

Introductory Values-Based Money Management Workshop

1. Introduction – ensure you have collected all of the pre-session surveys
2. Bill Cosby Clip

<http://www.spike.com/video-clips/y4zpuq/the-cosby-show-season-1-clip-from-pilot-episode>

3. A regretful purchase or bad financial decision
 - a. Hand out scrap paper
 - b. Have everyone write down one purchase that they have made or a bad financial decision they have made
 - c. Collect papers
 - d. Read them all out or find a trend amongst them and read them out
 - e. Encourage everyone to recognize that everyone make mistakes – tell personal story about opening a line of credit – What do I value more, having the least amount of debt possible when I finish school, or snowboarding and trips with friends? (Some people are comfortable with having a line of credit. I'm not. Find out what's comfortable for you. Find out why you are making the decisions that you do and what you truly value.)
4. Decision Making (Perception vs. Reality)
 - a. Classical Economics states that human being make perfect decisions based on the information available to them
 - b. Behavioral economics states otherwise. Human beings, in reality, make sub-optimal decisions. They don't necessarily take the most optimal choice.
 - c. Herbert Simon – one of the most influential social scientists of the 20th century coined two phrases (bounded rationality and satisficing)
 - d. Bounded Rationality – We think we are making perfectly rational decisions but that rationality is bound by a number of different factors (Time/convenience)
 - e. Satisficing – combination between “satisfy” and “sacrifice” or “satisfy” and “suffice”. We get stuck on first choices regardless of whether a second choice may be better.
 - f. We often make decisions at a sub conscious level – at the grocery store we will purchase things at eye level, we impulse buy at the checkout, at the cafeteria or at a buffet we will take the most from the first stop
 - g. Other factors that affect decision-making – HALT – Hunger, addiction, and loneliness, being tired. Family/cultural background. (SLIDES – what we know doesn't always translate into what we do)
5. Buying Values Game
 - a. Hand out 2-3 items, depending on the number of people, and a clip of money

- b. Layout items in the store. Ensure the items with no monetary values associated with them are laid out in the store (. The store side can contain a random set (more materialistic items e.g. make-up, ipad, shoes etc.)
- c. To start the activity, have everyone read out the items they were dealt.
- d. After reading the items participants can now attempt to get the items they want. They have the option to barter and trade or use the money they have to purchase things from the store.
- e. After a few minutes of play, begin to draw more attention to the items in the bank (these symbolize “temptations”).
- f. At the end of the activity get everyone to read out the items they ended up with and discuss the following things:
 - i. Did you get what you wanted?
 - ii. Did you count how much money you had before you started? Do you know how much money you have in the bank right now?
 - iii. Did they find anything unfair?
 - iv. Talk about temptations.
 - v. Did you ask about the additional items they had in the bank? Did you do your research before settling on your first choice?
 - vi. We are not asking you to forego the items that you truly want and value but realize that sacrifices have to be made and that there are a number of contributing factors to take into consideration.
 - vii. Goal setting – talk about the card holder and how to think about your purchase each time you pull out your card as to whether your purchase will affect your goals
 - 1. Do I need to go snowboarding or do I want to finish school with the least amount of debt possible?

6. Principles of Budgeting Paper Clip Game

- a. Hand out a bundle of twenty paper clips – represents income
- b. Give more paperclips to students who have kids or are married and less to students who live at home
- c. List out common expenses in random order.
- d. Ask everyone when they ran out of paperclip
- e. Talk about prioritizing

7. Quick presentation on services we offer

8. Discuss skill sets to be financially empowered

- a. Recognize you have many choices and it is never too late to make a better choice
- b. Write down our personal goals to help with your planning
- c. Understand and acknowledge your current money situation
- d. Get organized – start with finding out how much money you have in the bank and move onto the bills you have to pay.
- e. Learn how interest works – credit card slider

9. Hand out post-session survey/Give out/offer swag!