

Executive Summary

Financial Literacy Impact of JA Program Participation

Introduction

JA Worldwide® (Junior Achievement) is the world's largest organization dedicated to educating students about workforce readiness, entrepreneurship, and financial literacy through experiential, hands-on programs. Since 1919, more than 93 million students have participated in Junior Achievement. In partnership with businesses and educators, JA Worldwide seeks to inspire and prepare young people to succeed in a global economy.

JA Worldwide is committed to commissioning independent, rigorous evaluations that assess the efficacy of Junior Achievement programs in their development and implementation phases. In the past five years, JA Worldwide's investment in student-outcomes research has exceeded \$3.1 million. Collectively, as evidenced by more than 60 evaluation studies, Junior Achievement programs have a significant impact on students' knowledge, skill development, and attitudes.

Through a portfolio of age-appropriate curriculum, Junior Achievement programs equip youth with the financial knowledge and skills necessary to make informed financial choices in an ever complex and changing global economy. Thirteen (57%) of JA's programs focus on teaching youth financial skills. In 2007-2008, more than 2.9 million students in the United States participated in at least one of these programs.

Ninety-six percent of JA's programs have been independently evaluated within the past four years.

To ensure JA program relevancy and effectiveness, independent evaluations are regularly commissioned to determine the short- and long-term benefits associated with student participation. The evaluations follow strict educational research guidelines, measuring the impact of the programs on important variables, such as knowledge of key concepts, confidence completing key financial tasks, and applied skills associated with program content. In addition, evaluators visit program sites to observe classrooms in action, hold focus groups with participating students, and interview teachers and volunteers.

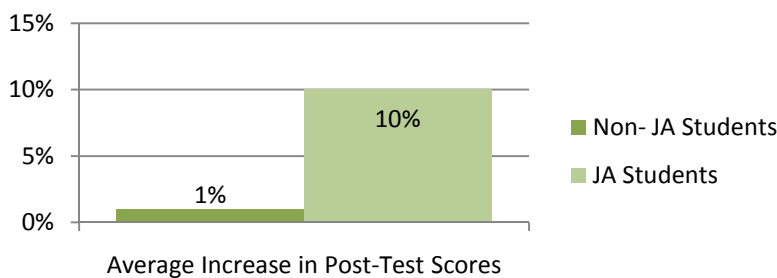
The evaluations enable JA Worldwide to ascertain the value of program participation among diverse student populations. Key findings demonstrate that JA program participants exhibit statistically significant gains in content, skill development, and self-efficacy relative to personal financial management. Furthermore, ample anecdotal evidence exists to support the claim that JA students understand the connection between financial education and the difference it makes in their lives.

Knowledge Gain

On average, as demonstrated by multiple studies, JA students score significantly higher than their peers on assessments that measure financial literacy.

Junior Achievement's sequential programming provides the content needed to develop a strong foundation in personal financial management. To determine whether JA students acquire the necessary competencies, students complete pre- and post-assessments that measure their knowledge of critical financial concepts, including important principles such as opportunity costs, credit, interest, investing, risk management, and budgeting. These results are compared to the scores of students who have not participated in Junior Achievement. Across the board, JA students significantly outperform their nonparticipating counterparts on the assessments.

Pre-/Post-Assessments



Gains in students' financial management knowledge realized from their participation in specific JA programs include the following:

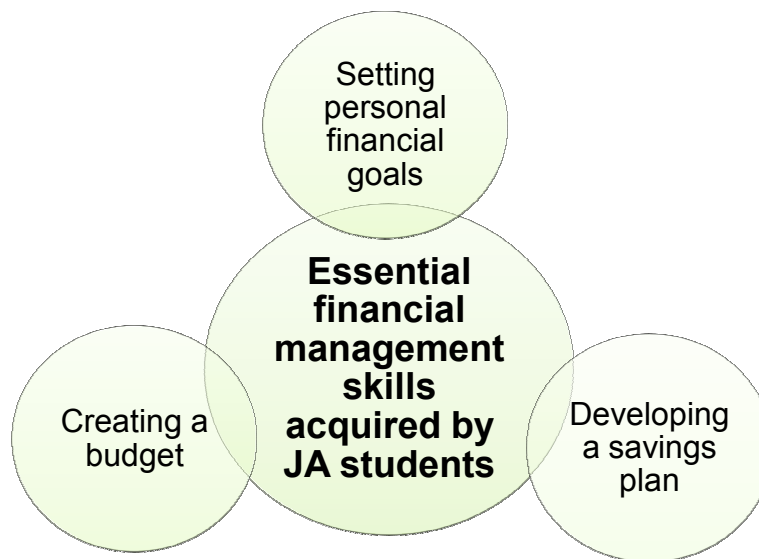
- Students participating in *JA More than Money* reported that they learned practical skills, such as how to open a bank account, write a check, and develop a business.
- Students who participated in *JA Economics for Success* were more likely than their peers to report that they understand what it means to save and invest.
- More than 8 out of 10 students (84%) who participated in *JA Finance Park* agreed that the program taught them how to avoid going into debt.

Skill Development

Students who participate in JA programs develop financial skills necessary for future success.

Junior Achievement programs provide hands-on activities that allow student participants the opportunity to apply content to real-life scenarios and practice the skills they have acquired, such as budgeting and decision-making. To assess which financial-

management skills students acquire through their participation in JA's financial literacy programs, evaluations typically require students to rate their ability to complete financial tasks prior to and following program participation. In addition, evaluators often ask students in focus groups to share which skills, if any, they believe they have developed through their participation in the JA program. Across these evaluations, students consistently share with evaluators the acquisition of skills that are important for future success. JA students most frequently report they acquire important financial management skills such as how to create a budget, develop a savings plan, and set personal financial goals.



Increases in students' financial-management skills realized from their participation in specific JA programs include the following:

- Teachers who participated in the evaluation of *JA BizTown* agreed that the curriculum contains valuable concepts that further students' awareness of necessary life skills.
- Students who participated in *JA Economics for Success* were more likely than their peers to report that they understand the consequences of the decisions they make about spending money.
- Students who participated in *JA Banks in Action* reported significant improvement in planning a budget and saving money.

Self-Efficacy Enhancement

Students who participate in JA's financial literacy programs demonstrate higher levels of self-efficacy for critical financial tasks.

Self-efficacy represents an individual's confidence in her or his ability to accomplish a particular task. Research has shown that young people with a higher generalized sense

of self-efficacy set more challenging goals for themselves, try harder, persevere in difficult times, bounce back more quickly after failures, and ultimately are more successful.

Junior Achievement programs provide students with the opportunity to gain the knowledge and skills needed to feel competent in achieving financial tasks. Consistently, students report higher levels of financial management self-efficacy after participating in JA programs.

JA students report increased confidence in the following financial management tasks:

- **Making decisions about money.**
- **Staying within a budget.**
- **Developing a savings goal.**
- **Setting personal financial goals.**

Increases in students' financial management self-efficacy realized from their participation in specific JA programs include the following:

- Eight out of 10 teachers and volunteers agreed that students who participated in JA's elementary programs were more likely than their peers to have confidence in managing their money.
- Almost 9 out of 10 middle school students (88%) who participated in *JA Finance Park* reported more confidence in managing their personal finances.
- Students participating in *JA Economics for Success* reported more confidence in staying within a budget and making responsible decisions that deal with money.

Conclusion

Across numerous evaluations, evidence is clear that Junior Achievement programs equip youth with the financial knowledge, attitudes, and skills necessary to make informed financial choices. Students who participate in Junior Achievement's financial literacy programs are much more prepared than their peers to manage their personal finances. Increasing the number of students who are offered the opportunity to participate in these meaningful programs will further prepare tomorrow's leaders to successfully participate in a global economy.