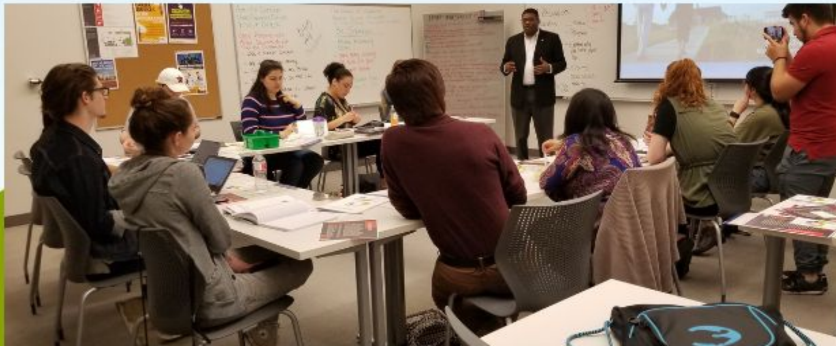
Why students participate and persist in voluntary financial education programs

Zach Taylor - Texas State University
Ayeesha Green - Austin Community College



Community College Students and Four-Year Students

Compared to peers attending four-year institutions, community college students are...

- much more likely to from low-income backgrounds,
- be commuter students,
- be non-traditional students, and/or be working parents with intensive childcare commitments (Faber & Slantcheva-Durst, 2020; Grawe, 2018; Payne et al., 2017).
- Community college students are often at high risks of poverty, housing insecurity, food insecurity, and a plethora of other financial and personal crises that may prevent the students from earning their degree and procuring a job (Gupton, 2017; Ilieva et al., 2019; Levine & Nidiffer, 1996; Mercado, 2017).
- = Community college students are some of the most under-supported, under-resourced, at-risk postsecondary students in the United States.

The Rise of Financial Education/Wellness Programs

Many community colleges across the country have launched financial education and wellness programs.

- Areas such as banking, saving, understanding credit, budgeting, understanding loans, and other topics (Popovich et al., 2020; Sims et al., 2020; Serna & Taylor, 2019).
- Many studies have praised these programs for their ability to help lift students from poverty and provide students with lifelong skills and tools to navigate financial situations and manage their money appropriately (Goldrick-Rab et al., 2017; Klepfer et al., 2020; Kruger et al., 2016; Nomi, 2005; Salinas & Hidrowoh, 2018).

The Problem

- **Broadly, financial education is not mandatory** (Collier, 2015; Peng et al., 2007; Serna & Taylor, 2019).
- Community colleges have struggled to encourage broader community college student participation in financial education programs, partially out of a time crunch that many community college students face given their work and family commitments that four-year students often do not have (Holland, 2019; Illieva et al., 2019; Klepfer et al., 2020; Nomi, 2005; Salinas & Hidrowoh, 2018).
- Many community college students have struggled to gain financial knowledge and develop financial wellness while in school, simultaneously struggling with poverty, housing insecurity, food insecurity, and other crises (Gupton, 2017; Ilieva et al., 2019; Levine & Nidiffer, 1996; Mercado, 2017).

Solutions?

- Sparse research has investigated:
  - 1.) What motivates community college students to voluntarily enroll in a financial education program?
  - 2.) What motivates continued community college student participation in a financial education program?

Methods

- Site: large, multi-campus community college system in the U.S. South.
- In-depth, semi-structured interviews with 14 community college students.
  - Average age = 26.5 years of age
  - 71% were women
  - 64% were students of Color
- Asked questions regarding motivations for **participating** and **continuing to participate** in voluntary financial education programming.

Conceptual Framework(s)

- Wigfield and Eccles' (2000) expectancy-value theory (EVT) of motivation
  - Individuals choose to participate in certain activities/programs based on
    - 1.) whether they believe they will be supported and can succeed and
    - 2.) the extent to which they value the activity/program.
- Wigfield and Eccles' (2000) three main values that motivate learners:
  - **utility value** = "utility value or usefulness refers to how a task fits into an individual's future plans," (Wigfield & Eccles, 2000, p. 72).
  - **attainment value** = Attainment value is the perceived importance of performing well on a given task that may result in future benefits (Wigfield & Eccles, 2000).
  - **cost value** = "refers to how the decision to engage in one activity (e.g., doing schoolwork) limits access to other activities (e.g., calling friends), assessments of how much effort will be taken to accomplish the activity, and its emotional cost," (Wigfield & Eccles, 2000, p. 72).

Conceptual Framework

- Bandura's (1977) notion of self-efficacy informs this study regarding:
  - how community college students thought about their financial literacy and wellness (**cognitive**),
  - how students acted in ways that supported program participation (**behavioral**), and
  - how students viewed their institution of higher education and learning support (**environment**).
    - Did students participate and persist because of cognitive, behavioral, or environmental factors?

Why Volunteer? Major Findings

- Community college students volunteered because they knew who was running the program and they perceived the **program staff to be friendly and approachable.**
  - “Honestly, Alyssa [a pseudonym] and the Peer Money Mentor Program. Everyone was nice.”
  - “I went to a scholarship workshop my first semester and that’s where I met her. Then we had a meeting last semester. She’s great.”
  - “Alyssa and Lynette are always reaching out to us. They are the “go-to.””

Why Volunteer? Major Findings

- Community college students volunteered for financial education because the **signup process was simple** and the **program's content was relevant to college students**.
  - "It was really just to fill out a form. I think the sign up was easy."
  - "The sign-up process, it was very easy though because all we did was get a sheet of paper and we filled out and we started to get in. It was easy."
  - "Signing up was fairly easy. I just went through the directions sent to me in the email and I'd sign up with it."

Why Volunteer? Major Findings

- “Getting out of debt and learning how to save is the biggest thing that I think college students can benefit from. Especially budgeting--that is a life skill that everybody should learn. Because I’m a recovering alcoholic and drug addict, the hardest thing to do is learn how to save the money. When you’re learning how to save making like $8 an hour again like a student, it’s still the habit that I needed to learn. Being able to do that and sitting down having somebody to do your budget with you is doing that.”

Why Volunteer? Major Findings

- Community college students volunteered for financial education **because they could earn money.**
    - “The financial incentives also were really great. Free money for college students sounds great. That's why I signed up.”
    - “Motivations? I needed to start saving some money obviously! Definitely, the incentives were very motivating for me. I love free money or almost free money.”
    - “When I received the email invitation, the cash incentive was obviously a good place to start.”


SHOW ME THE MONEY!

Why Persist? Major Findings

- Community college students persisted in voluntary financial education **because communication was clear and consistent.**
  - “I do like the reminders you send me. The communication is great.”
  - “I have gotten a lot of reminders about that and I appreciate those. They keep me on track.”
  - “I think the consistency, too, was perfect. It was like, “You can get busy and you forget to see this. You've done great this far in your program.” And I was like, “That's cool.” That was really motivating to me.”

Why Persist? Major Findings

- Community college students persisted in voluntary financial education **because programming was diverse but simple.**
  - “There’s so much to do. Either doing your FAFSA or learning online. Or meeting with a financial coach. That’s awesome. I think people like a lot of options. Typically, I like a lot of options.”
  - “I stayed motivated because it was always a change of pace. Doing online stuff can get boring and repetitive but it wasn’t too much.”
  - “The online courses are pretty fast and they’re simple. It’s some videos, some reading, a good mix. It’s a simple program.”

<u>Why Persist? Major Findings</u>

- Community college students persisted in voluntary financial education **because they could keep earning money.**
  - “Stuff happens and then I realized, ‘I want my $25,’ and so I’d see an email and I’d do it because of that money.”
  - “The incentives were great. Each thing I did was more money, and seeing that was awesome.”
  - “The incentives were great. Each thing I did was more money, and seeing that was awesome.”
  - “The money was motivational. Knowing that I’d get the money, I did it. I’m not gonna lie [laughs]. But next time, maybe give away a million dollars instead [laughs]?”


SHOW ME THE MONEY!

Takeaways

- People connections matter.
  - Environmental, eschews ‘value’ = more feeling
- Strongly motivated to volunteer for and persist in financial education because of financial incentives (Peng et al., 2007; Popovich et al., 2020; Serna et al., 2021).
  - Utility and attainment value
- Simplicity and diversity is key.
  - Cost value matters = programming must fit the student, not the other way around.
  - Cognitive and behavioral push = “Does it make sense for me to do this and continue to do this?”

What Can Programs Do?

- Hire good people and retain them.
- Simplify the signup process.
- Simplify and diversify the curriculum in ways that allow for flexibility.
- Provide financial incentives.
- Communicate consistently with students (both in time and person).

Thank You and Questions?

Reach out to us on the WHOVA App!