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The Effectiveness of Seminars in Educating Adults in Financial Literacy

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Abstract: In Australia, financial literacy is not given prominence within the education system, and it is a general view that financial literacy is gained through 'hands on' experience in earning and spending money; further, financial education seems to occur only when people take a loan or experience financial difficulties (Hajaj, 2002). This is not sufficient if people need to make informed decisions about their investments and, because of a number of social factors, it has become necessary to educate the majority of the adult population in Australia in Financial Literacy over a relatively short period of time. Given the large numbers requiring such an education, the seminar approach is being widely used, however is it effective? Drawing on the adult education literature, this study examined the effectiveness of the seminar approach by surveying adult participants in a Financial Literacy seminar. The survey found that while a majority of participants (50%) expressed none or weak financial knowledge prior to attending the seminar and 45% expressed that they only had a moderate rate of financial knowledge, a majority of 63% strongly agreed or agreed to the seminar improving their knowledge of the need for retirement savings. Furthermore, 58% of participants were either confident or very confident of being able to apply what they learned in the seminar to achieving their retirement savings goal. These findings suggest that the seminar approach was effective in educating adults and improved their level of financial literacy. Future research could investigate whether the level of financial knowledge gained during the seminar is retained over a considerable period of time.

Keywords: Financial Literacy, Adult Education, Retirement Planning

Introduction

THE OBJECTIVE OF this paper is to examine whether educating adults through a financial education seminar would enhance their level of financial literacy. This is essential because the latest published life expectancy tables show that a 65 year old male has a life expectancy of 17.7 years and a 65 year old female has a life expectancy of 21.15 years (Australian Bureau of Statistics, 2006). These figures indicate that a substantial number of older persons will need to be supported by either the government or themselves during their retirement years. With the increasingly changing government policies that lean towards encouraging people to be self-reliant during their retirement years, it has become important that future retirees plan well for their financial security.

Unfortunately many future retirees lack education in financial planning and retirement saving (McCune, 1998). Lusardi (2000) found that individuals who did not plan for retirement had lower net wealth and were less likely to be educated about appropriate investments such as not investing in assets with higher expected returns. Lusardi (1999) concluded that extensive information was required to plan for

retirement and financial education programs were vital to the planning process.

One way in which people can become more involved in their own retirement planning is for them to become more financially literate, and this is recognised by superannuation funds in Australia, which increasingly provide seminars in financial literacy for their members. Financial education among adults advances their knowledge in applying basic financial concepts to plan their savings for a more secure future during retirement. It is therefore important that such education be imparted effectively so that the goals can be reached.

Studies have examined the most appropriate way to educate older adults. Several models have been put forth to suggest effective strategies. For example, Imel (1989) suggests that teaching adults should be approached in a different way than teaching children and adolescents. Similarly, Beder and Darkenwald (1982) assert the rationale for the use of a different teaching style with adults is based on "informed professional opinion; philosophical assumptions associated with humanistic psychology and progressive education; and a growing body of research and theory on adult learning, development, and socialization" (p. 143). Two models that are considered appropriate



to adult education are the humanistic and andragogical models because they are both focused on educating adults based on their past experience and knowledge.

Research has shown that the motivation for adults to seek learning experiences is to cope with specific life changing events such as retiring, and also because they have a use for the knowledge or skill they learn (Zemke and Zemke, 1984). These findings have implications for curriculum design and teaching adults in the classroom. Zemke and Zemke (1984) have suggested the following points to consider while designing the teaching curriculum for adults:

- Adults need to be able to assimilate new information with existing information if it is to be useful for them.
- Since adults are slower in some psychomotor learning tasks, they counteract this by performing tasks more accurately with fewer errors.
- Adults prefer self-directed and self-designed instructions over group instructions; they use multiple media for learning, and they prefer to learn at their own pace.
- Adults learn better via dialogues with respected peers.

Overall, an eclectic approach to developing teaching strategies and methods is recommended for matching adults' learning style to learning tasks. These strategies have implications for imparting financial education to adults. It is important for educators, including financial educators, to be cognisant of the teaching and learning models for and of older adults. However, relatively few studies have attempted to evaluate the effectiveness of a Financial Literacy seminar in enhancing the financial knowledge of people, in particular improving their understanding of the need for retirement savings. Therefore, the aims of the current study are to evaluate the effectiveness of a Financial Literacy seminar:

- in enhancing the financial knowledge of people in terms of improving their understanding of the need for retirement savings, and
- increasing the confidence with which people can apply their financial knowledge to their retirement goals and retirement savings decisions.

Literature Review

In Australia, financial literacy is not given prominence within the educational system. It is a general view that financial literacy is gained through 'hands on' experience in earning and spending money; further, financial education seems to occur only when people take out a loan or experience financial difficulties (Hajaj, 2002). This is not sufficient if people need to make informed decisions about their invest-

ments, and it is becoming necessary for governments and financial services organisations to assist consumers in understanding how the financial services sector operates. Hajaj (2002) has outlined the following applications of financial education:

- Assist consumers to make informed and appropriate choices
- Improve consumer confidence in financial services
- Provide practical information about the use of financial services
- Increase use of financial services
- Protect consumers from risk
- Inform consumers of their rights, and the availability of redress.

Such education becomes particularly important when planning for retirement. Many Australians are concerned about their retirement, and this concern comes in many forms, such as their health their aging parents, their children's futures, and their financial security and lifestyle in retirement. Whilst financial concerns are only one dimension to this problem they are nonetheless a significant contributor. It is clear that financial illiteracy can be detrimental to the financial security of families, and Hajaj (2002) indicates the following difficulties for consumers with poor financial literacy:

- Difficult to identify the financial service or product that best meets their current and future needs, lifestyles and aspirations
- Falling victim to abusive practices from financial services companies and their agents
- Responding to financial difficulties in a way that leads to greater problems, and
- Not being confident and sure of the best way to access and evaluate independent financial advice.

The lack of financial literacy is particularly concerning for the Australian government in the light of an aging population. One of the immediate effects of an ageing population is that there will be fewer workers available to support each person in retirement than is the situation currently (Edey, 2005). Other consequences of population ageing have been outlined in detail by Edey (2005) at a meeting of the Fifth APEC Future Economic Leaders:

1. "*Slower economic growth*: When a large part of the population moves into the post-retirement age group, it slows the growth of the working age population. This leads to a lower growth in per capita incomes and in the total economy. In , this has already started to slow down and this will result in lower potential growth of the economy.

2. *Strain on government budgets:* There can be a strain on government budgets as a result of government pension commitments. This will especially be the case where government run defined-benefit systems are mainly funded on a pay-as-you-go basis. Another important source of fiscal strain is the impact of ageing on health costs.
3. *Effects on financial markets:* With an ageing population, labour will become more scarce, and capital more abundant. It is predicted that this will result in real wages rising and the returns to capital falling. This will in turn make it more difficult to prepare for population ageing only by saving more, because the returns on saving will be lower. In order to lower the effect on the financial market, what is thus required is a combination of increased saving and greater workforce participation, which will increase the level of higher real wages and assist in the preparation of the ageing population” (p. 23).

The above mentioned indicators of the effects of population ageing brings into focus the nexus between the need for financial self-reliance and financial literacy, and the inability of the government to continue funding the retirement income of individuals who do not have the means to fund their own retirement. Governments and individuals alike should better prepare for an ageing population, and the Australian government is changing its policies and putting the onus on the individual to secure their financial future. Some of the steps the Australian government has embarked upon include strengthening its fiscal position, encouraging individuals to extend their working life, and gradually aligning the pension age for men and women. The implications of such changes in government policies are that individuals need to increasingly become aware of their financial options and save more for their retirement years. Government bodies have called on workers reaching retirement age to continue working for longer periods in order to secure their own and their country’s future. (Committee for Economic Development of Australia (CEDA), 2003)

Importance of Financial Education

The Australian federal government has recognised the vitally important role financial literacy has to play in addressing the problem of funding retirement in the future. In a speech, the Minister for Revenue and Assistant Treasurer, Helen Coonan asserted “for many Australians, low levels of financial literacy pose a threat to maximising the benefits of retirement savings” (Coonan, 2003, p.14). She further added that the “ability to make informed judgements and to take effective decisions regarding the use and

management of money is a vital skill for all Australians” (Coonan, 2003, p. 15). The constantly changing policies of government make it imperative that workers of all ages need to be financially literate. This is further indicated by the current savings level which has fallen to the lowest levels ever, and this situation where Australians do not save enough to meet their income needs in retirement will have a significant impact on superannuation and private pension saving schemes (Coates, 2005). The Minister further asserted that the shortfall in superannuation savings and the savings of younger people to buy a home or save for a comfortable retirement are all related to financial literacy.

It is clear that many Western governments are increasingly asking individuals to become self sufficient during their retirement years by saving large amounts of their incomes (KPMG, 2006). It has been projected that the Commonwealth Age and Service Pension payments could rise from 2.9 per cent of the Gross Domestic Product (GDP) in 2001/02 to 4.6 per cent of GDP in 2041/42 because of the doubling of the population aged over 65 years. However, financial literacy will play an important role in whether future retirees currently aged 30+ years will equip themselves for retirement through savings and investment strategies, rather than relying solely on compulsory superannuation and the Aged Pension (Coonan, 2003). Other age groups have also been found to have significant deficits in financial knowledge, with an ANZ adult financial literacy survey (2005) showing significant gaps in financial knowledge after making the following findings:

- Fifty five per cent of superannuation fund members knew little about the fees and charges applying to superannuation and only 37 per cent of respondents had actually worked out how much they needed to save for their retirement.
- Sixteen per cent of the adult population spend all their income as soon as they get it and do not plan for the future, while only 5 per cent indicated that they had no difficulty managing their finances.
- A strong correlation was found between levels of education and financial literacy, where increased education was related to increased financial literacy.

The ANZ findings demonstrate that financial literacy among adults in Australia is low and that all age groups need to be provided with financial education. Older individuals especially need to be exposed to financial education because they are traditionally used to an ‘older’ kind of financial system, such as cash-only transactions; it is important that they do not become excluded because of their low level of access to online services or low levels of income

(Hajaj, 2002). Financial education will help individuals to keep up with understanding the changing policies of the government and to know what they need to do in order to secure their own financial future. Increasingly, there is an added responsibility on policy-makers, financial institutions, and advisers to educate the Australian public about the marketplace and empower them to take control of their financial future (Coonan, 2003). All groups are increasingly recognising the importance of education to improve individuals' ability to plan and save for their current lifestyle and their future retirement.

Overall, the Government is of the view that enhancing financial knowledge and assisting Australians to better manage their money will enhance the lives and opportunities of all Australians. Thus it can be seen that there is enormous pressure on individuals to be financially self sufficient, and this view of Government suggests that financial literacy should be delivered to everyone. It is clear that there are some efforts being made by government agencies and financial institutions to improve financial education. However, there is still a huge gap between current financial literacy and the level needed to ensure changing government policies, such as self sufficiency in retirement, are understood and achieved (Coates, 2005). Thus, further efforts are needed by all parties concerned to educate the Australian public about financial issues.

The Seminar Model

A seminar has been described as a form of academic instruction that is generally conducted at a university or by a commercial or professional organisation (www.dictionary.com, 2007). It has the function of bringing together small groups of people for meetings, focusing on a particular subject in which everyone is required to actively participate. This is often accomplished through an ongoing dialogue with a seminar leader or instructor, or through a more formal presentation of research (Finch, Helms, and Etkin, 1997). It is essentially a place where assigned readings are discussed, questions can be raised and debates conducted and is relatively informal compared to the lecture system of academic instruction (Finch et al., 1997). Seminars are a convenient form of delivering financial literacy education to large numbers of individuals in a short period of time; however, it needs to be further examined whether such a delivery method is effective in delivering financial education.

Hale and City (2002) set out four key elements that teachers need to consider to better facilitate seminars. These elements are safety, authentic participation, challenge, and ownership and are referred

to as fulcrums because they are the leverage points upon which seminars should be balanced.

Current Methods of Adult Education

Studies have examined the most appropriate way in which to educate adults, with several models being suggested for effective learning. Imel (1989) suggests that teaching adults should be approached in a different way to that of teaching children and adolescents. Similarly, Beder and Darkenwald (1982) assert the rationale for the use of a different teaching style with adults is based on "informed professional opinion; philosophical assumptions associated with humanistic psychology and progressive education, and a growing body of research and theory on adult learning, development, and socialization" (p. 143). Brockett and Hiemstra (1994) have suggested that the two basic premises of adult education are:

- to empower adults to take personal responsibility for their own learning, and
- instructional activities should be based on learners' perceived needs.

Since the seminar method of delivering financial literacy education has been shown to be an effective delivery method, it was necessary to examine various theories of learning to ensure that the most appropriate theory of adult education was adopted and used in the conduct of the seminar.

Theories of Adult Education

The humanistic theory of adult education focuses on the personal experiences of individuals while the andragogical theory of adult education focuses on self-directed learning. Other theories of learning such as the behaviouristic method of teaching emphasise learning as an end product rather than as a process, and rote learning as a mechanistic style of learning. Given these foci, it was considered that the humanistic and the andragogical theories were most closely aligned to the seminar method of instruction and most relevant to the financial education of adults.

The Current Seminar Approach

The current seminar program under examination was adopted because it facilitated the ability to educate large numbers of individuals cost effectively and in a short period of time, as well as incorporating aspects of the humanistic and andragogical theories of educating adults. It also met the requirements of bringing together a small group of people to focus on a particular subject and requiring active participation from the audience.

The seminar program was conducted drawing on the principles of adult education for example, the program ensured that participants actively took part in the discussions and encouraged participants to relate the underlying principles discussed in the seminar, to their own personal circumstances in the current seminar. The instructors were cognisant that the participants in the program were adult learners who already had some experience in dealing with financial matters and they strived to create a learning environment that empowered participants to add to their existing knowledge and thereby promote proactive learning. This approach draws on the seminar model of instruction which promotes the principle that knowledge and understanding are to be constructed by the learners rather than received from an instructor (Plumb and Ludy, 2002). The principles of safety was also incorporated into the seminar thereby ensuring that the participants felt empowered to participate enthusiastically in the seminar.

In summary, every effort was made to ensure that the current financial education seminar program was conducted drawing on the principles of the humanistic and andragogical theories of adult education, however, before success can be claimed, it is important to evaluate whether this program was effective in improving the financial literacy of participants. An evaluation of the effectiveness of the seminar was conducted based on the gender and age of the participants.

Hypothesis Development

Research suggests that several factors influence the extent to which financial literacy programs are effective in educating adults. This study examines the influence of gender and age on the effectiveness of a seminar in financial literacy.

Gender

According to a large survey by Merrill Lynch Investment Managers (MLIM) (2005), a greater proportion of women (47%) were found to be less educated and less interested in investing than men (30%), however women were more prepared to seek help and obtain advice from financial advisors than men. With regard to the motivation for acquiring more financial knowledge, there are some differences between men and women in their motivations to invest. More women (88%) than men (78%) cited the desire to have a comfortable retirement as their primary motivator (MLIM, 2005). More women (45%) than men (37%) also cited financial independence as an important motivator. On the other hand, in a study by Varcoe and Fitch (2003), it was found that males demonstrated a greater understanding than women of the

value of savings after attending a curriculum program aimed at improving financial literacy.

Research demonstrates that investment decisions can also depend on the personality of individuals. A survey by Merrill Lynch Investment Managers (2005) indicates that investors fall into four distinct investing personalities: measured, reluctant, competitive and unprepared. Of the 1,000 investors surveyed, 32% were identified as measured, 26% as reluctant, 17% as competitive and 11% as unprepared; 14% did not clearly fall into a category. Of these four categories, women are more likely than men to fall into the reluctant or unprepared categories (that is, investors in these categories tend to not enjoy investment and are generally less knowledgeable about investing) while men are more likely than women to be identified as competitive or measured investors (these are the categories associated with investment knowledgeable and confidence) (MLIM, 2005).

According to the MLIM (2005) survey, the clearest gender difference among personality types was with the Competitive investor who mainly enjoys investing, tries to beat the market, and is most likely to have chased a big investment. They are also most likely to have high knowledge levels about investing and 47% of women in the survey indicated that they do not have this knowledge. Overall, it was found that 60% of Competitive investors are male and 40% are female. With regard to the Measured investor, it was found that again, men dominated this category (55%) compared to women (45%). However, it was also found that women were likely to be Measured investors than any other type. The characteristics of Measured investors are that they are secure in their financial situation and confident they will have a comfortable retirement. They achieve success because they start investing early in life and invest and rebalance regularly (MLIM, 2005).

In terms of the Reluctant investors, the MLIM (2005) survey found that more women (53%) than men (47%) are reluctant investors, the type of investor who is generally satisfied with their financial circumstances and they are most likely of the personality types to have a primary financial advisor. Reluctant investors also indicated that they want to spend as little time as possible managing their investments (MLIM, 2005). In the fourth category, the Unprepared Investors, the MLIM survey found that because of women's lesser knowledge and interest in investing, there were more women (53%) than men (47%) in this category. It has been described that Unprepared investors are not happy with their current financial situation and most likely to lack confidence, and be fearful or anxious about investing (MLIM, 2005). Overall, they also have lower knowledge levels on financial topics and do not feel they will have a secure retirement.

With these differences, it appears that there could be some differences between the effectiveness of a financial literacy seminar imparting knowledge to male and female participants. Accordingly, it is hypothesised that:

H1: The Financial Literacy seminar will be more effective in imparting retirement savings knowledge to male participants than female participants.

Age

An important factor to consider in planning and facilitating training programs is the participant's age. It has been found that financial literacy generally improves as people age (Chen and Volpe, 1998, 2002; Henry, Weber, and Yarbough, 2001). Henry et al.'s (2001) research found that students aged 36-40 years were more likely to budget than students under 20 years. Similarly, Chen and Volpe (1998, 2002) also discovered that age had a positive impact; those students aged 40 years and over had more financial knowledge than those students under 30 years. Henry et al. (2001) revealed that 68% of college students rarely budgeted or did not budget at all. Similarly, Joo, Grable, and Bagwell (2003) reported that only half of the college students they surveyed paid their credit card bills in full each month and 40% did not know the annual percentage rate of their credit cards.

An analysis of adult households by Hogart and Hilgert (2002) revealed that the most financially knowledgeable age group included people between the ages of 45-54 years and one of the least knowledgeable age groups were those in the 18-24 years age group. Research also shows that younger adults lack financial knowledge and therefore accumulate a great amount of debt (Norvilitis, Merwin, Osberg, Roehling, Young and Kamas, 2006). According to research in this area, it is hypothesised that:

H2: The Financial Literacy seminar will be more effective in imparting retirement savings knowledge to participants over the age of 40 years than those under the age of 40 years.

Research Methodology and Results

Sample and Procedures

Educational seminars in Financial Literacy were held at 19 Australian universities which included all states of Australia. All university staff who were members

of a superannuation fund in Australia were invited to attend the financial education seminars so as to enhance their level of financial knowledge and assist them with their retirement savings decision and retirement savings plan. A total of 1646 university staff, who were also members of the ASF elected to attend these seminars with an average attendance of 51. The participants varied in age from 18 years of age to over 60 years of age, included both genders, and were employed by an Australian university in either an academic or administrative capacity. The presenters of the seminars had specialist skills in financial literacy, superannuation knowledge, and presenting educational seminars. They had a license to provide information on superannuation issues however, they were not financial planners. Surveys were distributed at the end of the seminars with 961 participants responding, resulting in a response rate of 64%.

The Financial Literacy Seminar

The content of the seminar was developed by Australian Superannuation Fund (ASF) with the help of experts in the field of finance, superannuation, and education seminars, and had as its focus the development of financial literacy on the part of the participants.

The seminar consisted of a presentation using 60 overhead slides and had a duration of approximately 1.5 hours. During the seminar, the instructor gave information on basic financial concepts and on the importance of saving for the future and gave examples by covering various age groups¹.

Throughout the seminar discussion was encouraged between participants and the presenter and participants were encouraged to ask questions at any time. At the conclusion of the seminar, there was a question time session of approximately 15 minutes. During this time participants asked questions relevant to their personal financial savings situation, and how the underlying principles discussed in the seminar pertained to their personal situation and background.

The seminar program and presentation was structured in such a way so as to incorporate the principles of humanistic and andragogical theories of adult education as well as strategies for conducting a successful seminar. The presenter helped participants supplement their experience with new learning opportunities, and ensured active participation in discussions. The program promoted collaborative learning, was interactive and created a learning environment that empowered participants to add to

¹ The instructor also gave information on how retirement savings works by giving examples to the different age groups of participants on how much they would have saved at retirement age if they started saving a particular amount at present. Case studies were also presented from different age groups and people with different work styles and life styles on how much money they would save in the future if they started saving a certain amount now.

their existing knowledge and thus promoted proactive learning. Thus a range of strategies and methods which drew on the principles of the humanistic and andragogical theories of adult education were incorporated to make the program effective.

The Survey

The study was conducted using a questionnaire. Participants were provided with the questionnaire after the seminar to assess whether the participants felt that: (a) their understanding of the need for retirement savings had improved as a result of attending the seminar and (b) they were confident in applying what they learned during the seminar to help achieve their retirement goals.

Demographic information of the respondent’s age and gender were captured and are the independent variables in the study.

The Analysis of Data

Hypotheses 1 and 2 were examined using Independent samples t-tests² to determine which, if any, of the independent variables of age and gender influenced the effectiveness of the Financial Literacy seminar in improving their understanding of the need for retirement savings, and increasing their level of confidence in applying the information they learned in the seminar to help achieve their retirement savings goals.

Results

This section presents the findings from the survey conducted which evaluated the effectiveness of the

Financial Literacy seminar. The effectiveness of the seminar was assessed through participants’ responses to two questions: (1) attending the seminar has improved my understanding of the need for retirement savings, and (2) how confident are you that you will be able to apply what you learned in this seminar to help you achieve your retirement savings goal? The data was analysed using independent samples t-tests to determine which, if any, of the independent variables of age and gender, influenced whether the Financial Literacy seminar was effective in imparting financial knowledge to participants. The findings presented in the following sections are examined in line with each of the hypotheses developed

H1: The Financial Literacy seminar will be more effective in imparting retirement savings knowledge to male participants than female participants.

With regard to gender differences in the effectiveness of the Financial Literacy seminar, the results in Table 1 show that there is no statistically significant difference between male and female participants in their improved understanding of the need for retirement savings after attending the seminar, $t(919) = .837, p > .05$.

On the other hand, the results showed a statistically significant gender difference with regard to the improved confidence in achieving retirement goals after attending the seminar, $t(907) = -3.849, p < .05$. More women than men indicated that they were confident that they would be able to apply what they learned in the seminar to help achieve their retirement goals. Taken together, the two findings indicate that Hypothesis 1 is not supported.

Table 1: T-test Results Showing Gender Differences in the Effectiveness of the Financial Literacy Seminar on Retirement Savings Knowledge

Variable	Group	N	Mean	S.D	t	df	p
1. Improved understanding of need for retirement savings	Female	410	2.33	1.04	.837	919	.403
	Male	511	2.27	1.07			
2. Improved confidence in applying knowledge to achieve retirement goals	Female	407	2.28	0.89	-3.849	907	.000*
	Male	502	2.53	1.00			

*Significant at the .05 level.

The results in Table 2 show that there is no statistically significant difference ($p > .05$) in the effectiveness of the Financial Literacy seminar between the age groups of below 40 years and over 40 years based on their improved understanding of the need for retirement savings after attending the seminar, $t(911) = -1.811, p > .05$. Both age groups strongly agreed

that attending the seminar improved their understanding of the need for retirement savings; the result thus suggests that the seminar was beneficial to all participants irrespective of age.

The results in Table 2 also show that there is no statistically significant difference ($p > .05$) in the effectiveness of the Financial Literacy seminar between

² An independent samples t-test is used to test a hypothesis about the mean difference between two populations (Gravetter and Wallnau, 2000).

the age groups of below 40 years and over 40 years based on their confidence in applying what they learned in the seminar to achieve their retirement goals after attending the seminar, $t(899) = 0.100$, $p > .05$. Both age groups strongly agreed that they

were confident in applying the information they learned in the seminar to help them achieve their retirement goals. These findings do not provide support for H2.

Table 2: T-test Results Showing Age Differences in the Effectiveness of the Financial Literacy Seminar on Retirement Savings Knowledge

Variable	Group	N	Mean	S.D	t	df	p
1. Improved understanding of need for retirement savings	Below 40	214	2.18	1.07	-1.811	911	.070
	Over 40	699	2.33	1.05			
2. Improved confidence in applying knowledge to achieve retirement goals	Over 40	212	2.42	0.97	0.100	899	.920
	Below 40	689	2.41	0.97			

Discussion and Conclusion

This section presents the interpretation of the findings in relation to the hypotheses and the prior research. Overall, the findings provide partial support to some of the hypotheses and do not support the others. The findings demonstrate that the Financial Literacy seminar was effective in imparting financial knowledge to participants and assisted them in achieving their retirement goals and retirement savings decisions.

In relation to the first hypothesis which stated the Financial Literacy seminar will be more effective in imparting knowledge to male participants than female participants, the findings do not support the hypothesis. The findings showed that there were no differences between men and women in the level to which they improved their understanding of the need for retirement savings. The findings also showed that more women than men were confident of being able to apply the information they learned in the seminar to their retirement goals, and these results were statistically significant.

Previous research in relation to gender differences in financial literacy shows that women are less educated than men (MLIM, 2005). However, the research also shows that women are more prepared to seek help and obtain advice from financial advisors than men, and that once they acquired the knowledge they made fewer investment mistakes than men (MLIM, 2005). The findings of the current study resonate with the previous research because they demonstrate that there were no differences in the way the seminar was effective in imparting financial knowledge to both men and women. The present findings also demonstrated that women were more confident of being able to apply the information they learned to achieve their retirement goals. This finding is similar to past literature in the area because it shows that once women are able to acquire financial knowledge, they are able to apply that knowledge well to their investments (MLIM, 2005).

The findings show that Hypothesis 2 which stated the Financial Literacy seminar would be more effective in imparting knowledge to participants over the age of 40 years than those under the age of 40 years was not supported. The present findings show that there was no statistical difference between the age groups in improving their understanding of the need for retirement savings. The findings also show that both people over and under 40 years were confident that they would be able to apply the information they learned in the seminar to assist them to achieve their retirement goals. Overall, these findings do not provide support for H2.

The findings in relation to age differences in financial literacy and retirement goals in the prior research shows that financial literacy generally improves as people age (Chen and Volpe, 1998, 2002; Henry et al., 2001). Thus people older than 40 years should have a better level of financial literacy than their younger counterparts. However, the current findings reveal that there was no difference between both age groups in their improved understanding of the need for retirement savings after attending the seminar. As previous research shows that those in the age group of 18-24 years are the least knowledgeable group (Hogart and Hilgert, 2002), it is important that this age group be provided with sufficient financial education. The current findings demonstrate that this has been achieved as the Financial Literacy seminar was effective in educating participants in the younger age group too. This will assist the younger age group in enhancing their financial knowledge which would assist them in avoiding a great amount of debt, which previous research (e.g., Norvilitis et al., 2006) shows they are prone to doing.

Limitations of the Current Study

There were a number of limitations in the current study:

1. the sample for the different age groups was not randomly selected;
2. other education models such as the pedagogical or behaviouristic models could be utilised to examine whether or not they are more effective in imparting financial education: these approaches may be required for people who do not have prior financial knowledge such as younger age groups;
3. the seminar in the current study was not repeated – perhaps people could have gained more by attending a repeat session; and
4. future studies could expand the Financial Literacy seminar program to include people from the general community and not restrict them to only University staff so that the findings are more generalisable.

In spite of these limitations, the current findings are still valid.

Conclusions and Implications

Overall, the findings of the current study show that while gender does have some impact on the effect-

iveness of financial literacy seminars, age has none. Overall however, it was found that financial literacy seminars were effective in imparting financial knowledge to all participants.

It is therefore recommended that future seminars in financial literacy also be conducted in line with relevant theories of education based on the age group and gender of the participants. In line with this, perhaps different seminars could be conducted for younger and older age groups and for males and females. Future research could be conducted to investigate whether the level of financial knowledge gained during the seminar is retained over a considerable period of time. This is essential so that participants can apply the financial knowledge to everyday aspects of their lives throughout their lifetime. Further research could also be conducted in the effectiveness of financial literacy programs among people in the general community as compared to only amongst University staff that was the focus of the current study.

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