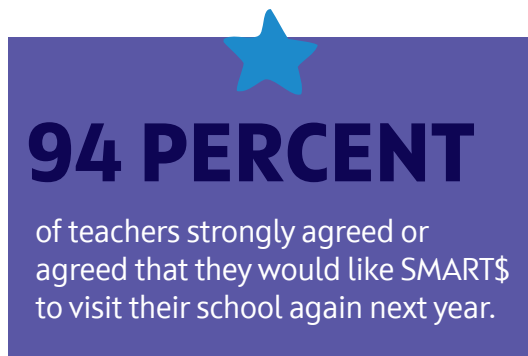
### INTRODUCTION

This summary highlights the key findings from the 2021 SMART\$ surveys conducted with students before and after, and with teachers after the programme was delivered. Surveys were conducted online during the four period of May to August 2021.

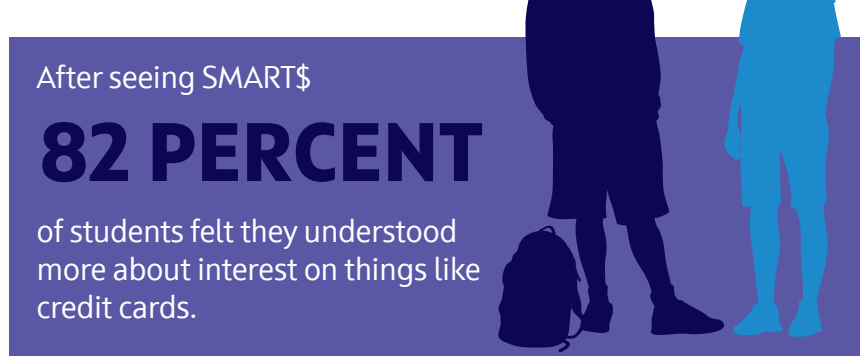
### STUDENTS' CURRENT FINANCIAL POSITION

- 77% of students have a bank account
- 22% of students have a part time job
- 60% of students receive regular 'pocket money'
- 76% of students have purchased something online before, and of this group:
  - 28% used money from their bank account to make the transaction
  - 32% used someone else's credit card when purchasing online
  - 15% borrowed money from a friend or adult
  - 25% used a different method from those above

### PERCEIVED VALUE OF SMART\$



An increase of 11% from 2020.



An increase of 16% from 2020.

- 100% of teachers strongly agree or agree that it is important that programmes like SMART\$ exist and visit schools.
- 100% of teachers thought the key learning points in the SMART\$ performance provided them with a springboard for further discussion, an increase of 16% from our 2020 trial.

## KNOWLEDGE ABOUT SAVING, BORROWING AND DEFERRED PAYMENTS

After participating in SMART\$, 84% of students said if they saw something online that they really wanted to buy, they would wait and save for it, compared to 68% before participating. Only 4% of students would use a deferred payment scheme in the same situation.

## ENROLLING IN KIWI SAVER

After participating in SMART\$ 62% of students said if they started a new job they would enrol in KiwiSaver, or that they already had enrolled. This increased from 32% prior to participation.

## BUYING A FIRST HOME

After leaving school and entering the workforce 13% of students thought they would be able to buy their first home between the ages of 18-20 years of age, 46% thought between ages 20-25 and 30% thought between ages 25-30. Just 2% thought they wouldn't buy a home at all in the future.

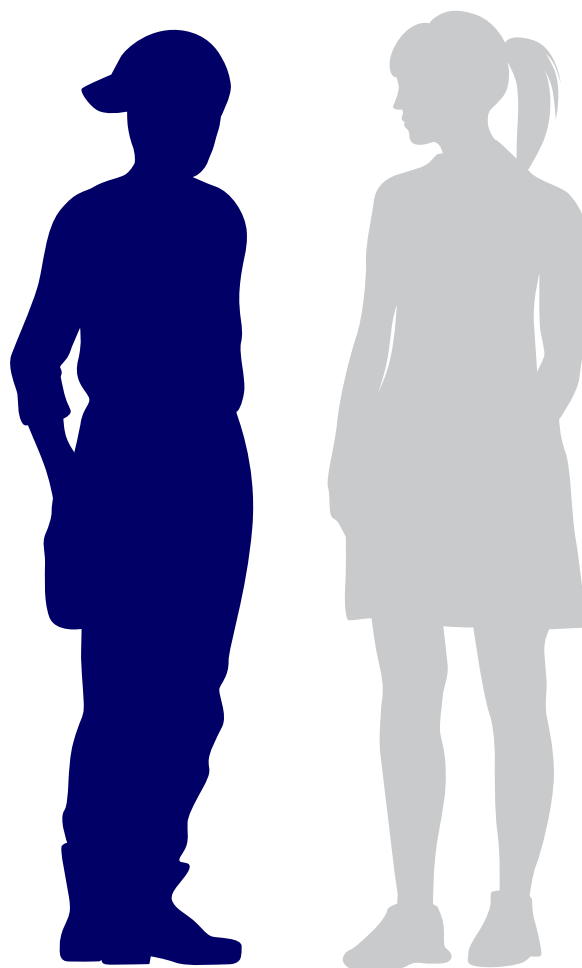
## LEARNING AT HOME

Unfortunately, 35% of students said their parents or caregivers didn't share household budgeting with them, such as the cost of power, food, rent or mortgage payments. 42% felt that these topics were discussed but they didn't know a lot. Just 23% thought they knew 'quite a bit about what things cost'.

## STUDENTS KEY LEARNINGS

The common themes in response to the most important learning taken from SMART\$ were:

- The benefits of KiwiSaver
- The downsides of Deferred Payment Schemes
- The differences between types of debt





## Response examples:

- "Don't spend what you don't have."
- "Slow pay or after pay (Deffered Payment Schemes) is not as good as it seems."
- "That saving up for things pays off a lot more in the future."
- "I learnt not to borrow money unless you know you can pay it back."
- "I learnt that you can use KiwiSaver for things other than retirement."
- "That interest adds up really quickly."
- "What KiwiSaver was and actually meant, like it was more than just an ad on tv."



## TEACHERS' FEEDBACK

- 89% strongly agreed or agreed that the SMART\$ performance explored issues which are relevant to this age group, an increase of 10% from the 2020 trial.
- 94% strongly agreed or agreed that key learning points around the use of credit cards were clearly presented, an increase of 10% from the 2020 trial.
- 97% strongly agreed or agreed that key learning points around Kiwisaver were clearly presented, an increase of 29% from the 2020 trial.
- 91% strongly agreed or agreed that key learning points surrounding deferred payment systems were clearly presented, an increase of 7% from the 2020 trial.
- 91% strongly agreed or agreed that key learning points around saving money were clearly presented, an increase of 2% from the 2020 trial.
- 100% strongly agreed or agreed that the SMART\$ performance was well produced and presented, an increase of 11% from the 2020 trial.
- 100% strongly agreed or agreed that the team of actors were professional and competent at all times (same result as 2020 trial).
- 80% strongly agreed or agreed that their students will be more likely to make positive financial choices after participating, an increase of 33% from the 2020 trial.

Teachers reported that students gained new learnings about (response examples):

- "Very clear messages about money safety."
- "I think all topics covered were new to students and they didn't realise any of the consequences."
- "How getting into debt can happen so quickly."
- "Everything that was covered! In particular KiwiSaver and the finer details about that which were explained."
- "Lots of chat about KiwiSaver. Many are starting to get jobs and this is good timing."



## CONCLUSION

Consistent with the NZ Curriculum objectives SMART\$ aims to increase young peoples life skills and knowledge. In turn supporting them to become more responsible, confident and independent managers of money helping them to live, learn, work, and contribute as active members of their communities.

SMART\$ aims to build financial capability by creating authentic learning experiences to explore.

77% of students have their own bank account and 76% have made online purchases. They are taxpayers so are already actively emersed and are active participants.

Survey results show students increased understanding of the key learning objectives:

- Understanding the importance of making positive choices - how decisions made now can make an impact in later life.
- Understanding the importance of saving for the future.
- Knowledge of how KiwiSaver works and the benefits of involvement.
- Able to recognise the opportunity costs involved with using credit cards and deferred payment schemes.
- Raised awareness about the importance of budgeting and money management.

Teachers valued the concepts taught in SMART\$ with 100% strongly agreeing or agreeing that it is important that programmes like this visit schools, and 94% said they would like SMART\$ to visit their school again next year. 80% felt their students would be more likely to make positive financial choices after participation, and 100% thought the key learning points provided them with a springboard for further discussion.

Students' knowledge about KiwiSaver increased after seeing SMART\$, with 62% of students keen to enrol if starting a new job - showing an interest in saving for the future.

Students' understanding about interest on deferred payments and credit cards greatly increased, with 84% choosing to wait to save up for an item, rather than paying in small payments at a higher value. Students show stronger understanding of the value in saving for something versus paying by credit or deferred payment schemes.

The survey findings show that there have been great improvements following changes based on the feedback from the 2020 trial. The storyline was simplified and the performance had more focus on real life scenarios and further interactive components.

Off the back of the success of SMART\$ and the demand for further education in this space, Life Education Trust NZ intend to introduce Professional Development sessions across the country for teachers in 2022, with a pilot in November 2021. We believe supporting teachers to incorporate financial literacy concepts into teaching across all subjects is key to increasing rangatahi financial knowledge and life skills.

### PROUDLY SUPPORTED BY:

