

## FINMAN Blueprint for Cooperation



### Intellectual Output 3

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## **Project information**

**Project Acronym:** FINMAN

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**Website:** <https://finmanproject.eu/>

**E-learning platform:** <https://academy-finman.eu/>

### **Consortium:**

- Ruse Chamber of Commerce and Industry (Bulgaria)
- A & A Emphasys Interactive Solutions Ltd (Cyprus)
- Atlantis Engineering AE (Greece)
- Cooperation Bancaire Pour L'europe (Belgium)
- Eurocrea Merchant SRL (Italy)
- Fundación Cultural Privada Empresa-Universidad de Zaragoza (Spain)
- IDEC S.A. (Greece)
- UPI - ljudska univerza Zalec (Slovenia)

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## 1. Acknowledgement

The partners would like to thank all those who took part in the research and implementation of this project. It was made possible by the diverse and unique expertise each organization brought to the team, and we hope we all had the chance to learn something new. The FINMAN project was developed and managed by:

- Ruse Chamber of Commerce and Industry (Bulgaria)
- A & A Emphasys Interactive Solutions (Cyprus)
- UPI - Ijudska univerza Zalec (Slovenia)
- Cooperation Bancaire Pour L'Europe (Belgium)
- Fundación Cultural Privada Empresa-Universidad de Zaragoza (Spain)
- Atlantis Engineering (Greece)
- Eurocrea Merchant (Italy)
- IDEC (Greece)

In the process of the project implementation were involved over 70 external and internal experts in the field of finances, banking and financial education from 7 different EU countries. We are grateful to all external to the consortium organisations which supported us in the process of pilot testing and fine-tuning of the FINMAN training course and are happy to say that this document is the result of the collection and analysis of extensive data and both quantitative and qualitative feedback collected by our stakeholders and end users.

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## 2. Executive summary

The FINMAN project was meant to provide adults with a **specialised programme to acquire, develop, assess and validate a set of essential basic knowledge, skills and competence in the financial area**. The project covers the initial introduction to the collection of skills, and on some occasions, it does advise or provide guidance on how to use additional and outside resources. Overall, it allows participants to be equipped with the necessary knowledge to get started.

Based on the experience gained, we developed a set of recommendations for further utilization and implementation of project results outside of the project's lifespan. Those recommendations are described in detail later in this document.

### 3. Project description

#### a. Project rationale

In Europe, virtually every adult citizen has to operate with money in some capacity. Free movement and trade opportunities in the EU also encourage transnational contacts and exchange, but very few people are familiar with the ins and outs of foreign country financing. We should take into consideration all the young people, studying abroad, and having to manage their own finances. Unfortunately, the topic of financial literacy is absent from many school curricula.

A 2012 Eurobarometer survey on retail financial services, noted by the European Parliament, demonstrated that many consumers do not receive advice when purchasing financial products or services, but when they do, they tend to rely on the product provider. According to the results of the same study, 52% of consumers tend to take the first product they see when obtaining a current bank account or a credit card and over 80% of consumers never try to switch providers after having chosen their personal loan, a credit card, a current account or a mortgage provider. An analysis (2015) of several World Bank specialists also shows that financial literacy is not always a given even in developed countries. According to their findings, most of the EU citizens will not call themselves “financially literate”, which is apparent in South Europe. This is very relevant for the project, as financially literate citizens in partners’ countries are as follows:

- Bulgaria - 35%
- Greece - 45%
- Cyprus - 35%
- Slovenia - 44%
- Belgium - 55%
- Spain - 49%
- Italy - 37%

The most recent analysis (2018) of the Brussels-based economic think-tank Bruegel shows similar numbers across EU member states. It is evident that **over the years financial literacy is not improving at the rate at which financial instruments are becoming available** to the general public. The increased mobility, especially in the new member-states, gives a lot of opportunities but also hides **risks for financially illiterate individuals**, including not only students and young people, but also the elderly and people of all ages, who are deciding to change their place of residence and work.

Special attention should be paid to **financial management during a crisis**, which became very relevant in light of the economic difficulties and negative impact of the **2020 global pandemic and the Russia - Ukraine war**. The pandemic, war, huge inflation and the expected crisis will indisputably change some of the financial tendencies, not only from the point of view of the big companies and institutions but mainly from an individual standpoint. Thus the topic of financial literacy and basic financial education has become even more relevant and the results of the FINMAN project have the potential to have a huge positive

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impact even after the completion of the project itself. At the end of the project, we are now able to offer an accessible training environment, with tailored training content to answer the needs of people with low financial literacy. The project has set the basics for a better connection between trustful financial experts and people in need of financial advice via the database of experts, thus enabling people with low financial literacy to get high-quality consultations in financial matters.

## b. Aims and approach:

As so, the FINMAN project aimed at:

- **A modular training course**, based on consultation with experts during specially designed focus groups. It will encompass a wide range of modules with a practical orientation, targeting people with low financial literacy
- **An online depository**, hosting the whole training course and serving as an aggregator for useful materials and outside sources.
- **A trainer's guide** on the application of training content and utilisation of online training tools, distributed to relevant stakeholders (educators, trainers, education centres)
- **Train the trainer activities**, during which 16 trainers will develop the competence to teach financial literacy to a broader and low-competence audience (like low-income individuals, women, young people and less educated, older adults) and learn to use interactive digital tools and gamification elements in this process.
- **Extensive face-to-face pilot training** will be conducted with 210 people in meetings and lectures, which served not only to fine-tune the course but also to provide people with consultations and answers to specific questions.
- **Specialised training platform** that will be available for at least 5 years after the end of the project and give easy access to an interactive training program for self or group-organized training
- **Online database with financial experts/organizations** who provide consulting services and can be contacted even after the end of the project, setting the base for a community of support and cooperation in the sphere of financial literacy. It should be noted, that those experts are not affiliated with the project outside of initial consultation and guidance, and are under no obligation to provide services for free
- **At least 80 people participating in online learning activities** on the online platform

In the implementation of its aims and goals the partnership used a **user-centred approach** always taking into consideration the **need and feedback collected from the target groups**. While at the same **time involving experts and professionals working in the field** at several levels of project implementation - from the focus groups to the actual delivery of the training content.

## c. The FINMAN learning platform

For the purposes of a better learning process, the project consortium decided to develop an online learning environment, in addition to making available all the materials in plain text. Considering the evolution of modern learning processes and didactical approaches, **self-guided learning platforms** nowadays are more or less **a norm in vocational and non-vocational training courses**. With that in mind, the consortium put together their collective know-how in order to produce the optimal learning experience for the widest target groups. The platform is **simple, easy to navigate**. The registration process is extremely simplified and the training content is **available in 6 EU languages** which makes it accessible to a larger audience.

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## 4. Project results

### a. The FINMAN Training Course

The main aim of this part of the project was to elaborate on the needs of the target groups, to lay the groundwork for the actual training course content, and to build upon it during course development. The planned **Training methodology** is one of the results, that can help not only further on in the project, but can also be used by partners and the general public for further initiatives. Via organising focus groups the consortium managed to involve relevant stakeholders and one of the target groups (adult trainers) at the very first stage of the project development in order to get first-hand information about current challenges and issues that need to be tackled. Thus using the bottom-up approach the partners were able to identify the topics of the future training and draft a Training program. The following Training methodology is also based on the results of the focus group and recommends the implementation of the training program from a practical point of view - with case studies, easy language, and considering the lower knowledge barrier of the future learners. The culmination of the preliminary work was the development of the training course itself - focusing on accessible language, case studies, possible situations the learners may fall into, opportunities, threats, and so on.

Most of the materials will be useful outside of the project as well since they will include the training course and other tools, translated into partners' languages.

### b. The E-Learning environment

The goal of this part of the project makes use of participatory approaches and ICT-based methodologies. The results of this output correspond to the needs of the target groups in full, as it produces the most tangible and innovative results. A database with experts from each country was developed and populated. We are certain that this particular innovation will be of great use to both learners and experts, as the potential for feedback in both directions is immense. The platform itself, located at <https://academy-finman.eu>, is the most visible result of the project, hosting the expert database and the training course itself.

Additional work was put into the gamification part of the course, as an additional, separate product was developed and provided on the learning platform, available at <https://academy-finman.eu/game/>

### c. Pilot testing and FINMAN blueprint creation

Training activities were crucial for the project, as they actively involved target beneficiaries who provided genuine end-users feedback on the quality, effectiveness and comprehensiveness of developed materials. What's more, the online pilot training evaluated the online training platform in terms of accessibility, functionality, design, user-friendliness and applicability of the developed digital tools. This allowed us to improve and modify the materials and training platform. Besides the fine-tuning process, those pilots were a tool for collecting best practices and end-user validation on the basis of which the recommendations of the current blueprint for cooperation on FINMAN skills are developed.

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Overall, we managed to include and engage **over 320** people with each part of the pilot trainings. Thanks to those activities, the training content was further improved according to the suggestions of both trainers and learners.

## 5. Focus group conclusions

The information gained in focus groups is based on two perspectives: the **professional and the user perspective**. Both perspectives show a great need to **differentiate training materials according to age** (young people's needs VS the needs of the elderly). For example, there is an obvious gap in competencies and attitudes towards online banking and cyber security among older people, making no or only a few online transactions, and young people, who are perceived as digital natives and are regular users of online financial services. Further, older people seem to be much more susceptible to financial cybercrimes than young people and have huge safety concerns.

**All groups** of end users agree on the **importance of understanding payslips and work contract elements** with young people stressing the need to be provided with this information when entering their first job position. **Regarding knowledge about investment products**, end users **admit their lack of information** as well as their **lack of understanding of the accompanying risks**. Participants show considerable **interest in loans**, claiming they lack information about various aspects of loan taking and express their fear of consequences in case of being unable to pay off the loan. There are **huge differences in end users' personal budgeting strategies**: on one hand, some end users pay very little attention to personal budgeting while on the other hand some plan and monitor their expenses systematically by using excel tables or internet apps. **Young people's** general attitude toward pension and social security is characterised by the **absence of pension saving plans** and the belief they are not able to save due to low income and their present financial goals.

In contrast to young people, **experts stress** the need for an **early investment for young people**, claiming it is not important how much but **when one starts to invest/save**. Like end users, they see a great need to help **older people** gain access and **start using online financial services**. Further, they agree with end users on the importance of understanding **worker rights** and being able to read one's work contract and payslips. They see personal budgeting as an essential topic and Slovenian experts claim special importance should be placed on **personal attitude to money and personal beliefs** people have **about money**, money making, saving, investing etc. Both end users and experts believe one should **understand how taxes are used by the government** (public services and other benefits for citizens) and get essential information about tax deductions.

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## 6. Training methodology

### a. Introduction

This document is the common European FINMAN training methodology for people with low financial skills and other disadvantaged groups.

The training programme is designed for eight weeks duration. It is included in the description of the methodology adopted, which covers the main aims of the course as well as the expected competencies in terms of learning outcomes. For more details on the didactics of FINMAN training course, check out the FINMAN training methodology here: <https://finmanproject.eu/results-2/>

The **methodology should be seen as a recommendation rather than a rule**. The FINMAN project team recommends that individual educators or training centres, willing to use the content should **take into consideration the needs and learning habits of their particular group of learners**. The consortium also recommends organizing discussions on personal expectations about the training between the educator and end-users, which can lead to meaningful adaptations in the methodology.

### b. Target groups

The Training programme “Personal Finance Management Program” targets people with low financial skills, **among which low-income individuals, women, young people and less educated, older adults, and other disadvantaged groups**. The training programme aims at providing them with motivation, aspiration as well as real life-oriented knowledge and crucial financial competencies.

Since the training material is available in 6 languages (Bulgarian, English, French, Greek, Italian, Slovenian, and Spanish), it is advisable for learners to be familiar with and freely use at least one of those languages.

### c. Suggested learning outcomes

After the completion of the course, the learners are expected to have:

- Knowledge - Factual and theoretical knowledge in broad contexts within the field of financial literacy.
- Skills - A range of cognitive and practical skills required to generate solutions to specific problems in the field of financial literacy.
- Competence - Exercise self-management within the guidelines of financial literacy context that are usually predictable, but are subject to change.

The full list of skills and competencies covered by FINMAN training course could be found in the introduction to each of the 8 modules and is accessible on the training platform - <https://academy-finman.eu/>

The most useful/crucial of those are:

- Savings and investments - how to manage your savings, and what to look out for when researching investment options

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- Social security and pensions - even if you are a young adult or a student, it's never too early to start thinking about the future
- Loans and mortgages - the essentials you need to know when considering a loan
- Cybersecurity - most of your assets nowadays are digital, and you need to know how to secure them and keep them safe
- Online banking - general info on how to deal with online banking and money transfers
- Personal and business budgeting - learn how to keep track of your personal finances, and how to start a basic business budgeting
- Taxes - "In this world, nothing can be said to be certain, except death and taxes". At least you can have some control over the latter
- Salaries and labour contracts - working in an EU country gives you a lot of privileges and worker rights, be sure you know at least the basics when signing a contract!

#### d. Learning methodology

The training course uses self-paced e-learning, with an option for a trainer's assistance.

It has as objectives:

- to introduce the themes to the participants and
- to elaborate on the main theoretical and practical aspects of financial literacy.

Additionally, the learners should have the opportunity to ask the trainer/s specific questions. The format of communication between trainers and trainees is free to be decided according to the specifics of the group and training format (face-to-face or online) and can be carried out as - chat group, email messages, phone calls, individual/ group meetings or others.

The total duration of the **training should be 8 weeks**. The optimal duration of each training module should be 5 hours, with the option to be extended if the module is important or has more information. Each module should last one week, **with 5-6 hours depending on the topic**. The total duration of the **course should be 40-48 hours**.

Each module should end with a self-assessment questionnaire for evaluating what the participant has learned.

Each module should include indicatively the following:

- theory
- examples/good practices (at least two per module)
- references to relevant EU or country laws (if needed)
- non-graded assignments (accompanied by sample reply)
- additional resources (videos, articles, etc.)
- Self-assessment tools

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The self-assessment component is based on the training content and serves as an important measure for learners' knowledge acquisition, their interests and further personal development. The tools can help trainers to check the progress of the students and have immediate feedback on the strong and weak sides of content delivery.

Materials focus on accessible language, examples/good practices (possible situations the learners may fall into, opportunities, threats, and so on). Materials are flexible enough to be useful for groups outside the project's focus - such as high schools, universities, education centres, internal training programs and others.

### e. Prerequisites

FINMAN training course addresses learners with low financial education, therefore the requirements for attending the course are intentionally set low:

- Required education: none
- Required knowledge: a general understanding of economic transactions and basic knowledge of using a computer, tablet or mobile phone and internet
- Required previous experiences: none
- Required previous courses: none

### f. Thematic modules

- Taxes
- Savings and investments
- Loans and mortgages
- Online banking
- Cybersecurity
- Pensions, social security and thinking early about the future
- Personal and business budgeting
- Salary and labour contracts

### g. Certification/recognition of learning achievements

Learners will be awarded a certificate and/or accomplishment of activities (reading of training materials, submission of assignments, etc.) It is advisable for each teaching organization to issue their own certificates, especially for face-to-face training, as open badges or certifications from the system may not be available.

## 7. Pilot training results and recommendations

Pilot testing activities were carried out in all partners' countries, with the aim of gathering extensive feedback, and potentially implementing last-minute fixes in the learning platform, if needed. As expected, the results varied among target groups, age groups, previous education, and others. In general, **all the learners expressed satisfaction with the training course**,

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there was no major criticism or disappointment, but some small recommendations were made. Based on our experience, we have summed up the conclusions from all partners:

- In the youngest age group (18-20), participants mentioned that the content was a little hard to assimilate and suggested the division into two or three difficulty levels by module (e.g. basic, intermediary and advanced). This can be explained by their age and lack of engagement with financial systems, most of the terms were new to them, so additional explanation might be needed. **Subdivision into different levels of difficulty was suggested** by other demographic groups as well.
- The youngest age group also recommended using **more visual aids** during the course - pictures, infographics, videos, etc. This is understandable since their generation interacts with the online environment mostly through interactive visual elements, and this is the “language” they speak the best. Long walls of text are sometimes off-putting and counter-productive, and even conservative educational systems are trying to adjust to that reality.
- Common feedback among most of the participants, at least for the face-to-face trainings, was the lack of images to explain certain situations. Our conclusion is, that for self-guided training lack of visual representation can be tolerated, but when organizing a face-to-face course with lecturers and trainers, **visuals are not just an addition, but an essential** part of the training process;
- For future training courses, we highly recommend trainers to **adjust to the age group** of the participants when presenting financial information. For example, young people tend not to be interested in topics like taxes or loans and mortgages, and they found those topics lengthy, complex and not relevant to their current situation. On the other hand, they were very interested in topics like online banking and payment, cybersecurity and cryptocurrencies, and were willing to learn more about those. On the contrary, people who were planning to start their own businesses were interested in the practical side of things - how to manage their taxes, how to budget effectively, how to find financing, and so on. Middle-aged and seniors, understandably, were mostly interested in social security topics and retirement plans.
- For groups with senior participants, we would recommend **trainers to allocate some additional time** after the official end of the training events. People in this target group are willing **to engage in discussions** and share their experiences, and since they are usually not pressured by time, some very interesting, if unintended discussions are likely to form.
- It is worth noting, that some of the topics of the course are very fluid, the information and innovations develop rapidly, and it won't be surprising if the materials provided in this course will be obsolete in 1-2 years' time. We highly recommend, before any educational activities are done, **additional research** for any of the topics to be carried out, **to ensure that the information is still relevant and useful.**
- Be prepared to provide **references to additional materials**, information, articles or even specialized courses. It's very likely that in every course at least several people

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will show deeper interest in a particular topic and will ask for more information or resources.

- It is usually a good idea to have **some case studies or real-life examples** for any of the modules, as they are arguably better teaching aids than any other visual or theoretical tool.
- FINMAN consortium wants to underline that the quality of the trainings depends as much on the training content and tools as on the personal and professional qualities of trainers. For future replications of the FINMAN training, it is best to involve financial experts and professionals if not as main at least as guest lecturers.

In conclusion, FINMAN project managed to develop **open educational resources** accessible on the project website ([finmanproject.eu](http://finmanproject.eu)) and the training platform ([academy-finman.eu](http://academy-finman.eu)). They could be used for replication of the FINMAN training course outside the project duration and consortium as long as the authors (consortium partners) and the financial support of the European Commission are clearly stated. The FINMAN training course could not be used for commercial purposes by third parties and is intended for broad and non-specialised training purposes. Any training institution willing to utilise the FINMAN project results is recommended to contact the project partner from their country or the lead partner RCCI for recommendations on how best to do that and clearly state the author rights of the content.

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## 8. Other resources

Investopedia, the most comprehensive online resource for all your financial questions:

<https://www.investopedia.com/>

Pitfalls of online investing:

[https://www.esma.europa.eu/sites/default/files/library/2015/11/investor\\_warning\\_1.pdf](https://www.esma.europa.eu/sites/default/files/library/2015/11/investor_warning_1.pdf)

The stock market: <https://corporatefinanceinstitute.com/resources/wealth-management/stock-market/>

Online Banking Advantages. Small Business: <https://smallbusiness.chron.com/reasons-use-online-banking-3452.html>

Internet Banks: Pros and Cons:

<https://www.investopedia.com/articles/pf/11/benefits-and-drawbacks-of-internet-banks.asp>

Debt Instruments: <https://www.investopedia.com/terms/d/debt.asp>

Operating Budget: <https://corporatefinanceinstitute.com/resources/templates/excel-modeling/operating-budget/>

Budgeting vs. Financial Forecasting: What's the Difference?

<https://www.investopedia.com/ask/answers/042215/whats-difference-between-budgeting-and-financial-forecasting.asp>

Your Annual Financial Planning Checklist: <https://www.investopedia.com/articles/personal-finance/your-annual-financial-planning-check-list.asp>

NIS Directive for cybersecurity: <https://digital-strategy.ec.europa.eu/en/policies/nis2-directive>

National Cybersecurity Alliance, Online safety basics:

<https://staysafeonline.org/resources/online-safety-privacy-basics/>

Comprehensive course on mortgages: [https://ojen.ca/wp-content/uploads/2016/11/AFITD\\_Module-Five\\_Mortgages.pdf](https://ojen.ca/wp-content/uploads/2016/11/AFITD_Module-Five_Mortgages.pdf)

The Pan-European Personal Pension Product (PEPP):

[https://ec.europa.eu/commission/presscorner/detail/en/MEMO\\_19\\_1993](https://ec.europa.eu/commission/presscorner/detail/en/MEMO_19_1993)

The European Pillar of Social Rights: [https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/economy-works-people/jobs-growth-and-investment/european-pillar-social-rights/european-pillar-social-rights-20-principles\\_en](https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/economy-works-people/jobs-growth-and-investment/european-pillar-social-rights/european-pillar-social-rights-20-principles_en)

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Learn about investing: <https://www.hl.co.uk/learn>

Human resources and worker rights in EU (including country-specific rules):

[https://europa.eu/youreurope/business/human-resources/index\\_en.htm](https://europa.eu/youreurope/business/human-resources/index_en.htm)

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