

## MMI FOUNDATION

## Financial wellness starts with financial literacy

MMI aims to enhance the lifetime financial wellness of South Africans and believes that the starting point for this is financial literacy. To this end, the group focuses part of its corporate social investment on promoting knowledge and skills that enable individuals to make informed financial decisions, thereby empowering them to effectively plan their futures.

Two key projects which exemplify MMI's financial wellness goals are the Making Money Matter board game, designed and implemented by Momentum, and Metropolitan's Early Childhood Development Financial Literacy Project.

**Making Money Matter**

MMI recognises that the future of the country, as well as its business, lies in the hands of the youth. The group's recently revised CSI strategy aims to support youth in their quest to become employable, financially well and active citizens. By seeding financial education within schools, MMI is able to assist in instilling healthy financial habits and building positive attitudes towards money from a young age.

In 2015, Momentum rolled out its Making Money Matter financial literacy board game to grade 9 learners in seven classrooms in Gauteng. The game is a fun and practical simulation of real-life financial decision-making, such as budgeting, managing risk, insurance, saving and investing.

An independent project evaluation showed that, on average, participating students' knowledge improved by 22%, and that they applied key concepts such as budgeting and saving in their everyday lives.



▲ The board game requires players to generate monthly budgets, re-prioritise their spending, answer financial planning-related questions, and make financial decisions. The game can be played by individuals or in groups.

**Helping to create sustainable Early Childhood Development Centres**

Early Childhood Development (ECD) centres play a fundamental role in the emotional and cognitive development of young South Africans. Although the Department of Social Development subsidises registered ECD centres, this funding is usually insufficient to meet all costs. Particularly in impoverished and rural communities, ECD centre managers and principals often lack the knowledge and skills to manage the centres effectively and with a focus on sustainability. This often leads to principals or ECD centre managers subsidising centres out of their own pockets, or turning to unregistered credit providers or loan sharks.

In 2014, Metropolitan partnered with Unity in Africa (UINA), a non-profit organisation and their ECD implementing partner, Early Inspiration, to address this national challenge. Early Inspiration is one of South Africa's leading ECD training and development organizations. The vision of the intervention was to provide financial literacy training to 600 ECD staff in communities in rural Eastern and Northern Cape.

The financial education workshops, which are run by Early Inspiration, cover topics including understanding personal finance, financial planning, processes and management, as well as personal and professional budgeting. In 2016, UINA and Early Inspiration hosted workshops with more than 600 ECD practitioners in the rural Eastern Cape alone.

“There are massive ripple effects from creating a secure, sustainable ECD centre in a community. And this is the first CSI project within the MMI group that integrated ECD with consumer financial education.

Over three years, the project has grown from training people to become registered ECD practitioners, to training these practitioners comprehensively in the financial management of their centres. Now, extending our programme to parents and youth in the communities surrounding these ECD centres, we are slowly beginning to influence the whole financial eco-systems of these specific communities

Charlene Lackay, MMI Group CSI Manager

For many ECD practitioners, these sessions are their first exposure to financial management education. Following the course, one of the many good-news stories showed a participant who had implemented a simple school fee collection system and as a result, transformed her ECD centre's financial situation.

Based on its success with ECD staff, Metropolitan and Early Inspiration have now opened the workshops to parents, enabling them to understand the issues affecting the centres, while teaching them to think more broadly about expanding their own financial horizons.

**KEY LESSONS LEARNT FROM FOSTERING FINANCIAL WELLNESS****Effective partnerships**

MMI ensures that it works with experienced implementing partners, relying on their experiential guidance for more effective programming, based on the precise support and training that resonates most with participants. Partnerships can, and should, also include other funders. MMI believes that it makes sense to become part of a bigger system of change, and to work where its financial literacy interventions form part of broader social development.

**Relevance and simplicity**

When designing Making Money Matter, it was assumed that benchmarking the standard of the game against what was expected of learners in the national school curriculum would be suitable. However, it became apparent that the language and tone of the game were too complex, and needed to be simplified beyond the curriculum standards. This lesson underscores the importance of ensuring that the design of the game – much like the implementation of all development initiatives – speaks to the actual and not the perceived or deduced needs of the target audience.

**Buy-in and receptiveness**

Recommendations and support from relevant government departments is necessary, but not sufficient, to launch a project. It is also imperative that the beneficiary community buys into and supports the implementation of a project. For example, Making Money Matter began as an extra-curricular activity, limiting accessibility for students who had to travel further distances to get home after school. In 2016, the project was incorporated into the Life Orientation and Economic Management Science curricula, forming part of the normal school day, thereby making the project accessible to more learners.

**Looking ahead**

Metropolitan will continue to work with Early Inspiration on the ECD Financial Literacy Project. There are also plans to grow this project by introducing mentorship to help participants implement their acquired skills, as well as to extend this consumer education into local schools.

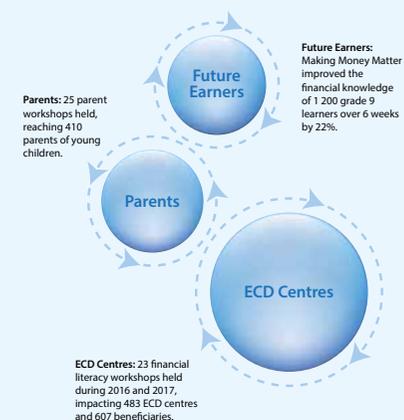
Making Money Matter has proven successful, but is now ready for innovation and enrichment, specifically in terms of taking the learning experience beyond the classroom.

MMI recognises that it cannot begin to drive financial wellness if there is a lack of financial capability. The smallest positive changes in financial behaviour reflect in people's overall financial wellness. By encouraging these small changes, and facilitating the 'lightbulb' moments in consumer financial education, MMI can contribute towards interrupting the cycle of poverty.

The MMI Foundation is the social investment arm of MMI Holdings. Its purpose is to improve the social and financial wellness of individuals, communities and their businesses. Over the years the foundation supported initiatives in sport development, education, disability and health. Although addressing the challenges of young people have always been part of the work of the MMI Foundation, it will focus more deliberately on a youth employment strategy.



▲ The financial education workshops, which are run by Early Inspiration, cover topics including understanding personal finance and financial planning.

**EMPOWERING COMMUNITIES THROUGH INTEGRATED LITERACY INTERVENTIONS**

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