

Spotlight series  
2018

# Better for life

Delivering education and financial capability programs to better prepare students for the future



CommonwealthBank

# Education and financial capability programs

## A snapshot of FY18

### Start Smart



The largest financial education program of its kind in the world



The program reached **568,000** students over the financial year

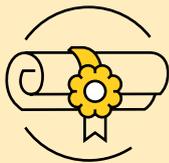


Connected with more than **3 million** students since inception



**61%** of teachers would prefer to teach financial literacy with the help of Start Smart

### ASB GetWise



New Zealand's largest youth financial education program



Delivered **3,877** workshops



Worked with more than **460** schools



Reached approximately **97,000** students

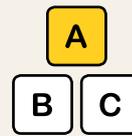
### Evidence for Learning



Champions evidence-based teaching methods



Has trialed teaching methods on **8,000** students



In **150** schools across Australia since 2015



Overall the Bank has invested more than **\$50 million** in education programs in three years



# Backing our future leaders

**The ability to manage a budget, save for long term goals and understand debt are just some of the skills our financial education programs have been teaching school and vocational students for more than a decade.**

**At Commonwealth Bank, we believe that education is not only a key enabler of financial wellbeing – it also has a profound effect on the long-term health, social engagement and personal success of our younger generations.**

This year, building upon our existing education program, we joined forces with some of the most innovative education experts in Australia to better prepare kids for the workplace of the future. Working alongside the Foundation for Young Australians and Social Ventures Australia – we've delivered more entrepreneurial skills training for kids and established a research project into evidence-based teaching practices in Australia.

There's no denying Australian kids will need to navigate a vastly different world of work in the future. Research indicates that critical thinking, problem solving and project management, are just some of the emerging skills that will shape the workplace of the future.<sup>(1)</sup>

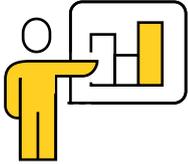
"Booming entrepreneurship, increasing digital disruption, shifts in working patterns and economic volatility spell the need for greater and deeper financial skills amongst younger generations", says Kylie Macfarlane, General Manager Corporate Responsibility, Commonwealth Bank.

"It's critical that children acquire the skills needed to support the smooth transition to a completely different way of working. The Bank's work, alongside community partners, is a positive step towards addressing this skills gap."

Over the last three years, Commonwealth Bank has invested approximately \$50 million in education programs to help produce the leaders of the future and support the continued prosperity of Australia. In particular, we've been working to remove the barriers that contribute to financial inequality, such as access to skills training in remote and regional areas, with the aim of improving the long-term financial wellbeing of customers and communities across Australia.

Importantly, all workshops and programs are free of charge; they don't promote any of the Bank's products or services and are available to all kids, irrespective of whether they bank with us.

(1) K Torii & M O'Connell, *Preparing young people for the future of work*, Mitchell Institute, 2017.



### Establishing good habits for life

Generally speaking core skills, such as budgeting, saving, managing money and understanding debt, are best taught at a younger age to help establish good habits for life, according to the Organisation for Economic Co-operation and Development (OECD).<sup>(2)</sup>

In its 2015 report on financial education, the OECD outlines how financial capabilities can reach an entire generation before adulthood and have a positive spillover effect not only on parents – but on the wider community. Research also shows strong links between financial knowledge and good financial outcomes over the long term, such as saving for goals, paying bills on time or avoiding mortgage default.<sup>(3)</sup>

Sue Thomson, Deputy CEO of the Australia Council for Educational Research, believes financial education, when taught through schools, can help address the immediate financial issues facing young people and secure their long term financial wellbeing.

**“Efforts to improve financial knowledge later in life can be severely limited by a lack of early exposure to financial education, and by a lack of awareness of the benefits of continuing financial education. It is therefore important to provide early opportunities for establishing the foundations of financial literacy.”**

Sue Thomson, Deputy CEO, Australia Council for Educational Research



(2) *National Strategies for Financial Education*, OECD/INFE Policy Handbook, 2015.

(3) M Miller, *Financial Education: What Works and What Doesn't?*, World Bank, 2013.



### Financial education in action

Start Smart, Australia's flagship education program, started from humble beginnings, and is now the largest financial education program of its kind in the world. The program reached more than 500 schools and 568,000 students over the financial year – totalling more than 3 million since its inception.

ASB GetWise, the sister program to Australia's Start Smart, is New Zealand's largest youth financial education program available to primary and intermediate students across the country. Over the year, GetWise delivered 3,877 workshops to more than 460 schools, and reached approximately 97,000 registered students.

Both Start Smart and GetWise have been developed with educational and behavioural change experts and are free of charge. A 2017 review highlights how Start Smart sessions are an integral part of kick-starting a classroom conversation about financial capabilities, with 61% of teachers saying they would not commit to teaching financial literacy in classrooms without the Start Smart program.



### The benefits of teaching financial capability skills



Boosting financial capability skills could create **15,000** new jobs



Increase Australia's GDP by **\$6.2 billion** annually

Source: *Improving financial literacy: Benefits for all Australians*, Commonwealth Bank Foundation in partnership with Monash University and Ipsos-Eureka Social Research Institute, March 2010.

**One in three millennials believe that the lessons learned from their own financial mistakes had the greatest impact on their handling of their finances<sup>(4)</sup>**



### Backing Australia's budding entrepreneurs

Experience is a powerful way of teaching financial skills and giving kids real life situations to apply them to. A report by the Bank of America found that one in three millennials (those born in the 1980s and 1990s) indicated that their own financial mistakes had the greatest impact on their handling of their finances.<sup>(4)</sup>

Over the financial year, we partnered with the Foundation of Young Australians to support the \$20 Boss program, the largest entrepreneurship program in Australia. \$20 Boss gives secondary students \$20 of start-up capital to create, launch and operate their venture over a school term.

The program is curriculum-aligned and gives teachers a comprehensive toolkit for end-to-end delivery both in the classroom and through a digital platform. It provides students with real world experience that they can easily translate into their everyday lives.

Jan Owen AM, CEO of the Foundation for Young Australians, says "Our children and young people are growing up in a hyper-connected world driven by automation and digitisation, where every single job across the economy will be transformed or disrupted in the next decade.

We must invest in young people through enterprise education to equip and inspire them for a radically different future of work, helping them build the confidence, skills and mindset to not only seek jobs but create them. \$20 Boss is one way we can help prepare our young people for this future."



A \$20 Boss workshop.

### Winners



#### Heavenly Scent by Merrimac State High School, QLD, Year 10

School students created 'Heavenly Scent', a natural soap business that uses environmentally-friendly ingredients, such as poppy seeds, flower petals and cocoa butter, to create awareness around the issue of deforestation. Heavenly Scent generated \$1,205 in sales and students donated \$480 to WWF.

### Winners



#### Wash @ Work, Christmas Island District High School, Year 8

Students at Christmas Island District School identified a gap in the market – Christmas Island doesn't have any car washing facilities and people are often too busy to wash their cars. 'Wash @ Work', a car washing service pioneered by a group of year 8 kids, made a total profit of \$1,720 from the \$20 initial capital (a return of 8500%). They put the proceeds towards a school trip to investigate start-ups in nearby Cocos Island.

(4) Better Money Habits Millennial Report, Bank of America, Khan Academy, Spring 2015.



### Building a business from scratch

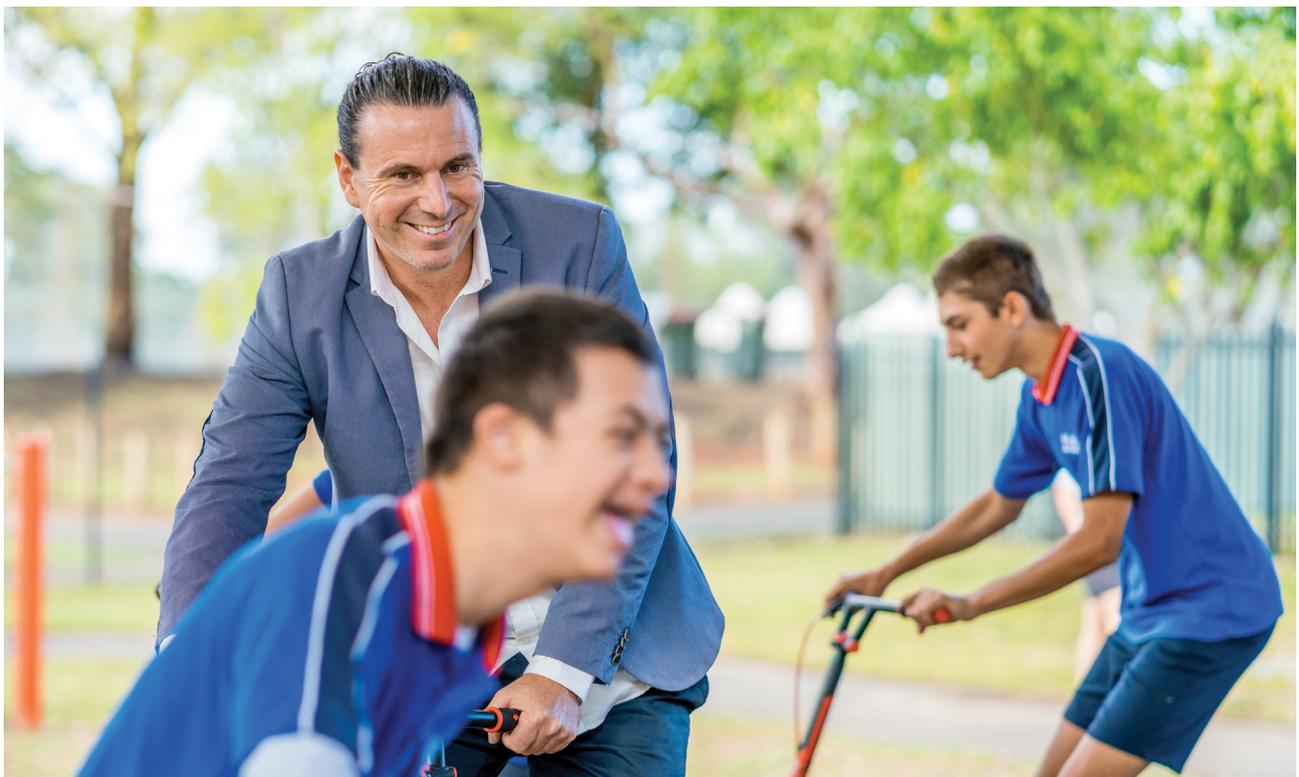
Using the same principles as the \$20 Boss program, we have been working with Business Educators Australasia over the year to sponsor the Plan Your Own Enterprise program. The competition invites students to devise a business idea and turn their concept into a financially viable enterprise, creating a real world context to promote student learning.

Small to medium enterprises are the backbone of the Australian economy, employing more than 5.5 million people and contributing approximately \$380 billion every year. Recent figures show the sector is booming – there were 2.24 million registered businesses in June 2017, which equates to an increase of 3.1% in 12 months.<sup>(5)</sup>

Christine Reid, Executive Officer, Business Educators Australasia believes “the Plan Your Own Enterprise competition is a prime example of enterprise education in action.”

**“We’re seeing more and more young people wanting to run their own business, which is, in part, due to a generational shift in attitudes towards working. It’s important we support Australia’s budding entrepreneurs and continue to support small businesses, which are vital contributors to the economy.”**

Christine Reid, Executive Officer, Business Educators Australasia



Peter Gurrier-Jones, 2018 Commonwealth Bank Teaching Fellow, with students at The Hills School (NSW).

(5) *Counts of Australian Businesses, including Entries and Exits*, June 2013 to June 2017, Australian Bureau of Statistics, 2018.



### Show me the evidence

Getting the most out of students is an age-old conundrum. Educators face conflicting guidance on which approaches will have the greatest learning impact for their students.

Over the financial year, we partnered with Social Ventures Australia to establish a new Evidence for Learning program. Evidence for Learning allows great practice to become common practice in education, by encouraging educators to make better evidence-informed decisions for the benefit of students.

Evidence for Learning Director, Matthew Deeble, believes schools need to become incubators of programs, evaluators of impact and experts at interpreting the effects of teachers and teaching on all students.<sup>(6)</sup>

The program brokers, translates and mobilises knowledge between education researchers, policy makers, systems leaders, school practitioners and the wider community.

Since 2015, Evidence for Learning has successfully completed trials with more than 8,000 students in 160 schools. These trials, combined with the Australian Teaching and Learning Toolkit and the creation of the Teacher Practice Guide for Evidence, have delivered an increase in the overall use of evidence-based learning.

Our support of Evidence for Learning allowed us to respond to the Federal Government's Review to Achieve Educational Excellence in Australian Schools.

**“It’s helping to develop an evaluative culture in schools and early learning centres. Evidence is made freely available through the Teaching and Learning Toolkit, enabling best practices to be rolled out more widely throughout the education community and providing a framework for doing so. It’s a game-changer.”**

Matthew Deeble, Director, Evidence for Learning



(7) J Hattie, *What Works Best in Education: the Politics of Collaborative Expertise*, Pearson, 2015.



### Inspirational educators are paving the way

12 educators were recognised this year for teaching excellence through the prestigious Commonwealth Bank Teaching Awards.

The awards celebrate Australia’s inspiring educators, highlighting how evidence-based teaching and school leadership can make a real difference to student learning outcomes.

Run in partnership with Australian Schools Plus, each recipient receives a 12-month Teaching Fellowship valued at \$45,000, with \$10,000 for professional development, \$5,000 towards a trip to Singapore to immerse themselves in a high performing overseas education system, and \$30,000 for each recipient’s school to develop a strategic project.

Through the Teaching Fellowship, we’re looking to close the education gap by providing more strategic philanthropic support for disadvantaged schools.

Australian Schools Plus CEO, Rosemary Conn says, “The fellowships provide a wonderful opportunity to recognise and reward the ground-breaking work our teachers do around Australia, particularly in schools in disadvantaged communities.”

Underlying the work of the Teaching Fellows is a collective belief that educators are responsible for more than just academic enrichment.

“The work of a good educator has the potential to extend beyond the classroom, having a profound effect on the personal success, economic growth, health, social engagement, and long term financial wellbeing of people and communities”, Rosemary continues.

**“The Fellowship is a wonderful example of the way in which Australian society can celebrate the significant talent and commitment of its educators.”**

John Cleary, 2018 Teaching Fellow, Casuarina Street Primary School (NT)



2018 Commonwealth Bank Teaching Fellows.

## John Cleary

Casuarina Street  
Primary School, NT

### Commonwealth Bank Teaching Awards



**12 educators**  
were recognised for  
teaching excellence



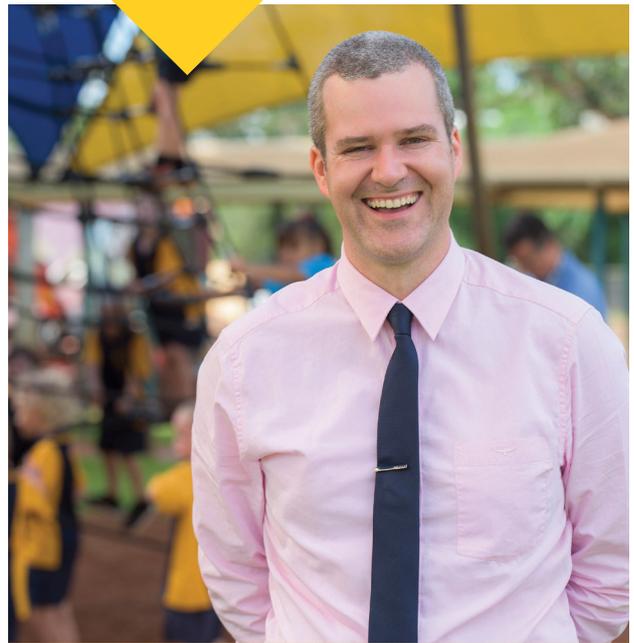
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### 2018 Commonwealth Bank Teaching Award recipient

In his first week at Ngukurr, John Cleary noticed an alarming number of Aboriginal students stopped coming to class. So he focussed more on what children and their families wanted – which John says was “to bring the school into the heart of the community, rather than on the fringe”. Attendance improved significantly.

Now, as Principal of a primary school in Katherine, John's work has paid off, with one of the nation's best NAPLAN-measured improvements between years 3 and 5 in reading, writing and numeracy.

For John, becoming a Fellow has given him the opportunity to engage with experienced and insightful school leaders and others in the education space.

# What's next?



Janeen Silcock, 2018 Commonwealth Bank Teaching Fellow, with students at Ballina Coast High School (NSW).

**Over the past 12 months, we have delivered economic and social benefits at scale through our ongoing commitment to education, educators and school leaders. We recognise more work is needed to make a meaningful long-term difference, so we continue to assess and shape our programs to best reflect the needs for students and teacher across Australia and secure a better future.**

“Taking the mystery out of money at an early age can make the difference between an adult who is good with money, and one who isn’t – but our work doesn’t stop there”, says Kylie Macfarlane, General Manager Corporate Responsibility, Commonwealth Bank.

“We are continually seeking opportunities to help bridge the financial education gap for entire generations, irrespective of location, background and age. More work is going into partnering with communities to better understand unique needs and perspectives and maximise knowledge sharing among educational experts.

We’ve created a network of some of the country’s greatest educators who are collaborating and implementing their findings in real life situations, whilst investing in research that will shape the future of education and ultimately the workplace. The opportunities are truly endless.”

## Contact us

 [commbank.com.au](http://commbank.com.au)

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If you would like to provide feedback,  
or you have questions on this report or  
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