



Co-funded by the
Erasmus+ Programme
of the European Union

‘Personal Finance Programme’

(project reference 2017-1-UK01-KA201-036799)

ITALY National research report on finance teaching and other interventions and advice for Young people.

March 2018

**Produced by
IESS - Istituto Europeo di Studi Superiori
Reggio Emilia, Italy**



Contents

Page

3	Purpose of report and terms of reference
4	Section A - National Context
5	Section B - Finance education interventions
6	Section C - Primary research
6	Prior knowledge
8	Preferences in topics to learn
11	Appendix 1 – Italy Finance education interventions
19	Appendix 2 – Survey questionnaire



Co-funded by the
Erasmus+ Programme
of the European Union

Italy

National research report on finance teaching and other interventions and advice for Young people.

This report has been produced as part of the EU funded 'Personal Finance Programme' project (project reference 2017-1-UK01-KA201-036799)

The purpose of the report is to:

- a) provide a current national overview of finance teaching provided by the statutory sector, and to identify its limitations.
- b) identify good practice examples outside of the statutory sector which aim to help students and young people generally become more understanding of personal financial matters, including the development and availability of personal finance programmes, projects or advice websites which are targeted at young people.
- c) Analyse primary research conducted to establish a definitive list of topics which will be of most use to students in relation to personal finance.

The report is the result of the analysis conducted by IESS - Istituto Europeo di Studi Superiori (primary and secondary research).

Terms of reference

'The report will examine the development and availability of personal finance programmes, projects or advice websites which are targeted at young people. It will further analyse the primary research conducted to establish a definitive list of topics which will be of most use to students in relation to personal finance'.

Section A - National Context

Personal Finance Education in Italy.

Introduction.

Schools and Universities in Italy currently have a very poor offer for young people in relation to personal education finance projects and courses.

In **high schools**, also those offering an economics and business-based curriculum, personal finance education is poorly developed and is never considered a curriculum subject.

Apparently, very few schools cover finance some topics in business administration classes, but always in general, with a theoretical rather than practical approach, and always with a focus on financial markets and economics, not on personal finance. Even when they develop banking techniques tools, which is part of some schools' curriculum, focus is not on personal finance.

The situation is the same in **Universities** where economics and business subjects are taught.

Some personal finance concepts are taken for granted and there is no attention to basic personal finance as a foundation for young people.

Some schools organize extra-curriculum courses for teachers or students, but they often rely exclusively on materials and projects promoted by Bank of Italy and a very limited number of associations. In other cases, they cooperate with private banks and financial consultants, who mainly take the occasion to promote their own products and services.

Sometimes schools organize brief seminars with local or national experts, but the approach is given limited time and is always too general and the actual results for students are of poor practical use and rarely interesting.

Companies and professionals who have a solid background in personal finance thanks to their studies abroad (most likely in UK or USA, where personal finance is a definitely more widespread topic) also provide courses, though mainly aimed at adults.

Trading techniques (stocks, ETF, CFD, forex, raw materials etc.) are usually not included among the topics of personal finance courses. Trading techniques are usually covered by more in-depth training, held by financial institutions that have clients who are based in Italy, or by brokers and professional traders who often collaborate with banks.

Same situation for investments training: very few professionals offer a specific training on this topic, which is often overlooked in all personal finance courses.

Conclusions.

To conclude, financial education at its best can be found in private projects, mainly aimed at adults, while in schools, universities and in the public-school system in general very little is offered.

Students tend to perceive themselves as consumers, not savers nor investors. For these reasons, we believe that Italy definitely needs more educational initiatives, and they need to be practical and useful so that young people can learn from true professionals.

Section B - Finance education interventions

Each partner was required to research up to 10 current local, regional or national interventions which have been devised to help young people or school age children understand finance better. IESS identified 11 interventions.

These are a combination of projects set up to help YP with finance, advice websites, web courses, financial games, initiatives from banks and other financial institutions and others. Each of the interventions is summarised giving the title, format, a brief review by the partner, the target age group(s), the financial areas covered, specific learning outcomes, the language(s) it is presented in, the cost implications (if any), the time commitment, web link if applicable, and other relevant information.

The following are the identified interventions:

1. Teens: learning economic citizenship
2. Economic@mente – Account for your future
3. Understanding finance
4. Cashflow
5. The Game of Life
6. Capitalism
7. Financial intelligence
8. Financial education at school
9. Economic and financial training project for schools in cooperation with the Bank of Italy
10. Financial education Lab
11. CONSOB financial education

The eleven interventions are outlined at appendix 1.

Section C - Primary research

Methodology

As part of the fulfilment of Intellectual output 1, primary research was conducted on several cohorts of students and their parents. The purpose of the primary research was to establish from local students and their parents a) what their prior knowledge of various financial topics is, and b) what their priorities are in relation to learning about such topics.

In addition to these two primary questions a number of context questions were asked so that the resulting data could be disaggregated and analysed to establish whether results varied depending on age group, gender, and prior knowledge of finance or economics. A survey questionnaire was agreed by the partnership which is attached at appendix 2.

Partners were given seven weeks to collect responses either using paper based or electronic methods, and targets of 50 students and 25 parents were set for each partner.

Results

At the end of the survey period IESS has collected 50 students and 25 Parent surveys.

IESS ensured a good representation of both boys and girls.

Of the 50 students IESS Surveyed, 28 were male and 22 females.

The age of the students surveyed ranges from 14 to 16.

Prior knowledge

The first question asked students and parents to rank their prior knowledge of the 13 listed finance topics.

	IESS (50)
1. Budgeting:	2
2. Saving:	12
3. Investing in shares:	11
4. Buying your first home and mortgages:	9
5. Pensions:	10
6. University finance:	5
7. Cyber security for your money:	1
8. Your pay cheque explained	3

9. Borrowing money-excluding mortgages	8
10: Opening a bank account:	6
11. Insurance:	7
12. Business finance:	4
13. The power of compounding	NA

The ranking scores shows that IESS students know most about Cyber security for their money, Budgeting and pay cheques but least about Pensions, Investing in shares or Saving.

Parental view on prior knowledge

Parents completed the same questionnaire asking for their own view on their child's prior knowledge. Table 2 (below) shows that this is generally different from the students' opinions, particularly in Investing in shares, Saving and Pensions.

	IESS (25)
1. Budgeting:	2
2. Saving:	1
3. Investing in shares:	3
4. Buying your first home and mortgages:	11
5. Pensions:	4
6. University finance:	10
7. Cyber security for your money:	7
8. Your pay cheque explained	9
9. Borrowing money-excluding mortgages:	12
10: Opening a bank account:	5
11. Insurance:	6
12. Business finance:	8
13. The power of compounding	NA

Gender bias

Table 3 shows how prior knowledge varies depending on gender.

	M (28)	F (22)
1. Budgeting:	9	12
2. Saving:	1	1
3. Investing in shares:	2	3
4. Buying your first home and mortgages:	8	2
5. Pensions:	12	5

6. University finance:	10	7
7. Cyber security for your money:	4	11
8. Your pay cheque explained	5	8
9. Borrowing money-excluding mortgages:	3	6
10: Opening a bank account:	6	9
11. Insurance:	11	4
12. Business finance:	7	10
13. The power of compounding	NA	NA

The girls know more about Buying your first home, Insurance and Pensions while the boys know more about Cyber security for your money and Pay cheque. Both groups appear to have good knowledge of Saving and Investing in shares.

Variances in age group.

Since all students came from upper high school (aged 14-16), data for age group analysis is not available.

Preferences in topics to learn

Question two asked what they would 'most like to learn about', again by ranking the list of 12 topics, with 1 being their most favoured and 12 being their least favoured.

Table 4 - Analysis by Preference to learn - Students	
	IESS
1. Budgeting:	1
2. Saving:	2
3. Investing in shares:	3
4. Buying your first home and mortgages:	10
5. Pensions:	9
6. University finance:	6
7. Cyber security for your money:	4
8. Your pay cheque explained	8
9. Borrowing money-excluding mortgages:	7
10: Opening a bank account:	5
11. Insurance:	11
12. Business finance:	12

Table 4 shows that the favourite topics to learn are 'Budgeting', 'Saving' and 'Investing in shares'. Least popular options were 'Business finance', 'insurance' and 'Buying your first home'.

Table 5 - Analysis by Preference to learn - Parents	
	IESS
1. Budgeting:	1

2. Saving:	2
3. Investing in shares:	3
4. Buying your first home and mortgages:	8
5. Pensions:	10
6. University finance:	5
7. Cyber security for your money:	6
8. Your pay cheque explained	7
9. Borrowing money-excluding mortgages:	11
10: Opening a bank account:	4
11. Insurance:	9
12. Business finance:	12

Table 5 shows that the favourite topics to learn are 'Budgeting', 'Saving' and 'Investing in shares', the topics selected by students. Least popular options were 'Business finance', 'Pensions' and 'Borrowing Money'.

Variance by gender.

Again, the group was disaggregated by gender to see if there were gender specific preferences.

Table 6 - Preference to learn - Analysis by gender		
	M (28)	F (22)
1. Budgeting:	1	1
2. Saving:	2	2
3. Investing in shares:	5	4
4. Buying your first home and mortgages:	4	6
5. Pensions:	7	3
6. University finance:	8	9
7. Cyber security for your money:	6	5
8. Your pay cheque explained	9	8
9. Borrowing money-excluding mortgages:	10	11
10: Opening a bank account:	11	12
11. Insurance:	12	10
12. Business finance:	3	7

Table 6 shows that boys have a greater desire to learn about business finance, while the girls ranked pensions much higher. Otherwise the priorities of the topics to learn were similar.

Prior learning

Students were asked whether they had studied finance or economics previously.

None of them had studied economics nor finance before.

The results from the preferences given by this survey will form part of an international comparison report, which will inform the priority given to the modules produced for the Personal Finance Programme curriculum, training and support materials.

Appendix 1 – Italy Finance education interventions

1. Teens: learning economic citizenship

Type	Organisation promoting financial understanding
Brief descriptive review of the item (1-2 paragraphs)	Interactive programme for high school students on economics and financial topics, with multimedia lessons, tests, simulations, role playing, leading to the production of a business plan.
Target Age Group Category	17-19
List of finance areas covered	The work-income-consumption process; savings, investments and risks; financial markets, banks and money management; developing a business plan.
Specific Learning outcomes	1) Work, income and consumption: work, income and human capital, the economic cycle of the family managing incomes and mandatory and optional expenses. 2) Savings and investments: productive savings, key investment and financing instruments, risk, return and the concept of mutuality. 3) Banks and money management: financial markets, circulation of cash money, banks and key banking instruments, internet banking. 4) Business and finance: business ideas, start ups, economic balance and return on investment, business funding, assessment of creditworthiness and venture capital, Business Plans.
Language(s) written in	Italian
Cost Implications	0
Time Implications	10h
Web link to the item	http://economieascuola.it/programmateens/
Evaluation or other feedback	-
Other relevant information	Some extra modules with further study available on: Economics, ethics and globalisation (link to module); Economics and legality (link to module); Prevention of usury and over-indebtedness (link to module).

2. Economic@mente – Account for your future

Type	Organisation promoting financial understanding
Brief descriptive review of the item (1-2 paragraphs)	Interactive financial education programme targeting financial planning to reach objectives, starting from students' needs.
Target Age Group Category	17-19
List of finance areas covered	Life cycle and events marking key transition phases; life objectives. Investments and indebtedness; financial safety measures: protection, foresight; planning and the need for a consultant.
Specific Learning outcomes	-
Language(s) written in	Italian
Cost Implications	0
Time Implications	8h
Web link to the item	http://www.anasf.it/il-progetto
Evaluation or other feedback	-
Other relevant information	Widespread national project running for several years

3. Understanding finance

Type	Information website
Brief descriptive review of the item (1-2 paragraphs)	Multimedia video course with exercises to do at the end of each chapter. Videos for each topic, lots of text materials.
Target Age Group Category	17-19
List of finance areas covered	Financial market; financial mathematics, financial instruments; how to invest
Specific Learning outcomes	what are economic systems and financial systems? What are markets and financial intermediaries? What are the functions of credit, stock and insurance brokers? How to calculate simple and compound interests? Does time have a financial value? What are and what is the purpose of financial instruments, debt securities (obligations), equity securities (shares), other financial instruments (derivatives and tailored products)? How to invest your savings?
Language(s) written in	Italian

Cost Implications	0
Time Implications	20h
Web link to the item	https://redooc.com/it/superiori/economia-finanza/mercato-finanziario
Evaluation or other feedback	-
Other relevant information	With prior (free) registration on the (commercial) website

4. Cashflow

Type	Board game
Brief descriptive review of the item (1-2 paragraphs)	Board game on investments based on the books by Robert Kiyosaki
Target Age Group Category	14-16
List of finance areas covered	Investments
Specific Learning outcomes	How to calculate cash flow. Invest in real estate, businesses, shares, precious metals.
Language(s) written in	Italian
Cost Implications	125
Time Implications	3h
Web link to the item	https://www.amazon.it/Cashflow-Esci-dalla-corsa-topi/dp/8863662002/ref=pd_bxgy_14_img_2?encoding=UTF8&psc=1&refRID=M6KJ37KY79R6ZJB7GH9M
Evaluation or other feedback	-
Other relevant information	The game has to be played more than once to understand all the rules and procedures. However it is highly educational and easy to understand, with practice.

5. The Game of Life

Type	Board game
Brief descriptive review of the item (1-2 paragraphs)	A board game simulating a whole life, so you need to make important decisions (study or work?), choose the type of work or home to buy, make investments, consider interest payments, debts, taxes, child rearing costs, etc.
Target Age Group Category	20+
List of finance areas covered	Investments
Specific Learning outcomes	Manage financial resources, make long-term choices
Language(s) written in	Italian
Cost Implications	30
Time Implications	1h
Web link to the item	https://www.amazon.it/Hasbro-04000456-Tavolo-Edizione-Classica/dp/B00T9DA7V6/ref=pd_cp_21_2?_encoding=UTF8&psc=1&refRID=9ZKDRXRM80NBH5S5HGYH
Evaluation or other feedback	-
Other relevant information	Classic American game created by Milton Bradley in 1860. The modern version dates back to 1960. There are several versions of the board game; there is also a videogame version (http://store.steampowered.com/app/403120/THE_GAME_OF_LIFE/), available in over 10 languages.

6. Capitalism

Type	Online game
Brief descriptive review of the item (1-2 paragraphs)	The most complete business simulation available, including gaming mechanics that are exactly the same as those used in the real economy. All aspects of business are taken into consideration and tackled in one or more scenarios. Many tutorials available to learn different business and investment strategies. Also used at Harvard Business School.

Target Age Group Category	17-19
List of finance areas covered	Investments, risk management, entrepreneurship
Specific Learning outcomes	How to run a business; marketing; branding; competition with local manufacturers; sale of imported products; creation of new products; report reading; investments in shares.
Language(s) written in	English
Cost Implications	10
Time Implications	40h
Web link to the item	https://www.gog.com/game/capitalism_2
Evaluation or other feedback	-
Other relevant information	Very realistic, highly complex game suited to developing business skills even for those starting from scratch.

7. Financial intelligence

Type	Seminars or courses on finance
Brief descriptive review of the item (1-2 paragraphs)	Complete course on financial education, not overly technical, based on simple, solid information, suitable for everyone.
Target Age Group Category	20+
List of finance areas covered	Personal and family financial management; understand and use key financial instruments; asset allocation.
Specific Learning outcomes	How to manage personal and family finances; how to generate passive income; how to increase your income and decrease your outgoings; guidance on shares, ETFs, obligations, investment funds, etc.; how to choose a financial adviser; techniques for investing in shares and ETFs
Language(s) written in	Italian
Cost Implications	497
Time Implications	25h
Web link to the item	https://www.robertopesce.com/IntelligenzaFinanziaria/corso/
Evaluation or other feedback	Very valid course, clear, precise and useful material.

Other relevant information	No preliminary requirements. Course suited to all ages and levels of study.
-----------------------------------	---

8. Financial education at school

Type	Organisation promoting financial understanding
Brief descriptive review of the item (1-2 paragraphs)	Basic education course proposed to all teachers to improve their own competences to ensure direct knock-on effects for students of all levels. The course is run by the Italian Association of Financial Trainers.
Target Age Group Category	Teachers
List of finance areas covered	macro economics; financing; investments; payments.
Specific Learning outcomes	Financial planning; understanding the financial system; investment selection criteria; payment instruments; protection methods; basic financing instruments; basic investment instruments.
Language(s) written in	Italian
Cost Implications	0
Time Implications	100h
Web link to the item	https://it.eipass.com/educazione-finanziaria-scuola/
Evaluation or other feedback	
Other relevant information	The fully on-line course is run via EIPASS.

9. Economic and financial training project for schools in cooperation with the Bank of Italy

Type	Organisation promoting financial understanding
Brief descriptive review of the item (1-2 paragraphs)	The project is organised by MIUR (Italian Ministry of Education) and involves teacher training by staff in the branches of the Bank of Italy, with subsequent classroom lessons held by the teachers taking part in the training, concluding with a test administered to students in the form of a multiple-response questionnaire to measure the efficacy of the course.
Target Age Group Category	17-19

List of finance areas covered	Payment instruments; risk management; investments.
Specific Learning outcomes	Cash and payment instruments; price stability; the financial system; third party car insurance; savings decisions; risk assessment; returns on financial assets.
Language(s) written in	Italian
Cost Implications	0
Time Implications	10
Web link to the item	http://istruzioneer.it/wp-content/uploads/2018/01/MIUR.AOODRER.REGISTRO_UFFICIALEU.0000253.08-01-2018.pdf
Evaluation or other feedback	
Other relevant information	<p>Reports of the previous year's activities are available at the following link: https://www.bancaditalia.it/pubblicazioni/quaderni-didattici/index.html</p> <p>The meetings with foster teaching by competences. Differentiated according to the teachers' school level.</p>

10. Financial Education Lab

Type	Information website
Brief descriptive review of the item (1-2 paragraphs)	STEM education workshop, run by the Foundation for Financial Education and Savings (FEDUG), divided into a number of video-lessons aiming to make students think about the main functions of finance.
Target Age Group Category	14-16
List of finance areas covered	Finance; income; savings; investments.
Specific Learning outcomes	Work, income and human capital; the economic cycle of the family; workers and businesses; managing money; expenditure classification; what are financial markets; what is a bank and which services does it provide.
Language(s) written in	Italian
Cost Implications	0
Time Implications	4h

Web link to the item	https://redooc.com/it/laboratori/laboratorio- educazione-finanziaria
Evaluation or other feedback	
Other relevant information	The lessons are very basic. Tests are available for the whole class.

11. CONSOB financial education

Type	Information website
Brief descriptive review of the item (1-2 paragraphs)	Official information website of the “Commissione Nazionale per le Società e la Borsa” (CONSOB, the Italian stock market regulator), containing courses, studies, a budget planner, a number of games and interactive tools to assess your own financial shortcomings.
Target Age Group Category	17-19
List of finance areas covered	Investments, savings, risk management.
Specific Learning outcomes	How to draft a budget; understanding various financial instruments; history of finance and a study of financial crises.
Language(s) written in	Italian
Cost Implications	0
Time Implications	10h
Web link to the item	http://www.consob.it/web/investor-education/dal- medioevo-all-eta-moderna
Evaluation or other feedback	-
Other relevant information	Articles in text format; software and basic information;

Appendix 2 – Survey questionnaire

Personal Finance Programme – Young people’s questionnaire

Dear Student

We are developing a course to help young people understand personal finance better. We would appreciate some feedback from you to help us design it, by telling us what you think the important elements of personal finance are. The questionnaire will only take you a couple of minutes to complete and will be treated in strictest confidence. Thanks for your help.

Q1 On a scale of 1 – 10 (where 1 is nothing and 10 is a lot), please rate your personal knowledge of the following topics: (please circle the appropriate number)

- | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|----|
| 1. Budgeting: (Accounting for what you earn and spend) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 2. Saving: (Getting the best return on your saved money) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 3. Investing in shares:
(How to invest in stocks & shares and the options available) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 4. The power of compounding:
(How compounding affects investment performance) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 5. Mortgages:
(Choosing the most appropriate mortgage) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 6. Pensions: (Saving for retirement) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 7. University finance: (An introduction to tuition fees) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 8. Cyber security for your money:
(Protecting against fraud) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 9. Your pay cheque explained
(Tax, national insurance and other deductions) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 10. Borrowing money-excluding mortgages:
(The best loan options) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 11: Buying your first home:
(Costs and things to consider) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

Your Name* Your Age

Gender male / Female

School/University attending

Have you studied business? Yes / No

Have you studied Economics? Yes / No

Have your parents or guardian completed their own questionnaire Yes / No

Thanks again for helping the Personal Finance Programme by completing this questionnaire

*Completion of your name is optional



Co-funded by the
Erasmus+ Programme
of the European Union

“The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the commission cannot be held responsible for any use which may be made of the information contained therein”.