IMPLEMENTATION GUIDANCE

Adult Learning Principles and Curriculum Design for Financial Education

K. Stack

Washington, D.C.

2006

ADULT LEARNING PRINCIPLES AND CURRICULUM DESIGN FOR FINANCIAL EDUCATION

1. INTRODUCTION

Financial education seeks to strengthen and change behaviors that lead to increased incomes, better management and protection of scarce assets, and effective use of financial services. It does not just raise awareness and provide information. To achieve sustained changes in behavior, financial education uses principles and practices of adult learning to guide a learner-centered approach for both design and delivery of curricula.

Adult learners have special characteristics. They bring their own life experiences to a learning event. They want and need practical information and skills. Adults are most motivated to learn something that will solve an immediate problem, provide tangible benefits, and relate to their own situations and interests. Motivation increases when a learning event engages them in give-and-take that uses their past experience and existing knowledge to solve problems and reach goals. They must be equal partners with their teachers in the educational process. Their acceptance of new ideas, attitudes, and behavioral patterns does not come about through a piecemeal approach; it involves changing their whole cognitive, affective, and behavioral systems (ideas, feelings, actions).[1]

Adults learn more effectively when teachers use a learner-centered approach, defined as connecting the content of learning to what adults already know and making it relevant to their lives. Adults must have an opportunity to reflect on new content, relate it to their own personal situations, practice using it, and determine its application. In contrast, a more traditional approach to education focuses on what the teacher will do with and for the learner. Expressions such as "give a lecture," "present a case study," or "explain financial terms" are used. Learners are expected "to know" or "to understand" the content. The learner-centered approach is different. By design, the *learner does something with the content*. For example, learners will "use tools to plan their cash flow" or "identify two ways to manage debt."

---

[1] Based on the work of Kurt Lewin

2. NINE PRINCIPLES AND PRACTICES OF ADULT LEARNING

The learner-centered approach builds on nine principles and practices of adult education to improve the likelihood that knowledge, skills, and attitudes promoted during learning events will translate into new behaviors adopted by the learner. The nine principles and practices are described below.[2]

1. Relevance—Learners learn best when drawing on their own knowledge and experience. Learning must meet the real-life needs of the adult, for example job and family life issues.

2. Dialogue—Learning must be two-way to allow learners to interact with the teacher and other learners.

3. Engagement—Learning must involve learners through discussion, small groups and learning from peers.

4. Immediacy—Learners must be able to apply the new learning immediately.

5. 20/40/80 Rule—We remember 20 percent of what we hear, 40 percent of what we hear and see, 80 percent of what we hear, see and do. Learners remember more when visual aids support verbal instruction. Adults remember best when they practice the new skill.

6. Cognitive, Affective, and Psychomotor Interaction—Learning should involve thinking and emotions as well as doing.

7. Respect—Learners need to feel respected and like equals.

8. Affirmation—Learners need to receive praise, even for small efforts.

9. Safety—Learners need to feel that others value their ideas and contributions, that others will not belittle or ridicule them.

The first seven principles are *designed* into the learning activities. The last three are principles that the trainer must put into practice as she/he facilitates the learning session—in other words, they guide how training is *delivered*.

---

[2] Based on Vella, Jane, *Learning To Listen, Learning To Teach: The Power of Dialogue in Educating Adults*, Jossey-Bass, San Francisco, 1997.

3. ADULT LEARNING PRINCIPLES AND CURRICULUM DESIGN FOR FINANCIAL EDUCATION[3]

The curriculum design process is critical. It starts with market research that poses *questions to all those who will be involved in the training (participants, trainers, and resource persons*). The questions guide dialogue about the learning needs, issues, and factors to consider in the learning design. Available resources and logistical needs are assessed. It also helps identify methods and techniques that will work well for teachers and learners. This market research approach invites all involved to obtain ownership in the learning agenda and process.

The Seven Steps of Planning[4] have been used to systematically build learner-centered financial education for each theme. The planning steps draw on information from market research and resource assessments. These steps are described below. Although they seem simple, going through them systematically and completely brings rigor to the design process.

The Seven Steps of Planning Curriculum Design and Training

1. WHO

The "who" is a detailed profile of financial education participants and teachers. The client profile should include a description of their economic situation as well as their demands and needs for financial education. This information permits the designers to develop curricula that are relevant and applicable to learners' lives. To define the "who," market research identifies not only learners' needs, but the resources they bring to the training, such as experience and education.

> *Financial education modules are used by a range of financial service institutions around the world. Their clients range from the vulnerable non-poor to the very poor, including men and women. Clients are rural and urban. Many clients are illiterate or semi-literate. Most live in poverty or on the economic margins.*

---

[3] Based on "The Seven Steps of Planning a Training," Freedom from Hunger internal document, January 2002, based on the work of Jane Vella in *Taking Learning to Task: Creative Strategies for Teaching Adults*, Jossey-Bass, San Francisco, 2000.
[4] Ibid.

The "who" also includes a description of the trainers to ensure that the financial education design fits their capacity to deliver it.

Financial education trainers can be either staff of the institutions or contractors. Few have prior experience teaching financial education. Most are not experienced using adult learning methods and techniques. They all benefit from training in both financial education content and principles and practices of adult learning.

2. WHY

The "why" is the situation that calls for the training. A careful consideration of the "why" is important to assure that all concerned agree about the overall purpose of the financial education. Without a clear articulation of the "why," the development of training objectives and content may result in confusion. A description of the "why" builds on information gained in the market research.

The poor often do not manage their money effectively. They believe that budgeting is only for the wealthy and that it is very complicated to do. They do not track their cash flow or plan how they will manage income and expenses in the future. Although they may already receive financial services, clients do not always know how to assess and use available services. As a result, they have no plan for managing day-to-day expenses or saving for future goals and emergencies. People often take on more debt than they can manage successfully. Yet, there are simple rules-of-thumb and tools that can greatly assist clients to organize their finances and enable them to make better decisions about borrowing, spending, saving, and investing.

3. & 4. WHEN & WHERE

That these two steps are together does not mean they are less critical than the others. The "when" and "where" define both the time frame and site of the training. "When" includes a consideration of the total amount of time needed for the training. It also includes a practical assessment of how the time should be split up. Designers reassess the "when" after doing the "what" (see below). This assures there is not too much "what" (content) for the "when" (time allotted), a common problem in training events.

Each organization has a different schedule for delivering education. Some have courses of multiple learning activities over many days; some provide one learning activity at a time over a number of weeks or months. Each financial education module is designed with learning sessions that can be combined or shortened as the user sees fit. Institutions can select learning activities according to the needs and interests of their clients.

The "where" is not simply a consideration of the training location, but also of the entire set of materials necessary to deliver it. It includes a description of how to set up the training location, needed "break-out" rooms, and tables. It also includes a list of needed materials (such as computers, videos, flip-chart paper, wall space, etc.).

Financial education learning activities can be delivered at a range of venues, from meetings of credit and savings groups in rural areas, to classrooms at financial institutions. Media used includes CD-ROMs, videos, posters, workbooks and so on. The activities are designed for groups of 15–30 persons.

5. WHAT

The "what" and the "what for" are often developed in an iterative way because they reflect each other. The "what" is the content of the training— the behavioral objectives and skills, knowledge, and attitudes participants need to practice them. The "what" is a set of nouns, whereas the "what for" includes a series of verbs that tell what the learners will do with the content. Again, the market research helps define the specifics of the "what" to ensure that the content of financial education responds to learners' needs and demands.

Financial Education for the Poor has developed modules on the following topic areas based on market research:

- *Budgeting*
- *Savings*
- *Debt Management*
- *Financial Negotiations*
- *Bank Services*

6. WHAT FOR

The "what for" is the set of achievement-based objectives for the course. It describes what the learners will do during the training. It also defines that for which the teacher will be held accountable. The "what for" contains action verbs (i.e., "developed," "created," "completed," "analyzed," "written," etc.). All objectives begin with the phrase: "By the end of the training, participants will have . . . . " They tell what the learner will have done with the content by the end of the training. The "what for" defines exactly what learners will do with the "what" and is, therefore, developed iteratively with the content.

Adult Learning Principles and Curriculum Design

EXAMPLE: DEFINING CONTENT FOR THE BUDGETING MODULE

What	*What For*
How people use money	▪ **Listed** and **categorized** the different ways people use their money
Budget categories	▪ **Explained** budget categories and **identified** personal budget categories ▪ **Organized** expenditures into budget categories
What is a budget?	▪ **Defined** a budget
Benefits of budgeting	▪ **Examined** why it is beneficial to have a budget ▪ **Shared** reasons why planning ahead is useful and **identified** what can motivate people here to plan ahead

7. HOW

The "how" is the *series of learning tasks* that together help accomplish the achievement-based objectives. In developing the "how," designers integrate principles of adult education. Trainers guide tasks that engage the learner in thinking, feeling and acting on information. They integrate safety by including exercises with small working teams. They sequence tasks so learners have the information and/or skills they need to carry out each one. Each task is written in detail so trainers and learners know exactly what to do. Tasks reflect as much as possible the principle of 20/40/80: learners remember 20 percent of what they hear, 40 percent of what they hear and see and 80 percent of what they hear, see, and do.

The Learning Task

> *"A learning task is an open question put to learners who have all the resources they need to respond."*[5]

A learning task calls on the learners' experience, presents new information and skills in an interesting way, engages the learners through relevant and

---

[5] Pg. 8, Vella, Jane, *Taking Learning to Task: Creative Strategies for Teaching Adults*, Jossey-Bass, San Francisco, 2000.

interesting exercises that allow them to practice new content, and promotes adoption of new behaviors.

The art of curriculum design is to design and sequence learning tasks to enable the trainer to engage the learners to understand and effectively apply new knowledge, skills, and attitudes in their own lives.

The Open Question

The heart of a learning task is the open question. An open question is a question without a set, "correct" answer. It is a question that invites learners to draw upon their own life experiences and creativity. It invites dialogue. Open questions engage participants by requiring reflection and critical thinking. When teachers ask open questions, they are demonstrating respect for the participants and honoring them as subjects of their own learning.

In a closed question, the teacher knows the answers. In contrast, when asking an open question, the teacher is not seeking her answer. She is allowing the learners to explore the meaning of what has been said and conclude the implications of it for their own lives.

Examples of open questions include, "Why do you say that?" "What does that mean to you?" "How did you arrive at that decision?" "What surprises you?" and "Tell me about that."

EXAMPLE: DESIGNING THE LEARNING TASK TO REACH ACHIEVEMENT-BASED OBJECTIVES

What For *(Achievement-Based Objectives)*	*How*
Listed and **categorized** the different ways people use their money	Ask participants to brainstorm answers to the following open question: *What are the different ways people spend their money?*
	▮ List the types of expenditures on cards
	Ask:
	▮ *Which expenditures are similar?*
	Categorize cards according to whether the expenses are the following:
	▮ Everyday expenses (necessary)
	▮ Discretionary (optional)
	▮ Debt payments
	▮ Investment in business
	▮ Savings for future expected and unexpected events
Explained budget categories and **identified** personal budget categories	Organize participants into groups of 5. Ask them the following question: *What categories of expenditures can help you to organize your own expenses?*
Selected the most reliable and steady sources of income	▮ Share with the large group
	Explain that knowing categories of expenses is a way to help people organize the way they will manage their money
	Now ask the participants: *What are your sources of income (fixed salary, spouse's salary, remittances, self-employed, contract work, gifts, etc.)?*
	▮ *What are the most steady and reliable sources?*
	▮ *What sources are less frequent or reliable?*

Training Techniques

Techniques and materials for adult learning are designed with adult learning principles in mind. They serve to motivate and engage the learner by connecting with them through ideas, feelings, and actions. They also respond to different learning styles, including seeing, hearing, and physical activity. Thus, designers must incorporate a variety of approaches. The more variety used, the more learners can make many connections to the new information and be able to apply it.[6]

Some of the most effective techniques used in financial education are described below.

Small Groups. One of the strongest means of engaging participants in their own learning is to provide tasks to smaller groups. Small groups are a means for generating new information, applying new knowledge and skills, and providing peer-to-peer learning and motivation. The groups can be as small as two and as large as five or six. The smaller the group, the more potential for direct engagement by the participant.

Stories and Experience to Convey New Information. Stories, either from participants' own experience or introduced in the learning session, are a powerful and interesting means of conveying new information.

Simulation Exercises. Involving participants in simulations that allow them to practice solving problems, using skills, and making decisions directly, involves learners in applying new education content.

Case Study or Situation Analysis. Examining a real-world situation using the information and tools provided through education provides good practice analyzing complex situations and determining the most appropriate response options.

Categorization. Categorizing ideas, issues, items, and findings is another way to require participants to absorb and use new information. It also helps participants create relevant frameworks for their own decision-making.

Practice Exercises. Whether it includes creating a budget, making a savings plan, or tracking and analyzing cash flow, practical exercises build participants' skills by giving them the opportunity to *do something* with new information.

---

[6] Adapted by Robb Davis, Freedom from Hunger, from *Accelerated Learning in the 21st Century*, Rose & Nicholl, 1997.

Support Materials

Financial education users employ a variety of media and materials to address the various learning styles of adults. The type and sophistication of the material depends on the resources available to the organization that is implementing the education.

Visual (seeing)	Handwritten or print information on flip charts, cards, handouts
	Simulations, role plays, demonstrations
	Electronic information on web pages, internet, DVDs, films, television shows
	Overhead or electronic projections
Auditory (hearing)	Short lectures, discussions, reading aloud, recitations
	Audio-cassettes, CDs, films, radio shows
	Music, poetry reading, recitations
Physical Activity	Physical movement, touch
	Manipulation of objects
	Acting, simulations, dance

4. FINANCIAL EDUCATION MODULES

The outcome of the curriculum design process is a module on a particular topic. The module includes a Content Note on the topic area, five to ten learning sessions and materials for use with the learning sessions.

The Learning Sessions

The Learning Sessions include a "Trainer's Information Box" that identifies the following:

▮ Objectives of the learning session

▮ Preparation and materials needed for the session

▮ Estimated time needed to implement the learning session

▮ Steps, or a list of activities in the learning session

Learning session activities are comprised of a mix of *learning tasks* that guide the learners to:

❚ connect with what they already know;

❚ examine new concepts, skills or attitudes;

❚ practice doing something directly with the new content to become familiar with it and obtain feedback on their understanding of it; and

❚ identify how they will incorporate the new learning into their lives.

Adult Learning Principles and Curriculum Design

Financial Education

A ROAD MAP FOR THE CURRICULUM

Financial Education
FROM POVERTY TO PROSPERITY
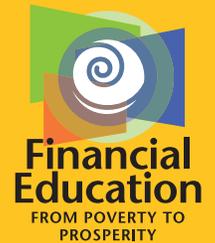
IMPLEMENTATION GUIDANCE

INTRODUCTION: THE RATIONALE FOR FINANCIAL EDUCATION

MARKET RESEARCH GUIDANCE

OUTCOMES GUIDANCE

ADAPTATION GUIDANCE

ADULT LEARNING PRINCIPLES AND CURRICULUM DESIGN FOR FINANCIAL EDUCATION

Working Papers

MARKET RESEARCH FOR FINANCIAL EDUCATION

ASSESSING THE OUTCOMES OF FINANCIAL EDUCATION

TRAINERS' GUIDES

BUDGETING:
Use Money Wisely
Curriculum and Content Note

SAVINGS:
You Can Do It!
Curriculum and Content Note

DEBT MANAGEMENT:
Handle with Care
Curriculum and Content Note

BANK SERVICES:
Know Your Options
Curriculum and Content Note

FINANCIAL NEGOTIATIONS:
Communicate with Confidence
Curriculum and Content Note

TRAINING OF TRAINERS MANUALS

BUDGETING:
Use Money Wisely
TOT Manual and Toolkit

SAVINGS:
You Can Do It!
TOT Manual and Toolkit

DEBT MANAGEMENT:
Handle with Care
TOT Manual and Toolkit

BANK SERVICES:
Know Your Options
TOT Manual and Toolkit

FINANCIAL NEGOTIATIONS:
Communicate with Confidence
TOT Manual and Toolkit

SHRI MAHILA SEWA SAHAKARI BANK LTD.

TEBA BANK

AL AMANA

MICROFINANCE CENTRE
for Central and Eastern Europe and the New Independent States

C.A.R.D. M.R.I.
CARD Mutually Reinforcing Institutions

EQUITY BUILDING SOCIETY

pro mujer