Children's money experiences and financial behaviors: Towards a workable financial literacy program in the early grades

Accepted 31st July, 2017

ABSTRACT

With the hope to contribute to Miriam College Lower School’s curriculum and student development program, this paper looks into the extent of grade three MCLS students’ ideas and practices about money. Specifically, to find out where it comes from, how it is earned and what they would do with their money. It is hope that data culled from these will be a basis for coming up with recommended initiatives for financial literacy lessons in MCLS. Working on the premise that the participants’ early financial experiences and habits is the groundwork for their future economic lifestyle, the researchers found substantial supporting literature that promotes early educational interventions leading young learners towards money smart skills. Reports that consumerism is learned early in childhood and buoyed by media magnify the significance of this issue. Adapting a descriptive design, basic financial concepts were explored based on students’ responses during group guidance class. The responses were clustered based on common themes and presented through tables and charts. Results imply that students’ financial knowledge is mainly based on influence and teachings of significant adults. Apparent financial activities within their age group include spending, saving and sharing. This implies that as they are receptive to informal financial education, they could very well benefit from formal lessons and hands-on applications on the same matter. Based on the findings, it is recommended that students at this age be given opportunities to be aware of daily household functions of money in their family. To complement this, MCLS, as a premiere basic education unit for young girls, is encouraged to adapting a feasible and developmentally-appropriate financial literacy program for its students. While working on a specific structure for doing such, recommendations on how to integrate financial literacy lessons in related subject areas and homeroom activities were given.

Keywords: Financial literacy, money lessons, early grades.

INTRODUCTION

For the researchers, money is both an interesting and tedious subject. It is a natural area of curiosity but also it is sometimes considered inappropriate and crass to talk discuss one’s financial status and habits so casually. Children are often discouraged from handling money because it is “dirty.” Literally speaking, it is true considering the many hands and objects it comes contact with, sanitation is a valid concern. Then there are the other issues signified by popular quotes such as “Money makes the world go ‘round,” or the more sinister “Money is the root of all evil.” Various philosophical arguments aside, life in the modern society would be very uncomfortable
without money. On the other hand, terms such as inflation, deficit, liabilities and interest rates do not always elicit excitement especially since they often come in lengthy fine prints or delivered by stern-looking news readers on television. However, growing economic concerns all over the world suggest that financial awareness is an essential life skill in the developing world.

As a school counselor, it was fascinating to observe students’ attitude about money. Many are very willing to “share” their money when a classmate or friend asked; while some would use it as a tool to gain friendship. They also respond differently in situations when they have few or none on hand. Growing up, financial status influences the girls’ social interaction; those who have and share more resources and trinkets tend to have more peers and become “popular.” They also seem to develop a sense of admiration for classmates who apparently come from a well-to-do family—mentioning “rich” as a positive quality alongside kind and helpful.

This topic of study was further encouraged when Miriam College President, Dr. Rosario Oreta-Lapus, proposed the inclusion of financial literacy in the formation of young girls at the lower school during a meeting with MCLS Administrators and Middle Managers. Several weeks later, this researcher discovered Cha-Ching, a financial education program sponsored by PRU Life U.K. especially designed for students in the second and third grade. Consultations and discussions with finance people who are like-minded in advocating financial education early on in children’s development inspired this project.

Statement of the problem

Given these, an idea for exploratory research began to form with the general goal of finding out the extent of grade three students’ financial literacy. At their age, what do they already know about money—how do they think it is earned and what is it used for? Specifically, this endeavor to answer the questions:

1) Where do students think money comes from?
2) How do students use their money?

Data from these questions are hoped to shed information about students’ understanding of how money is earned. The students’ attitudes about money are also assumed to be reflected in what they do with it—spending, saving, or donate. Conclusions and implications drawn from results may give light to whether there is a need for a specific program for financial awareness or if the existing curriculum already supports this thrust. Patterns of financial activity and spending priorities are reasonable factors to consider in identifying directions for financial literacy programs (Alhabeeb, 1996).

Outcomes and implication could be very useful in considering a viable financial literacy program for the MC Lower School as recommended by Dr. Lapus. Parents could also benefit from findings of this study as these would support their parenting principles and family values. Faculty and other community members might also appreciate insights that pertain to financial capability—be it for classroom instruction or personal enrichment. Lastly, this exploratory study aims to contribute to the limited available studies about children and money through its conclusions and by inspiring similar undertakings in the near future.

RELATED LITERATURE

Why money and children?

Money matters are not just for adults anymore, much less is it limited to politicians or economists. Financial experts and child care specialists both agree that children would benefit from explicit money lessons. This is could prove to be even more significant with Eileen and John Gallo’s observation that this is a growing generation of affluent children. While this could mean that resources are ever present to raise happy and healthy families, there is also the danger of overindulgence, consumerism, and laziness to name a few.

Stakeholders—parents, educators, economists and the young themselves see the need for financial education. Expectedly, money attitudes and practices learned early on would persist until adulthood if not given proper intervention. A teacher-librarian from an inner city public school in Chicago, USA apparently recognizes this: Teaching at an inner-city school…demands that we educators do everything within our means to educate the students on the importance of managing limited finances…” (Hagedorn et al., 2012).

From the economic experts’ perspective, it is seen a fundamental requirement to being a responsible member of society. For professor and accountant, financial literacy is comparable to print literacy. It is so essential that without it, it would be very difficult to cope with the contemporary society. Richard Fairbank, CEO of a Capital One Financial Corporation, views the recent economic challenges and the rapidly transforming world as a key issue that highlights the need for teaching children about relevant and practical economic concepts that could lead them to financial literacy. Princeton University Economics Professor Alan B. Krueger emphasizes that economic education is going beyond money; it is about providing students with a framework towards healthy financial decisions that would benefit them and their country (Survey of the States, 2014).

Aside from future functions, parents and educators need to arm the children against marketing strategies aimed at them. In recent years, children have been seen to have increasing influence on the purchasing decisions of their families. Aside from their population size and own
spending ability, they also use “pester power” to make their parents give in to their consumer demands. This impact on children’s consumerism is something closer to home as numerous accessible studies on the subject are based in India. Defined as the nagging ability of children to purchase the product they desire due to some reason,” pester power is a widely used marketing technique to make adults purchase products that appeal to the young.

A marketing professor from Texas, USA, James McNeal estimates that this influence translates to about $600 billion dollars worth of earnings for businesses. This huge potential is evidenced by marketers’ specific interest in their demographic group. Many food companies, for instance, spend billions of dollars to make sure children get to know their brand. Tie-ups between popular movies, television shows and food products ensure that children associate one with the other and this seems to be effective as evidenced by feedback from parents and children themselves. Alarming increase in childhood obesity in the US is also associated with these business partnerships and thereby raising call for more responsible advertising and media regulation (Barboza, 2003).

While issues on children’s increasing role in the market and future economic outcomes are not entirely new, scholarly researches on children and money are quite limited. In contrast, the topic is frequently taken up by media in its many and various platforms.

Why is this so? Schug and Hagedorn (2005) and Suiter (2012), in their respective researches, surmised that it is challenging to conduct economic studies with young children due to methodological constraints. Multiple-choice questions require substantial reading skills while interviews are time consuming and difficult to quantify which must have led to the absence of standardized and instruments with norms for assessing children’s knowledge or attitude towards personal finance and economics.

This does not mean however that parents and educational institutions hold no interest in the matter. According to Schug and Hagedorn (2005), parents are among the biggest supporters of inclusion of economics and personal finance in the school curriculum. Moreover, based on a 2003 survey published by Northwestern Mutual Marketing Research, parents also initiated efforts to teach their children about basic money concepts wherein almost half of the parent respondents claim that they spent a substantial amount of time in giving money lessons to their eldest child—particularly on matters of saving and spending. The same survey shows that parents see the school as the best partner for raising the awareness in their children even before first grade.

Organizations like the Council for Economic Education (CEE) and Financial Industry Regulatory Authority-Investor Education Foundation (FINRA-Investor Education Foundation) also look at schools as a major avenue for nurturing successful and responsible participants in the global economy. To achieve this, they actively monitors the priority inclusion of economic and personal finance education in the K-12 curriculum in the USA through comprehensive surveys and lobbying for policies and concrete steps that would raise financial knowledge and capability among citizens. CEE in particular strongly moves to include financial education in American school systems.

Although it was mentioned that there are limited studies accessible about children and their economic knowledge, those that are available send out strong and consistent messages. First, financial capability is an essential skill that needs to be consistently and repeatedly taught early in a child’s life. Second, the school is one of the most effective channels to develop this skill. Last, beyond teaching, opportunities for practical application of learned concepts yields better results in terms of knowledge and behavioral impact.

What is happening in schools?

Summary of a survey of states by CEE in 2014 showed that all 50 states and the District of Columbia include economics in their K-12 standards. While there was an increase in the number of states that require a course offering on personal finance it is not implemented across the K-12 curriculum. It was also noted that less than half of American states require a high school course in economics. The same report shared the 2012 National Financial Capability Study results that revealed Americans as young as 18 are already experiencing financial strain from student loan debts, medical bills and credit card dues. It also implies that the youth are receptive financial education evident in their high assessment scores after undergoing financial education. Furthermore, 9 out of 10 respondents believe that financial education should be taught in schools, indicating that they see the growing need in receiving information about financial activities, options and services. (Survey of States, 2014).

A good number of American high schools report that implemented financial literacy programs are effective in encouraging healthy money decisions among teens but they highly recommend starting the program in the primary grades. While they learn how to read and write, the basics of economics could also be gradually introduced similarly with arithmetic wherein concepts are taught and practiced often and repeatedly (Collins et al., 2014; Schug and Hagedorn, 2005).

Hagedorn et al. (2012) evaluated the economic and financial literacy education program adapted by Chicago Public schools for third graders. Given the constrains on available teachers and class time, volunteer teacher-librarians were trained to facilitate the Money Savvy Kids™ Beginning personal Finance Curriculum during library instructional period. An integral part of the program is a four-slotted piggy bank which is used to introduce lessons on saving, spending, investing and donating. To assess the
progress, a 10-item Likert scale attitude survey on saving habits, handling money, was used as a pre and posttest tool. Findings concluded that the program was a success. The desired effect on students in terms of financial knowledge and attitude was achieved. Further statistical analyses showed that results could be attributed to curriculum adapted by the school. A follow-up survey of the teacher-librarians showed that they all consider it important to teach financial literacy and majority is convinced that key financial concepts and skills are addressed and influenced student attitudes positively thereby recommend the Money Savvy Kids™ program to other schools. The authors noted that the most significant revelation is that children in the early grades are capable of becoming financially literate if given the proper resources. They emphasized that as with reading and mathematics skills, economic and financial education is best introduced early and repeatedly.

This assertion is similarly supported by Collins et al. (2014)’s study with fourth and fifth grade students who received financial education and those who had access to in-school on top of the lessons given. Investigation yielded positive results, wherein financial knowledge and attitudes increased at the end of the year and even thereafter, implying the long-term benefits of intervention. While data showed that those who had access to in-school banking performed better in knowledge tests, their deposit account activity was not enough to warrant statistically significant marks.

Long-term effects of financial education in the US high school level on actual financial behaviors were also noted through increased individual savings and accumulated wealth during their adult life (Bernheim et al., 1997 as cited by Sebstad et al., 2006).

Beyond classroom-based lessons, hands-on and practical applications of financial concepts evidently boost learning. Such is implied in the studies cited above that used piggy banks and in-campus banks. The same is apparent in Abramovitch et al. (1991)’s study in which it was found that children (aged 6, 8, and 10) who received daily allowance from their parents were savvier about managing finances than those who do not. Interestingly, they found that girls generally spent more than boys. The same is proposed by Johnson and Sherraden (2007) in their claim that movement from financial literacy to financial capability can be achieved when financial policies, instruments, and services are made available.

**CONCEPTUAL FRAMEWORK**

Figure 1 shows the major components and how they operate in the context of this exploratory study. Money experiences is concerned with the acquired knowledge and ideas about money based on the participants’ personal experiences with it. Money experiences could be based on what they have seen, and heard from other people and media. These could also be from first-hand encounters with money such as allowances received or lessons taught by parents or more formal learning environments. On the other hand, financial behaviors are actions and practices applied by participants based on their money experiences.

In this study, money experiences are gathered from student responses to class discussions and prompt questions. To gain further insight into their money activities, students will be given a directed activity to share where they think money comes from and what they would do if they had a specific amount of money. It is expected that students’ knowledge about and actions with regards to their finances will be reflected. Data will be clustered based on common characteristics that might emerge. Based on findings, recommendations on how to strengthen responsible money behaviors at home and in school will be given.

These two factors comprise the participants’ financial literacy profile which becomes the basis and foundation for a suitable financial literacy program for Miriam College Lower School. In utilizing a symbol that is closely related to money values, coins are depicted as the information gathered from students—collected for the purpose of coming up with a program that would boost the young girls’ economic know-how and practices.

The image of Miriam College Lower School’s Maria Katipunera, which hold the strong theoretical belief that with the institution’s early foundation for basic education, the school is an ideal venue to start investing in young women leaders’ with responsible financial awareness and economic lifestyle.

In this study, the following terms will be operationally defined as:

1) Financial Literacy – combined knowledge and application of basic money concepts of earning, saving, spending, donating and investing.
2) Financial Education – the facilitation of financial knowledge through formal learning environments, such as school, workshops or through informal channels such as parenting, media exposure or personal experience.
3) Financial Knowledge – internalized concepts and ideas about basic money concepts.
4) Financial Behavior – actions steps taken with money such as saving, spending, donating.

**METHODOLOGY**

**Design**

This exploratory study adapted a quantitative design, making use of frequency tables and charts to present data. Narratives taken from collected data are also presented to provide further dimension to the descriptive statistics shown.
Participants

Two hundred and ninety (290) Miriam College Lower School students from all nine sections of Grade 3 in school year 2013 to 2014 were the participants in this study. The researchers were school counselors based in this level, making the procedure more feasible to facilitate. Moreover, this grade level is among the target age group of Pru Life U.K.’s Cha-Ching program; therefore, the lesson modules on money smart kids were specifically designed to benefit learners at this developmental stage.

There are a total of 302 students in the grade level which translates the data gathered to be from 96% of the total population.

Instruments

The lesson plan with the topic Value of Money: Earn, Save, Spend and designed by Ms. Nancy A. Ramos is the primary research tool in this study. Highlights of the lesson plan are detailed below.

Part of the lesson is a worksheet activity wherein students were asked to write down their response to the questions: “Where does money come from?” and “If you had one thousand pesos (PhP 1,000), what would you do with it?” Students were to write and/or draw their responses. Adapting a semi-projective technique, it is assumed that students would spontaneously share their thoughts spontaneously.

The first question, “Where does money come from?” was generally phrased to draw out their common ideas about money based on earlier direct and vicarious experiences. The second question, “If you had one thousand pesos (PhP 1,000), what would you do with it?” encouraged students to think of various possible choices.

Responses were discussed in class. Processing and synthesis were done at the end of the lesson.

Also part of the lesson is a video clip from Cha-Ching, a musical edutainment program produced by PRU Life UK,
which promotes financial literacy for young children. This was developed as part of PRU Life UK’s Corporate Social Responsibility and described in their official website as: (http://www.prulifeuk.com.ph/corp/prudential_en.ph/leader/aboutus/corporatesocial/index.html) (“Cha-Ching” multi-platform program features an animated television show, interactive website, mobile apps, parent activities and school contact programs. The animated musical show which has just wrapped up its first season on Cartoon Network last January is the banner component of the financial literacy lineup. The Cha-Ching financial literacy program is released in seven Asian markets including the Philippines.” The video clip used for the lesson is the first episode of the first season entitled, “Earn, Save, Spend and Donate” and was shown through Cha-Ching’s Cartoon Network website (http://www.cartoonnetworkasia.com/cha-ching/en/mvs.php?cc=en). This material was chosen because it is a TV program developed specifically for the age group of the students and it is a familiar show to them because it is shown on Cartoon Network channel on cable TV. The video clips are also readily available online together with supplementary activities and materials; the use of which, in learning environments, is encouraged by the developers.

After the first run of the lesson, the lesson plan had to be revised to ensure that responses gathered from the participants will not be influenced by the video.

Procedure

The lesson plan was executed to the first section of grade 3 participants. The students were greeted and given a motivational activity involving matching words and pictures. After which, the Cha-Ching video clip entitled “Earn, Save, Spend and Donate” was shown. After the discussion, questions were raised about the video: “What new things did you learn from the video?” “How can you practice the lessons you learned?”

Worksheets were distributed to the students and directions were given: Questions were answered in a worksheet by writing and/or drawing responses in the boxes. The questions were “Where do you think money comes from?” and “If I had PhP 1,000, what will I do?” Directions were repeated as necessary.

The responses were discussed and processed to the class. Synthesis was done by clarifying the difference between wants and needs.

After the first class, the researchers discussed that the sequence of the lesson plan’s activities will have to be changed in order to gather “raw” information from the students, because the objective is to find out their insights based on existing knowledge and experiences with money.

The directed activity was then moved earlier in the lesson, right after the motivational activity and the video was shown after the discussion of their responses from the worksheet. Synthesis was done after lessons from directed activity, and video clip was discussed.

Worksheet responses were tallied, clustered and presented through frequency tables and charts. In instances where the participants gave more than one answer (that is, ATM and parents; save in bank and buy toy), one point was given to each response category.

Data gathered were clustered and analyzed based on common themes and related literature.

To optimize the data gathered from the first class that had Cha-Ching video viewing prior to answering the worksheet, responses were analyzed as a separate group. The content of the responses were compared with other sections to note marked differences, if any.

RESULTS

After clustering and tallying the responses of the participants to the two research questions, outcomes are presented in charts and tables.

Money experiences

A little over half of the population (51%) identified “Bank” as their answer. Mint/Money Factory or Money Laboratory is the second most named. Automated teller machines and people were identified next. The participants likewise cited work, people, trees, paper, and government.

An assortment of responses was clustered under Others, which varied from store, credit card, ink and mountain to Jesus and leprechaun. These results are presented in Figure 2. Table 1 shows a summary of the tallied responses.

Financial behavior

Based on responses of 290 participants, the top financial behavior is spending which was mentioned 219 times or 48% of the total respondents. Top items on the list for spending are toys, clothes, food/candy/beverages, school supplies/art materials, footwear, such as shoes and slippers, and gadgets. Other items mentioned are mall, travel, makeup set, nail polish, car and grocery. Spending for medicine of grandparents and for emergency were also among the list.

The second highest financial activity is saving with 36% of the students claiming that they would put away their money in either banks or ATMs.

Donation came in third place with nine percent (9%). Identified beneficiaries were typhoon victims, poor, needy, Church, sick, and street children. Sharing came next with six percent (6%); this category is differentiated from donation by the familiarity or relationship of the recipient to the participant/giver. Participants indicated that they
Figure 2: Money Experiences: Where does money come from?

Table 1: Participants’ responses to question “Where does money come from?”

<table>
<thead>
<tr>
<th>Source</th>
<th>Responses</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank</td>
<td>186</td>
<td>51%</td>
</tr>
<tr>
<td>Factory/Mint/Money Laboratory</td>
<td>54</td>
<td>15%</td>
</tr>
<tr>
<td>ATM</td>
<td>32</td>
<td>9%</td>
</tr>
<tr>
<td>People</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family Members</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grandparents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aunt</td>
<td>32</td>
<td>9%</td>
</tr>
<tr>
<td>Uncle</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ninong/Ninang (Godfather/Godmother)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friend’s Mom</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mayor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company</td>
<td>20</td>
<td>5%</td>
</tr>
<tr>
<td>Family Business Payment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trees</td>
<td>11</td>
<td>3%</td>
</tr>
<tr>
<td>Paper</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>Government</td>
<td>3</td>
<td>1%</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jesus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leprechaun</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Store</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rock</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mountain</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paper</td>
<td>16</td>
<td>4%</td>
</tr>
<tr>
<td>Wallet</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ink Christmas Party</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit Card</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paper Bills</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Store</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
will share to people they know personally or who are dear to them such as their parents, siblings, other relatives, and friends. The last one percent of the responses includes vague answers such as hide in the locker, keeping it in wallet and earn.

Figure 3 shows the graphical representation of the financial behaviors culled from the responses of the participants, while Table 2 shows the other details of the participants’ responses in terms of their financial behavior. Frequency tally and percentage are also presented.

Responses from the first section which viewed the video prior to answering the research questions were compared with the responses of the rest of the population, but no significant difference were found except that mint was more often mentioned in response to the first question. While saving is a commonly identified financial behavior for the second question, the term “earn” came out only from the participants in the first section. Variety of responses seemed to be similar among classes. These observations, however, were not statistically tested for significance.

Scope and limitations

This research has several limitations. While there was sampling of participants, access to developmentally-appropriate instrumentation limited this study to adapt a quantitative design using descriptive statistics to depict the participants’ general money experiences and behavior. The statistical analysis was used to support the qualitative data in the form of narratives and artwork.

Another possible limitation is the timing, when classes and data collection was done. Less than two months, a campus-wide Guidance Career Week activity was carried out. PRU Life’s Cha-Ching was a partner in the said program; thereby familiarizing all students with terms such as earn, save, spend and donate through video presentations, plenary discussions and games. The participants of this study are among those who joined the week-long program.

The lesson plan, as the primary research tool, also had to be revised. While it is a limitation, this study pursued to maximize the data by using them as comparison for possible learning progress after money lessons were presented in the class.

DISCUSSION

The limited number of researches on financial literacy and children is one of the motivating factors for the researchers to undertake this study. This is compounded by the growing concern of consumer marketing geared towards the young (Barboza, 2003). Literature has given fair warning of the challenges of investigating the issue (Hagedorn et al., 2012) particularly in terms of instrumentation.

This research adapted a descriptive design to examine the basic question they had in mind, “What do these kids know about money?” Given the opportunity to express themselves openly through writing and drawing, participants spontaneously imparted their previous experiences. Their financial behaviors were also looked into. Coming up with a semi-projective tool was also carefully considered to avoid leading students to give socially-desirable responses.

The candidness of students’ response could be a
Table 2: Financial behaviors of grade 3 students.

<table>
<thead>
<tr>
<th>Spend</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Toy</td>
<td>219</td>
<td>48%</td>
</tr>
<tr>
<td>Food/Candy/Beverages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clothes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>School Supplies/Art Materials</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Footwear</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gadget</td>
<td></td>
<td></td>
</tr>
<tr>
<td>House</td>
<td></td>
<td></td>
</tr>
<tr>
<td>School Fair</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mall</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Travel</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Save</td>
<td>165</td>
<td>36%</td>
</tr>
<tr>
<td>Bank or ATM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donate</td>
<td>41</td>
<td>9%</td>
</tr>
<tr>
<td>Poor, Needy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Typhoon Victims</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sick, Street children</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Church</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share</td>
<td>25</td>
<td>6%</td>
</tr>
<tr>
<td>Parents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other family members</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friends</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>4</td>
<td>1%</td>
</tr>
</tbody>
</table>

testament to the effectiveness of the instrument in drawing out their foremost money experiences and financial behaviors. One participant said, “at home and the other money I found it under the table,” while another shared, “from other people where we send letters.” Some answers are straight-to-the-point, “Money come from paper and made by Fil heroes” and “I think money is made out of paper and they paint it.”

Allusion s to Jesus could be linked to values learned at home and in school that all things, blessings especially, come from God. Leprechauns are creatures associated with gold and wealth often depicted in shows and stories. The participants’ money experiences with family business, stores, credit cards, paper bills and Christmas parties also came out, “If you go to houses in Christmas or you can go to your ninangs (Godmother) or whoever you wanna go to,” “My money come from my grandparents and sometimes family members.”

A considerable number apparently has been exposed to bank and automated teller machine transactions. Some are also familiar with the mint, although it was also referred to as Money Factory or Money Laboratory. That the participants mentioned “mint”, not only among the students from the first section that viewed the Cha-Ching video early on in class, is a notable finding. This is attributed to their having been exposed to the campaign some months past, and possibly through the television show as well. Narratives seem to support this as well with responses such as, “money come from a factory that has a printing stint.” The term “printing stint” is included in the Cha-Ching song showing how money goes through the mint.

Another interesting finding is the participants association of money with work. One response stated, “from my mom because she works very very very very hard,” while another claimed, “Money comes from work, when we work we get our allowance.” Other work-related answers are: “Money comes from the bank but if you will get the money you need to work first,” and “money comes from our hard working if we already work on office or any work if we grow to be an adult.”

This signifies that children of their age are able to grasp practical money lessons imparted by significant adults, more so if coupled with hands-on practice such as
accomplishing tasks or receiving a regulated allowance.

Regarding financial behavior of the participants, their responses are often not limited to one action. For instance, a student would decide to save some and spend the rest of her money. Spending is also often not limited to a single object of purchase.

Overall, the most prominent financial behavior is spending and top items on their shopping list are toys, clothes and food/candy/beverages which they probably find appealing at the time. This could be evidence of reports that marketing strategies aimed at children are effective in grabbing their interest in the products. Understandably, these same items are the ones easily seen in areas they frequent with their family or seen and heard from their peers in school.

Saving comes in next but it should be noted that as mentioned earlier most of the responses are a combination of two behaviors. For instance, “I will buy it things for school and save it,” “I will save it. I will buy a toy. I will buy my favorite food and drinks.” This could be seen as an emerging skill in budgeting wherein they aware that the entire amount need not be allocated to only one activity.

Apart from spending on items that appeal to them, responses also showed a glimpse of the things that they give importance to, such as education and charity:

“I will buy it for my supplies in school so that I will not borrow to my classmate’s things”.
“I will spend it on books to make me smart.”
“I will give it to the poor and I will buy important stuff, I will buy toys.”
“I will buy books. The rest I will save it for school tuition fee.”
“I will use it for my tuition fee.”
“I will give the half of it to my sister and the other half is for me or I can donate it for the victims of the calamities.”

Giving a share to typhoon victims is quite often mentioned and it shows that the participants are emphatic of others’ distress and aware of their ability to contribute. The participant’s involvement and awareness of their family financial activities and goals are also reflected in some narratives, “I will save the money so my dad can see his mom in the USA,” “I will save for our new house,” “I will buy it for the medicine for my lolo (Grandfather) and lola (Grandmother).” “I will save the money because I like to help my parents save money.”

Participants also seem to have varying understanding of saving which could be perceived in three ways. First, as delayed spending for a major purchase:

“I will save it then after I will spend it on a toy.”
“Save it so I can have extra money for the Grade School fair”
“Save it for 4 days only”
“I will save it so I have money to buy my mommy a gift.”
“I will save it for a scooter.”

Second, as future needs fund
“I will save it for emergency or on special occasions.”
“I will save it and use it if it’s an emergency.”
“I will save it. Then if I need something will buy it.”
“I will save it so that when I need something I can buy it right away.”

And lastly, as an investment.
“I will save it until I become a billionaire.”
“I will save it so if I get older I will have plenty of money.”
“I will put it in the bank so it will be bigger and bigger.”
“I will save it so that I have lots of money.”
“Save to be a millionaire. Save to get more money.”

CONCLUSIONS AND RECOMMENDATIONS

These findings clearly show that money and its functions are not unfamiliar to the participants probably due to informal money lessons imparted by their family members and possibly, media. While the researchers find it safe to assume that the classroom initiated lesson on basics of earning, saving, spending and donating money as well as the campus activity with Cha-Ching has significantly contributed to the participants’ financial knowledge, it would seem that the primary source of the students’ financial learnings are through personal interactions and experiences, as well as observed behaviors of significant others or money as projected by various forms of media.

Alhabeeb (1996) refers to this as financial socialization wherein the family is the primary agents of teaching children about financial knowledge, attitudes and beliefs. Abramovitch et al. (1991) has similar claim that young children who had experience in budgeting their own school allowance had more money sense than their peers who were not given allowance by their parents. Concrete, hands-on money experiences are seen as significant means of imparting financial lessons and values (Johnson and Sherraden, 2007).

If this is so, the home is a rich ground for hands-on learning opportunities by being introduced to household economics and budgeting. As they are beginning to understand the value and function of money, children could be given opportunities to observe how money flows: grocery planning and paying for household bills could be of interest to them. This could also be a chance to get them involved in contributing to the family budget by being wise spenders and mindful users of resources.

Given that school-age children spend more time in school, it is recommended to study the possibility of teaching basic financial and economic lessons in early grades. Aside from being a recommendation from the institution’s president, related literature agrees that this is a 21st century life skill that the children and youth of today need to cultivate and develop to be able relevantly respond in the evolving modern society. MCLS, being a premiere educational institution, would be at the forefront in offering excellent and socially-relevant programs for its young girls. Considering the developmentally-appropriate
practices and academic demands on both students and teachers of the unit, it is likewise recommended that the program be gradually introduced and integrated in subject area and homeroom lessons, wherever applicable. Regular documentation and routine evaluation of activities would also strengthen the initiative.

The quality of participants’ responses also supports related literature’s claims that students in early grades are ready for lessons on finances. They are capable of understanding basic money concepts and inherent values, such as hard work and charity that are attached to it. Clearly, at least for some of the participants, the seed has already been planted. However, aside from early introduction, there is a need to constantly nurture it to grow from financial literacy to responsibility and competence (Hagedorn et al., 2012).

Considering the cognitive capacity of the students in each level, Karen (2009) recommended that basic benefits and tools for sharing, saving and purchase be taught from K to third grade. These are known to support healthy financial habits that would persist until adulthood but immediate change in financial behavior should not yet be expected. In her review of existing financial literacy program for young children worldwide, the approach is not limited to a “financial sphere of experience,” rather a combination of understanding numbers (cognitive) and actual opportunities to practice them.

It is recognized that coming up with a structured financial literacy program cannot be readily achieved by MCLS, given many academic and co-curricular considerations. With this, integration in the subject areas and homeroom lessons seems the most feasible approach at present. Some recommendations presented for consideration are:

1) Money is a topic already covered in the Mathematics subject area; discussions could be enriched by injecting lessons on mindful spending. Basic concepts of saving and investing could also be introduced.
2) For grades four and five, Entrepreneurship could also be highlighted in Home Economics and Livelihood Education (HELE) lessons. Making the students aware of the costs of project materials might help deepen lessons on budgeting. Students could also be given an opportunity to showcase their products and earn by selling them. Such an experience of directly planning and executing their activity could help reinforce the concepts taught in the subject, such as financial and economic skills and values of hard work and social responsibility.
3) Young students in Grades 1 to 3 could also benefit from teachable moments about money when they are about to go out and buy their food from the cafeteria. The students are also observed to be supportive of the book and school fair. Days before the said events, students could be reminded to spend their money wisely. During such school events, financial institutions that support saving and investing might be invited to espouse awareness.
4) Group Guidance and Homeroom classes could also consider integrating some financial literacy whenever possible. Parents and alumni whose careers are related to finance could be invited as resource speakers during alternative classroom activities. Trade mark lessons on limpid simplicity of the soul, Christ-like charity are some that could be directly related to spending and donating.

As part of further evaluation, related research pursuits could also expound on identifying students’ channels for learning about money. Involvement of family in imparting money lessons could also be included, as well as school’s perception about implementing such a program. To gather richer data, there should be formal note-taking of observations during facilitation of the lesson in class or conducting separate focus group discussions to delve deeper into the written or drawn responses. Age-appropriate surveys and Likert scales could also be designed for collecting quantifiable information about the children’s financial knowledge attitudes, and behavior.

ACKNOWLEDGEMENTS

The authors would like to acknowledge Pru Life U.K.’s Ch-Ching program whose materials were used in the conduct of this study. Miriam College’s Center for Strategic Research also helped in polishing the structure of the study through peer reviews.

REFERENCES