MONEY 2000™: Differences in Perceptions Among Program Participants

Barbara O'Neill, Rutgers Cooperative Extension
Jing Xiao, University of Rhode Island
Barbara J. Bristow, Cornell Cooperative Extension
Patricia Q. Brennan, Rutgers Cooperative Extension
and Claudia Kerbel, Center For Personal Finance

Abstract

This study was undertaken to determine significant differences in perceptions of the most and least helpful aspects of the MONEY 2000™ program by participants in New Jersey and New York. These were the first two states to implement this program. The sample of 520 MONEY 2000™ program participants had a higher income and educational level than average Americans. The most helpful aspect of MONEY 2000™ was the quarterly newsletter, followed by tips/ideas/information, Extension publications, and workshops/classes/conferences. The least helpful aspect was none/nothing, followed by workshops/classes/conferences. Differences in perception of the most helpful and least helpful aspects of MONEY 2000™ were tested with chi-square analysis between each of the "most helpful" and "least helpful" responses and the demographic variables of age, ethnicity, marital status, gender, educational level, and state of residence. Implications for financial educators, based on the results of this study, are provided.

Introduction

MONEY 2000™ is a Cooperative Extension system program that encourages participants to save and/or reduce debt by a specific dollar amount (e.g., $2,000) by the end of the year 2000 (or later, in some states). Developed by Rutgers Cooperative Extension in 1995 and first implemented in New Jersey and New York in 1996, MONEY 2000™ is believed to be the only savings education program ever launched in the United States to include a behavioral monitoring component over an extended period of time (O'Neill, 1997). Participants are asked to set financial goals (i.e., a specific amount of increased savings and/or reduced debt) which, to date, have ranged from several hundred dollars to well into six figures. They are then provided educational services (e.g., quarterly newsletters, classes, state conferences, computer analyses, home study courses, and Web sites) by Cooperative Extension personnel and

surveyed about changes in their asset and debt level every six months (O'Neill, 1999).

To date, the semi-annual reports have indicated significant progress by MONEY 2000™ participants. In New Jersey, where the program began, 1,842 participants had enrolled by June 2000 and reported $5.8 million of aggregated savings and debt reduction. In the 32 states that reported program participation, there were 13,093 participants and a total dollar impact of $15.2 million was reported in 19 states. This number represents a direct increase in the net worth of program participants. Another way the program has been evaluated was to question participants directly about their experience with the program, including its most and least helpful features, and its impact on their life. This paper reports the results of a study of significant differences in perceptions of the MONEY 2000™ program.

Methodology

Data were obtained from a convenience sample of New Jersey and New York MONEY 2000™ program participants who completed an 8-page mailed survey during the fall of 1998. Participants received the survey from their county Cooperative Extension office as an enclosure with the fall 1998 issue of *MONEY 2000™ News*, the quarterly newsletter for program participants. Approximately two months were allowed to return the surveys and incentives were used to encourage participation. Due to funding constraints and reliance on dozens of county Cooperative Extension offices to reproduce and mail the survey, no additional attempts were made to contact participants.

Although the due date to return the surveys was December 15, 1998, responses were accepted throughout January 1999. In New Jersey, 309 surveys of the 1,268 originally sent were returned, for a response rate of 24.4%. Of these, six were unusable due to missing data or clerical errors in the administration of the survey, leaving a sample of 303 respondents for analysis. In New York, 217 surveys were returned, of the 1,024 originally mailed, a 21.2% response rate. Thus, the total sample for this study consisted of 520 MONEY 2000™ participants or an adjusted response rate of 22.7% (520/2292). In other words, slightly more than 20% of persons enrolled in the MONEY 2000™ program in New Jersey and New York at the time that data were collected participated in the study.

Participants were asked to indicate the length of time they had been enrolled in MONEY 2000™ by checking one of six time frames or indicating they were unsure or could not remember. Almost a third (31.2%) of the sample checked the last option. Of the remainder of respondents, slightly more than a quarter (26.4%) had been enrolled in MONEY 2000™ over 18

months by the time data were collected. Another 7.4% had participated between a year and 18 months, 17.3% between six months and a year, and 17.7% for six months or less.

Over three-quarters (76.6%) of survey respondents were female, 55% were married, and 83.5% were white. The largest proportion were in the age range of 35 to 44, with 29.6% of respondents. Another 27.1% were age 45 to 54, 16.6% were 55-64, 16% were under age 35, and 10.7% were age 65 and over.

The sample is more affluent and highly educated than Americans on average with 54.8% reporting a household income over $45,000, compared to a 1997 U.S. median income of $37,005. The 1997 New Jersey and New York median incomes were $48,021 and $35,798, respectively ("Statistical Abstract," 1999). Three of every ten respondents earned over $65,000 and almost one in ten earned over $100,000. Only 4.8% of respondents earned less than $15,000, 18.1% earned $15,000 to $30,000, and 22.3% earned $30,001 to $45,000.

Over half of the sample had a four-year college degree or higher (53.7%). Four-year or advanced degrees are held by 24.3% of citizens nationwide ("Statistical Abstract,"1999). About a third (34.4%) of the sample had some college education or a two-year degree and 11.9% had a high school education or less.

Most Helpful Aspects of MONEY 2000™

Respondents were queried regarding their perception of the most helpful and least helpful aspects of MONEY 2000™. These questions were open-ended and two independent data coders summarized and categorized the responses. Up to three responses per survey were recorded. Interestingly, some of the responses pertained to aspects of MONEY 2000™ itself (e.g., publications), while others pertained to actions taken by participants, or effects of the program upon them.

Table 1 presents the most helpful aspects of MONEY 2000™ in descending order, as summarized by the data coders. Responses that garnered the highest response include the quarterly newsletter, *MONEY 2000 News* (22.5%), followed by tips/ideas/information (15.4%), Extension publications (9.6%), and workshops/classes/conferences (9.6%).

Significant Differences in Perception of Helpful Aspects

Chi-square tests were conducted between each of the "most helpful" responses and the demographic variables listed above to detect any differences in what has been most helpful about respondents' experience with MONEY 2000™. Chi-square is used as a measure of association

between categorical variables. A significance level of 5% was used to report results. Compared with single respondents without children, married respondents and single respondents with children were more likely to report that the *MONEY 2000 News* newsletter was most helpful (χ^2 = 12.401, df=3, p=.006). In addition, married respondents were more likely than their single counterparts to believe that reminders and reinforcement were most helpful (χ^2= 9.823, df=3, p=.020). Less educated respondents (some college or lower educational level) were more likely to consider specific behavioral changes (e.g., started budget and decreased debts) as most helpful (χ^2= 11.394, df=4, p=.022).

Table 1. Perceptions of Most Helpful Aspects of MONEY 2000™ (N=520)*

Characteristic	n	%
MONEY 2000 News newsletter	117	22.5
Tips/ideas/advice/hints/information for improving finances	80	15.4
Extension publications (various)	50	9.6
Workshops/classes/conferences/seminars	50	9.6
Direction/focus/structure/motivation/accountability	47	9.1
Increased awareness of personal finances or financial topics	41	7.9
Setting/working toward/clarifying financial goals and plans	32	6.2
Extension support services (e.g., answered questions, counseling)	29	5.6
Specific behavioral changes (e.g., started budget, reduced debt)	28	5.4
Increased/reinforced knowledge of financial topics	27	5.2
Reminders and periodic contact/mailings/updates	26	5.0
Nothing helpful or just enrolled	17	3.3
Reports and paperwork/record-keeping/tracking	6	1.2
PowerPay debt reduction analysis/computer printouts	5	1.0
Organized/simplified finances and better record-keeping	2	.4
Other responses	17	3.3
No response	69	13.3

* Percentages exceed 100% because multiple responses were provided.

Younger respondents (44 years or younger) were more likely than other age groups to consider *MONEY 2000 News* most helpful (χ^2= 27.298,

df=4, p=.001). Respondents with household income between $15,000 to $45,000 were more likely to report that Extension support services were the most helpful (χ^2= 12.309, df=5, p=.031). Compared to whites and blacks, respondents in other ethnic groups were more likely to view the following three items as the most helpful: increased awareness of personal finances or financial topics (χ^2= 8.445, df=2, p=.015), organized/simplified finances and better record-keeping (χ^2 =6.835, df=2, p=.033), and reports and paperwork/record-keeping (χ^2= 8.237, df=2, p=.016). Extension support services were more likely to be perceived by female respondents than males as the most helpful (χ^2=4.661, df=1, p=.031).

Respondents from New Jersey were more likely to consider tips/ideas/advice/information for improving finances (χ^2= 9.318, df=1, p=.002) and increased/reinforced knowledge and understanding of financial topics (χ^2=4.457, df=1, p=.035) as the most helpful aspects of MONEY 2000™ In New York, where many Extension offices provide one-to-one financial counseling services, respondents were more likely to view Extension support services as their most helpful experience (χ^2= 11.891, df=1, p=.001).

Least Helpful Aspects of MONEY 2000™

As for the least helpful aspects of MONEY 2000™, the most frequent response (12.7%) was none/nothing (i.e., participants who specifically indicated that there was nothing about the program that they found to be least helpful). In addition, almost half (44.5%) of respondents left the item blank. Both indicate a high level of satisfaction with the program. The second most frequently-mentioned issue (9.1%) was workshops/classes/conferences. Participant comments indicated that it was generally not the quality of these programs that was at fault, but, rather, where and when they were held (i.e., convenience issues). In other words, even if a program had outstanding content and speakers, if a respondent could not attend, they viewed this teaching method as less than helpful. Service delivery issues (e.g., late mailings, unreturned phone calls), paperwork/reports, and insufficient personal contact were mentioned by 4.8%, 4.6%, and 4.2% of respondents, respectively.

Significant Differences in Perception of Least Helpful Aspects

Chi-square tests were also conducted to examine if there were demographic differences regarding the least helpful aspects of respondents' experience with MONEY 2000™. The following findings were reported at a significance level of 5%. Compared to respondents with other types of households, single respondents without dependent children were more likely to view no or insufficient personal contact or support as the

least helpful aspect (χ^2=7.970, df=3, p=.047). Respondents with a two year college degree or lower were more likely than others to report that nothing about MONEY 2000™ was least helpful or that all aspects were helpful (χ^2 = 11.681, df=4, p=.020), while their higher educational level counterparts with advanced degrees felt that paperwork, periodic reports, research surveys, and phone calls were least helpful (χ^2=11.919, df=4, p=.018).

Respondents with a household income of $30,000 or lower were more likely than others to consider service delivery issues (e.g., late and few mailings, unanswered phone calls, canceled classes) as the least helpful aspect of MONEY 2000™ (χ^2=13.431, df=5, p=.020). Female respondents were more likely than their male counterparts to consider paperwork, surveys, reports, etc. the least helpful (χ^2=4.868, df=1, p=.027).

Chi-square tests were also conducted between the least helpful variables and respondents' state of residence. New York MONEY 2000™ participants were more likely than participants from New Jersey to cite insufficient contact (χ^2= 4.533, df=1, p=.033) and service delivery issues (χ^2= 5.356, df=1, p=.021). Perhaps this is because they paid a $10 fee to enroll and expected more of the program and its sponsors, while, in New Jersey, MONEY 2000™ enrollment was free. New Yorkers were also more likely than New Jersey respondents to report personal failure to get involved in MONEY 2000™ or take action on goals (χ^2= 4.147, df=1, p=.042).

Discussion

Several of the findings reported above are instructive to Extension educators implementing MONEY 2000™ or programs employing a similar methodology. First, respondents with a lower educational level were more likely to list specific behavioral changes made as the most helpful aspect of the program. Perhaps this is because they had taken action, like preparing a budget, for the first time while others had already employed these strategies. These data suggest a strong emphasis on empowerment and behavioral change strategies for less educated participants. *MONEY 2000 News* was clearly the most helpful program feature, especially for younger participants. This indicates a need to expend Extension resources to make print materials as useful and attractive as possible.

Respondents in the lower- to middle-income range and New Yorkers were more likely to consider Extension support services as the most helpful program feature. A number of New York counties utilize volunteer financial counselors, compared to only one county in New Jersey, which probably accounts for this difference. Obviously, participants have benefitted from Extension support services, particularly those who most lack the resources to see a paid financial advisor.

As for the least helpful program aspects, it appears that respondents with a lower educational level were more likely to be pleased (i.e., cited fewer least helpful program aspects) than others. This suggests a need to provide additional "value-added" services to more highly educated audiences. Higher educated participants disliked paperwork the most, suggesting, perhaps, the use of an alternative methodology for collecting MONEY 2000™ impact data. For example, telephone surveys of a random sample of program participants have been used successfully in South Carolina (Porter & Christenbury, 1999).

Another interesting finding is that New York participants were more likely than New Jerseyans to report unhappiness with the frequency or timeliness of Extension services. While the New York enrollment fee was not mentioned per se, it stands to reason that people who are charged for a service expect more than those who are not. Thus, whenever a program is marketed statewide or nationally, attention must be paid to service delivery issues (e.g., "covering" a program when there is an agent or specialist vacancy). This appears to be especially true when a fee is charged for services.

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Barbara O'Neill, Family and Consumer Sciences Educator, Rutgers Cooperative Extension, 3 High Street First Floor, Newton, NJ 07860; (973) 579-0985; Fax (973) 579-0996; e-mail: oneill@aesop.rutgers.edu.

Jing Xiao is Associate Professor, University of Rhode Island, Quinn-CHSS, Kingston, RI 02881; (401) 792-4036; Fax (401) 792-2581; e mail: xiao@uri.edu.

Barbara Bristow is Extension Associate, Cornell Cooperative Extension,

133 MVR Hall, Cornell University, Ithaca, NY 14853; (607) 254-5282; Fax (607) 255-0799; e mail: bjb4@cornell.edu.

Patricia Brennan is Family and Consumer Sciences Educator, Rutgers Cooperative Extension, P.O. Box 900, Morristown, NJ 07963; (973) 285-8302; Fax (973) 605-8195; e mail: pbrennan@aesop.rutgers.edu.

Claudia Kerbel is Program Development Coordinator, Center For Personal Finance, 535 Centerville Road, Suite 103, Warwick, RI 02886; (401) 732-1800; Fax (401) 732-0250; e mail: ckerbel@etal.uri.edu.