



SEL Helps Valued Outcomes to Happen: A Series of Examples...

SEL and Financial Literacy

Many states, including New Jersey, are requiring Financial Literacy courses for students across the grade levels. Social, emotional, and character development (SECD) can be infused into this course work and this data brief will explore these connections in financial literacy and financial psychology.

New Jersey's Student Learning Standard 9: Career Readiness, Life Literacies, and Key Skills (CLKS)^[1] was adopted by the State Board of Education in 2020. The revised standard's mission is to provide students with the necessary skills to make informed career and financial decisions, engage as responsible community members in a digital society, and to successfully meet the challenges and opportunities in an interconnected global economy.

Financial Literacy is an important part of this standard. This topic includes Financial Psychology and the stressors people experience while managing their finances, which may be impacted by how well they are prepared to deal with emerging changes and challenges. This entails equipping students with the ability to better understand their own biases toward money and to be in a better position to make sound financial decisions. These skills are directly supported by the CASEL's Social Emotional Learning Competencies (Self-Awareness, Self-Regulations, Social Awareness, Relationship Skills, and Problem Solving/ Responsible Decision-Making) as well as character strengths (core values) that embrace ethical, performance, intellectual, and civic values.

Beliefs and behaviors about money are affected by emotions, which are related to the socio-cultural context of people's lives. There is a need for culturally responsive educational practices which consider various aspects of culture and how they impact financial realities and attitudes^[2]. Effective culturally responsive practices for teaching financial literacy and SEL may include making curriculum and course materials reflective of learners' life circumstances, values, beliefs, and needs^[3], sharing stories featuring diverse groups, critical reflection on the part of educators about their beliefs and biases, meaningful involvement of families and communities, and collecting data from the community to better understand needs and to evaluate outcomes to make sure the curriculum is relevant for all students.

Looking more closely at Standard Nine, one finds a listing of the following practices. These are the end goals of the standard and teachers are encouraged to teach and reinforce these practices in an age-appropriate manner as students progress through the grades.

- Act as a responsible and contributing community member and employee
- Attend to financial well-being
- Consider the environmental, social, and economic impacts of decisions
- Demonstrate creativity and innovation
- Utilize critical thinking to make sense of problems and persevere in solving them
- Model integrity, ethical leadership, and effective management
- Plan education and career paths aligned to personal goals
- Use technology to enhance productivity, increase collaboration, and communicate effectively
- Work productively in teams while using cultural/global competence

Looking at these practices, it is easy to see how SECD skills support student learning. The following examples are taken directly from the standards and the analysis of each example explains how each practice can be supported by SECD skills.

<p>Grade 2 Example There's a relationship between an individual's values, emotions, and the ways he/she chooses to spend money.</p>	<p>Analysis The connection between values and emotions and spending habits is important even at the second-grade level. Young children should be developing a sense of their own beliefs and values and start to be able to understand and manage their emotions. They can be painfully aware of financial issues at home, and this can pertain to those with fewer resources as well as those with more resources.</p>
<p>Grade 5 Example Not all financial information is accurate or truthful.</p>	<p>Analysis In this example, the focus is on one's ability to have a problem-solving strategy to use when determining the accuracy of information as part of making important decisions.</p>
<p>Grade 8 Example An individual's values and emotions will influence the ability to modify financial behavior (when appropriate), which will impact one's financial wellbeing.</p>	<p>Analysis This example makes the connection between one's values and emotions and how they might impact financial decision-making. It is important for students to be able to self-reflect and have a solid idea of what they value and how that informs their finance-related goals. Goal setting and the ability to manage strong emotions in the present ("I have to have that!) and delay gratification and look at short- and long-term consequences of financial decisions are essential for middle schoolers.</p>
<p>Grade 12 Example Biological behavioral biases, psychology and unconscious beliefs affect financial decision making.</p>	<p>Analysis Self-awareness and reflection can help students better understand financial decisions and their impact on their well-being. Asking "Why do I want this?" and "What do I need for the future?" and similar questions make it more likely that students will make good decisions. In addition, goal setting related to college and careers are important avenues to financial success.</p>

Additional topics that can support students in understanding the importance of financial psychology...

Are You an Emotional Spender? It can feel good to go out and treat yourself – whether it's buying yourself a new pair of shoes or a nice meal at a restaurant. This type of occasional spending can help a person cope with the stresses of everyday life. There are times when many of us rely on these purchases to brighten our moods. This is known as "emotional spending."

SEL in Marketing Technology: Recent technological advancements in marketing makes SEL-infused financial education ever more urgent for maintaining healthy money behaviors. Targeted advertisements, credit cards, next day shipping, etc. are constantly evolving. These techniques aim to exploit the vulnerabilities that arise from a lack of healthy attitudes around money.

Understanding Financial Stressors: Many factors are at play that impact your finances, some of which are outside of students' control. One of the first steps towards financial health is to understand the root causes of financial stress and determine their direct, personal impact. As each person's financial situation, psychological makeup, and experiences are distinct, there is no sole factor that can be identified as the cause of financial stress.

[1] NJ Standard Nine can be found here: <https://www.nj.gov/education/standards/clicks/index.shtml>

[2] Tisdell, Elizabeth J.; Taylor, Edward W.; and Sprow, Karin (2011). "Culturally Responsive Community Based Financial Literacy Education: Practical Implications from a Mixed Methods Study of Financial Educators," Adult Education Research Conference. <https://newprairiepress.org/aerc/2011/papers/103>

[3] Klontz, B., Kahler, R., & Klontz, T. (2008). Facilitating financial health: Tools for financial planners, coaches, and therapists. Cincinnati, OH: The National Underwriter Company.

This information sheet was provided by SEL4NJ, the Social-Emotional Learning Alliance of NJ, a voluntary, grass-roots organization working with schools and communities to promote social-emotional and character development and supportive, engaging, inclusive, equitable classroom and school environments for learning. Prepared by William Trusheim, SEL4NJ Trustee, Christy Biedron, SEL4NJ Trustee, and Alicia Raia-Hawrylak, SEL4NJ Equity Fellow. You can reach us at info@sel4nj.org and join at www.SEL4NJ.org