Research for Impact
Singapore

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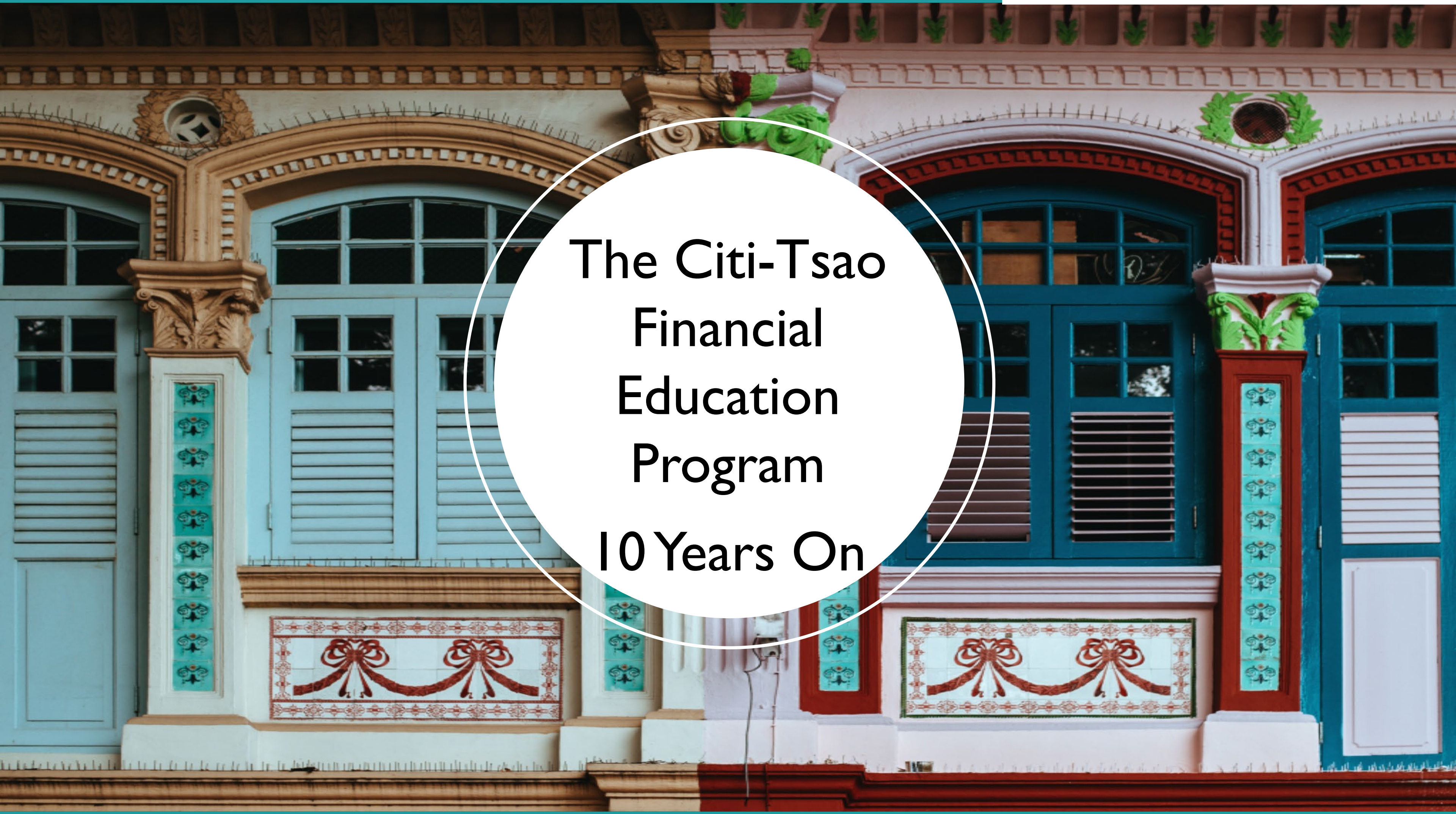


The Citi-Tsao Financial Education Program

10 Years On

Joanne Yoong
USC/RFI

- In April 2008, the *Citi-Tsao Foundation Financial Education Programme for Mature Women* was launched
- First of its kind to be launched in Southeast Asia and is a joint initiative between Citi and TSAO Foundation targeting women aged 40 – 59

Community-Based, Evidence-Driven

- Initial needs assessment based on series of focus groups
- Weekly sessions of interactive workshops filled with activities and discussions led by two programme trainers for 20-25 participants
- Curriculum focused on both financial and social empowerment
  - *Personal finance : savings, debt, investments and insurance*
  - *Social empowerment : capability to understand roles and dynamics within families; to negotiate for support; to be informed and confident in transacting with financial institutions and be independently prepared for old age*
- Includes practical suggestions to become more financially independent and secure as they grow older, and culminates in the design of a financial plan

Early Success

- Pre-post evaluation in 2013 for 1360 participants (Becker., 2013)
- Upon enrolment, although most reported already having some savings before the programme, 78% reported that their knowledge of family finances ranged from zero knowledge to only some amount
- The programme had strong immediate effects on financial attitudes and self-reported behaviors, including planning
  - Savings rate rose to 94% although little effect on debt
  - % reporting knowing financial products that suited their needs rose from 34% to 81%, while those who reported having a clear plan for the silver years rose from 47% to 87%
  - % reported feeling prepared in case of an unexpected crisis also rose from 48% to 79% and the percentage who reported feeling empowered in facing their financial futures almost doubled from 46% to 89%.

Questions: After 10 Years….

- Have participants gained, lost or expanded on the financial knowledge and skills measured at the initial evaluation?
- To what extent has the programme gone on to impacted participants' financial *behaviors*, and what types of behaviors?
- Has the programme influenced *outcomes?*
  - Increases in financial well-being and independence
  - Increases in perceived self-efficacy and social empowerment
  - Reductions in financial and social vulnerability

A Mixed-Method Approach

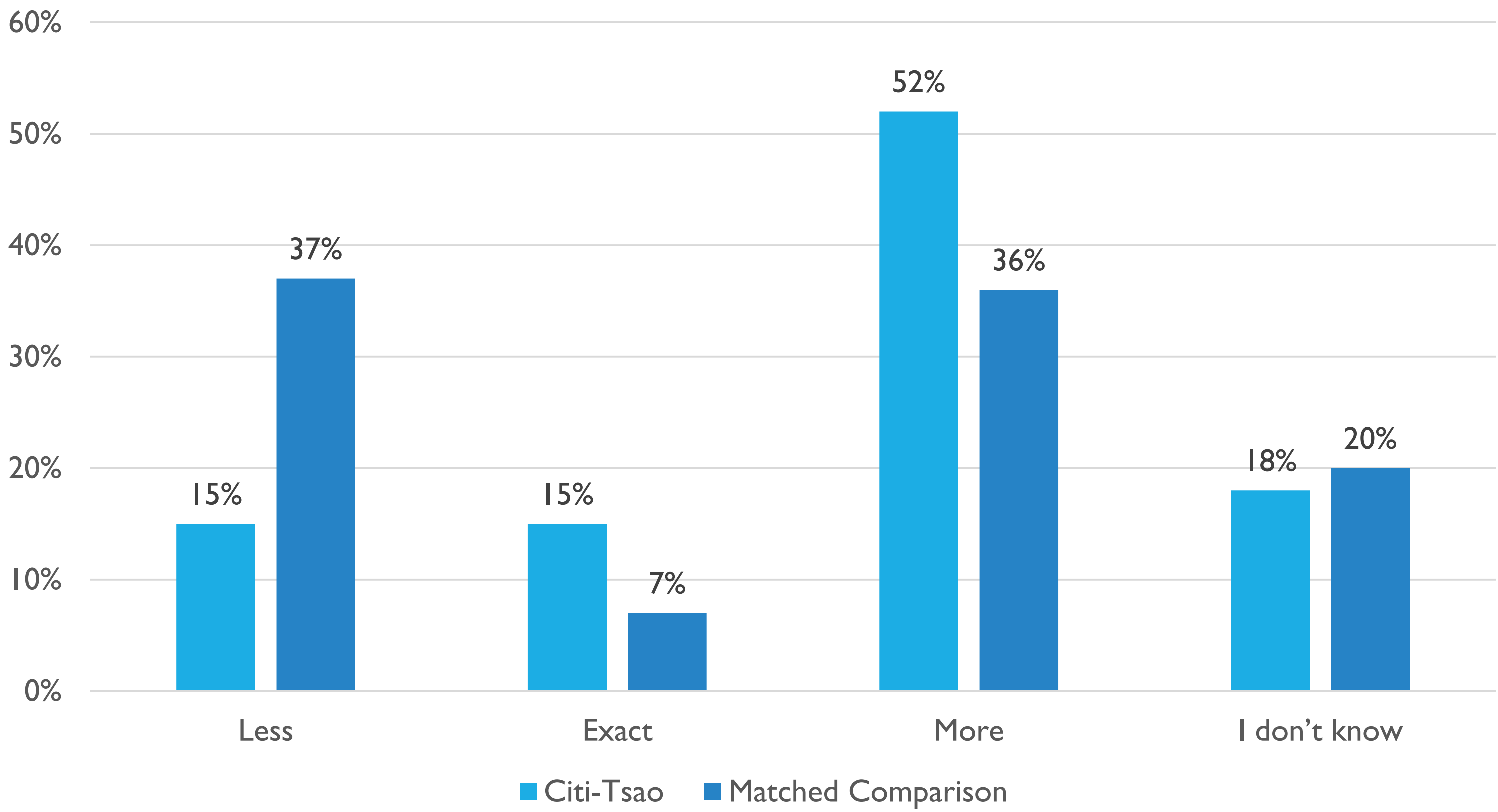
- Desk review of initial evaluation results
- Qualitative study of selected past beneficiaries via focus groups in Chinese and English
- Quantitative followup using phone-based survey
  - Initial group of participants using a phone-based survey on self-reported outcomes based on initial evaluation results (n=199)
  - Comparison group from Tsao's companion SCOPE programme (n=119) which has similar demographic target groups and engagement levels, but does not include financial literacy

What did we learn?

Concepts and Communication

- Participants retained a strong understanding of the purpose of the programme and key themes, with good understanding of broad conceptual knowledge and high continuing satisfaction
  - Survey shows participants outperform on financial literacy concepts taught during program
- *Self-generated peer-learning and motivational support* were important mechanisms for impact
  - Group environment during classes
  - Sustained contact and discussion via chat and whatsapp groups, regular meetups, continued relationships with facilitators

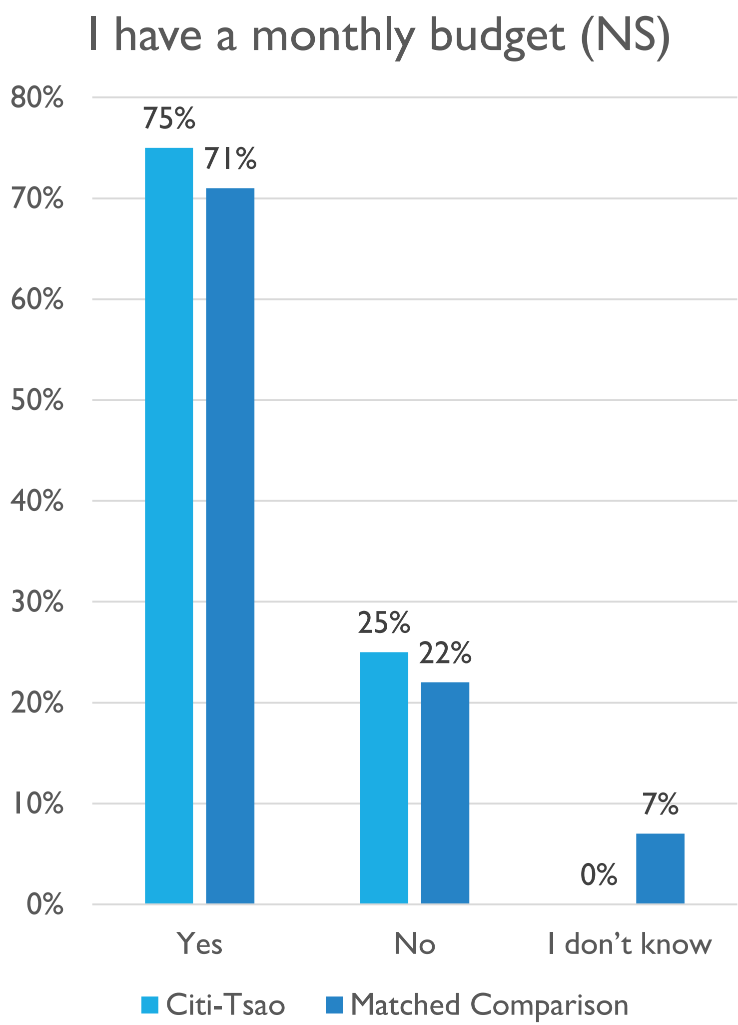
Suppose you have $100 in the bank and the bank is giving you interest of 5%. After ten years, if you don't take any money out, how much would you have in the account? More than $150, exactly $150 or less than $150?

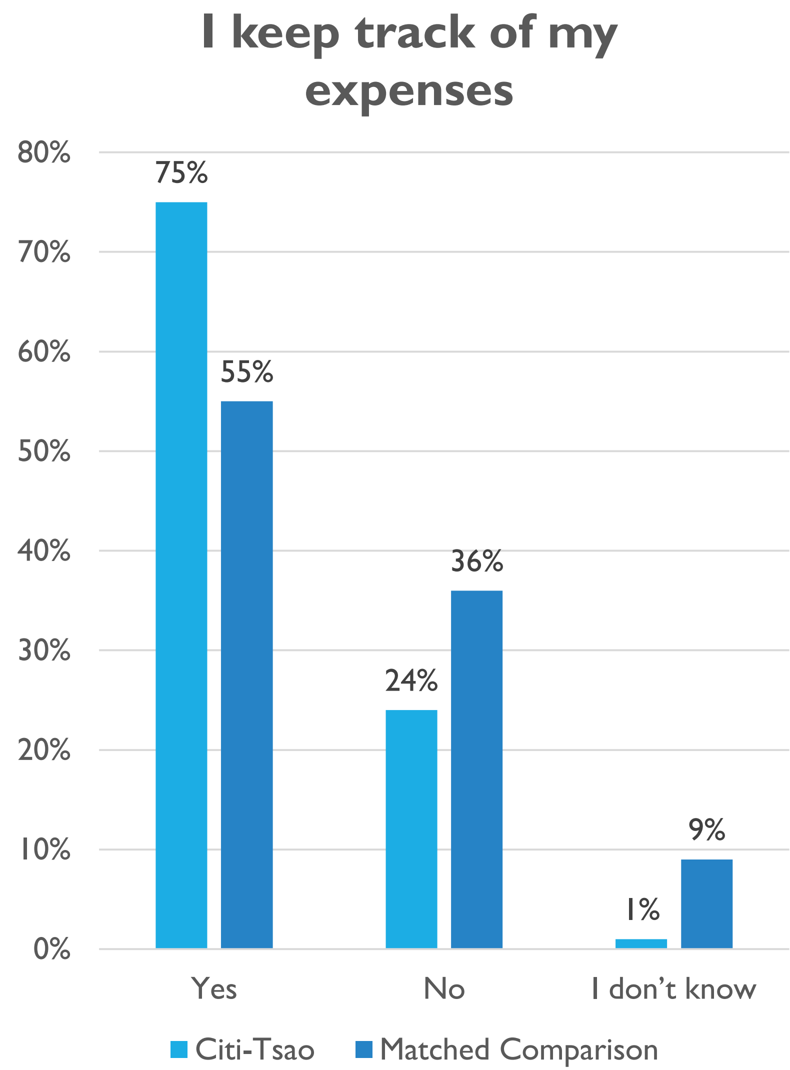


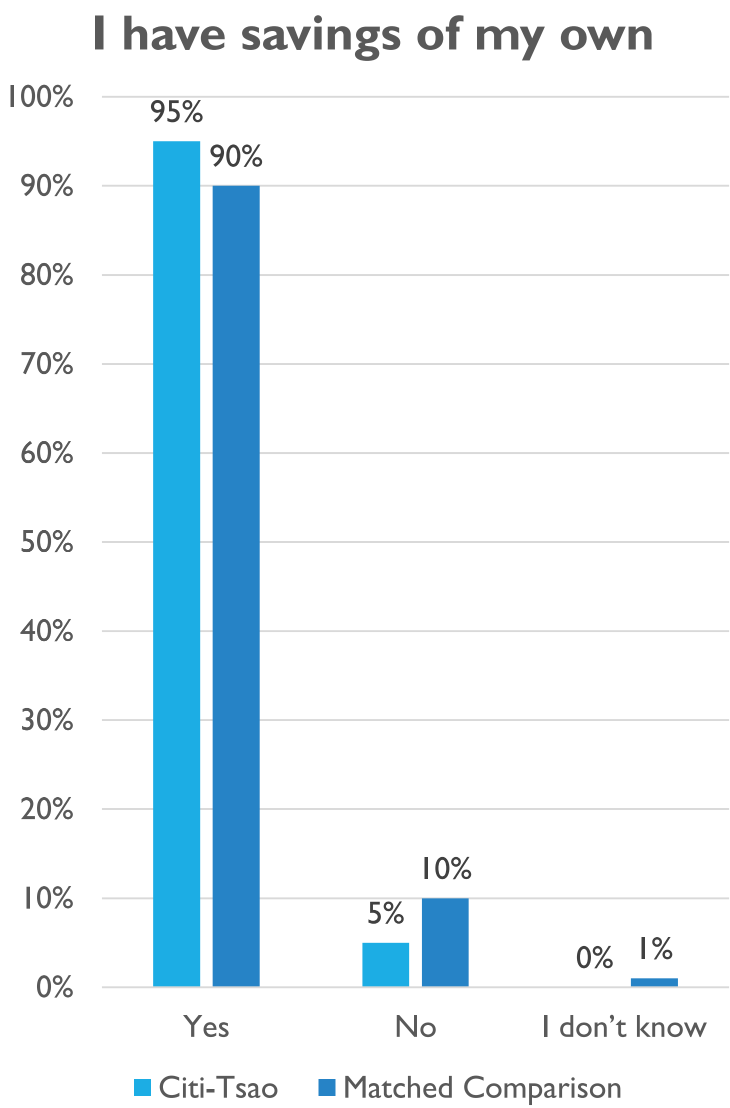
No significant differences: understanding of inflation, diversification*

Which Behaviors Are Affected?

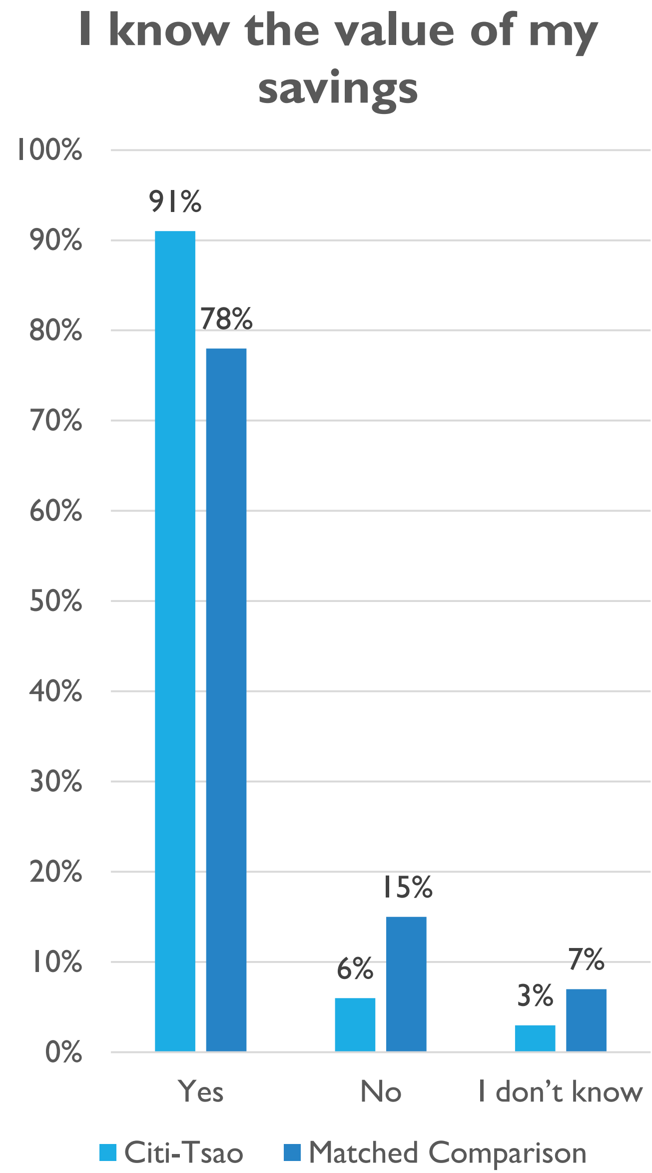
- Strongest impacts were reported in the areas of money management and budgeting, as well as better understanding of their own investing and savings
  - Participants in FGD being able to conduct difficult financial conversations and asking critical questions when being offered or seeking out financial products.
- Strong planning behaviors although limited challenges in adhering to concrete long-term financial plans in part because of the constantly evolving nature of the financial environment
- Emerging areas of potential focus : understanding of CPF, investments, insurance, estate planning


I have a monthly budget (NS)
80%
70%
60%
50%
40%
30%
20%
10%
0%
75%
71%
25%
22%
0%
7%
Yes
No
I don't know
Citi-Tsao
Matched Comparison

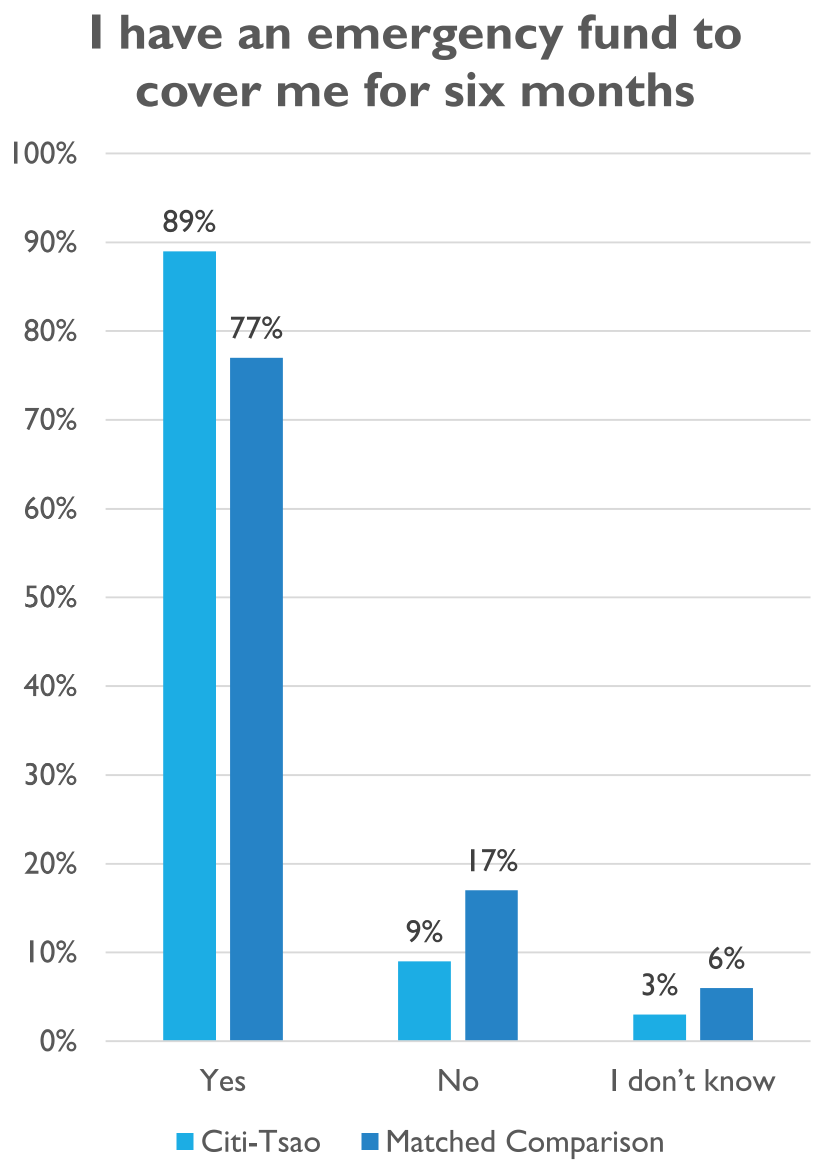

I keep track of my expenses
80%
70%
60%
50%
40%
30%
20%
10%
0%
75%
55%
24%
36%
1%
9%
Yes
No
I don't know
Citi-Tsao
Matched Comparison

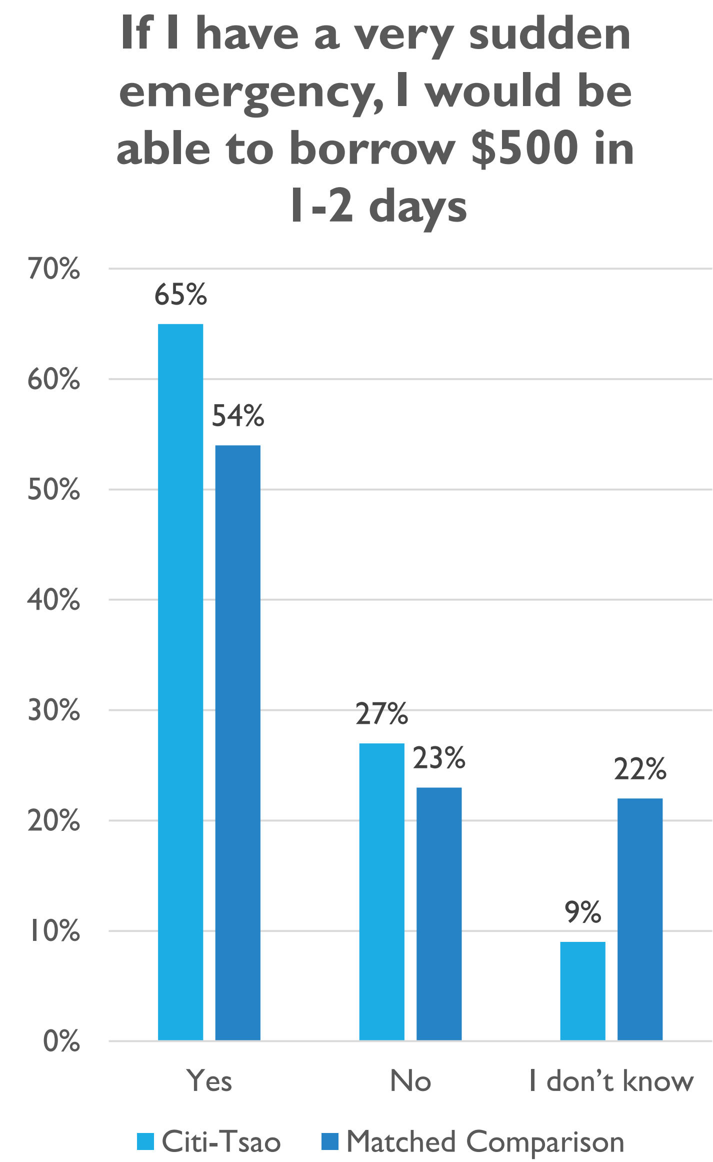


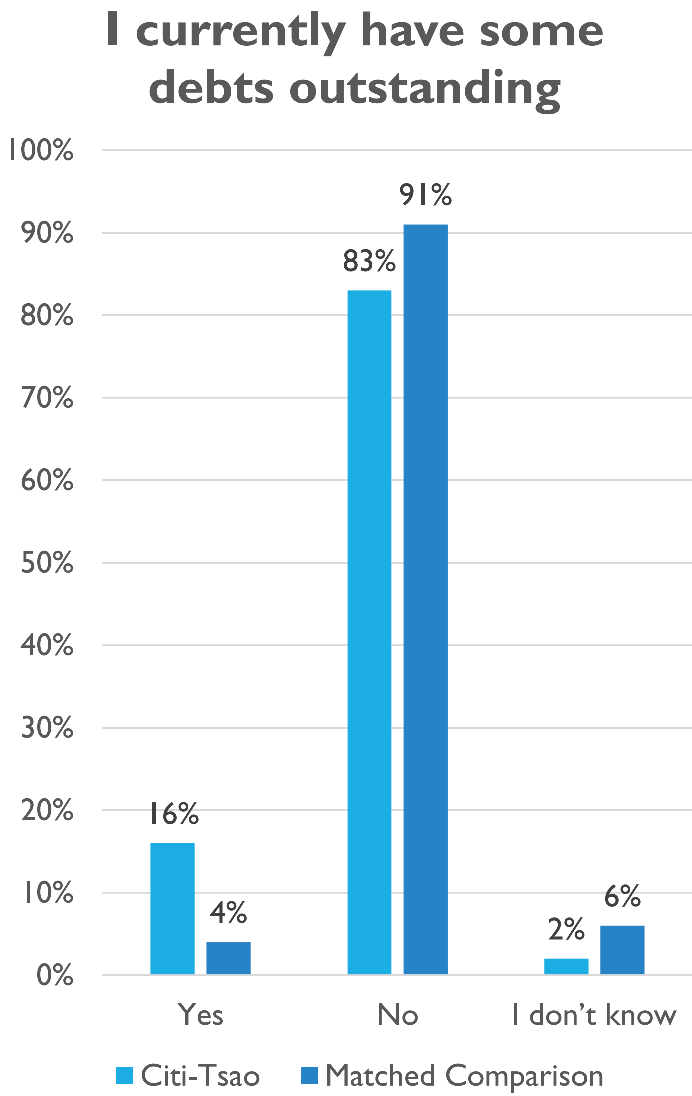
I have savings of my own
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
95%
90%
5%
10%
0%
1%
Yes
No
I don't know
Citi-Tsao
Matched Comparison



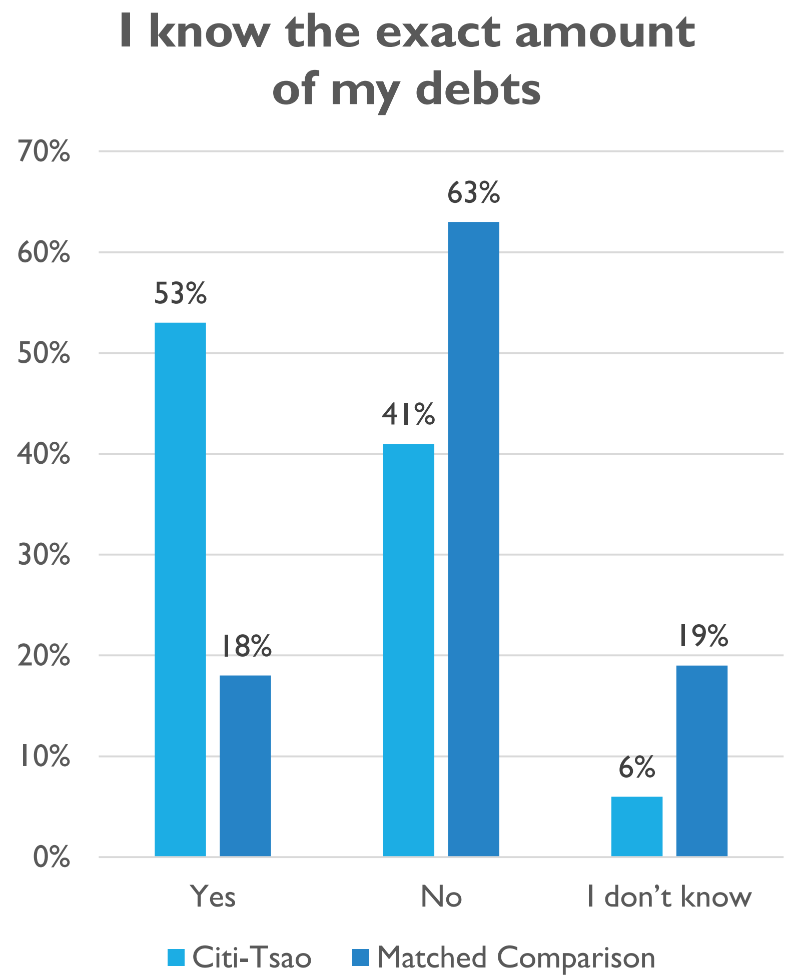
I know the value of my savings
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
91%
78%
6%
15%
3%
7%
Yes
No
I don't know
Citi-Tsao
Matched Comparison


I have an emergency fund to cover me for six months
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
89%
77%
9%
17%
3%
6%
Yes
No
I don't know
Citi-Tsao
Matched Comparison

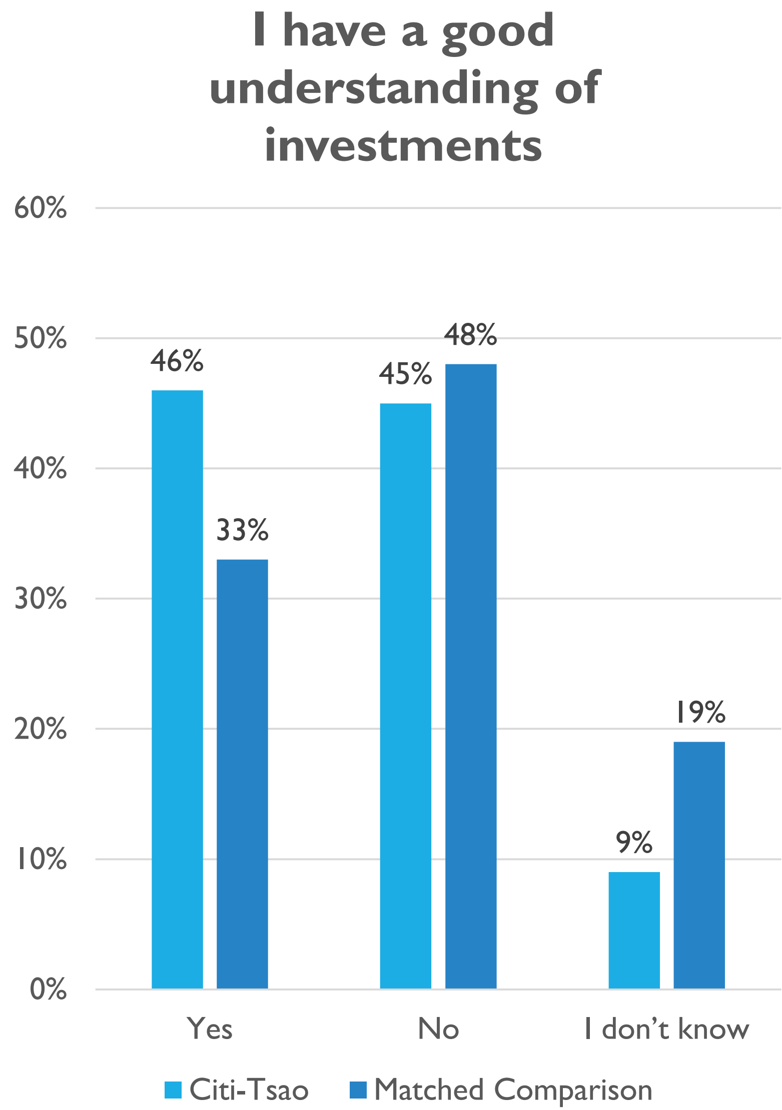

If I have a very sudden emergency, I would be able to borrow $500 in 1-2 days
70%
60%
50%
40%
30%
20%
10%
0%
65%
54%
27%
23%
9%
22%
Yes
No
I don't know
Citi-Tsao
Matched Comparison

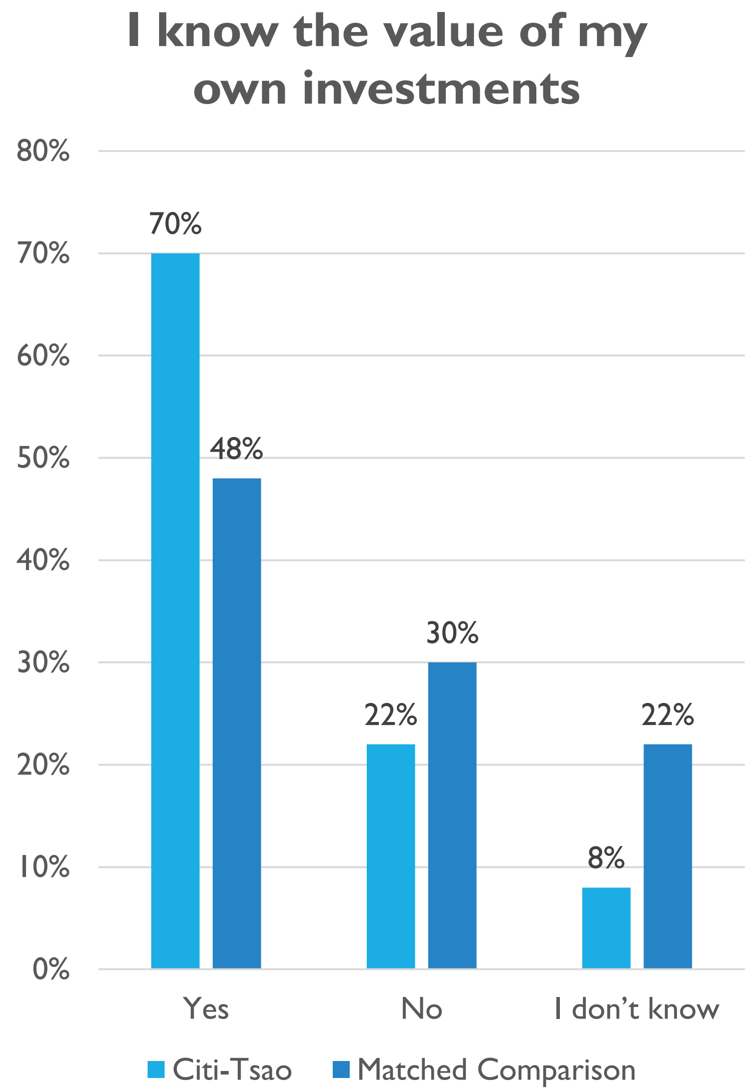


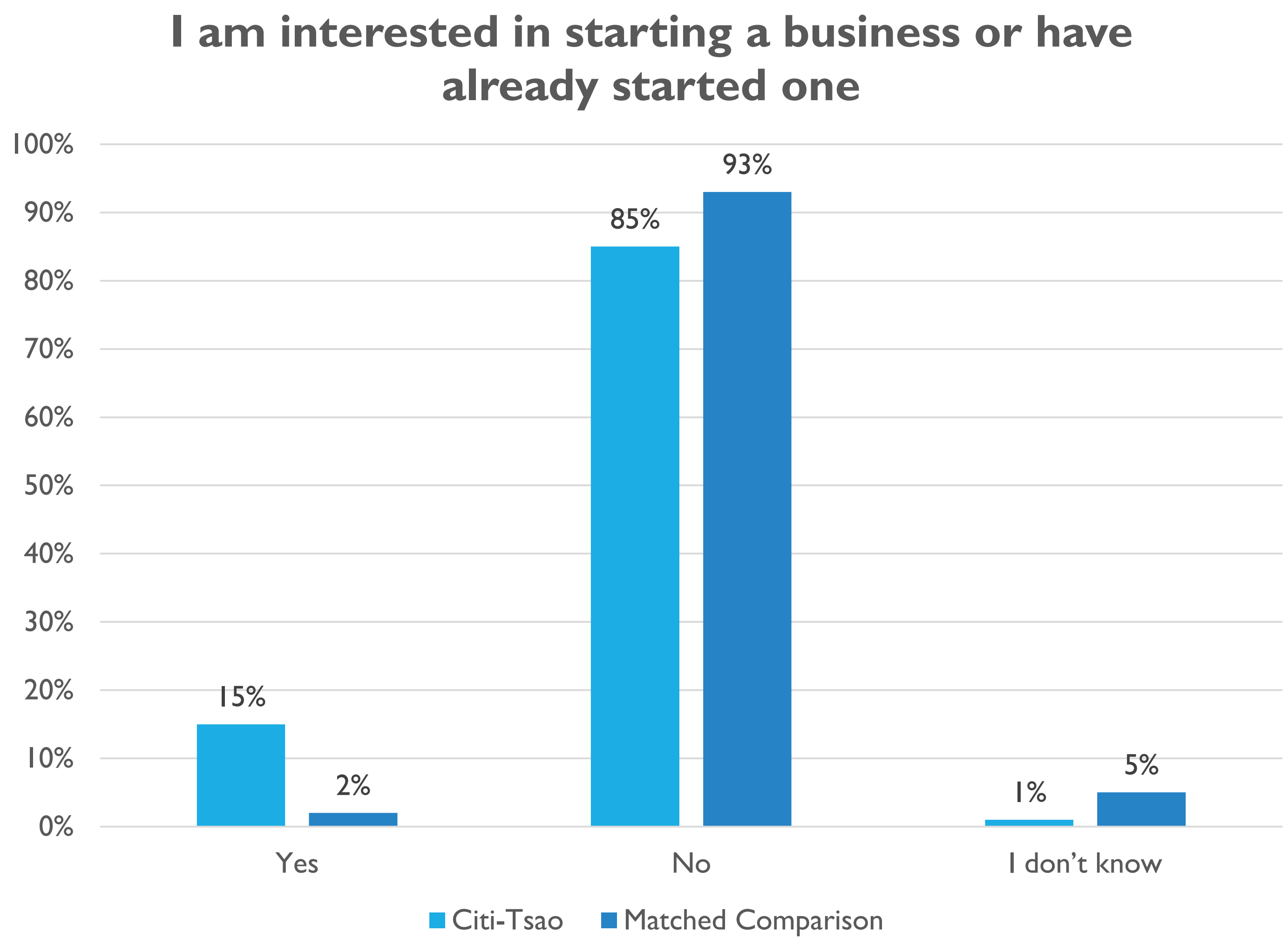
I currently have some debts outstanding
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
16%
4%
83%
91%
2%
6%
Yes
No
I don't know
Citi-Tsao
Matched Comparison

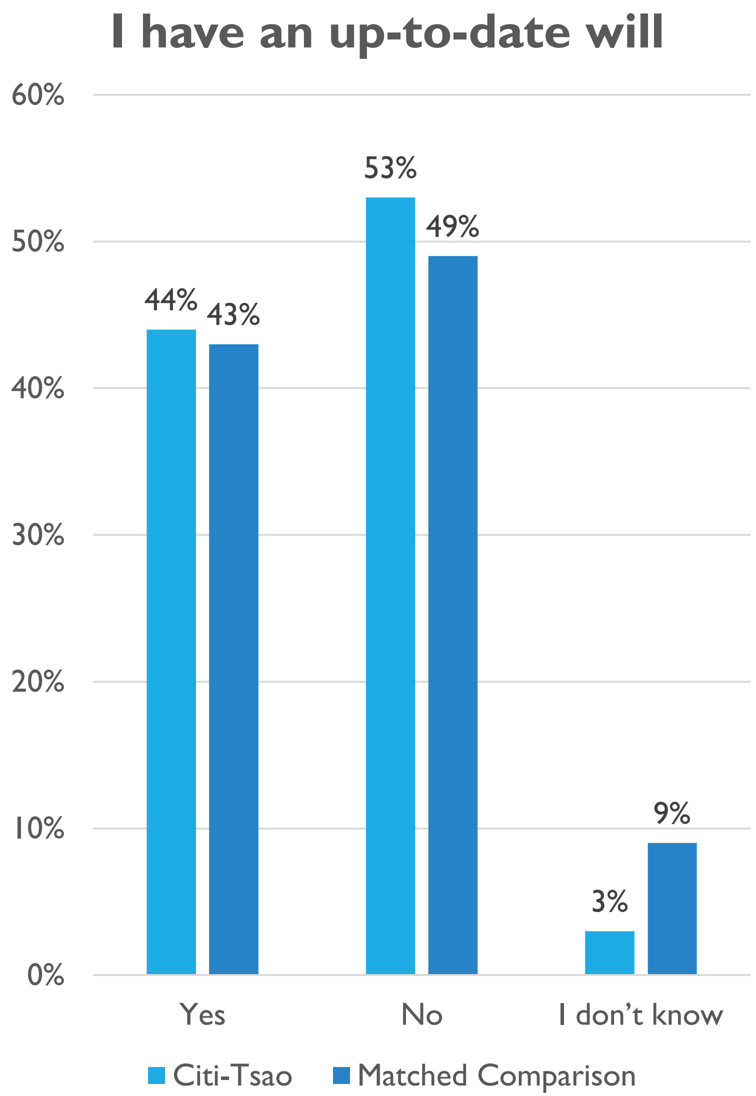


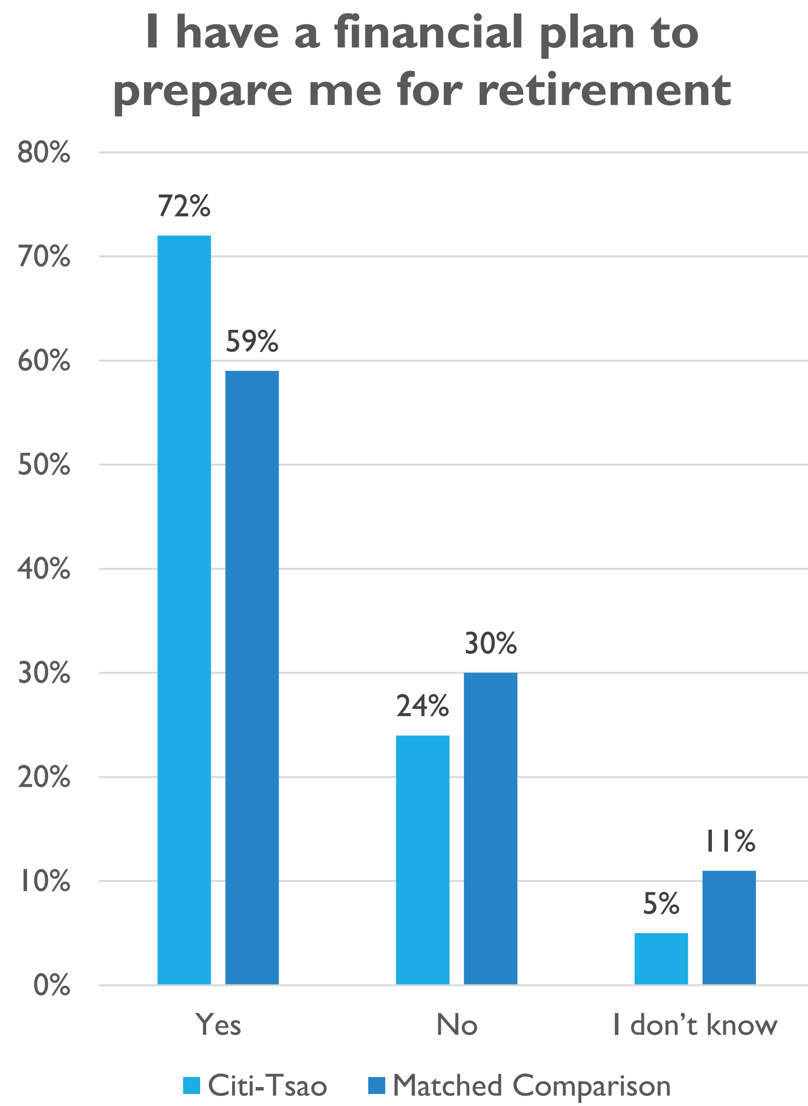
I know the exact amount of my debts
70%
60%
50%
40%
30%
20%
10%
0%
53%
18%
41%
63%
6%
19%
Yes
No
I don't know
Citi-Tsao
Matched Comparison


I have a good understanding of investments
60%
50%
40%
30%
20%
10%
0%
46%
33%
45%
48%
9%
19%
Yes
No
I don't know
Citi-Tsao
Matched Comparison


I know the value of my own investments
80%
70%
60%
50%
40%
30%
20%
10%
0%
70%
48%
22%
30%
8%
22%
Yes
No
I don't know
Citi-Tsao
Matched Comparison


I am interested in starting a business or have already started one
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
15%
2%
85%
93%
1%
5%
Yes
No
I don't know
Citi-Tsao
Matched Comparison

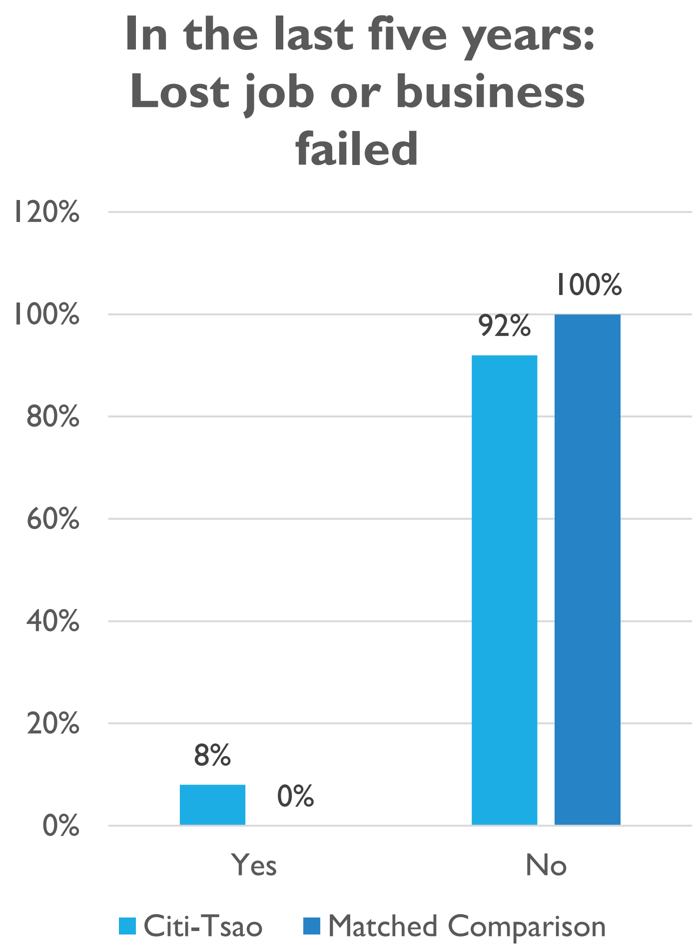

I have an up-to-date will
60%
50%
40%
30%
20%
10%
0%
44%
43%
53%
49%
3%
9%
Yes
No
I don't know
Citi-Tsao
Matched Comparison

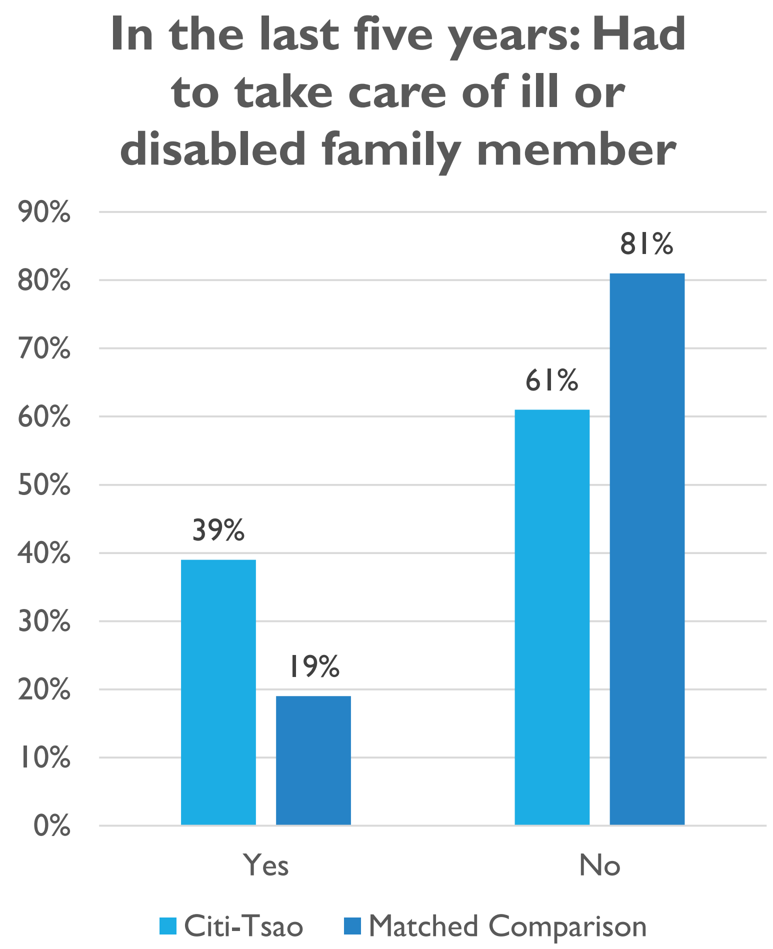

I have a financial plan to prepare me for retirement
80%
70%
60%
50%
40%
30%
20%
10%
0%
72%
59%
24%
30%
5%
11%
Yes
No
I don't know
Citi-Tsao
Matched Comparison

Financial well-being, independence and resilience

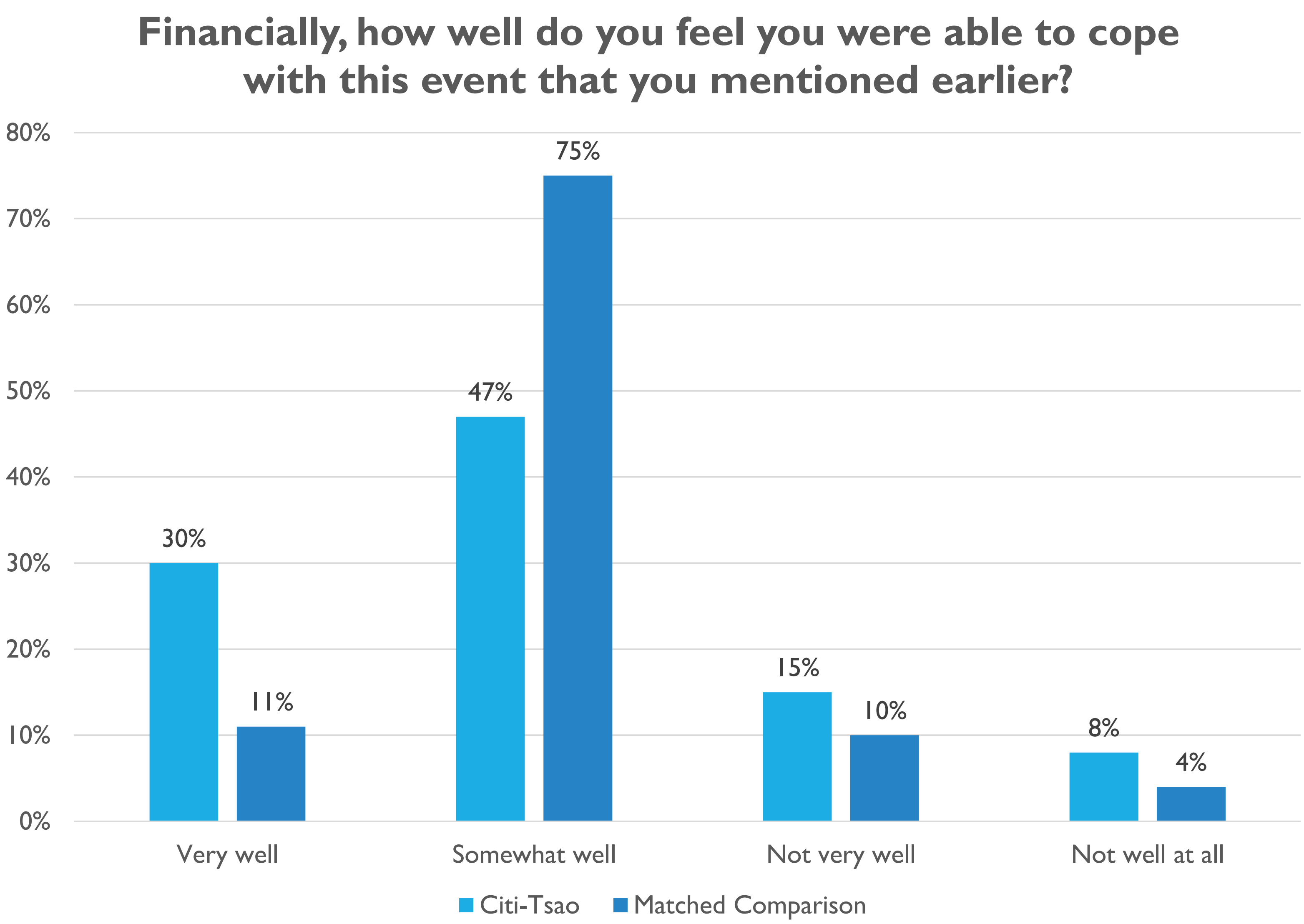
- Overall participants reported more control and reduced stress related to financial decisions, as well as indicators related to financial self-sufficiency

- Notably, in our survey, participants are slightly more likely to have increased exposure to external financial strains, specifically requests for caregiving. However, they also report being significantly more able to cope with shocks

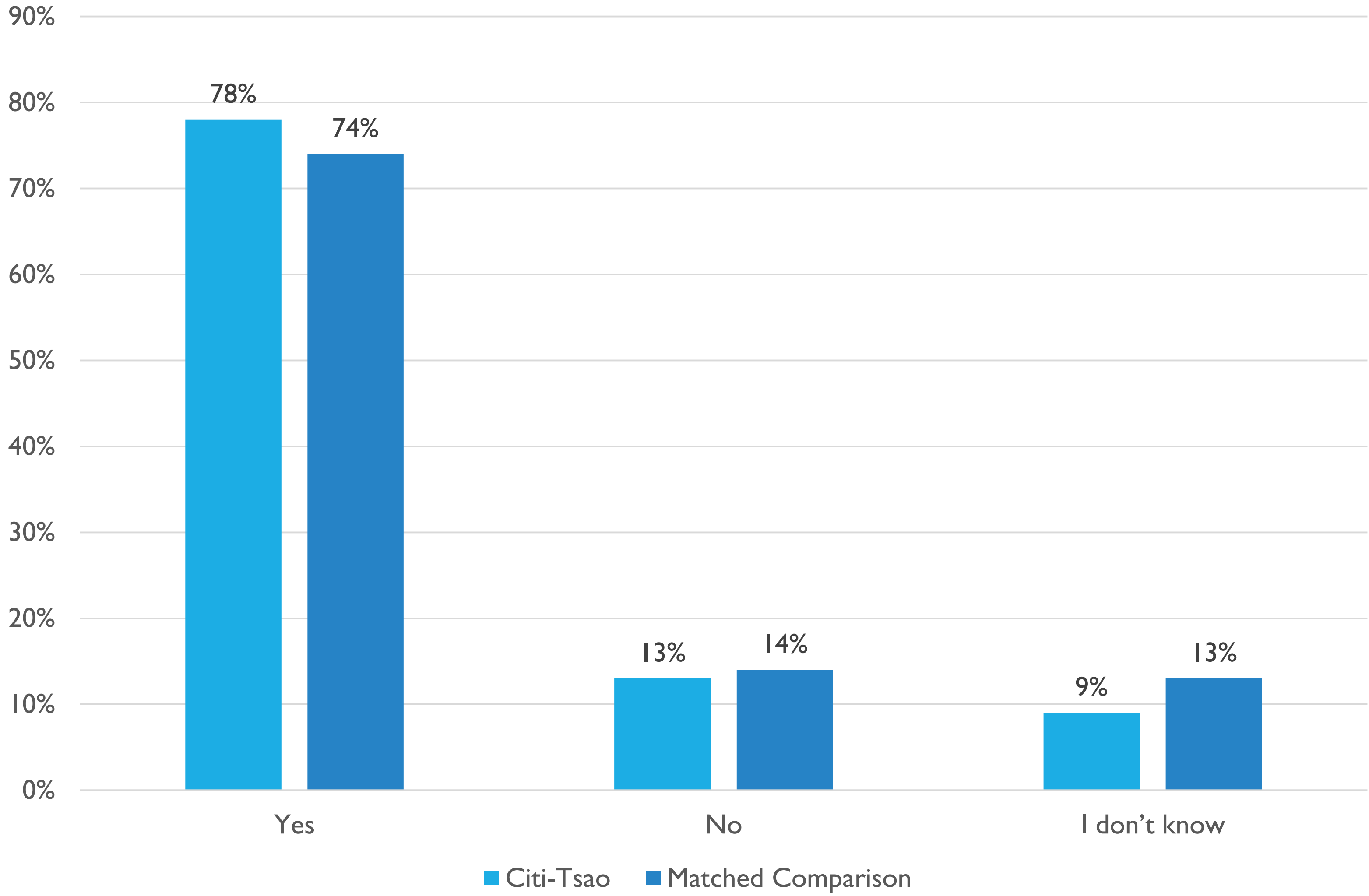


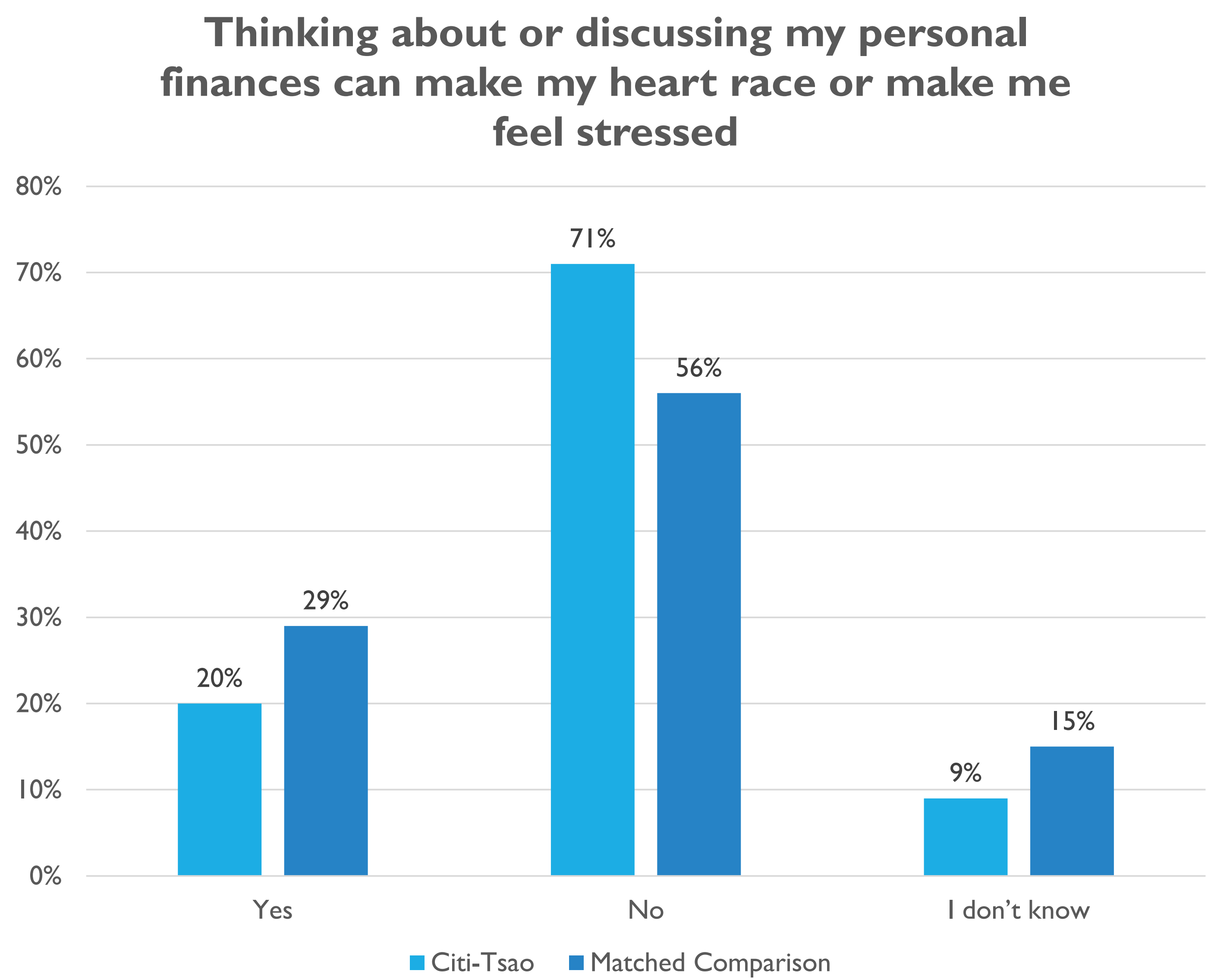


No significant differences: loss of spouse, illness of self

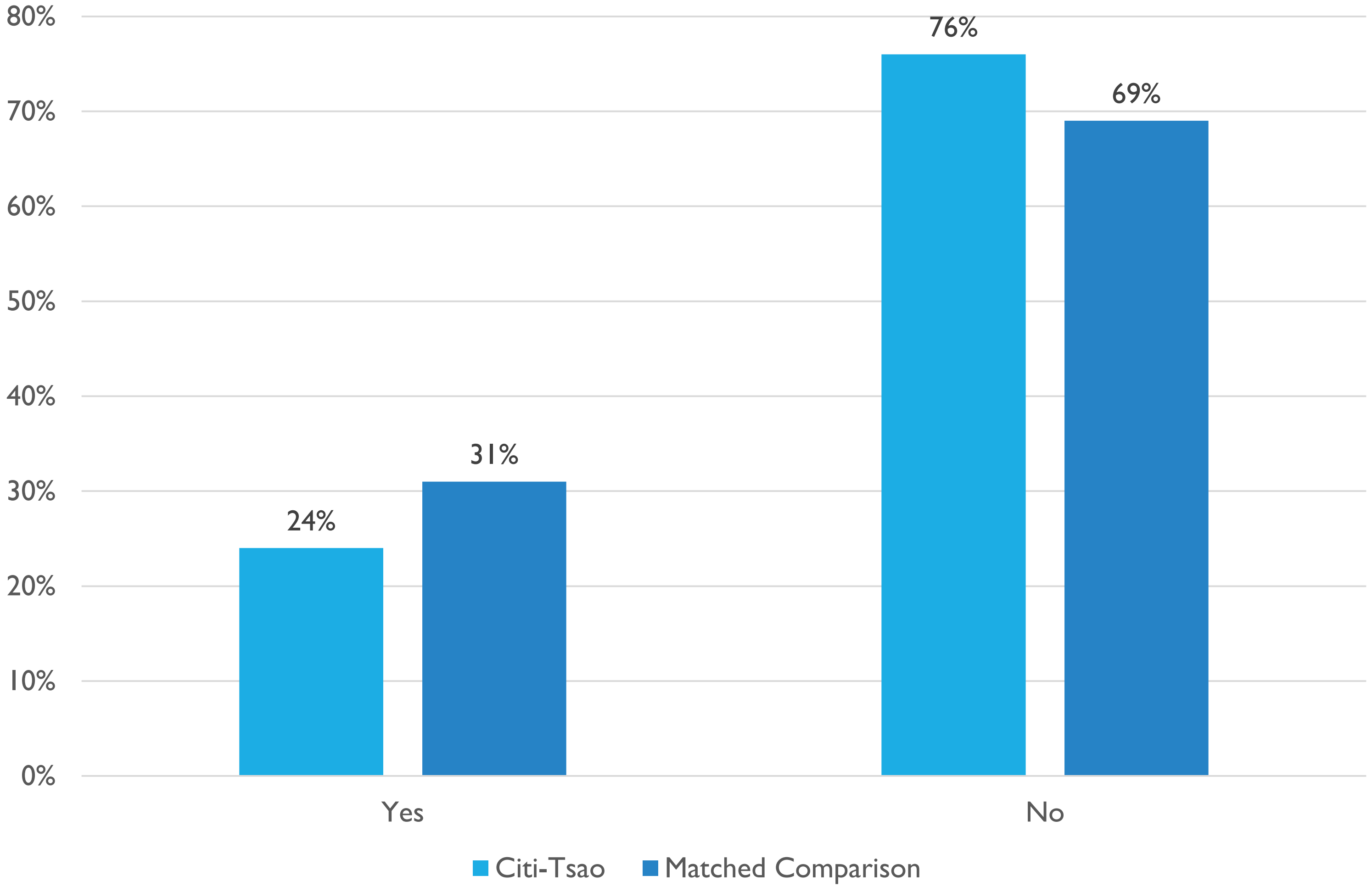

Financially, how well do you feel you were able to cope with this event that you mentioned earlier?
80%
70%
60%
50%
40%
30%
20%
10%
0%
30%
11%
47%
75%
15%
10%
8%
4%
Very well
Somewhat well
Not very well
Not well at all
Citi-Tsao
Matched Comparison

I feel I am financially prepared for my old age (NS)

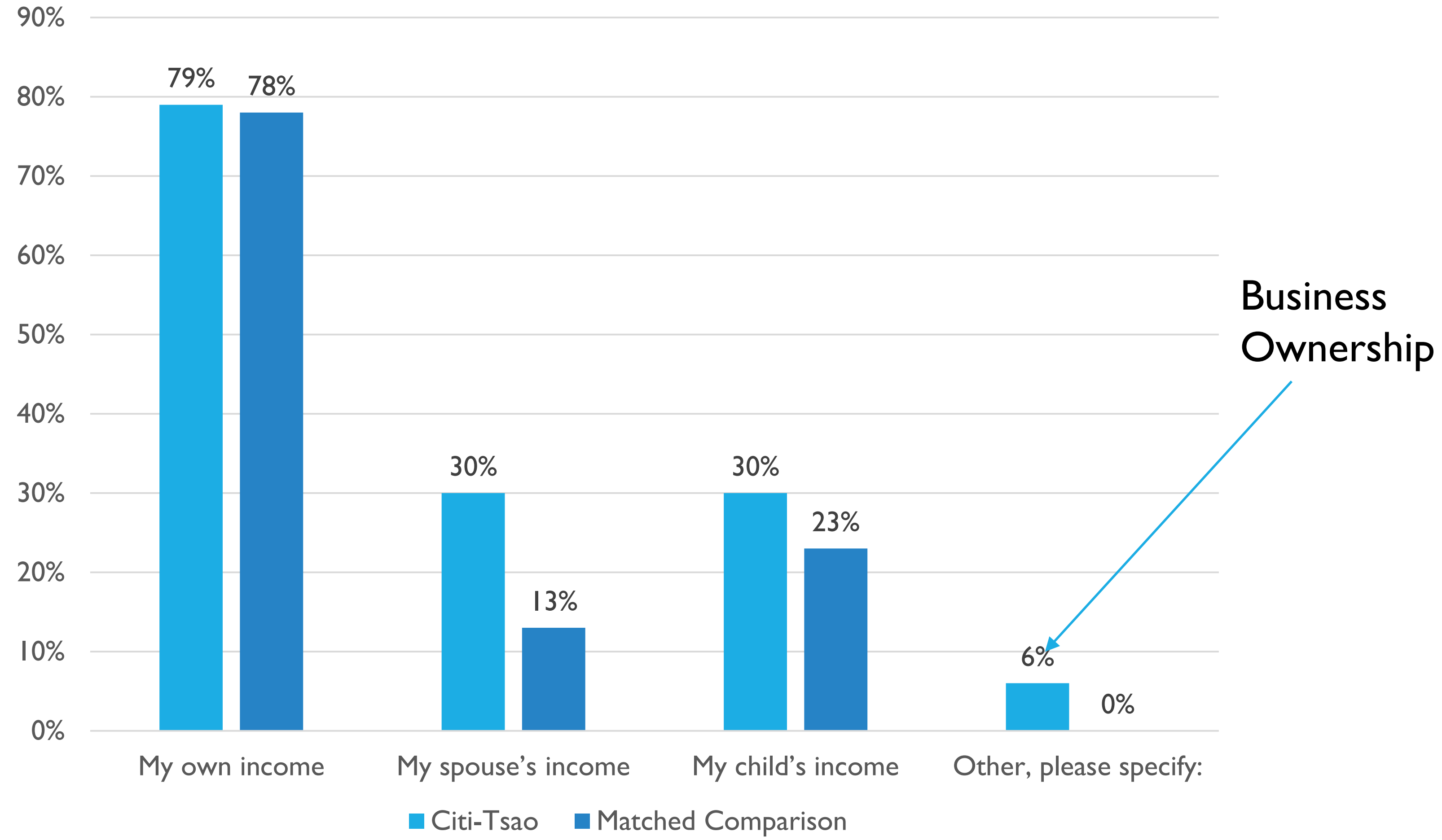



Thinking about or discussing my personal finances can make my heart race or make me feel stressed
80%
70%
60%
50%
40%
30%
20%
10%
0%
20%
29%
71%
56%
9%
15%
Yes
No
I don’t know
Citi-Tsao
Matched Comparison

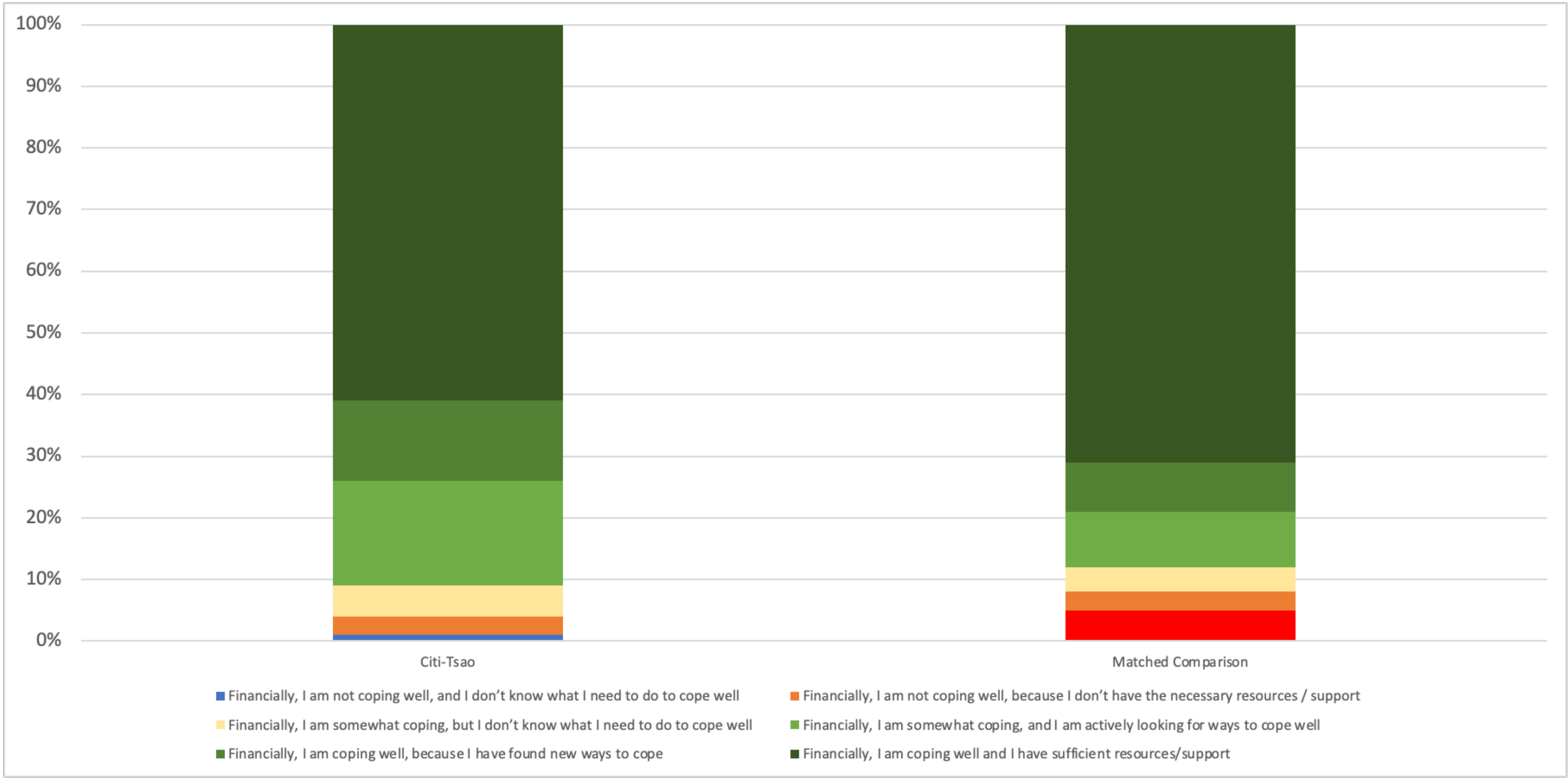
Have you, or any of your main sources of income been financially impacted by COVID-19?

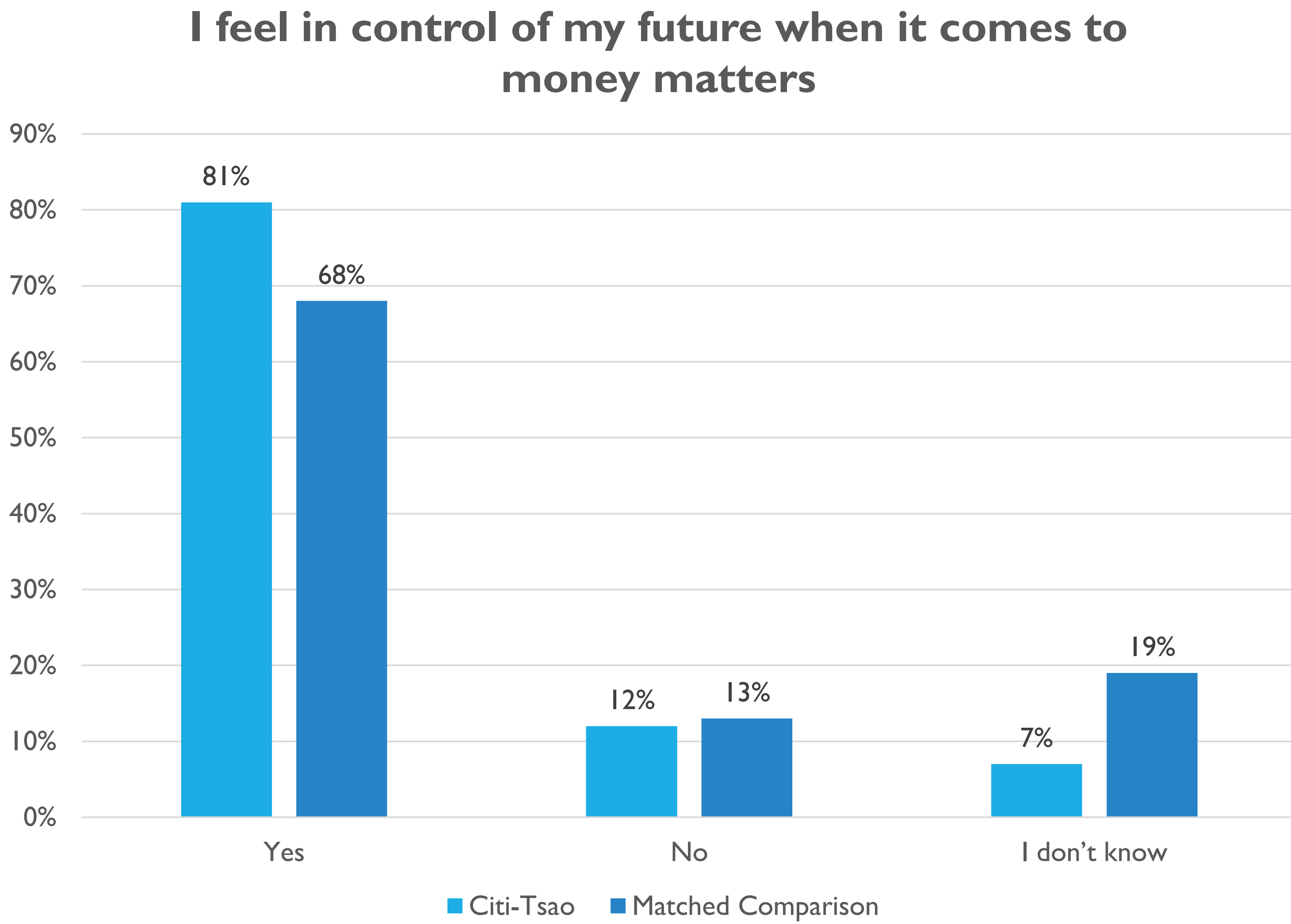


If yes, whose income was impacted by COVID-19?



Coping with COVID 19





I feel in control of my future when it comes to money matters
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
81%
68%
12%
13%
7%
19%
Yes
No
I don't know
Citi-Tsao
Matched Comparison

Questions for Discussion

- Strengths and limitations
  - Study design
  - Depth of insights and participation
  - Self-reported nature
  - Study implementation

- Implications for the future…

Resource Slides

Coping With COVID 19

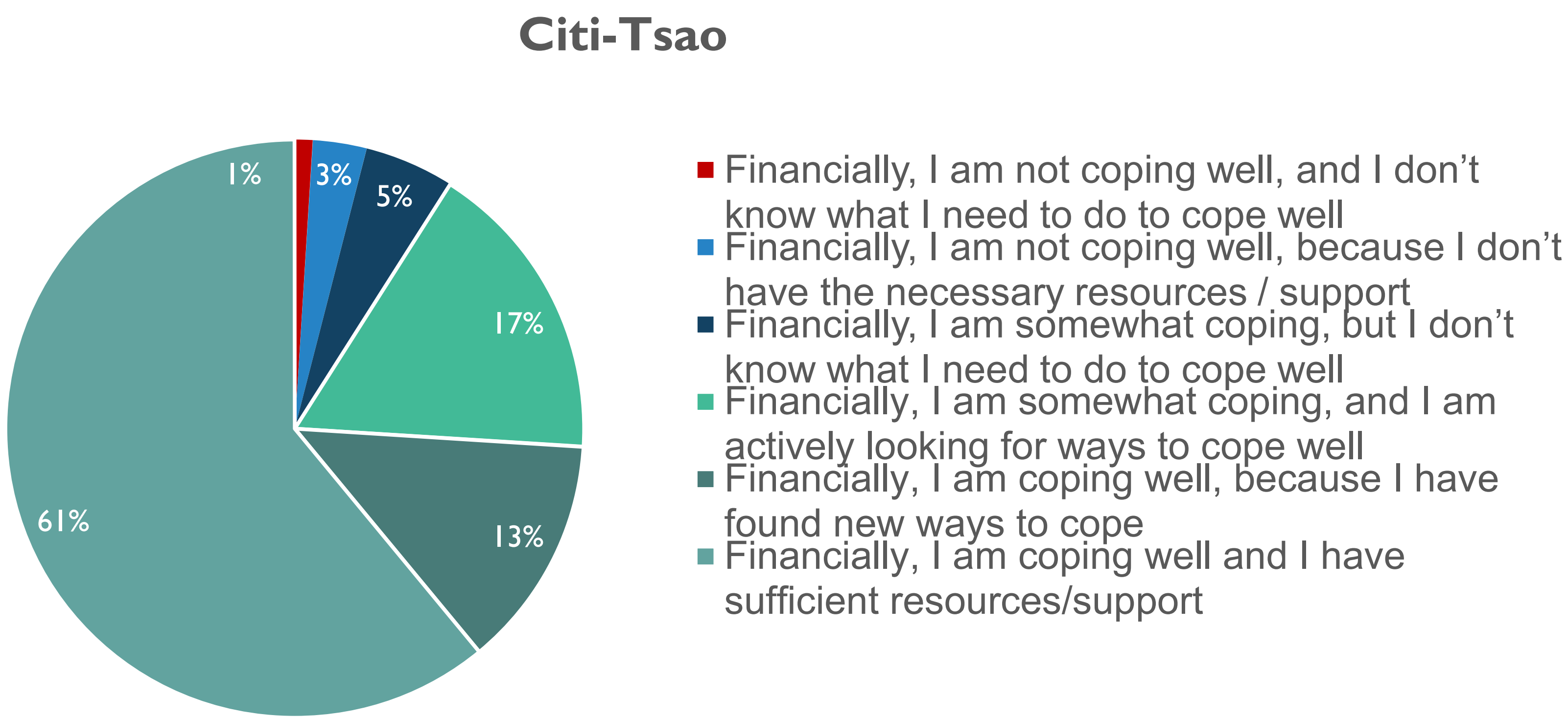
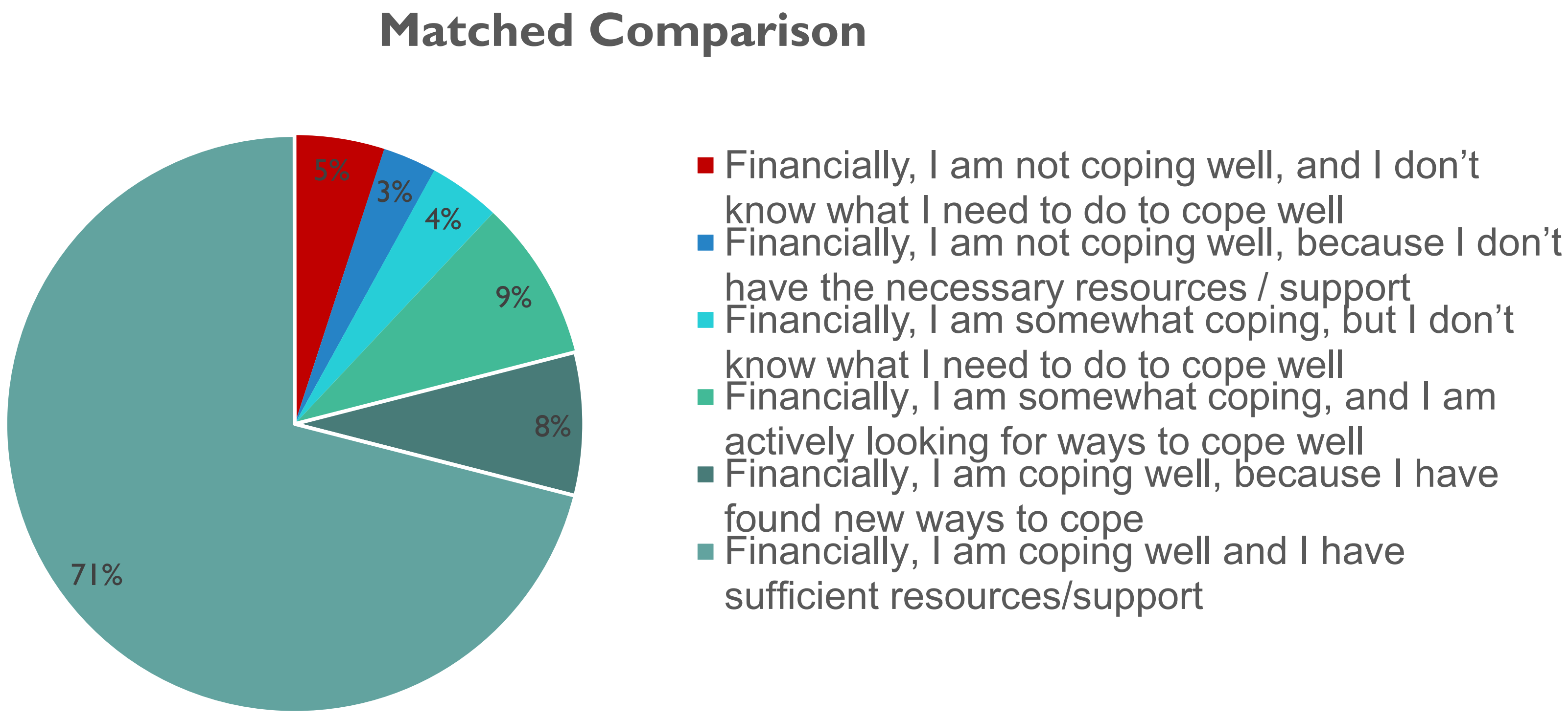


Table 7B: Comparison of Outcomes – Coping With COVID 19



Demographics

Age	**55 to 59 years old**	**10%**
	60 to 64 years old	37%
	65 to 69 years old	30%
	70 to 74 years old	19%
	75 to 79 years old	3%
	80 years old and above	2%
Ethnicity	Chinese	94%
	Malay	4%
	Indian	1%
	Other	1%
Education	No qualification/lower primary	2%
	Primary/lower secondary	11%
	Secondary	45%
	Post-secondary (non-tertiary)	12%
	Diploma and professional qualification	23%
	University	9%
Income	None	13%
	<$1000 a month	40%
	$1-3000	33%
	> $3000 a month	14%
Employment	Working part time	23%
	Working full time	26%
	Temporarily not working and looking for work	4%
	Not working and not looking for work	12%
	Retired	36%
Marital Status	Married/With partner	65%
	Widowed	13%
	Separated/Divorced	4%
	Never Married	18%
Housing	Rental/Public Flat	1%
	Own HDB flat (1/2/3/4+room)	83%
	Private Condo/Landed House	16%
	Other	1%

Reweighted SCOPE participants

Age	**55 to 59 years old**	**1%**
	60 to 64 years old	47%
	65 to 69 years old	30%
	70 to 74 years old	18%
	75 to 79 years old	1%
	80 years old and above	3%
Education	No qualification/lower primary	7%
	Primary/lower secondary	14%
	Secondary	35%
	Post-secondary (non-tertiary)	18%
	Diploma and professional qualification	13%
	University	13%
Income	None	12%
	<$1000 a month	41%
	$1-3000	32%
	> $3000 a month	14%

Program Satisfaction

Level of the programme	Much too difficult	1%
	Sometimes too difficult	8%
	Just nice	84%
	Sometimes too easy	5%
	Much too easy	3%
Content of the programme	Too much	5%
	Just nice	84%
	Too little	11%
Quality of instructors	Good	72%
	OK	25%
	Not very good	3%

Still have a way to go…

		Citi-Tsao	Matched Comparison
Suppose you have some money to invest. Is it safer to put your money into one business or invest in many businesses or investments?	One business	11%	6%
	Many businesses	43%	43%
	I don't know	46%	51%
If your income also doubles, would you be able to buy less than what you can buy today, the same as what you can buy today, or more than what you can buy today?	Less	47%	50%
	The same	30%	24%
	More	3%	6%
	I don't know	21%	20%
Suppose you have $100 in the bank and the bank is giving you interest of 5%. After ten years, if you don't take any money out, how much would you have in the account? More than $150, exactly $150 or less than $150?	Less	15%	**37%**
	Exact	**15%**	7%
	More	**52%**	36%
	I don't know	18%	20%

Intermediate Outcomes

Table 4B: Comparison of Outcomes – Saving, Borrowing and Investing

		Citi-Tsao	Matched Comparison
I have savings of my own	Yes	95%	90%
	No	5%	10%
	I don't know	0%	1%
I know the value of my savings	Yes	91%	78%
	No	6%	15%
	I don't know	3%	7%
I have an emergency fund to cover me for six months	Yes	89%	77%
	No	9%	17%
	I don't know	3%	6%
I currently have some debts outstanding	Yes	16%	4%
	No	83%	91%
	I don't know	2%	6%
I know the exact amount of my debts	Yes	53%	18%
	No	41%	63%
	I don't know	6%	19%
I have a good understanding of investments	Yes	46%	33%
	No	45%	48%
	I don't know	9%	19%
I know the value of my own investments	Yes	70%	48%
	No	22%	30%
	I don't know	8%	22%
I am interested in starting a business or have already started one	Yes	15%	2%
	No	85%	93%
	I don't know	1%	5%

Planning Outcomes

Table 4C: Comparison of Outcomes – Long-Term Financial Well-Being

		Citi-Tsao	Matched Comparison
I have an up-to-date will	**Yes**	**44%**	**43%**
	No	**53%**	**49%**
	I don't know	**3%**	**9%**
I have a financial plan to prepare me for retirement	**Yes**	**72%**	**59%**
	No	**24%**	**30%**
	I don't know	**5%**	**11%**
I have been able to stick to my financial plan	Yes	73%	72%
	No	20%	18%
	I don't know	7%	10%
I feel I am financially prepared for my old age	Yes	78%	74%
	No	13%	14%
	I don't know	9%	13%

COVID Response

Table 7A: COVID 19

		Citi-Tsao	Matched Comparison
Have you, or any of your main sources of income been financially impacted by COVID-19?	Yes	24%	31%
	No	76%	69%
If yes, Whose income was impacted by COVID-19?	My own income	79%	78%
	My spouse's income	30%	13%
	My child's income	30%	23%
	Other, please specify:	6%	0%

Table 7B: Comparison of Outcomes – Coping With COVID 19

Which statement best describes your condition?	Citi-Tsao	Matched Comparison
Financially, I am not coping well, and I don't know what I need to do to cope well	**1%**	**5%**
Financially, I am not coping well, because I don't have the necessary resources / support	3%	3%
Financially, I am somewhat coping, but I don't know what I need to do to cope well	5%	4%
Financially, I am somewhat coping, and I am actively looking for ways to cope well	17%	9%
Financially, I am coping well, because I have found new ways to cope	13%	8%
Financially, I am coping well and I have sufficient resources/support	61%	71%

Well-Being Outcomes

Thinking about or discussing my personal finances can make my heart race or make me feel stressed	Yes	20%	29%
	No	71%	56%
	I don't know	9%	15%
I feel in control of my future when it comes to money matters	Yes	81%	68%
	No	12%	13%
	I don't know	7%	19%