Taking it to the streets: The role of universities in building financial capability in the community

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Abstract

The role of universities in the modern knowledge-based economy is something that is often discussed and debated in research, meetings and corridors around the globe. Some suggest that the core business of Universities is simply to teach and conduct research, while others suggest a broader role of fostering community and economic development. Indeed there is a pool of literature that examines university-community engagement and partnership and promotes the need for further interaction. This need is exacerbated by the current environment where the use of public funds by universities has attracted more attention from the political powers, who are reconsidering the economic and social purpose of the institutions (Bond and Paterson, 2005). The suggestion is that Universities cannot afford to continue with an ivory tower approach, which creates a number of degrees of separation between them and the community. In addition, the need to instil virtues of civic pride and community engagement in graduates had led to the development (and research of) community-based courses and assessment practices (Gronski and Pigg, 2000; Bringle and Hatcher, 2002; Stukas and Dunlap, 2002). This study seeks to build on both of these areas of the literature by examining the role that universities can play in developing the financial capability of the community.

There has been a great deal of interest over the past two years in the issue of financial literacy and capacity building for financial decisions in Australia. Two recent major national reports on financial literacy in Australia have highlighted the need for both research and effective community projects that address this and related issues. In 2003 the ANZ Banking Group Limited commissioned Roy Morgan to conduct a survey of adult financial literacy in Australia. The report found that 20% of people lack confidence when dealing with financial matters, and that the lowest levels of financial literacy were amongst those who had lower education, were not working or working in unskilled positions, had lower incomes and low savings, were single, women, and either aged between 18 and 24 or over 70 years of age. Following this, Senator Helen Coonan, Federal Minister for Revenue and Assistant Treasurer,
commissioned a National Consumer and Financial Literacy Taskforce in 2004 (which later became the Financial Literacy Foundation) to develop a national strategy for consumer and financial literacy.

This study will examine the outcomes of three community projects run by the Centre for Financial Independence and Education (CFIE) at Griffith University. In particular, each of the projects will be described in detail and the feedback from participants will be presented and discussed. In addition, feedback from the faculty and students involved will be presented to illustrate the benefits of such projects to the university. It is argued that these types of projects present a means by which Universities can achieve multiple objectives in addition to making a meaningful contribution to the community. This will apply the framework of Bond and Paterson (2005) in terms of civic and economic engagement.

The three particular projects involve a workshop series designed to build capacity (both behavioural and technical) in relation to financial decision-making and financial independence. The three projects delivered similar content that was tailored to the needs of the three participant groups (The Logan Women’s Health Centre, The Logan Lea High School and Youth and Family Services (Logan). The participants in each of these sessions provided strong positive feedback, which was complemented by the positive outcomes for the Centre (CFIE) and the staff involved. Overall, this research illustrates the potential (and need) for the involvement of academic’s in the financial capability arena. We illustrate that this can provide significant benefits to the universities and the staff involved, as well as to the community participants.

References


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