

CYCLES

CHILD AND YOUTH CARETAKERS FINANCIAL LITERACY AND ENTREPRENEURSHIP SKILLS



IO1 – Gap analysis

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1. INTRODUCTION: DESCRIPTION OF FOCUS GROUP INTERVIEW

The Focus meeting took place on January 10th, 2018 in the office of Samodzielni Robinsonowie Foundation. The attendees were members of the European Federation of Financial Professionals, a member of the board of Fundacja Młodzieżowej Przedsiębiorczości, the head of child care house and a member of the board of Robinson Crusoe Foundation. Thanks to such diversified choice of participants we were able to view the issue from various perspectives - working with children but also current budget managing tools and programs. The participants introduced themselves and were briefed on the objectives of the project and then they engaged in conversation. The subject of financial literacy and entrepreneurship is practically non-existent in the vocational education curriculum for Professionals and Children in foster care. Because of that fact the conversation focused on other available trainings and the educational needs of the Child and Youth Care Practitioners (CYCPS) and Future Care Leaver. We enjoyed the friendly atmosphere and shared mutual understanding in regards to the directions and methods of teaching.

2. FINANCIAL LITERACY AND ENTREPRENEURSHIP IN BASIC AND FURTHER EDUCATION OF CYCPS

As mentioned above, education of Youth Workers in the field of financial literacy and entrepreneurship is almost non-existent. As we learned from Desk Research, entrepreneurship and economics are sometimes included in the curriculum as a few hours of lectures or exercises. However, the course is not focused on the implementation of the content and methods in later daily work with youth. A more viable approach to discussing these issues is trainings organized by request of care facilities. The advantage of such a solution is the interest and motivation of the participants. The disadvantage is the lack of knowledge of the topic where there were no previous trainings. In addition, the program of the ordered training is in principle dedicated to the problem or area at hand and is not aimed at comprehensive education.

3. FINANCIAL LITERACY AND ENTREPRENEURSHIP SKILLS IN THE DAILY WORK WITH CHILDREN AND YOUTH IN CARE/YOUNG CARE LEAVER

Everyday learning to manage personal finances for children and youth in care is conditioned on one hand by the limited availability of funds and public procurement law on the other. Modest pocket money is an opportunity to practice budget management. The ability to manage even small funds is certainly one of the things which the educators are trying to teach – ‘practical knowledge on how to make ends meet with given amount of money’. Another one is the knowledge about financial support for young people: ‘what kind of funds to apply for, who is entitled to what?’. Unfortunately, managing the facilities’ maintenance budget is poorly suited to educational purposes. One could think that there is nothing simpler than doing grocery shopping together. Unfortunately, the Public Procurement Law is an obstacle. The bigger the facility, the larger the orders. After the reorganization enforced by the law the reduced and divided facilities (up to 14 children in one house) continue to file joint tax returns, they have the same budget and accounting. To comply with the law, they must submit central requests for quotation and prepare tenders for the supply of the necessary products: ‘it practically makes it impossible to include the children and youth in spending (money)’. The educator can go with his pupil to shop for clothes, but not for housewares. The situation in the facilities is not conducive to learning home-budget management.

Another difficulty when dealing with everyday work with children and youth in the area of financial literacy and entrepreneurship in care facilities is the lack of awareness that ‘everything has its value and price, and

that you have to earn it'. In a situation where young people do not have an example of a working parent, they may be under the illusion that 'the whole world revolves around their needs'. Sponsors who repeatedly donate gifts are part of this set-up. An illusion arises that things have no value, the fact that someone worked for them becomes invisible. This is why adult volunteering is so important as well as keeping youth in contact with working people - both give them the opportunity to experience their own agency by having earned the money themselves, however small the amount. 'Kids should have the satisfaction, a sense of agency, a sense that they have achieved something and are appreciated. Security too, but satisfaction coming from the sense of agency is the most important to their development'.

4. TRAININGS ON FINANCIAL LITERACY AND ENTREPRENEURSHIP FOR CHILDREN AND YOUTH IN CARE/YOUNG CARE LEAVER

According to the participants of the focus meeting, the best trainings on financial literacy and entrepreneurship are based on games, simulations and peer coaching. Personal experience, fun and involvement of a group of peers increase the appeal and guarantee the success of learning. Examples of good practice include setting up mini-companies, participating in competitions in solving economic tasks, board games requiring counting from memory, games such as 'Cashflow', which involve making financial decisions, exercises with the use of various financial calculators (e.g. installments we will pay when purchasing a TV set on credit). Almost all of these tools are available to youth from care only indirectly through the educational facilities they attend. The exception is the economic game 'Robinson na plusie' ('Robinson in the black'), which the Robinson Foundation tours with around the country. The key is therefore a kind of a mentor, usually a passionate teacher, who will use available programs and scenarios and will motivate students to make an extra effort. It should be mentioned here that the driving force behind the creation of this type of ambitious trainings is not schools themselves, but non-governmental organizations which work in partnership with business and state institutions such as the NBP (National Bank of Poland). The contribution of the school is important because at the final stage of compulsory education (high school, vocational school) Entrepreneurship classes are introduced. Whether the course will be an interesting project or just an ordinary lesson depends on the initiative of the school board and the teacher. Good teachers will not stop using textbooks, but they also will use the content of popular blogs such as 'Subiektywnie o finansach' (Subjectively about finances) by Maciej Samcik, or 'Jak oszczędzać pieniądze' (How to save money) by Michał Szafranski. And here comes the fundamental question: what schools and teachers do children and youth from care have access to?

5. KNOWLEDGE, SKILLS AND COMPETENCES NEEDS ANALYSIS – CHILDREN AND YOUTH IN CARE/YOUNG CARE LEAVER

When asked about when to start learning financial literacy and entrepreneurship, the participants of the focus meeting responded 'as soon as possible'. However, for accuracy, the proposed ideas can be classified as the basics (chronologically first) and further development. Under the basics the following issues should be discussed: where money comes from (exercise - what will happen when we start printing money); what kinds of currencies are there, playing shop, comparing products and prices in stores (price comparing websites); understanding the advertising mechanism. With the latter, it may be helpful to create your own persuasive message. The second stage of education would consist of: researching resources ('what do I already have?'); inquiring about what to spend money on ('why do I need it?'); why and how to save. Another important element should be the analysis of the financial situation before and after the 'zero point' - the moment of

legal self-empowerment and leaving care. In addition, the topic of starting one's own business and setting criteria with regards to when the time, energy and other expenses incurred will be returned should be discussed. It is very important to present the issue of indebting oneself, as well as how to protect yourself against the inheritance of debt.

6. KNOWLEDGE, SKILLS, COMPETENCES AND TRAINING NEEDS ANALYSIS – CHILD AND YOUTH CARE PRACTITIONERS

'In some countries there are specialized professionals responsible for budget planning and drawing clients out of debt'. In Poland there is a lack of such professionals, and the situation where children are burdened with their parents' debts is a frequent occurrence. This example points to the area of economic and legal knowledge that an effective educator (CYCP) must possess. The best piece of advice on how a young man is to cope with difficulty is to start by taking advantage of the knowledge of a mentor. 'Start with yourself and then become a mentor' is the main advice given to the professionals by the participants of the focus meeting. Elementary knowledge based on personal experience, which can then be passed on to the mentees should include the following topics:

- How to deal with cash? How much cash do I need and what for?
- Cards and their types, the phone as a credit card
- Bank account types
- Loans and credits
- How to distinguish a bank from a shadow bank?
- Consumer rights, e.g. the right to know what commission the agent receives
- Internet shopping
- Ways to defend against aggressive marketing communication

The following areas of competence can also be used in the educational process:

- Managing the household budget
- Applications supporting expenditure monitoring and budget management
- Analysis of personal finances in terms of needs that also appear in business (housing, equipment, fixed costs, etc.)
- Cooperation with youth on micro projects targeted at the local community
- Use of project money for youth financial training

SUMMARY:

The participants of the focus meeting pointed to a number of financial competences necessary for the beneficiaries of the project. From the methodological point of view, the mentoring method is the key tool allowing caregivers to work most effectively. It is important, therefore, that they use their own experience and are aware that they have valuable knowledge of finance and entrepreneurship to impart. School is not always able to do so, and when they are it is only partially. The foundation of a deeper cooperation with a young person in this area is the answer to one of the following questions: Where to get money from?; How to make ends meet?; How to avoid debt? In light of the objectives of the CYCLES project, it seems important to determine what a CYCP must be able to do alone and what he needs to know in order to be able to find allies (for example business volunteers) or to be able to show a young person additional solutions.



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