



# TBTEA Journal

## Looking to the Future

### 2015

The *TBTEA Journal* is a peer-reviewed journal.  
Articles that are included have been subjected to a blind-review by external peers.

Perceptions of Business Teacher Education Majors  
Concerning Preparedness to Teach Personal Financial Literacy:  
A case study of one teacher education cohort

Tamra S. Davis, Ph.D.  
Illinois State University  
Tdavis2@ilstu.edu  
Campus Box 5590  
Normal, IL 61790-5590

**Perceptions of business teacher education majors concerning preparedness to teach  
personal financial literacy courses at the secondary level:  
A case-study of one teacher education cohort**

**Abstract**

Personal financial literacy is a necessary skill for financially responsible adults. Although important, the skill is often overlooked in traditional secondary curriculums; or the concepts are buried within the content of other classes. The primary research question for this study asked: Do business teacher education candidates who complete the longitudinal development assignment feel more prepared to teach personal financial literacy than those business teacher education candidates who did not complete the development assignment?

A mixed methods study using survey research and qualitative analysis techniques of reflective essays was used to answer the research questions. The survey was administered to business teacher education candidates and/or graduates who had completed a technology class and a consumer education class between August 2011 and May 2014. The course curriculum in 2011 and 2012 did not include specific projects related to financial literacy. In 2013, a longitudinal project focused on financial literacy topics that spanned both classes was introduced. The majority of teacher education candidates teach financial literacy topics during one or more clinical experiences of pre-student teaching and student teaching; therefore, it is important for the business teacher education program to continue and enhance the teaching methodologies and content in the area of financial literacy.

**Perceptions of business teacher education majors concerning preparedness to teach  
personal financial literacy courses at the secondary level:  
A case-study of one teacher education cohort**

## **Introduction**

Personal financial literacy is a necessary skill for financially responsible adults. According to Waldman, Bashaw, and Niederjohn (2012), “Economic and financial literacy serves the public interest in several ways . . . the costs of economic and financial illiteracy can be great. One needs to look no further than the financial crisis of 2007 – 2008 to find evidence of that” (p. 62). Chairperson of the Federal Reserve System, Ben Bernanke stated, “The financial preparedness of our nation's youth is essential to their well-being and of vital importance to our economic future” (2008). Although important, the skill is often overlooked in traditional secondary curriculums; or the concepts are buried within the content of other classes. The State of Illinois, recognizing the need for financial literacy education, now requires all secondary students to complete a minimum of nine-weeks of instruction in consumer education including the basics of financial literacy as a graduation requirement (Illinois Compiled Statutes 105 ILCS 5/27). In Illinois, the concepts of personal financial literacy can be taught in multiple classes such as economics, introduction to business, personal finance, or courses through the family and consumer sciences, social studies, or agriculture departments. At the present time, any teacher, regardless of academic background, who has met the requirements for endorsement in consumer economics, can teach financial literacy.

Business teacher education programs have incorporated personal finance and economics topics into the curriculum of future business teachers for decades (Clow, 2009). Due to focused preparation in economics and finance, business teachers are highly qualified to teach personal financial topics (Waldman, Bashaw, & Niederjohn, 2012); however, the self-efficacy to teach personal financial topics may be lower than desired (Way & Holden, 2010). Based upon

feedback from student teachers and cooperating teachers in 2010 and 2011, the program faculty revised two courses in the teacher education curriculum during 2012 in order to incorporate specific teaching strategies within the core content courses. The revised courses began in 2013. Although neither class focused on teaching methodologies, students created learning activities related to financial literacy by using iPads and mobile applications. Additionally, students in the classes utilized hands-on activities and multiple resources to learn and interact with the course material.

Utilizing social cognitive theory, self-efficacy in this study is defined as an individual's belief in the ability to succeed (Bandura, 1977). The primary objective of the study was to determine the self-efficacy of business teacher education candidates at the largest business teacher education program in Illinois.

## **Background**

Way and Holden (2010) reported survey information about current teachers' self-efficacy for teaching personal financial literacy topics. The survey indicated that almost two-thirds of those teaching personal finance and consumer economics felt unqualified to teach financial literacy content based upon individual state standards and that just over one-third of the teachers had taken a college-level course in financial literacy. Way and Holden (2010) concluded, "Formal education is a predictor of teachers' own perceived competence to teach specific financial topics, so the fact that teachers are acquiring little formal education in personal finance is important" (p. 10).

The Policies Commission for Business and Economic Education (PCBEE) (2011) released Policy Statement 88 in 2011. Specifically, the PCBEE stated:

Because business educators have undergone rigorous training and are certified to teach accounting and finance, they are the most qualified to teach personal financial literacy.

We believe business educators must be vigilant in assuming the sole responsibility for teaching personal financial literacy and maintaining course integrity. (Policies

Commission for Business and Economic Education, 2011)

As part of the preparation to teach multiple business subjects, the Business Teacher Education program at Illinois State University requires all teacher candidates to complete multiple courses that incorporate financial literacy into the course requirements, including *Decision-Making for Consumers*, *Principles of Economics*, *Business Finance*, *Business Enterprise*, *Entrepreneurship*, and *Basics of Business, Accounting, and Marketing Teaching Methods*. No other teacher education program at the university requires as much coursework in the financial literacy field.

### **Research Question**

The research question for this study asked: Do business teacher education candidates who complete the longitudinal development assignment in *BTE 225: Advanced Microcomputer Applications* (BTE 225) and *BTE 330: Decision Making for Consumers* (BTE 330) feel more prepared to teach personal financial literacy than those business teacher education candidates who did not complete the development assignment?

**Longitudinal Development Assignment.** Based upon feedback for the student teachers in 2010 and 2011, plus input from cooperating teachers and the program advisory committee, revisions to the two courses were made. The two courses designed to be taught in back-to-back semesters included the new course content beginning 2013. The changes included updating the technology course from Microsoft Office to a technology survey course incorporating knowledge of computer programming concepts, HTML, web design using Dreamweaver, Adobe Photoshop,

and current technologies as determined each semester. Students in the technology class use the skills learned to create a presentation about a financial literacy topic. The next semester, the student completed the consumer education course. The consumer education course is open to all majors in the university; therefore, updates to the consumer education course involved adding a teaching or presentation project that required all students to teach or present a 10-minute lesson on a specific financial literacy topic. The teaching/presentation project included a learning objective (main idea), instructional materials related to the objective (an activity), and a formative assessment (question/answer session).

**Methodology.** A mixed methods study using survey research (See Appendix A) and qualitative analysis techniques of reflective essays was administered to business teacher education candidates and/or graduates who had completed classes between August 2011 and May 2014. Students who completed the two courses in 2011 and 2012 did not complete the longitudinal development assignment. Students who completed the courses in 2013 and 2014 completed the longitudinal development assignment. Course objectives were the same during the observed time and taught by the same faculty member; however, students in the later classes were required to complete all projects with a focus on financial literacy. Students in the earlier classes selected a project from any business education topic.

Due to the small sample size ( $n=20$ ), the surveys from both groups were analyzed using descriptive statistics only. Additionally, thematic coding of the reflective essays was conducted in order to determine the perceived level of readiness to teach personal financial literacy and to determine the differences, if any, in the perceptions of self-efficacy of the two groups of students.

## Findings

Thirty-one students completed classes during 2011 - 2014. Twenty students responded to the survey for a response rate of 65%. Ten respondents were in the early courses and nine respondents were in the later group. One survey response was declared invalid because it was incomplete. Responses asking the respondents to rank their confidence level (0 = not confident at all, 10 = extremely confident) to teach personal financial literacy or related courses between the two groups showed no difference between the perceptions of the two groups (See Table 1). Students were also asked to indicate if they had taught a lesson in financial literacy as part of a class at the institution and/or during student teaching.

**Table 1**

*Survey Results*

	2011 – 2012	2013 – 2014
	Students n = 10	Students n = 9
Mean	7.85	7.94
Mode	8.00	8.00
Median	8.00	8.00
Standard Deviation	2.32	1.73
Taught a personal finance lesson at ISU	Yes = 7 No = 3	Yes = 6 No = 3
Taught a personal finance or related class during student teaching	Yes = 8 No = 2	Yes = 8 No = 1



Although the descriptive statistics did not indicate differences in the students' perceived self-efficacy, the qualitative responses to the questions did provide insight about the teacher education candidates and graduates concerning their perceptions of self-efficacy to teach personal financial literacy.

## **Discussion**

Using qualitative thematic coding techniques, the reflective essays analyzed highlighted differences in the self-efficacy to teach financial literacy between the two groups. The first group of students reported feelings of unpreparedness to teach financial literacy as indicated by six of the 10 respondents stating that they “did not feel confident preparing activities, projects, or assessments.” Additionally, students in the first group felt prepared to teach the basics but did not feel comfortable teaching specific topics in financial literacy. Respondents also reported that they understood the concepts of financial literacy but did not feel confident enough to teach others the skills required to be financially literate. The student teachers reported difficulties in designing specific lessons or activities related to financial literacy despite being comfortable creating generic lessons and activities in other topical areas.

All nine students in the second group reported feeling “very prepared” and “extremely prepared” to prepare activities, projects, and assessments in the area of financial literacy. Eight of the students taught at least one unit on financial literacy topics during student teaching. One student's placement was in a computer/technology lab. This student reported that during the unit on Excel, he taught the students how to use Excel to create a budget and to create a check register.

Based upon the responses, it appears that the focused project on financial literacy improved the student teachers' self-perceptions to teach financial literacy. When updating the curriculum, the

goal was to infuse not only computer content knowledge but also practical applications of financial literacy teaching. An added benefit to the course changes was an increase of approximately five percent in content exam scores between the first group and the second group of students. Several of the projects students created were incorporated into a new general education course, *Personal Financial Literacy for the College Student*, at the university.

**Limitations.** It is important to recognize that this was a small study with limited applicability to the overall population of business teacher education candidates at the institution or in the broader community beyond the institution. Additionally, business teacher education classes at the university are small, allowing for individual attention and opportunities for students to practice teaching skills within the classroom. All business teacher education candidates, in both groups, presented mini-lessons on financial literacy topics and/or technology tools within the business teacher education curriculum. Not all candidates have had the opportunity to teach lessons during a clinical classroom setting.

### **Next Steps**

The majority of the students in the second group entered their final on-campus courses during the Fall 2014 semester where they completed multiple teaching methods classes and the final courses required for teacher certification through the College of Education. The students in the second group student taught during the Spring 2015 semester. Eight of the student teachers taught at least one lesson on financial literacy during student teaching. One student delayed student teaching to Fall 2015 to complete additional course work. All students received Excellent or Above Average ratings from the cooperating teachers who supervised them during the student teaching experience. They also scored in the upper-percentiles on the education teacher performance assessment that is required in Illinois.

**Future Study**

A related research study, conducted by the Finance Department, surveyed freshmen at the university about financial literacy. The same survey was administered to graduating seniors. The study was launched during the 2014-2015 academic year. An analysis of the results is underway. Additionally, a second study by this author is underway to determine the educational department and the faculty member's educational background to teach personal financial in secondary schools of Illinois. A third study, modeled after a national study on the same topic (Way & Holden, 2010), will seek to determine the dispositions towards, knowledge of, and thinking about the importance of teaching personal financial literacy of K-12 Teachers in Illinois Public Schools. Data collection is in progress.

**Conclusions**

Based upon the number of student teachers required to teach financial literacy topics during their clinical experience of student teaching, it is important for the business teacher education program to continue to enhance the teaching methodologies and content in the area of financial literacy. Additionally, incorporating financial literacy technology tools into the classroom through a targeted project provided the students with a higher degree of self-efficacy to teach financial literacy topics at the secondary level.

**Summary**

Financial literacy is an important topic in today's society. Each day, the media reports on a financial literacy topic ranging from the potential student loan crisis to individual bankruptcies, high consumer debt, and housing foreclosures. Currently 20 states, including Illinois, require personal finance information to be incorporated into at least one course. Four states require at least one full semester dedicated to personal financial literacy instruction (Jump\$art Coalition

for Personal Financial Literacy, 2014). It is important that those who teach the courses be highly qualified in the field. Business teacher educators have the content knowledge background, and teacher education candidates are receiving dedicated instruction in how to teach financial literacy topics of personal financial literacy and economics that are embedded in the university curriculum that business teacher candidates complete (Clow, 2009). The longitudinal financial literacy project completed by the business teacher education candidates in this study indicate that self-efficacy to teach financial literacy improved for this group of students when compared to the previous cohort that did not complete a dedicated project in financial literacy. The project has become a required component of classes in the business teacher education curriculum.

### **Acknowledgement**

The Business Teacher Education Program and the Department of Marketing at Illinois State University would like to thank COUNTRY Financial from CIFS for funding the grant that made it possible for the program to purchase technology tools and software that was used to create the longitudinal project.

The author received the 2013 COUNTRY Insurance and Financial Services Faculty Scholar Award.

### References

- Bandura, A. (1977). Self-efficacy: Toward a unifying theory of behavioral change. *Psychological Review*, 84 (2), 191-215.
- Bernanke, B. S. (2008, April 9). The Importance of Financial Education and the National Jump\$tart Coalition Survey. (F. R. At the Jump\$tart Coalition for Personal Financial Literacy and Federal Reserve Board Joint News Conference, Interviewer)
- Clow, J. E. (2009). Importance of Economics and Personal Finance Education 2009 Yearbook. In W. J. Wilhelm, & A. D. truell (Eds.). Reston, VA: National Business Education Association.
- Illinois Compiled Statutes 105 ILCS 5/27. (n.d.). *Sec. 27-12.1. Consumer Education* .
- Jump\$tart Coalition for Personal Financial Literacy. (2014). *State Financial Education Requirements*. Retrieved June 24, 2014, from JumpStart.org: <http://www.jumpstart.org/state-financial-education-requirements.html>
- Policies Commission for Business and Economic Education. (2011). *This we believe about personal financial literacy*. Reston, VA: National Business Education Association.
- Waldman, L., Bashaw, D., & Niederjohn, M. S. (2012). Developing Issues in Economic Education and Personal Finance 2012 Yearbook. In W. L. Stitt-Gohdes (Ed.), *Trends & Issues in Business Education* (Vol. 50, pp. 61 - 73). Reston, VA: National Business Education Association.
- Way, W. L., & Holden, K. (2010). *Teachers' Background & Capacity to Teach Personal Finance: Results of a National Study*. Denver, CO: National Endowment for Financial Education.

## Appendix A

## Survey Questions

1. Which class or classes did you complete in your BTE Program with Dr. Davis?
  - BTE 225 Fall 2011
  - BTE 225 Fall 2012
  - BTE 225 Spring 2013
  - BTE 225 Fall 2013
  - BTE 330 Fall 2011
  - BTE 330 Fall 2012
  - BTE 330 Fall 2013
2. Based upon the "new technologies" project completed in BTE 225, how confident are you in your ability to teach personal financial literacy or related courses at the secondary level? (Related courses could include Introduction to Business, Consumer Economics, Decision-making for Consumers, etc.)
  - a. (0 being not confident at all; 10 being extremely confident).
3. Based upon the information taught and research project completed in BTE 330, how confident are you in your ability to teach personal financial literacy or related courses at the secondary level? (Related courses could include Introduction to Business, Consumer Economics, Decision-making for Consumers, etc.)
  - a. (0 being not confident at all; 10 being extremely confident).
4. Based upon the technology tools presented in BTE 225 and/or BTE 330, how confident are you in your ability to teach personal financial literacy or related courses at the secondary level? (Related courses could include Introduction to Business, Consumer Economics, Decision-making for Consumers, etc.)
  - a. (0 being not confident at all; 10 being extremely confident).
5. Did you teach a micro-lesson in personal financial literacy or a related course during your classes at ISU? (i.e. during your TCH/C&I classes or one of your BTE classes)
6. Did you teach a personal financial literacy or related course during your student teaching?
7. Are you a graduate of the BTE program or a continuing student in the program?
8. Which course or courses have you taught at the secondary level?
9. In your own words, describe how you feel about your level of preparedness to teach personal financial literacy or related courses at the high school level. Include information about what was or was not included in your courses at ISU and what could be added to courses at ISU to better prepare future business teachers in this area.
10. In your opinion, were the technology tools presented to you beneficial to your preparation to become a teacher of any business subject area? Please explain.

## Table of Contents

Two Applications of Storytelling in Business Classes .....	6
Clive Muir.....	6
Marsha L. Bayless.....	6
Perceptions of Business Teacher Education Majors.....	18
Tamra S. Davis.....	18
Methodological Issues in Estimating Local Economic Impact: .....	31
Yoshi Fukasawa .....	31
John E. Martinez .....	31
Robert C. Forrester.....	31
Developing Instructional Strategies to Promote and Sustain.....	52
Dr. Jorge Gaytan .....	52
The Importance of Listening in the Teaching and Learning Process: .....	68
Dr. Jorge Gaytan .....	68
Searching for that Elusive Perfect Syllabus – Does it Exist? .....	77
Susan Evans Jennings .....	77
Amy Counts .....	77
National Competitiveness of the U.S. Natural Gas Industry .....	88
Robert A. Lloyd .....	88
From the Classroom to the Boardroom:.....	104

Chynette Nealy.....	104
Pension Fund Basics for Personal Finance Students .....	123
Mark Schaub .....	123
Oops: Did I Just Do (Say) That: .....	131
Keith A. Stearns .....	131
Social Media: Helping and Hindering Employment in the 21 <sup>st</sup> Century .....	144
Carol S. Wright .....	144
Ashley A. Hall .....	144
Judith L. Biss .....	144