

## **Shalom as Stewardship: Church-led Financial Education**

John Mark Bowers, Chalmers Center for Economic Development

As the leading agent of God's redeeming work, the local church has a key role to play in financial education. For learning to penetrate deep into hearts, minds, and practices, financial education content must be grounded in the whole story of God's redeeming work in the world. Because no learner exists in isolation from his or her social location, financial education must also adapt to context specific realities of learners. The strategic relational positioning of local churches in communities can be leveraged for participatory, community-based learning, uniquely enabling the church to empower learners to practice financial stewardship. This paper will briefly examine a theology of financial empowerment, highlighting the local church as Christ's new community—a powerful agent in addressing worldview, values, and broken relationships that underlie financial struggle. The paper will also examine practical, process-oriented methods for delivering financial education, including the importance of learning styles, participation incentives, and contextual realities.

### **The local church as agent of *shalom***

According to Colossians 1:15-20, the mission of Jesus Christ is to transform every part of the cosmos, bringing healing, reconciliation, and lasting peace to every last speck of heaven and earth. God has chosen the local church as the primary means of declaring and demonstrating the good news of Jesus' reconciling work through His kingdom.<sup>1</sup> Financial education is one of the many ways that the church can practice holistic witness, discipling believers and seekers alike.

From animistic financial practices among the poor, to savvy stock-picking among the middle class, people at all income levels are tempted to trust in their own efforts for financial stability. This may be why above almost anything, the gospels warn us about money and possessions. According to Jesus' teaching, our financial practices are not a secondary, earthly priority. In contrast to the dualistic thinking of our day that divorces sacred and secular, the local church can play a central role in engaging, confronting, and redeeming the *things of this world*, declaring and demonstrating the reign of God's kingdom over every aspect of life.

The local church is tasked to help learners to see their finances, whatever the amount, as a key component in God's design to put all things to rights. On the surface, the way God's people manage money might mirror mainstream financial practices—we seek to overcome obstacles, set savings goals, create budgets, live simply, and manage debt and risk. For God's people, however, the ultimate outcome is not to build wealth, but to learn to trust God as we use our resources to accomplish His work in the world. As recipients and participants in God's kingdom, the local church can unite best practices of financial education with the knowledge and hope that a greater narrative than our own financial security is unfolding. When learners open themselves to the Spirit's work in this way, He can address deeper facets of worldview and values that lie at the heart of transforming financial attitudes and practices.

The Chalmers Center's research and experience has shown that financial practices are not just carried out in isolation; they are a window into our relationship with God, ourselves, others, and the rest of the creation. Many financial struggles, emergencies, and even measures of success are intimately interwoven into our relationships. Ultimately, finances are a relational matter. Practically, because most adults learn best in a relational, informal way, local churches can provide a safe context for financial issues to be explored in the context of supportive friendship. Local churches are communities where *trust*, a key concept to make any financial relationship work, is already established. Through building rapport and supportive networks, churches are poised to provide key mentoring roles that can lead to healing in broken relationships with money. As primary agents in helping the poor provide economically for themselves and their families, local churches can also provide relationships that cross economic lines.<sup>2</sup>

Not only is the local church well-suited to provide this necessary social capital and relationships required for good learning, but it can also address deeper issues of worldview and values in financial education. Financial education literature reveals that even when learners have increased access to financial knowledge and training, practices do not necessarily improve in isolation. Even mainstream secular wisdom recognizes that financial behaviour change requires something deeper than cognitive knowledge. The core realities of a learner's worldview and values must also be addressed—the head, hands, and heart of a person. As the spiritual nucleus of a community, local churches have a strong advantage when dealing with

financial practices at this deeper level. God’s people are distinctively able to speak into cultural issues at the core of broken financial behaviours, wrapping the learning in the larger narrative of God’s vision for shalom. This touches learners at a deeper level, tapping into powerful theological foundations for financial stewardship. By grounding financial knowledge in a biblical context, learners connect their faith and values to the ways their money is spent, managed, and invested.

### **Relevant content in a relational learning environment**

Financial education is a form of discipleship—not a mere point in time, but a journey. Like any voyage, the process can be as important as the outcomes. Knowledge and practice are equally important. While research and experience reveal the importance of technical concepts such as expense tracking, saving, and debt management, proper contextualization of content is also a key factor in making the learning stick. Undoubtedly, specific subgroups of learners will have unique learning needs regarding finances, and the content must be adapted to these realities. One size does *not* fit all.

For example, many low-income learners possess low levels of literacy, or come from oral cultures. For the majority of them, communication and learning is done primarily by word of mouth. According to a study published in the *Journal of Family Economics and Resource Management* by Cornell University, people who live on a low income identified word-of-mouth as the best way to transfer financial knowledge.<sup>3</sup> According to one woman in the study, “people get (financial) information by talking among friends.” Another participant reported: “I’m always asking my mother about different things when it comes to money or buying.” While middle-class learners may glean financial knowledge from books, courses, internet resources, or banks, many learners in a low-income demographic gain financial knowledge by talking to others informally. When doing financial education with low-income people, local churches must tailor training to the reality of these learning styles.

Modelled after this research, The Chalmers Center’s *Faith & Finances* program seeks to accommodate the proper cultural context for low-income learners. After our interviews, participants reported that the open, communal nature of learning together during *Faith & Finances* was a key element in its success. Starting the course each week with dinner served to

build informal rapport and a relational basis for working through difficult, sensitive financial issues together. Two of the women who attended the course indicated:

Having dinner beforehand made a big difference. It was organized, but it felt like we were all in this together...it didn't feel like anyone was in charge in a bad way.

I appreciated the fellowship and the meal. For me, that was huge. Even though it wasn't part of the material, I liked the relational nature.

To honor the image of God in each learner, the *Faith & Finances* program encourages facilitators to adapt the program to meet learners where they are. Because each subgroup (single mothers, immigrants, ex-offenders, disabled) will have different learning needs, training must be tailored to their specific realities.

Experts overwhelmingly agree that adults benefit from financial education that is practical and applied. Because adults bring a myriad of rich life experience to the learning setting, their experience must be respected and drawn upon. A range of financial literacy theorists have concluded that financial education in the abstract appears to be ineffective.<sup>4</sup> Because receiving information alone does not increase outcomes, financial education must be relevant and contextual to the learners' life situation. According to Paulo Freire, an early leading advocate for critical pedagogy, action and reflection based on one's own experience is an essential piece in the learning cycle for adults. For adults, effective learning must be a mutual process whereby they are empowered to name the world around them, opening up the opportunity to question and critically evaluate their personal lives and the systems in which they exist. Through dialogue, learners can name problems and propose solutions, collectively owning the process of transformation. As Freire himself wrote, "The future isn't something hidden in a corner. The future is something we build in the present."<sup>5</sup>

During the Chalmers Center's *Faith & Finances* courses, community-building was strengthened by starting the course with informal dialogue over meals; this relational advantage carried into the actual learning sessions. All participants interviewed indicated that perhaps the most empowering part of the learning flowed from sharing experience with other participants. Several expressed:

Seeing everyone each week helped me to know that I wasn't alone – we're trying to work out our finances together. To hear that others were struggling helped me to be honest about my finances.

The group and pair work was wonderful. Like that, you can work with someone else and learn from them and be put into their shoes.

## **Compelling incentives for participation**

Even when taking contextual and pedagogical best practices into account, churches entering the arena of financial education should expect to devote significant time, energy, and resources to recruiting and maintaining participation. Because financial education by itself lacks tangible, immediate benefits, program leaders report difficulty in retaining participants. According to one study, although many began the program with enthusiasm and high expectations, drop out rates averaged 40%.<sup>6</sup> This implementation research suggests that, even with skilled facilitators and strong curriculum, recruiting and graduating participants presents a challenge.

Many learners lack child care assistance, have not been successful in formal education, or have fluctuating work schedules. Thus, local churches should offer various incentives for course completion. For example, the provision of meals and child care before or during learning sessions each week encourages participants to come directly after a long work day, enjoy dinner and community, leave their children in good care, and focus on learning. Along with dinner and child care, certificates of completion have also been shown to increase motivation. Especially for those who have failed to achieve educational goals in the past, a certificate is an important milestone of validation on their journey toward learning and change. According to other studies, small cash payments, gift cards, and shopping certificates at graduation may also serve as useful incentives to motivate retention.

While rewards can boost motivation and completions rates, ultimately the best indicator for successful learning is the intrinsic motivation to learn. When learners are intrinsically motivated, rewards are unnecessary, because the learning itself is the motivation. As facilitators of financial education, we must discover what is already motivating learners, and adapt our material accordingly.<sup>7</sup> Building meaningful relationships with participants gives insights into their hopes, realities, fears, and dreams—and thus what

factors motivate them to learn. Here we have come full circle, anchoring back to earlier ideas on finances as a relational matter. Covering financial education in prayer, the local church must seek to create an environment that nurtures intrinsic motivation for learning, calling on the Holy Spirit to stir desire in the hearts of learners.

## Conclusion

Financial restoration is a process that happens across time and through working toward healthy, reconciled relationships. By understanding the financial realities of learners, and engaging them with relevant content in a dynamic, relational environment, the local church can be a powerful force in promoting economic change from the inside out. Through church-led financial education, learners recognize that their finances and relationships are interwoven, and that Jesus is concerned with reconciling the two together. The local church holds a distinctive position in providing financial education that speaks to the whole person, declaring and demonstrating the shalom of the coming kingdom of God.

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<sup>1</sup> Moore, "Rationale for Church-Centered Economic Development", Chalmers Center, (2011).

<sup>2</sup> Moore, "Rationale for Church-Centered Economic Development", Chalmers Center, (2011).

<sup>3</sup> Hogarth and Swanson, "*Using Adult Education Principles in Financial Education for Low Income Audiences*"(1995): 143.

<sup>4</sup> Braunstein and Welch, "Financial Literacy: An Overview of Practice, Research, and Policy"; Federal Reserve Bulletin (2002): 452.

<sup>5</sup> Boggs, Kurashige, and Glove, "The Next American Revolution: Sustainable Activism for the Twenty-first Century"; University of California Press (2012): 147.

<sup>6</sup> Anderson, Zhan, and Scott, "Targeting Financial Management Training at Low-Income Audiences" Journal of Consumer Affairs, Volume 38, Issue 1 (2005): 173.

<sup>7</sup> Zull, "The Art of Changing the Brain" Stylus Publishing (2002).

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