

## CURRICULUM

### MODULE 2: COMPONENTS OF FINANCIAL LITERACY

#### GENERAL DESCRIPTION OF THE MODULE

Building upon the foundation laid in the first module, the second module serves as a seamless continuation, delving deeper into the realm of basic financial literacy. The primary objective is to introduce learners to key topics within this field, broadening their understanding of fundamental financial concepts. This module strategically unfolds the basic components of financial literacy, offering a comprehensive exploration of essential knowledge and skills. Learners can expect to gain a more in-depth insight into key components of financial literacy.

#### LEARNING OBJECTIVES

At the end of this module, learners should be able to:

- Understand the basics of the key components of financial literacy

#### TOPICS COVERED

List of topics included in the module:

- Earning
- Spending
- Saving and Investing
- Borrowing
- Protecting & Insurance

#### TEACHING METHODOLOGY TOOLBOX

This module is designed to provide learners with a robust comprehension of vital financial concepts, emphasizing key components of financial literacy. The instructional strategy adopts a conventional approach, employing a PowerPoint presentation supported by a teacher guide. The content is organized to convey precise and easily understandable information regarding the fundamental aspects of financial literacy. The module incorporates various interactive activities to enhance engagement and includes quizzes aimed at assessing learners' grasp of the topic, fostering an engaging and effective learning experience.

The estimation of the content length is 7 hours.

## DETAILED INFORMATION ON THE TOPICS

TOPIC	LENGTH	LEARNING CONTENTS	OBJECTIVE	LEARNING ACTIVITIES	OUTCOME
Earning	1,5 h	Presentation of different types of earning and factors influencing on earnings	Provide learners understanding of different types of earning as well as factors influencing on earnings	Presentation of different types of earning and discussion on factors influencing on earning	Understanding different types of income and factors influencing income
Spending	1,5 h	Presentation of different meaning of spending, difference between needs and wants, meaning of budgeting and the process of creating a budget	Provide learners understanding of spending, and budgeting	Discussion the difference between needs and wants, asking about the meaning of budgeting, define the steps for creating a budget	Understanding the importance of spending and budgeting
Saving and investing	1,5 h	Presentation of motives for saving, different saving options, limits of saving, introduction to investing	Provide learners main information about the saving and provide introduction to investment topic.	Definition of saving, brainstorming the needs for saving, defining different attitudes towards saving, group discussion on saving habits, presenting and discussing saving decisions rule, homework applying saving rule to learner's personal situation	Knowing the main important features about saving.
Borrowing	1,5 h	Presentation of the meaning of borrowing, motives for borrowing, different borrowing options.	Provide learners the most important information about borrowing.	Discussion about the meaning of borrowing, group discussion on the reasons to borrow money, learning scenarios about the conditions for borrowing money, critical thinking on borrowing decisions	Knowing the most important features of borrowing.

Protecting and Insurance	1 h	Presentation of the meaning of protecting and insurance, the potential trade-off between choosing insurance and/or rely on general savings	Provide learners the most important information about protecting and insurance.	Presentation about the importance of protecting and insurance, group discussion about the need for insurance, team work on making insurance decisions	Understanding the importance of protecting and insurance.
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## REFERENCE LIST FOR THE MODULE

Below are some recommendations for the literature:

- 7 different types of income. Available at: [7 Different Types of Income Streams Online Banking \(qonto.com\)](https://qonto.com)
- Budgets: everything you need to know. Available at: [Budgets: Everything You Need To Know \(thebalancemoney.com\)](https://thebalancemoney.com)
- Card, D. (1999). The casual effect of education on earnings: Handbook of Labour Economics, 3, 1801-1863.
- Furnham, Adrian and Helen Cheng. 2013. [What Factors Affect Your Income? \(knoji.com\)](https://doi.org/10.1016/j.socec.2013.02.008). [Journal of Socio-Economics](https://doi.org/10.1016/j.socec.2013.02.008) 44:120-125. DOI:[10.1016/j.socec.2013.02.008](https://doi.org/10.1016/j.socec.2013.02.008)
- How to create a budget in 6 simple steps. Available at: [How to Create a Budget in 6 Simple Steps \(bankofamerica.com\)](https://bankofamerica.com)
- Mincer, J. (1974). Schooling, Experience and Earnings. Human Behaviour & social Institutions. No. 2
- The 5 components of Financial Literacy. Available at: [The 5 Key Components of Financial Literacy | Fastweb](https://www.fastweb.com)
- The 50/30/20 rule: how to budget your money more efficiently (2022, August 12). N26. <https://n26.com/en-eu/blog/budget-spreadsheets-and-worksheets>
- What factors affect your income? Available at: [What Factors Affect Your Income? \(knoji.com\)](https://www.knoji.com)
- Which Europeans saved and spent the most in 2021? (2022, January 17). N26. <https://n26.com/en-eu/blog/european-saving-and-spending>

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