



# MoneyMinded in Solomon Islands Impact Report 2013

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Cover photo: MoneyMinded participants from the Solomon Islands learn about the differences between 'needs' and 'wants' through an interactive card game led by an ANZ MoneyMinded Facilitator.

## FOREWORD

We are pleased to present the MoneyMinded in Solomon Islands Impact Report for 2013. Since 2003, ANZ's flagship adult financial education program, MoneyMinded has reached over 240,000 people in Australia, New Zealand and the Asia Pacific region.

MoneyMinded was first introduced as a pilot project in the Solomon Islands in 2011 in collaboration with the Solomon Islands Women in Business Association and Rokotanikeni. From 2011-2013, 250 individuals from these organisations as well as a number of ANZ employees participated in the MoneyMinded program to build their financial skills, knowledge and confidence.

Results from the survey conducted by the University of the South Pacific to understand the impact of the pilot program reveal that the majority of respondents reported that they have acquired useful and relevant financial knowledge and skills for their daily management of money, more positive attitudes and behaviors towards managing money, and a future orientation that involves setting financial goals, budgeting, saving and investing.

Most had started saving and those who were already saving before the program increased the amount they saved. In addition, the MoneyMinded program has had a positive impact on the respondents' outlook on life, as well as indirect positive effects on the participants' families and friends.

I would like to extend my thanks to the participants who took part in this research. I would also like to thank our MoneyMinded pilot delivery organisations.

Further, I would like to acknowledge our accredited staff who deliver MoneyMinded to participants. Your work with our delivery organisations has contributed to the positive changes in the lives of the participants identified in this report.

ANZ continues to invest in the MoneyMinded program. We aim to support more people in the communities where we operate, assisting them to improve their livelihoods through better financial management.



Geoffrey Buchanan  
Chief Executive Officer  
ANZ Solomon Islands



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## 1.0 ABOUT THIS REPORT AND MONEYMINDED IN THE SOLOMON ISLANDS

### 1.1. About the Solomon Islands

#### 1.1.1 Country Background

The Solomon Islands has a population of slightly over half a million, growing at an average annual rate of 2.1 per cent (see Table 1).

The country has a land area of 27,990 square kilometres and is rich in natural resources such as timber, fish, copra, palm oil and cocoa. The World Bank classifies the Solomon Islands as a lower middle income country. In 2012, the Solomon Islands had a per capita Gross Domestic Product (GDP) of SBD13,496, equivalent to AUD1,996. The annual inflation rate is approximately 2.6 per cent (see Table 1).

Table 1: Selected indicators for the Solomon Islands

Item	Details
Population	549,598 (est)
Population Growth Rate	2.1% (est)
Land Area	27,990 square km
Main Industries	Timber, fish, copra, palm oil, cocoa
Gross Domestic Product (GDP)	AUD1,097 million
GDP per capita	AUD1,996 SBD13,496
Inflation	2.6%

Source: 'World Bank (2012)' and 'CIA World Fact Book'

ANZ has two branches in the capital Honiara. The Bank also operates in two provincial capitals: Auki, in Malaita Province and Gizo, in the Western Province. Apart from ANZ, two other commercial banks also operate in the Solomon Islands.

#### 1.1.2 National Development Policy for Gender Equality and Women's Development

ANZ's commitment to diversity and financial inclusion aligns well with the national development priorities of the Solomon Islands Government overseen by its Ministry of Women, Youth, Children and Family Affairs (MWYCFA). MWYCFA has five strategic objectives for the period 2011 to 2014, including the advancement of gender equality and enhancement of women's development. One of the five priority outcomes under this objective is to improve the economic status of women (see Figure 1).

Figure 1: Solomon Islands National Policy on Gender

#### Priority Policy Outcome 2 Improved economic status of women

"Improving the economic status of women through their access to, and share of, productive resources such as land, income, financial services, training opportunities, enterprise development services and technology contributes significantly to poverty reduction."

Source: 'Solomon Islands National Policy on Gender Equality and Women Development', p2

As stated in the policy outcome, improving the economic status of women contributes significantly to reducing poverty in the Solomon Islands. To achieve this outcome, MWYCFA supports training for current and potential businesswomen as well as life skills training for women in general. Programs in this category include financial literacy and small-business management training. MWYCFA also supports women's micro credit and savings schemes, affiliated to the Solomon Islands Women in Business Association (SIWIBA), which has participated in the MoneyMinded program.

### 1.2 Overview of financial literacy in the Solomon Islands

Little is known about specific levels of financial literacy in the Solomon Islands. However, approximately 70 per cent of the 6 million people living in Pacific Island Countries (PICs) have no regular access to financial services (Liew, 2005) and a significant proportion do not own a bank account.<sup>1</sup> Financial exclusion is particularly evident among women, the unemployed and those with lower levels of education and income (Sharma and Reddy 2002).<sup>2</sup>

Against this general context of financial exclusion, the rapid development of cash economies in PICs imposes a greater need for cash income and an increasing burden on cash resources (UNDP 2010). Abbot & Pollard (2004, p29) reported that 25 per cent of households in PICs have income below the national poverty line.<sup>3</sup>

<sup>1</sup> Liew, J. (2005a). *Banking the Unbanked in Fiji: The ANZ Bank and UNDP Partnership*. Paper presented at the Expanding the Frontiers of Commercial Microfinance.

<sup>2</sup> Sharma, P., & Reddy, M. (2002). *Financial Exclusion in Fiji: Market versus self-driven causes*. Paper presented at the Devnet Conference, Massey University.

<sup>3</sup> Abbott, D., & Pollard, S. (2004). *Hardship and Poverty in the Pacific*. Manila: Asian Development Bank.

In response to these issues, several PICs have introduced: financial inclusion programmes to broaden access to financial services and financial literacy programmes to strengthen financial competence. United Nations agencies and commercial banks continue to play a critical role in developing, funding and implementing these initiatives.

### 1.3 Delivery of MoneyMinded in the Solomon Islands

In 2010, ANZ adapted MoneyMinded for use in New Zealand and the Asia Pacific region, under a Group-wide commitment to enhance the financial capability of disadvantaged communities. MoneyMinded Pacific complements ANZ's rural banking and microfinance initiatives to rural and remote areas using mobile banking centres, which were part of the 'Banking the Unbanked' program. This program has operated since 2004 through ANZ's Pacific network and has reached around 80,000 people in remote communities, who now collectively have over AUD 2.2M in savings.

In 2011, ANZ launched MoneyMinded Pacific in American Samoa, Fiji, Papua New Guinea and the Cook Islands. The pilot program was very well received. The program is now being expanded further following the appointment of 33 MoneyMinded facilitators and four lead facilitators, who are training community organisations and ANZ staff to deliver the program.

In the Solomon Islands, the MoneyMinded program was initially delivered by ANZ staff from Fiji and Papua New Guinea. With the training of local facilitators, MoneyMinded is currently delivered by 15 MoneyMinded facilitators, staff from community organisations who are accredited by ANZ. To date, 250 individuals have completed the full program of six modules while 400 individuals have participated in abridged versions of the program which include selected modules.

MoneyMinded is a suite of financial education resources comprising topics that can be tailored to meet the needs of individuals and groups. The program includes activities and guides for facilitators as well as teaching tools to support the education of participants.

**Table 2: MoneyMinded modules and topics**

Modules	Topics
Money management	Financial decisions in the family Differences between needs and wants Determining spending priorities What is a budget and what are its benefits?
Planning for the future	Goals and their benefits Setting financial goals How having financial goals and budgeting can help
How banks can help	Importance of PIN confidentiality ATMs and bank accounts How saving behavior can help
Credit cards and their risks	How credit cards work Credit card minimum charges: their effects Different types of credit cards Good and bad credit
Loan sharks and their traps	Differences between loan sharks and other sources of loans Insurance Financial risk of debts by relatives
Assertiveness	How to say 'no'

### 1.4 Terminology

The following terminology is used in this report:

- 'MoneyMinded facilitator' refers to an ANZ staff member or community organisation staff member who has completed the MoneyMinded facilitator training and delivers the MoneyMinded program to people in the community.
- 'MoneyMinded participant' refers to a person who has attended the MoneyMinded workshop(s) conducted by the MoneyMinded facilitators.
- 'Respondent' refers to a MoneyMinded participant who completed the evaluation survey.

## 2.0 METHODOLOGY

This report presents the findings of the MoneyMinded Evaluation Survey for the Solomon Islands in 2013. The survey questionnaire was administered to participants a few months after they had attended the MoneyMinded adult financial education program conducted by ANZ Solomon Islands staff. Of the 250 participants who attended the MoneyMinded program from 2011 to 2013, a representative sample of 30 was randomly chosen to participate in the survey to enable meaningful statistical analysis. This represents 12 per cent of the total participants in the Solomon Islands.

The research employed a survey questionnaire which had initially been developed by RMIT University to evaluate the MoneyMinded Program in Australia. The survey aimed to measure financial attitudes, knowledge and capabilities prior to undertaking the program and after completing the program. The survey questionnaire was modified for local conditions, specifically education, income and financial products. For most parts of the questionnaire, respondents were presented with various statements and required to respond using a 5 point Lickert scale.

Data was collected in September 2013, through face-to-face interviews with respondents. Where necessary, questions were translated into the local Pidgin language. Most interviews were conducted at the ANZ office in Honiara and a few were conducted at the respondents' workplaces.

*"My personal lifestyle changed, improved my family living and people commend me for the change and start to ask me to share with them."*

MoneyMinded participant



## 3.0 SURVEY RESPONDENTS

This study focused particularly on female participants as the MoneyMinded program has been delivered to a large number of women in the Solomon Islands. In line with ANZ's commitment to diversity and financial inclusion, the Bank has collaborated with two women's organisations to deliver the program to their members. One of the organisations is the Solomon Islands Women in Business Association (SIWIBA), which is also supported by MWYCFA. The other organisation is Rokotanikeni, an ethnic-based group comprising women from the Malaita Province but living in various provinces throughout the Solomon Islands.

### 3.1 Characteristics of survey respondents

After determining the sample size of 30, SIWIBA and Rokotanikeni were each invited to nominate some of their members to participate in the survey. 16 women from these organisations were able to participate. The remainder of the sample comprised of staff from ANZ as well as staff from two of ANZ's commercial customers.

#### 3.1.1 Age range and gender

For reasons outlined above, the sample contains a higher proportion of females (73 per cent) than males (see Table 3).

**Table 3: Age range of the respondents by gender**

Age range	Female (%)	Male (%)	Total (%)
21-30 years	13	10	23
31-40 years	10	10	20
41-50 years	27	7	34
51-60 years	20	0	20
Over 60 years	3	0	3
<b>Total</b>	<b>73</b>	<b>27</b>	<b>100</b>

In terms of age, the sample was quite evenly distributed among four age groups from 21 to 60 years old. In total, 17 per cent were older than the national retirement age of 55 years. However, none of the males was over the age of 50 years (Table 3).

#### 3.1.2 Business sector

The majority of the respondents (53 per cent) were directly or indirectly involved in operating small businesses (see Table 4). This group consists of women who are members of either SIWIBA or Rokotanikeni, as discussed above.

Slightly over a quarter of the respondents (27 per cent) are employed by two large companies in the manufacturing sector, both of which are ANZ commercial customers.<sup>4</sup> These companies are important stakeholders in two of the nation's major industries. Guadalcanal Plains Palm Oil Limited (GPPOL) is one of the major employers in the country, with over 2,000 employees while the Hastings-Deering Group provides equipment and technical support for the mining industry in the Solomon Islands.

The remaining one fifth of the respondents (20 per cent) work in the banking sector. This group includes employees of ANZ and the Central Bank of Solomon Islands (CBSI).

**Table 4: Business sector of the respondents by gender**

Business sector	Female %	Male %	Total %
Small business	53	0	53
Manufacturing	7	20	27
Banking	13	7	20
<b>Total</b>	<b>73</b>	<b>27</b>	<b>100</b>

#### 3.1.3 Education

In terms of education, 27 per cent of the respondents received primary education only (Table 5). These respondents are all women and engaged in small business enterprises. On the other hand, 47 per cent have undertaken some level of tertiary education, predominantly (37 per cent) at a technical college. A further 10 per cent have undertaken non-formal education, including on-the-job training.

**Table 5: Responses to "What is the highest level of education you have completed?" (by gender)**

Educational level	Female %	Male %	Total %
Primary	27	0	27
Secondary	13	3	16
Tertiary	30	17	47
Non-formal	3	7	10
<b>Total</b>	<b>73</b>	<b>27</b>	<b>100</b>

<sup>4</sup> However, individual respondents may hold accounts at ANZ and/or other commercial banks.

### 3.1.4 Marital status

Most of the respondents (63 per cent) are married or living with a partner (see Table 6). However, 30 per cent belong to households with a single income earner. This category includes those who are widowed, separated or divorced (20 per cent). It also includes singles and those who have a partner, but do not share major expenses (10 per cent).

**Table 6: Marital status (by gender)**

Status	Female %	Male %	Total %
Married	33	20	53
Living with partner	10	0	10
Widowed	17	0	17
Separated or divorced	0	3	3
Single or not sharing expenses with partner	6	4	10
Other	7	0	7
<b>Total</b>	<b>73</b>	<b>27</b>	<b>100</b>

### 3.1.5 Income

The majority of respondents (73 per cent) have regular incomes while the remaining 27 per cent do not. All the male respondents have regular income, as they are permanently employed in the banking or manufacturing sector.

Among the women, 64 per cent have regular income while 36 per cent do not. In addition, more women than men have lower incomes. This phenomenon can be understood in light of the proportion of women who: have received only primary education (refer to Section 3.1.3); and rely on a single income since they are widowed or single (refer to Section 3.1.4).

**Table 7: Responses to "What best describes your household income level?" (by gender)**

Household income level (based on personal income tax brackets)	Female %	Male %	Total %
Less than SBD15,000	7	0	7
SBD15,001 to SBD30,000	33	7	40
SBD30,001 to SBD60,000	13	13	26
Over SBD60,000	7	7	14
<b>Total</b>	<b>60</b>	<b>27</b>	<b>87</b>
No response	13	0	13

The national threshold for personal income tax is SBD15,000; this is marginally higher than the per capita GDP of SBD13,496 (or AUD 1,996). A small proportion of respondents (7 per cent) have a total household income less than SBD15,000, despite being married or living with a partner. These households are more likely to be exposed to financial stress because they fall below the income tax threshold and potentially earn less than the average per capita income (see Table 7).

The most common household income bracket is between SBD15,001 and SBD30,000 with 40 per cent of the respondents belonging to this category. Among the higher income earners, 26 per cent of the households earn between SBD30,001 and SBD60,000. A further 13 per cent have a household income over SBD60,000, placing them in the highest income tax bracket for the country.



### 3.1.6 Responsibility for financial decision-making

Only 3 per cent of the respondents said they had no responsibility for financial decision-making in their household because such decisions are made solely by their partner or spouse (see Table 8). Slightly less than half (47 per cent) of the respondents hold sole responsibility for financial decisions in their households. An additional 50 per cent hold shared responsibility for financial decisions, including 37 per cent who share responsibility with their partner and 13 per cent who share responsibility with another family member such as a son or daughter. Female respondents are actively involved in financial decision-making in their households and a significantly large number of women have sole responsibility for decision-making in their household.

**Table 8: Responses to “Who is responsible for the day to day decisions about money in your household?” (by gender)**

Responsibility for financial decision-making	Female %	Male %	Total %
You	40	7	47
You and your partner/spouse together	17	20	37
You and another family member	13	0	13
Your partner/spouse	3	0	3
<b>Total</b>	<b>73</b>	<b>27</b>	<b>100</b>

### 3.1.7 Number of children

For the survey, individuals under the age of 18 years old are classified as children while those over the age of 18 are classified as adults.

The number of children in a household is important because children do not earn income and are therefore financially dependent on the income earner(s) within the household. Households with children are also likely to incur significant expenditure on school fees and related expenses for books, bus fares and uniforms. On the average, each household has three children<sup>5</sup>, compared to the national average of 5.5. One third of households (33 per cent) have two children and half the households in the sample (50 per cent) have two or fewer children. Only 20 per cent of the households have five or more children (see Table 9).

**Table 9: Responses to “How many children in your family under the age of 18 live with you?”**

Number of children	%
Nil	7
1	10
2	33
3	10
4	13
5-10	20
No response	7
<b>Total</b>	<b>100</b>

<sup>5</sup> Total number of children (87) divided by total number of reporting households (28).

## 4.0 RESULTS

### 4.1 Summary of key impacts

The key results of the MoneyMinded evaluation survey indicated that after completing the MoneyMinded program:

- Virtually all respondents (97 per cent) feel more satisfied with life, less stressed about the future, better able to provide for their family and more confident in other aspects of their lives;
- Respondents now indicate that they are less vulnerable to financial shocks because 97 per cent have money to cover sudden loss of income compared to only 30 per cent before the program;
- Respondents now display an improvement in their financial independence which is supported by the cultivation of healthy savings habits. After MoneyMinded, 93 per cent are able to save and 76 per cent do so regularly. While 37 per cent were unable to save before MoneyMinded, 83 per cent now save more than SBD50 per week (equivalent to SBD2,500 per year).
- Most respondents (97 per cent) now believe their personal financial management affects their future. This belief is substantiated by their establishment of financial goals for the next 12 months and beyond.
- Respondents also have a greater capacity to make money last with 17 per cent frequently running short of money before their next pay day and 77 per cent being more likely to have money left over.
- Respondents' spending behaviour has improved with 90 per cent now paying their bills on time while only 10 per cent experience great or extreme difficulty in paying bills. Likewise after MoneyMinded, 80 per cent now save up rather than buy things on credit and 17 per cent buy things impulsively.
- After MoneyMinded, respondents are more assertive in declining financial requests from family members. Although they continue to receive financial requests from members of their extended family, 77 per cent now feel confident to decline such requests when appropriate compared to only 20 per cent who were assertive before the program. Similarly, 97 per cent are confident about making financial decisions and 93 per cent are able to deal with financial problems.
- Respondents' financial knowledge has increased following MoneyMinded, with 90 per cent reporting a good understanding of the different types of bank accounts and financial products available to them. This is supported by the fact that 64 per cent have changed to bank accounts which better suit their needs.
- MoneyMinded has generated social benefits, some of which extend beyond program participants. Through the program, all respondents indicated that they have learnt from their fellow participants, 97 per cent have met new people and 97 per cent feel more connected with the community. In addition, 93 per cent have encouraged their family members to save while 87 per cent have shared other aspects of the program with family and friends.

"I started to teach my grandson how to save money."

MoneyMinded participant

## 4.2 Outlook on life

### 4.2.1 Satisfaction with life

In building financial inclusion and capability, MoneyMinded also contributes to the overall wellbeing and quality of life of participants.

**Table 10: Respondents' feelings after MoneyMinded**

	Less stressed about the future %	More confident in other aspects of my life %	Better able to provide for my family %
Strongly disagree	0	0	0
Disagree	0	0	0
Neither agree nor disagree	3	3	3
Agree	64	60	64
Strongly agree	33	37	33

Respondents report an improvement in their satisfaction with life after the MoneyMinded program. On the average, their satisfaction with life increased from 3.63 (somewhat dissatisfied) before MoneyMinded<sup>6</sup> to 8.28 (relatively satisfied) after the program.<sup>7</sup> These scores are based on a ten point Lickert Scale, where 0 represents "completely dissatisfied" and 10 represents "completely satisfied." A comparison of scores before and after MoneyMinded indicates that 97 per cent of respondents feel more satisfied with life following the program. This increased satisfaction is consistent with their responses to other sections of the questionnaire, summarised in Table 10.

### 4.2.2 Financial independence and vulnerability

The survey measured vulnerability to sudden changes in income, by asking respondents how long they could continue to cover living expenses without borrowing money or moving house. Financial independence and resilience are particularly important given the proportion of self-employed respondents in the sample.

Among the more financially vulnerable, 40 per cent of respondents indicate they could survive for at least one week but not for one month if they were suddenly deprived of income (see Table 11). Among the less vulnerable, 30 per cent indicate they could survive for between one and three months while 10 per cent feel they could survive for three to six months and 3 per cent could survive for longer than six months. 17 per cent are unsure how long they could survive.

**Table 11: Responses to "If you lost your main source of income today, how long could you continue to cover living expenses, without borrowing any money or moving house?"**

Duration of time	%
At least 1 week, but not 1 month	40
At least 1 month, but not 3 months	30
At least 3 months, but not 6 months	10
More than 6 months	3
Don't know	17

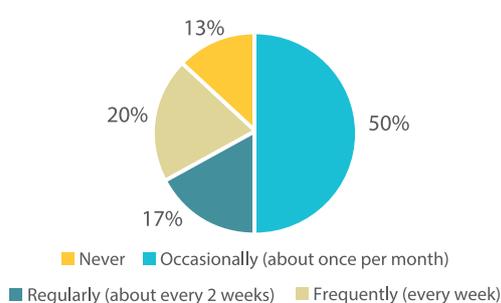
In the Solomon Islands, like other Pacific Island Countries (PICs), the extended family provides an additional safety net to cushion the household from financial shocks and vulnerability. Therefore, the survey also examines financial requests to and from the extended family.

<sup>6</sup> Question "Before you did MoneyMinded how satisfied were you with your life as a whole?"

<sup>7</sup> Question "Thinking about your own life and personal circumstances NOW, how satisfied are you with your life as a whole?"

On average, 87 per cent of respondents receive financial requests from their extended family (see Figure 2) including 20 per cent who receive requests weekly, 17 per cent who receive requests fortnightly and 50 per cent who receive requests on a monthly basis. This indicates that most of the respondents provide financial support to other households, in addition to their own. Only 13 per cent indicate that they never receive financial requests from members of their extended family.

**Figure 2: Responses to “How often do other family members (not including your spouse or children) ask you for money?”**



Households with greater financial independence are expected to request money from their extended family less frequently.

**Figure 3: Responses to “How often do you ask other family members for money (not including your spouse or children)?”**

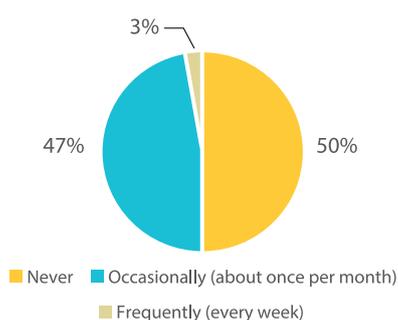


Figure 3 shows that 50 per cent of respondents are not financially dependent on members of their extended family since they never ask those relatives for money. This corroborates the results in Table 11 which show that 43 per cent could survive without income for at least one month. Figure 3 also shows that 47 per cent of respondents ask family members for money about once a month. Again, this corroborates Table 11 which shows that 40 per cent could survive without income for at least one week but not for one month.

### 4.2.3 Financial decision-making

Following MoneyMinded, 83 per cent of respondents indicated that they are aware of where to obtain assistance when making financial decisions compared to 31 per cent before the program (see Table 12).

**Table 12: Responses to “I am aware of where to get help with financial decision-making”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	3	0
Disagree	50	7
Neither agree nor disagree	13	7
Agree	27	70
Strongly agree	4	13
No response	3	3

Similarly, 90 per cent now know the right questions to ask when presented with a financial decision, compared to 27 per cent before MoneyMinded (Table 13).

**Table 13: Responses to “When presented with a financial decision I know the right questions to ask”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	7	0
Disagree	63	7
Neither agree nor disagree	3	3
Agree	23	80
Strongly agree	4	10



In addition, 94 per cent now spend time comparing prices and features when shopping for products and services compared to 30 per cent who did so before the program (Table 14).

**Table 14: Responses to “When I shop for products and services I spend time comparing prices and features”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	3	0
Disagree	47	3
Neither agree nor disagree	17	0
Agree	27	64
Strongly agree	3	30
No response	3	3

Respondents also feel more confident to make financial decisions and cope with financial problems, following MoneyMinded (see Table 15). 97 per cent of respondents now feel confident to make financial decisions, compared to 17 per cent before the program.

**Table 15: Responses to “I feel confident about making financial decisions”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	13	0
Disagree	63	3
Neither agree nor disagree	7	0
Agree	17	60
Strongly agree	0	37

Table 16 also shows that 94 per cent of respondents feel that they are able to deal with financial problems after MoneyMinded, compared to 16 per cent before the program.

**Table 16: Responses to “I am able to deal with financial problems”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	7	0
Disagree	67	3
Neither agree nor disagree	10	3
Agree	16	84
Strongly agree	0	10

“I told my 18 year-old son to open a savings account at the bank, so he can deposit money from his business.”

MoneyMinded participant

### 4.3 Planning for the future

Planning for the future is a key topic covered in the MoneyMinded program. This includes information on setting short and long-term financial goals, expense monitoring, good financial decision-making, handling financial issues and unexpected expenses and building long-term savings.

**Table 17: Responses to “I believe the way I manage my finances affects my future”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	7	0
Disagree	56	3
Neither agree nor disagree	7	0
Agree	20	57
Strongly agree	10	40

Respondents’ attitudes about planning for the future have improved after MoneyMinded. Before the program, 63 per cent of respondents did not believe that financial management would affect their future. However, following the program, 97 per cent of respondents agree that financial management affects their future with 40 per cent of them agreeing strongly (see Table 17).

Table 18, Table 19 and Table 20 show that changes in belief are mirrored by positive changes in short and long-term planning behaviour. Following MoneyMinded, 97 per cent of respondents are able to plan ahead, compared to 20 per cent before the program (see Table 18).

**Table 18: Responses to “I am able to plan ahead”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	3	0
Disagree	67	3
Neither agree nor disagree	10	0
Agree	20	67
Strongly agree	0	30



In addition, 97 per cent of respondents now have a financial goal to achieve in the next year, compared to 23 per cent before the program (Table 19).

**Table 19: Responses to “I have a financial goal to achieve in the next 12 months”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	13	0
Disagree	57	3
Neither agree nor disagree	7	0
Agree	23	64
Strongly agree	0	33

Similarly, 97 per cent of respondents set and strive to achieve longer term financial goals, compared to 17 per cent before the program (Table 20).

**Table 20: Responses to “I set longer term financial goals and strive to achieve them”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	7	0
Disagree	76	3
Neither agree nor disagree	0	0
Agree	17	67
Strongly agree	0	30

According to Table 21, respondents have also lengthened their planning horizons. Before MoneyMinded, 57 per cent indicated that they engage in financial planning for no longer than one week or fortnight at a time. However, after the program, 90 per cent said that they are now able to plan their finances beyond a fortnight with 10 per cent planning for up to a few months, 27 per cent planning for up to one year, 17 per cent planning for up to four years and 36 per cent planning for the next five years or beyond.

**Table 21: Responses to “How do you plan your savings and spending?”**

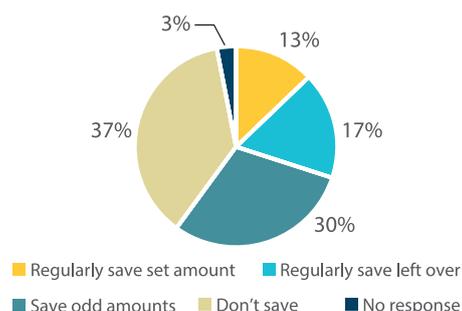
Duration of time	Before Money Minded %	After Money Minded %
Over the next 5 years or more	0	36
Over the next 2–4 years	7	17
Over the next year	13	27
Over the next few months	23	10
Over the next week or fortnight	57	10

“I opened a savings account for my son from my husband’s pay.”

MoneyMinded participant

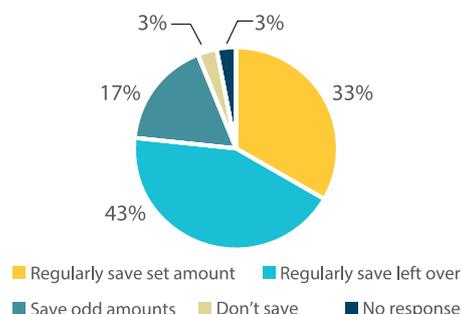
#### 4.4 Attitudes toward saving

**Figure 4: Responses to “Which of the following describes your saving behavior before MoneyMinded?”**



Cultivating a habit of saving is a critical aspect of planning for the future and there is clearly a stronger inclination in respondents to save after MoneyMinded. Figure 4 shows that 93 per cent of respondents now practise some form of saving, albeit a small amount. Among those who save, 76 per cent save regularly while 17 per cent save odd amounts when they can. Comparatively, 37 per cent of respondents said that they were unable to save before the program (see Figure 5).

**Figure 5: Responses to “Which of the following describes your saving behaviour after MoneyMinded?”**



Respondents’ average weekly savings have also increased. Before MoneyMinded, 37 per cent of respondents indicated that they did not save while 30 per cent were saving SBD50 or less. However, after MoneyMinded, 83 per cent now save more than SBD50 on a weekly basis (see Table 22).



Table 22: Responses to “Approximately how much do you save per week?”

	Before Money Minded %	After MoneyMinded %
Nil	37	3
Less than SBD25	13	4
SBD25 to SBD50	17	7
More than SBD50	30	83
No response	3	3

In relation to how respondents deposit their savings, general practices appear unchanged following MoneyMinded (see Table 23). However, more detailed analysis reveals an interesting progression in behaviour.

Firstly, those who were unable to save before MoneyMinded now deposit their money in the bank either directly or through a savings club such as Rokotanikeni.<sup>8</sup> Secondly, those who previously took their cash to the bank physically now deposit their savings through payroll deductions, direct debits or a savings club.

Table 23: Responses to “How do you generally make your savings deposits?”

	Before Money Minded %	After MoneyMinded %
Take cash to the bank	30	28
Automatic deductions from pay	3	20
Transfer from another account	7	7
Automatic deductions (direct debit) from bank account	7	10
Unable to save	46	28
Other, including savings clubs	7	7

Individuals who save have an increased capacity to cope with unexpected expenses. Table 24 shows that 87 per cent feel able to cope with unexpected expenses following MoneyMinded, compared to only 20 per cent before the program.

<sup>8</sup> Members pass their money to the club officials who update each member's passbook and deposit the funds with a commercial bank

**Table 24: Responses to “I am able to cope with unexpected expenses”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	3	0
Disagree	70	10
Neither agree nor disagree	7	3
Agree	20	77
Strongly agree	0	10

Following MoneyMinded 80 per cent of respondents regard themselves as savers rather than spenders whereas before MoneyMinded 84 per cent considered themselves as spenders rather than savers (Table 25).

**Table 25: Responses to “I am more of a saver than a spender”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	13	0
Disagree	71	3
Neither agree nor disagree	3	17
Agree	13	67
Strongly agree	0	13

#### 4.5 Making money last till payday

Most respondents are now more successful in making money last until their next pay day. Table 26 shows that before MoneyMinded, 73 per cent often ran short of money before the next pay day. However, after the program, only 16 per cent often run short of money while 74 per cent are often able to make their money last until the next pay day.

**Table 26: Responses to “I often run short of money before my next pay is due”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	0	7
Disagree	20	67
Neither agree nor disagree	7	10
Agree	56	16
Strongly agree	17	0

Table 27 shows that following MoneyMinded, a greater percentage of respondents have money left over by the next pay. 57 per cent of respondents always have money left over by the next pay day compared to only 3 per cent before the program. Likewise, 20 per cent of respondents now have money left over more often than not (compared to 7 per cent before MoneyMinded). Following MoneyMinded, only 3 per cent of respondents hardly ever have money left over (compared to 17 per cent before the program) and none of the respondents never has money left over (compared to 27 per cent before the program).



**Table 27: Responses to “How often did you have money left over by the next pay day?”**

	Before Money Minded %	After MoneyMinded %
Always	3	57
More often than not	7	20
Sometimes	46	20
Hardly ever	17	3
Never	27	0

Similarly, Table 28 shows that only 10 per cent of respondents now find it very difficult or extremely difficult to cover expenses and pay bills compared to 63 per cent before MoneyMinded. Following MoneyMinded, 37 per cent of respondents have no difficulty covering expenses compared to only 7 per cent before the program. Similarly, 46 per cent now have a little difficulty compared to 17 per cent before Money Minded. These results corroborate earlier findings that 83 per cent could survive for at least one week if they were suddenly deprived of income (Table 11)

**Table 28: Responses to “In a typical month, how difficult is it for you to cover your expenses and pay all your bills?”**

	Before Money Minded %	After MoneyMinded %
Not at all difficult	7	37
A little difficult	17	46
Moderately difficult	13	7
Very difficult	53	3
Extremely difficult	10	7

## 4.6 Money management

### 4.6.1 Differences between needs and wants

Knowing how to differentiate between needs and wants is an important topic in the MoneyMinded program. Table 29 shows that after MoneyMinded, 86 per cent of respondents now feel organised in their money management, compared to only 10 per cent before the program.

**Table 29: Responses to “I am organized with regard to managing my money”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	20	0
Disagree	63	7
Neither agree nor disagree	7	7
Agree	10	63
Strongly agree	0	23

In addition, after MoneyMinded, almost all respondents (90 per cent) know how much they need for daily expenses compared to only 17 per cent who knew this before the program (see Table 30).

**Table 30: Responses to “I know how much I need for my daily living expenses”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	13	0
Disagree	60	3
Neither agree nor disagree	10	7
Agree	17	77
Strongly agree	0	13

Similarly, 90 per cent now pay their bills on time (see Table 31) and 77 per cent now carefully consider whether they can afford an item before buying it (see Table 32).



**Table 31: Responses to “I pay my bills on time”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	7	0
Disagree	63	7
Neither agree nor disagree	7	3
Agree	23	73
Strongly agree	0	17

**Table 32: Responses to “Before I buy something I carefully consider whether I can afford it”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	10	3
Disagree	43	13
Neither agree nor disagree	7	7
Agree	40	50
Strongly agree	0	27

In general, respondents’ attitudes towards money have also changed after MoneyMinded. 17 per cent of respondents now regard money only as something to be spent, compared to 77 per cent before the program (see Table 33).

**Table 33: Responses to “ Money is there to be spent”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	3	20
Disagree	13	60
Neither agree nor disagree	7	3
Agree	60	14
Strongly agree	17	3

In addition, only 17 per cent now buy things impulsively, compared to 77 per cent before MoneyMinded (see Table 34).

**Table 34: Responses to “I am impulsive and buy things even when I can’t really afford them”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	0	13
Disagree	17	67
Neither agree nor disagree	6	3
Agree	60	17
Strongly agree	17	0

After MoneyMinded, 17 per cent of respondents said they now buy things on credit rather than waiting and saving up, compared to 64 per cent before the program (Table 35).

**Table 35: Responses to “I buy things on credit rather than waiting and saving up”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	3	20
Disagree	30	60
Neither agree nor disagree	3	3
Agree	61	17
Strongly agree	3	0



#### 4.7 Assertiveness

Assertiveness refers to a person's ability to say 'no' to requests for money or a loan when they cannot financially afford it. Through role plays and other exercises, MoneyMinded has enhanced respondents' overall confidence in saying 'no' when approached with loan requests (see Table 36). Before the program, 20 per cent were confident to decline financial requests from extended family. However, following MoneyMinded, 77 per cent say they possess this confidence while only 7 per cent still feel they lack assertiveness.

**Table 36: Response to "I feel confident saying 'no' when family members ask for money and I am not able to help"**

	Before Money Minded %	After Money Minded %
Strongly disagree	10	0
Disagree	60	7
Neither agree nor disagree	10	16
Agree	17	57
Strongly agree	3	20

#### 4.8 Knowledge of financial products

After completing the MoneyMinded program, most respondents display a better understanding of financial products. This section analyses respondents' knowledge of financial products. It also reviews their financial decision-making and the broader social benefits of MoneyMinded from the perspective of participants, their families and friends.

##### 4.8.1 Banking products

Respondents' understanding of bank accounts and other financial products has improved following their participation MoneyMinded. 90 per cent of respondents feel that they now have a good understanding of the different bank accounts available, compared to 27 per cent before the program (see Table 37).

**Table 37: Responses to "I have a good understanding of the different kinds of bank accounts available"**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	7	0
Disagree	56	7
Neither agree nor disagree	10	3
Agree	20	73
Strongly agree	7	17



Following MoneyMinded, 90 per cent of respondents have a good understanding of financial products such as loans and savings accounts compared to 33 per cent before the program (see Table 38).

**Table 38: Responses to “I have a good understanding of the different types of financial products (e.g. loans or savings)”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	7	0
Disagree	50	7
Neither agree nor disagree	10	3
Agree	26	80
Strongly agree	7	10

Improved knowledge of financial products may have also translated into behavioural changes. For example, after MoneyMinded, 64 per cent have changed to bank accounts more suited to their needs.<sup>9</sup>

#### 4.8.2 Insurance products

Table 39 shows an increase in respondents’ knowledge of insurance products following the MoneyMinded program. After MoneyMinded, 63 per cent of respondents agree they know how to choose an appropriate insurance product compared to 13 per cent before the program.

**Table 39: Response to “I know how to choose an insurance product that suits my needs”**

	Before Money Minded %	After MoneyMinded %
Strongly disagree	7	0
Disagree	64	24
Neither agree nor disagree	13	10
Agree	13	53
Strongly agree	0	10
No response	3	3

However, in spite of this improved knowledge, only 27 per cent of respondents have taken out a new insurance policy following the program.<sup>10</sup> During interviews, many respondents expressed a need for further training in this area and admitted they did not have a strong understanding of the benefits of taking out an insurance policy.

I showed my children my financial vision board for savings and spending so they can be aware of our family financial expenditure.”

MoneyMinded participant

<sup>9</sup> Question “Since completing MoneyMinded have you changed bank accounts to ones that are more suited to your needs?”

<sup>10</sup> Question “Since completing MoneyMinded have you taken out any new policies for insurance?”



## 4.9 Social impacts

In addition to the financial impacts of MoneyMinded, respondents also acknowledged social benefits from participating in the program. This indicates that MoneyMinded has indirectly reached and potentially benefited individuals beyond the immediate program participants.

### 4.9.1 Benefits to participants

In terms of benefits which they had received from the program, all respondents indicated they have learnt from other participants in the MoneyMinded. 97 per cent agreed that MoneyMinded gave them an opportunity to meet new people. In addition, 97 per cent also agreed that MoneyMinded helped them feel more connected with their community.

### 4.9.2 Benefits to others

In terms of benefits that MoneyMinded participants have passed on to others in their spheres of influence, 93 per cent of respondents have encouraged their children and family members to save. Similarly, 87 per cent of respondents said that they have shared other aspects learnt from MoneyMinded with their family and friends, such as planning for the future using the vision board exercise and setting SMART financial goals.

## 5.0 CONCLUSION

MoneyMinded aims to support people to build their money skills, knowledge and confidence. In order for this to occur, it is important that participants put into practice their learnings from MoneyMinded.

The findings of the MoneyMinded Evaluation Survey for the Solomon Islands 2013 validate the effectiveness of ANZ's MoneyMinded program in achieving this aim for the participants in the Solomon Islands.

These participants have acquired new financial knowledge and skills, have more positive attitudes and behaviors towards managing money, and a future orientation that includes setting financial goals, budgeting, saving and investing. In addition, the MoneyMinded program has had a positive impact on the participants' personal wellbeing, as well as indirect positive effects on their families and friends.



