StartSmart Impact Report.
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This report has been produced in partnership with the Australian Council for Educational Research.
Foreword

The Commonwealth Bank’s vision is to excel at securing and enhancing the financial wellbeing of people, businesses and communities. To help achieve our vision, the Commonwealth Bank Foundation runs educational programs to improve the financial literacy of young Australians, knowing that a financially literate community leads to a more prosperous society.

The Foundation’s school-based, financial education program, StartSmart, was developed with the assistance of education experts and launched in 2007. Since then, more than 800,000 primary and secondary students have participated in a StartSmart workshop, making it the largest face-to-face financial literacy program of its kind in the world. We continue to focus on achieving our commitment to improve the financial literacy of one million children by 2015.

To ensure that we are delivering the highest quality financial education, we assessed the efficacy and impact of the StartSmart program. This report combines the findings from independent research conducted by the Australian Council for Educational Research (ACER) with qualitative interviews with teachers and students involved with the program.

The results demonstrate that the impact of the program is high, particularly among primary students. They highlight that, after the workshops, primary students have developed positive saving intentions and secondary students have demonstrated an increased understanding of superannuation funds, setting personal budgets and earning interest on savings. The results have also provided us with valuable and achievable suggestions as to how to make the program even better. We will use these insights to further develop the StartSmart program and help to enhance the financial wellbeing of young Australians.

I would like to thank those involved in developing this report; to ACER for its invaluable analysis, the schools that participated in the program, the teachers that gave their feedback, our StartSmart facilitators and of course all the students from around Australia who shared their insights and enthusiasm for this important program.

We are very grateful for the insights that we have gained from this study – they will help us to continue to improve the financial literacy of future generations.

Ian Narev
Chief Executive Officer
Commonwealth Bank Group
Chairman
Commonwealth Bank Foundation
About StartSmart

The Commonwealth Bank Foundation has been committed to improving financial literacy in schools across Australia since 2003, providing young Australians with the confidence to make smart decisions about money.

In 2007, the Foundation launched the StartSmart program – a series of interactive, financial literacy workshops delivered in classrooms by a team of facilitators which works in partnership with school teachers to deliver effective financial education.

The StartSmart program is the largest face-to-face financial literacy program in the world, reaching over 275,000 students in primary, secondary and vocational education settings each year. Facilitators deliver the workshops which are augmented by online learning solutions including teacher resources, support videos, animations and games. A virtual StartSmart workshop for rural and regional students will be available in 2014.

Developed with a panel of leading specialists in education, cognitive development, behavioural change and financial literacy, each workshop has been mapped to the national and state/territory curriculum. Every workshop is an interactive learning experience that is designed to engage students and empower them to make confident financial choices.

StartSmart sessions are delivered free of charge and don’t promote the products or services of the Commonwealth Bank.

Highlights of StartSmart

What is it that makes the StartSmart program unique?

• Dynamic facilitators deliver classroom sessions.
• Fun, engaging and interactive workshops.
• Primary school students learn from Captain Super Cents, Coach Cash and Gobbles the Wallet Muncher.
• Sessions for Years 1-6 cover relevant topics, including distinguishing between ‘wants’ and ‘needs’, budgeting and saving.
• Secondary sessions are split into five areas: SmartEarning, SmartSaving, SmartInvesting, SmartSpending and SmartFutures.
• Workshops teach students money management skills – such as identifying currency, comparative shopping, different ways of earning an income and saving money to achieve personal financial goals.

www.startsmart.com.au

I was blown away by StartSmart, the workshops are great and the children were totally captivated and retained a lot of the information.

Alison Bailey, Primary School Teacher at Princes Street Primary School (TAS).
Our Approach

The Commonwealth Bank Foundation engaged the Australian Council for Educational Research (ACER) to undertake an evaluation of the StartSmart program. The purpose of this research was to measure the impact of StartSmart on students’ financial literacy from both primary and secondary schools.

From Term 4 2012 until May 2013, teachers in primary and secondary schools were surveyed immediately before a StartSmart session and again in the 2-4 week period afterwards. Participating teachers were asked questions about the changes they observed in their students and the impact of the program. Data was collected from 274 primary teachers and 196 secondary teachers (representative of approximately 8000 students).

Based on the program logic model, the evaluation measured impact on students in four areas which are important in successful financial education:

• Attitude towards financial concepts
• Level of financial knowledge
• Students’ behavioural intention
• Confidence/self-efficacy in managing their own finances.

Program Impact - High level

While all areas evaluated showed a positive impact, six out of eight measured variables showed an educationally significant increase, that is a moderate to large increase. Generally, results indicate higher levels of impact amongst primary students and are particularly positive in relation to savings intentions.

<table>
<thead>
<tr>
<th>Program</th>
<th>Area</th>
<th>Effect</th>
<th>Cohen’s d²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>Behavioural Intention</td>
<td>Large Increase</td>
<td>1.03</td>
</tr>
<tr>
<td>Secondary</td>
<td>Financial Knowledge</td>
<td>Large Increase</td>
<td>0.94</td>
</tr>
<tr>
<td>Primary</td>
<td>Financial Knowledge</td>
<td>Large Increase</td>
<td>0.85</td>
</tr>
<tr>
<td>Primary</td>
<td>Attitudes</td>
<td>Moderate-Large Increase</td>
<td>0.78</td>
</tr>
<tr>
<td>Secondary</td>
<td>Behavioural Intention</td>
<td>Moderate Increase</td>
<td>0.63</td>
</tr>
<tr>
<td>Secondary</td>
<td>Attitudes</td>
<td>Moderate Increase</td>
<td>0.59</td>
</tr>
<tr>
<td>Secondary</td>
<td>Confidence</td>
<td>Moderate Increase</td>
<td>0.47</td>
</tr>
<tr>
<td>Primary</td>
<td>Confidence</td>
<td>Moderate Increase</td>
<td>0.42</td>
</tr>
</tbody>
</table>

2. In the evaluation report, “Cohen’s d” is used to describe effect sizes; scores of 0.5 or greater should be considered educationally significant.

The following is a guide for interpreting effect size:

- 0.20 to ≤ 0.39 is a small effect
- 0.40 to 0.79 is a moderate effect
- 0.80 or more is a large effect size.
Key Findings: StartSmart Primary

- Primary students developed strong saving intentions, a positive understanding of the difference between ‘wants’ and ‘needs’ and how to set financial goals.
- Primary students had an increased knowledge of where money comes from, a more positive attitude towards saving and a greater intention to manage money well in the future.

Results

The table below indicates the key findings of the evaluation report across the Primary program:

<table>
<thead>
<tr>
<th>Item</th>
<th>Outcome (Proportion of students demonstrating a significant improvement after the program)</th>
</tr>
</thead>
<tbody>
<tr>
<td>To what extent do the students know the difference between wants and needs?</td>
<td>56%</td>
</tr>
<tr>
<td>To what extent do students intend to save money regularly?</td>
<td>49%</td>
</tr>
<tr>
<td>To what extent do students know where money comes from?</td>
<td>36%</td>
</tr>
<tr>
<td>To what extent do students plan to set financial goals?</td>
<td>36%</td>
</tr>
</tbody>
</table>

Key Findings: StartSmart Secondary

- Secondary students had an increased positive attitude towards money in general, an increased knowledge of finances and more confidence when it comes to their future banking and savings goals.
- Secondary students displayed an increased understanding of superannuation funds, setting personal budgets and earning interest on savings.

Results

The table below indicates the key findings of the evaluation report across the Secondary program:

<table>
<thead>
<tr>
<th>Item</th>
<th>Outcome (Proportion of students demonstrating a significant improvement after the program)</th>
</tr>
</thead>
<tbody>
<tr>
<td>To what extent do the students you teach know about setting personal budgets?</td>
<td>32%</td>
</tr>
<tr>
<td>To what extent do the students know about earning interest in bank savings?</td>
<td>29%</td>
</tr>
<tr>
<td>To what extent do the students expect to set personal financial goals?</td>
<td>24%</td>
</tr>
<tr>
<td>To what extent do the students realise the financial skills learned at school will help set them up for life?</td>
<td>20%</td>
</tr>
</tbody>
</table>

3. Results are based on combining the teacher response categories ‘to a moderate extent’ and ‘to a major extent’ to show a change in teachers’ observations of their students’ financial literacy. The results show the difference from before and up to four weeks after participating in a StartSmart workshop.

4. Of those surveyed, 48% of teachers indicated their students were studying business and commerce related subjects. This influenced the secondary data, as many of the students have an established high level of financial literacy.

5. Percentages have been rounded to whole numbers.
The Impact on Primary Students

Many primary school students struggle when it comes to understanding money and may lack the confidence to spend and save wisely. StartSmart has been designed to educate students from a young age, enabling them to start on a lifelong path of sound money management. The program is delivered through three different stages, each one directed towards a particular age group of students.

Alongside our research, we interviewed some primary students and their teachers to gain an insight into their personal experience of the StartSmart program. The results of which indicate that the program is helping to improve the financial literacy of young Australians.

Stage One: Years 1-2
Primary school children learn valuable lessons about the difference between ‘wants’ and ‘needs’. Money superhero ‘Captain Super Cents’ explains what money is and where money comes from. The students learn fun rhymes and tips that help put them on the path of practicing solid financial habits.

36% of primary students displayed a significant increase in understanding of where money comes from after participating in a StartSmart workshop.

“I’ve saved up $85 so I can buy a kitten because I now know that your needs are things you need to get first, they’re the most important, but wants you can wait for and save up for.”
Emily Hanna, Year 2 Student
Princes Street Primary School (TAS).
The Impact on Primary Students

49% of primary students have a significantly increased intention to save money regularly.

Stage Two: Years 3-4

‘Coach Cash’, the personal financial fitness trainer, teaches the students about earning, and saving, while recognising the social pressures in today’s society that encourage them to spend their money. The impact of these sessions is exceedingly positive. The students have increased their knowledge of international money, bank cards, how to earn and save, comparing prices at the shops and avoiding peer pressure to spend.

“It’s fantastic to have StartSmart come out to our school and teach the kids about finances. Teachers don’t normally focus on money and the importance of savings within numeracy so we need this.”

Nahla Dennaoui, Primary School Teacher at Bankstown Public School (NSW).

Stage Three: Years 5-6

Students learn important financial literacy skills through a range of scenarios that relate to their daily lives.

The research shows significant improvement in students’ knowledge of various ways to earn money (and how to do it responsibly), save money, set financial goals, use banks and understand interest.

“It’s really good to learn about money, and it’s fun! I used to get confused about money, when my parents talked about it. Sometimes I didn’t understand, but now I do!”

Jacques Stevenson, Year 6 Student Princes Street Primary School (TAS).

36% of primary students demonstrated a significant increase in awareness of how to set financial goals and budgets.
The Impact on Secondary Students

At the secondary school level, students are starting to make important financial decisions on their own, from buying a car to earning money for the first time. The StartSmart Secondary program is there to educate students on essential financial literacy skills, helping them in the short and long term when it comes to making key life decisions.

Our research has shown that the program is helping to change the behaviours and attitudes of students when it comes to money. We spoke to secondary school students and their teachers to see how the StartSmart program impacted their spending habits and general knowledge when it comes to money.

SmartSaving: Years 9-11

Saving and setting financial goals is a vital life skill. This part of the program has increased students’ awareness of the different strategies they can adopt to save money, the value of saving, earning interest, setting themselves financial goals and establishing a budget.

“Since StartSmart came to our school I’ve saved up $1300 and put it all into my savings account.”
Hamish Martin, Year 9 Student Rosebud Secondary College (VIC).

32% of secondary students showed a significant increase in awareness of how to set budgets.
SmartEarning: Years 9-11
The SmartEarning workshop explores all the different areas of earning money. Students showed a significant increase in knowledge of the differences between full-time, part-time and casual work, sick and holiday pay, their rights and responsibilities and understanding tax.

“It is essential for students to learn about money. As much as they need to learn about numeracy and literacy, they need to learn about financial literacy as well and the kids get so much out of it.”
Tony De Fazio, Student Wellbeing Leader
Catholic Regional College Caroline Springs (VIC).

SmartSpending: Years 9-11
The SmartSpending workshop gives students a better understanding of their spending choices, from how to choose their first phone contract to buying their first car. After the workshop, they had a better understanding of their personal financial responsibilities. They demonstrated an improved understanding of how to read financial documents and phone bills, the emotional and rational influences behind financial decisions and how to recognise hidden costs.

“The StartSmart program is fantastic! Helping school kids and developing their knowledge of money is brilliant.”
Pat Klimatsakis, Secondary School Teacher
Immanuel College (SA).

SmartInvesting: Years 10-11
This workshop teaches students about assets and investment portfolios. It explores the concept of risk and return, and the difference between good and bad debt. In each area, students had a sizeable increase in their awareness and knowledge of investing.

“It’s StartSmart is a great idea and extremely relevant for our students who need to learn about money and the financial aspects of life. The students are much more aware of their money after the sessions and more inclined to go home and talk about commerce with their parents.”
Margaret Wilson, Secondary School Teacher
Loreto College Mandeville Hall (VIC).

20% of secondary students demonstrated a significant increase in their confidence to make financial decisions independently.

23% of secondary students displayed a significant increase in understanding of how to read financial documents such as a bank statement or pay slip.

24% of secondary students are more likely to set personal financial goals following a StartSmart workshop.
What the Schools Think

Princes Street Primary School
Hobart, Tasmania

We visited the school shortly after a StartSmart workshop to speak with both the teachers and their students.

Princes Street Primary School teachers believed that the StartSmart Primary Program addressed the aspects of financial literacy in the curriculum for its Year 1-2 and Year 5-6 classes.

The teachers interviewed were impressed with the program content and stated that the students were highly engaged. Many of their students started using their new financial knowledge following the StartSmart session.

Years 1-2

“The StartSmart initiative is great. Learning about savings and budgets for the students is very important and the content addresses aspects of financial literacy that as teachers we don’t cover as much as we should, but is really relevant and applicable to life skills. It’s engaging and the children are totally captivated.”

Alison Bailey, Year 1-2 Teacher.

“I learnt that Gobbles tricks people into spending their money, so we need to speed to our needs and wait for our wants.”

Olive Tapping, Year 2 Student.

“Since Captain Super Cents came in I’ve been good with my money. I ask my mum and dad what I need to have and save up for something I want. I put $2 in my bank a week, $2 for pocket money and $2 to give away to the poor.”

Aja Verdouw, Year 2 Student.
Since our visit from StartSmart the students talk about opening bank accounts and the ones who already have one are excited to know what their bank account means and the benefit of it. It’s crucial for them to learn about money, especially as a lot of them have allowances and phones so it’s important they know how to budget and save. I think StartSmart has filled a gap – the fact that the Commonwealth Bank Foundation can come in and teach the kids is a great thing!

Melissa Johnston, Year 5-6 Teacher.
Rosebud Secondary College
Mornington Peninsula, Victoria

Rosebud Secondary College started participating in the StartSmart program in 2008. Since then the school has had annual visits from StartSmart facilitators delivering workshops to its Year 9 students, with a focus on SmartSaving.

The Year 9 Curriculum Coordinator, Susan Rogers, hails the program as a fantastic resource for Rosebud Secondary College. She, along with other staff members at the school, believes it’s vital for students to get information about money and finances. They know the program works because it is made relevant by the inclusion of real life situations that are regularly faced by their students.

“The sessions come at just the right time because our Year 9 students are at the age when they start thinking about getting their first jobs. They take on board that it’s important to save some of their wages and understand what to do with their money - in reality the one thing students should have a grasp of is money!”

Susan Rogers, Curriculum Coordinator.

“It helps for us to learn about money, earning and savings. Zey (the facilitator) made the session funny which helped me to remember it. I’m now saving up for a car and then one day, a house too. I already have two accounts, one for savings and one for every day.”

Clay Hodgson, Year 9 Student.

“I’ve really taken on board all the different laws around work, about what you can and can’t do and the minimum wage for juniors. When I turn 14 and 9 months, I want to get a job waitressing. I’ll add most of my wages to my savings account so it keeps growing and then budget with the rest for going out. I found the session really interesting and it was good fun! A lot of school kids don’t know about money so it’s important for us to learn.”

Sophie Young, Year 9 Student.
As you get older it’s good to know about finances so you don’t get into trouble. When I get a job I’m definitely going to save half of my wages and spend the other half.

Matt Suric, Year 9 student.
Facilitators

The StartSmart Primary and Secondary workshops are delivered nationally by a team of 16 facilitators, all of whom have been selected based on their knowledge, skill set and passion. The facilitators travel across the country to deliver the StartSmart sessions, supporting and working alongside teachers to educate, inform and inspire students.

With backgrounds in areas including education, performing arts and childcare, the facilitators deliver fun and engaging workshops for all stages of student development.

Travis Hobbs
StartSmart Secondary Facilitator (SA).

Travis is one of StartSmart’s most popular facilitators as teachers and schools constantly ask him back and recommend him to other schools. Travis has been involved in the program for two years and works diligently to help improve the financial literacy of Australian teenagers.

“Learning about money and finances is probably the most important thing students need to learn at school. It’s an essential life skill. Budgeting, bank accounts, saving, superannuation and first jobs – we teach across the board to get students prepared for life and give them more possibilities and opportunities. We need to give kids the tools to go into life after school with confidence and that’s what StartSmart does.”
Growing up I was taught financial literacy by my parents so I love that I can now do the same for a new generation of Australians. It’s such a rewarding job, I love the interactions I have with the kids. They come up to me and ask me questions or tell me what they’re saving up for or how they look after their own money. The sessions are full of relevant content and the way it is formatted means they take in all the information whilst having fun! The Commonwealth Bank Foundation StartSmart program is exceptionally important. Kids need to learn about money and saving from a young age and that’s what we’re doing. It’s fantastic to know that it’s making a difference.

Lauren Fahey
StartSmart Primary Facilitator (NSW).
Lauren has been working as a StartSmart Facilitator in the western suburbs of Sydney for three years. Lauren is passionate about her role with the program and loves teaching Australian kids about the value of money.
Conclusion

The results from the Evaluation Report and the feedback from teachers and students show that the Commonwealth Bank Foundation’s StartSmart program has a positive impact on the financial literacy of students throughout Australia.

The ACER research revealed that the StartSmart program is having a positive impact in all four areas measuring financial literacy, namely; behavioural intention, financial knowledge, attitudes towards money and confidence in managing money. Six of the eight measured variables showed an educationally significant increase. The two areas of smallest improvement are confidence amongst both primary and secondary students in managing their own finances. We will be developing ways to increase the level of impact on students’ financial confidence during a content review of the StartSmart workshops.

Teachers generally hail the program a success and the majority can see a positive change in their students’ financial behaviours after a StartSmart workshop. There is strong evidence to show that after a workshop students have a positive attitude towards saving their money, one of the core objectives of the program.

The students and teachers agree that financial literacy is a necessary part of primary and secondary education. Learning and understanding money matters such as saving, spending, earning and investing is essential to ensure the next generation of Australians have the confidence and skills to manage their money well.

The StartSmart program aims to reach 1 million students by 2015, and is committed to improving the financial literacy skills and enhancing the financial wellbeing of the community.

We look forward to continuing to work with teachers, parents and students to improve the financial literacy of young Australians.
About the Commonwealth Bank Foundation

The Commonwealth Bank Foundation was established in 2003 with the aim of improving the financial literacy of young people through education. The Foundation delivers a range of educational programs, including the StartSmart workshops.

The Foundation regularly undertakes research into financial literacy to develop its financial literacy programs, and highlight areas where improvements can be made. The research conducted by the Foundation in 2010, in partnership with the Monash University and Eureka Strategic Research (now the Ipsos-Eureka Research Institute), revealed that improvements in financial literacy leads to a more prosperous society.6

The Foundation also supports teachers through the annual Teaching Awards program. The Commonwealth Bank Foundation Teaching Awards recognises and rewards inspirational teachers from across Australia who are making an outstanding contribution to developing the essential money management skills of their students.

The Foundation is also committed to helping Aboriginal and Torres Strait Islander people by providing educational opportunities for youth and partnering with community organisations to build financial skills.

In 2012, the Foundation was awarded the Australian Business Award for Product Excellence in education for the StartSmart program. In the same year, the Foundation was awarded the inaugural MoneySmart Week Outstanding Achievement in Schools Award for the StartSmart program.

The Foundation’s programs do not promote Commonwealth Bank products or services.

About ACER

Research was conducted by the Australian Council for Educational Research (ACER), an independent, national educational research organisation established in 1930. With offices in Melbourne, Sydney, Brisbane, Perth, Adelaide and overseas locations, ACER provides comprehensive services to the education community nationally and internationally. ACER’s mission is to create and promote knowledge and tools that can be used to improve learning across the lifespan. In pursuing this mission, ACER undertakes a wide range of research and development and provides services and materials in support of educational policy-making and improved professional practice. Further information about ACER and its research and development program is available on the ACER website: http://www.acer.edu.au

6. Improvements in financial literacy can deliver significant benefits to the broader economy and the nation as a whole. Increasing the financial literacy of the lowest quartile of the population to the level of the top of the lowest quartile is estimated to lift the annual income of Australia’s financially least literate by 10%, create 15,000 jobs and increase Australia’s GDP by $6.2billion annually over the long term. Improving financial literacy: Benefits for all Australians (2010)