

What Influences Financial Well-Being?

A Hexagonal Thinking Activity and Facilitated Discussion

Overview

In this activity, students explore factors that influence a person's financial well-being. It begins with students developing their own explanation of financial well-being and learning more about the concept. Next, students participate in a hands-on "hexagonal thinking" activity in which they make connections between various factors that might influence a person's financial well-being. This activity concludes with a gallery walk to compare results and a discussion. Finally, students are introduced to the core elements of the Personal Finance Ecosystem and challenged to make connections between the diagram and the factors they considered previously. A variation of the activity is provided for digital or online use.

Learning Outcomes

In this activity, students will explore factors that influence an individual's financial well-being.

Along the way they will:

- Prepare a personal definition of financial well-being.
- Brainstorm factors that might influence financial well-being.
- Examine similarities between factors that influence financial well-being.
- Analyze the Personal Finance Ecosystem.

Students will use what they learn to contextualize how their experiences, circumstances, knowledge and other factors impact their future financial well-being.



Preparation

- Review the facilitation instructions and determine whether you will conduct the hexagonal thinking activity as a hands-on, tabletop activity or an electronic one. Prepare the materials accordingly.
- This activity requires collaboration and discussion. Determine in advance whether students will form their own groups or if you will assign them.
- If you are unfamiliar with Hexagonal Thinking as an instructional strategy, Edutopia offers [a 3-minute video](#) and [article](#) with background information. Take note that there are no right or wrong answers when making connections between the hexagons in this activity. Additionally, some of the content lends itself to multiple interpretations. This is purposeful and intended to stimulate an engaging conversation and a variety of final products.

Materials

- **What Influences Financial Well-Being Slides:** Optional [PowerPoint file](#) that can be used to supplement the classroom activity.
- **Personal Finance Ecosystem Hexagonal Thinking Set** ([PDF](#) or [PowerPoint](#)).
 - Hands-on option:
 - Print and cut one copy per group. For repeated use, consider laminating the hexagons and storing them in envelopes or sandwich bags.
 - Make sure each group has at least six blank hexagons. If laminated, also supply a dry erase marker.
 - Electronic option: Provide each group with their own copy of the PowerPoint file to edit.
- **Hexagonal Thinking Debrief:** One copy per group or student (optional).
- **Core Elements of the Personal Finance Ecosystem:** One copy per student or a digital version to display.
- **Making Connections Facilitation Guide:** One copy for your reference.



Standards Correlation

[National Standards for Personal Financial Education](#) from the Council for Economic Education and the Jump\$tart Coalition for Personal Financial Literacy, 2021

- Earning 8-2: People make many decisions over a lifetime about their education, jobs, and careers that affect their incomes and opportunities.
- Earning 8-3: Getting more education, training, and experience can increase a person’s human capital, productivity, and income-earning potential.
- Earning 12-5: Changes in economic conditions, technology, or the labor market can cause changes in income, career opportunities, or employment status.
- Saving 4-3: People differ in their values and attitudes about saving.
- Saving 8-2: Savings decisions depend on individual preferences and circumstances, and can impact personal satisfaction and financial well-being.
- Investing 12-1: A person’s investment risk tolerance depends on factors such as personality, financial resources, investment experiences, and life circumstances.
- Credit 8-7: Borrowing increases debt and can negatively affect a person’s finances.

Background Information

An individual’s financial well-being is an ever-changing, personal state. It typically includes factors such as satisfaction with managing one’s current financial situation; the ability to exercise choice and feel in control of finances; and the outlook for future prospects. The [National Endowment for Financial Education](#) developed the [Personal Finance Ecosystem](#) to identify and visually portray factors that influence a person’s financial well-being.

In advance of the activity, explore the [Personal Finance Ecosystem](#) and consider your students. How might their values and beliefs, for example, influence their current—and future—financial well-being? Notice that a person’s financial knowledge and skills (the primary goal of most financial education courses or programs) are just part of what influences a person’s financial well-being. If you wish to learn more about financial well-being, the Consumer Financial Protection Bureau offers [information and research](#) on the topic.



Facilitation Instructions

Introduction to Financial Well-Being

- Ask students how they would explain the term financial well-being. If desired, direct students to write their responses and then share them with a classmate. Take responses from several pairs.
- Lead students in a brief discussion.
 - Do they think the definition of financial well-being is the same for everyone? Why or why not?
 - Is financial well-being a state you reach or something that changes over time? Why?
- Share that experts in financial education consider financial well-being as a fluid state that changes over time. It includes things like satisfaction with managing their present financial situation, feeling like they have choices and control over their lives, and how they feel about the future.
- Prompt students to raise their hands if they have ever been asked what their physical pain is on a scale of one to ten. Ask several students who raised their hands if someone else with the same complaint or injury would give their pain the same rating.
- Explain that financial well-being is like the pain scale. People can have similar financial circumstances but rate their financial well-being very differently. For example, one person might look at their bank balances and see \$5,000 as a lot of money, making them feel more secure. Another person could see the same balance and feel like it's not enough to make ends meet.
- Challenge students to work in pairs and develop a list of five to ten factors they think might impact a person's financial well-being. Let them know that longer lists are acceptable but not required.
- Call on several pairs to share one or two factors from their list. Ask if any group came up with more than ten factors and acknowledge their efforts.



Hexagonal Thinking Activity

- Show students one of the hexagons from the [Personal Finance Ecosystem Hexagonal Thinking Set](#) and explain the activity:
 - Pairs of students will join to form groups of four.
 - Each group will be given a set of hexagons.
 - The hexagons each have a factor that financial experts think might influence a person's financial well-being.
 - The challenge is to find commonalities between the factors. When two factors have something in common, they can be placed next to each other. When three hexagons come together at a point, all three should have something in common.
 - The goal is to get as many factors to connect as possible.
 - There is no right or wrong answer to this activity. Each group's responses, connections and shape are expected to look different.
 - (Optional) Show the **Sweets and Snacks: An Example** slides from the [corresponding PowerPoint](#) as an example (slides 6 and 7). Ask students if they can think of another way to arrange the same set.
 - Blank hexagons can be used for factors that were identified during the brainstorm and are not found on any of the hexagons in the set.
 - (Digital version: Direct students to move the hexagonal shapes on the [slide](#) to make connections. They may need to adjust their view by zooming in and out. Blank hexagons can be typed on and/or copied to create additional custom factors.)
- Provide students time to work in their groups and monitor group work.
 - Encourage students who might struggle. If needed, share that one strategy for getting started is to find a hexagon that easily connects to many others. Use this hexagon as a starting point and build out from there.
 - If students work quickly, ask them to explain and possibly reconsider some of their connections.
 - Praise students who are engaged in substantive conversations.



- Inform students that you want them to take a “gallery walk” to see how other groups placed their hexagons. They should circulate from one group’s work to another and then return to their own. As one might do in an art gallery, the goal is to look and not touch. As they do this, consider taking a photo of each group’s finished work.
- Debrief the activity with the following questions, or provide each group with a copy of the [Hexagonal Thinking Debrief](#) to complete:
 - Placement:
 - Were you able to find a place for all of your hexagons? If not, how many could not be placed?
 - How would you describe your final shape? Compact with most hexagons touching? Loose with extensions?
 - Tell me about one of your central hexagons — one that is connected to six others. Why was it easy to make connections for that one?
 - Which hexagons were harder to fit than others? Why?
 - Content:
 - If you created your own hexagons, what were they, and did you find good fits for them?
 - Which factors do you think would have a greater impact on a person’s financial well-being than others?
 - Which factors can be controlled by the individual? Which cannot?

The Personal Finance Ecosystem

- Distribute a copy of the [Core Elements of the Personal Finance Ecosystem](#) to each student and/or display a digital copy.
- Direct students to examine the diagram. What do they think it is trying to convey?
- Explain that the Personal Finance Ecosystem is a framework that illustrates what impacts a person’s financial well-being. Point out that financial well-being is at the center of the diagram. There are three clusters of factors that impact financial well-being. Ask students to name them or point them out (Financial Knowledge and Access, Foundational Factors, and Financial Actions and Outcomes).
- (Optional) Use the [What Influences Financial Well-Being Slides](#) to provide additional details and conduct a more in-depth discussion of the Ecosystem (slides 12-18).



- Challenge students to make comparisons between the Ecosystem diagram and the hexagons they used before. Name specific aspects of the diagram (for example, Financial Knowledge and Skills), and ask which hexagons could fall under that category. Work through several examples and allow students to explain their reasoning. If needed, point out that some factors might fit into more than one category, depending on the point of view of the individual. Reference the [Making Connections Facilitation Guide](#) for potential connections and additional information that can add to the conversation.
- Conclude by asking students to write a personal definition of financial well-being and/or create a list of factors they can control to influence their financial well-being going forward.

Extension Options

- Direct students to create a “teen-friendly” version of the Personal Finance Ecosystem. Which terms do they think need to be changed or modified? What examples could they provide to make it more relatable to peers?
- Challenge students to consider the meaning of the term “ecosystem.” Why do they think it was chosen as the title of the diagram they viewed in the activity? Is there a different word that might work just as well or better?
- Invite students to reorganize the hexagons considering the [Core Elements of the Personal Finance Ecosystem](#). Can they create a new shape that reflects the elements and organization of the Ecosystem diagram?
- Encourage students to create a poster, digital image or video showing factors that impact a person’s financial well-being.



Personal Finance Ecosystem Hexagonal Thinking Set | Page 1

Directions: Cut hexagons apart. Each group of four to five students should have a complete set. To save for future use, consider laminating and storing in bags or envelopes.

**How Easily
You Can Get
to a Bank or
Credit Union**

**Opportunity
to Open a
Bank Account
on Your Own**

**Your
Experience
Performing
Financial
Tasks**

**How Much
Money Was
(or Wasn't)
Talked About
in Your
Family**

**Feeling Like
You Have
Financial
Choices**

**Your Reading
and Math Skills**

**Willingness
to Speak to
Others and
Ask
Questions**

**A Job that
Pays You an
Income**

**Desire to
Improve Your
Finances**

**An
Unexpected
Expense**

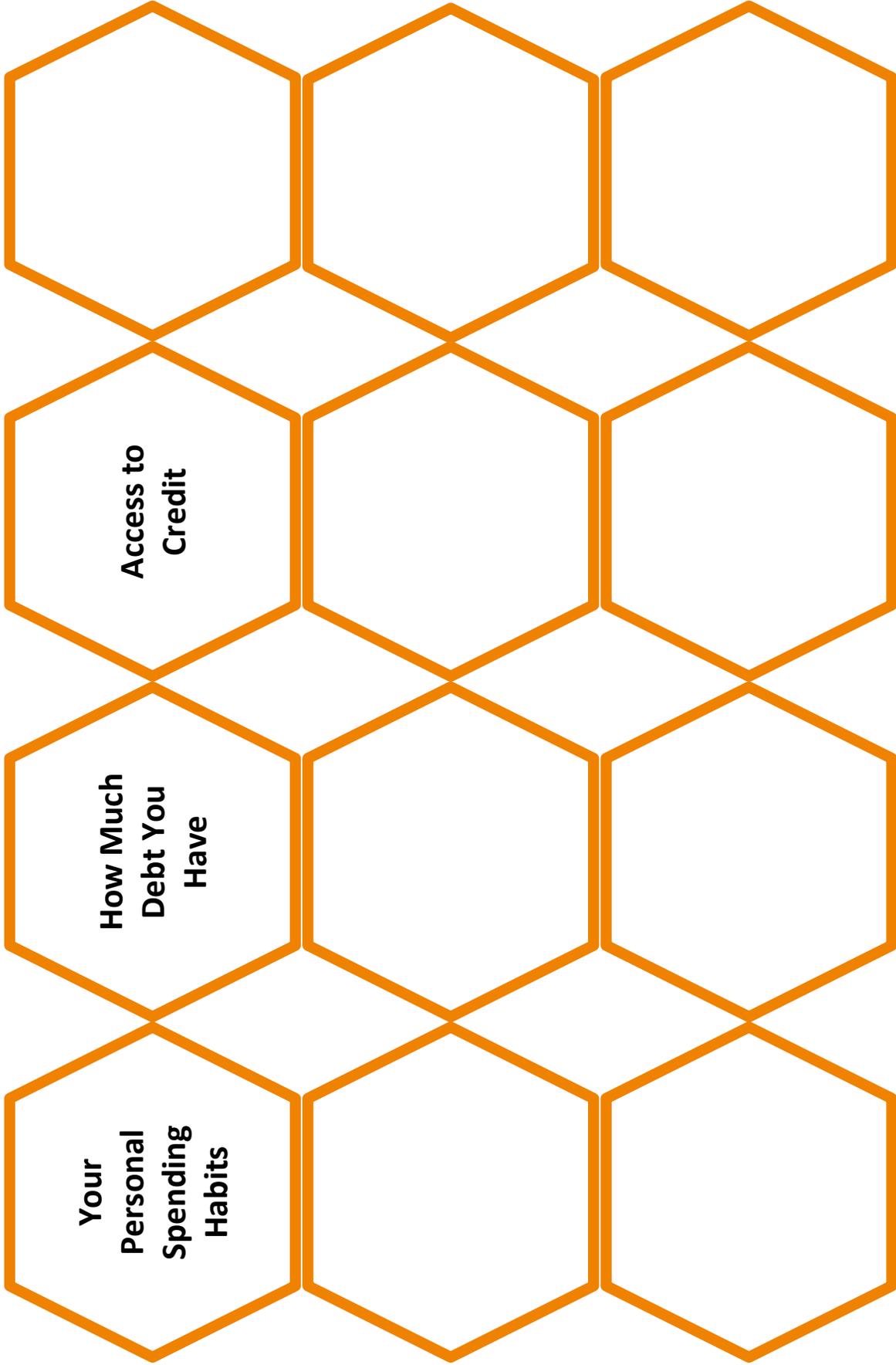
**How Much
You Know
About
Personal
Finance**

**Taking a
Personal
Finance Class
in School**









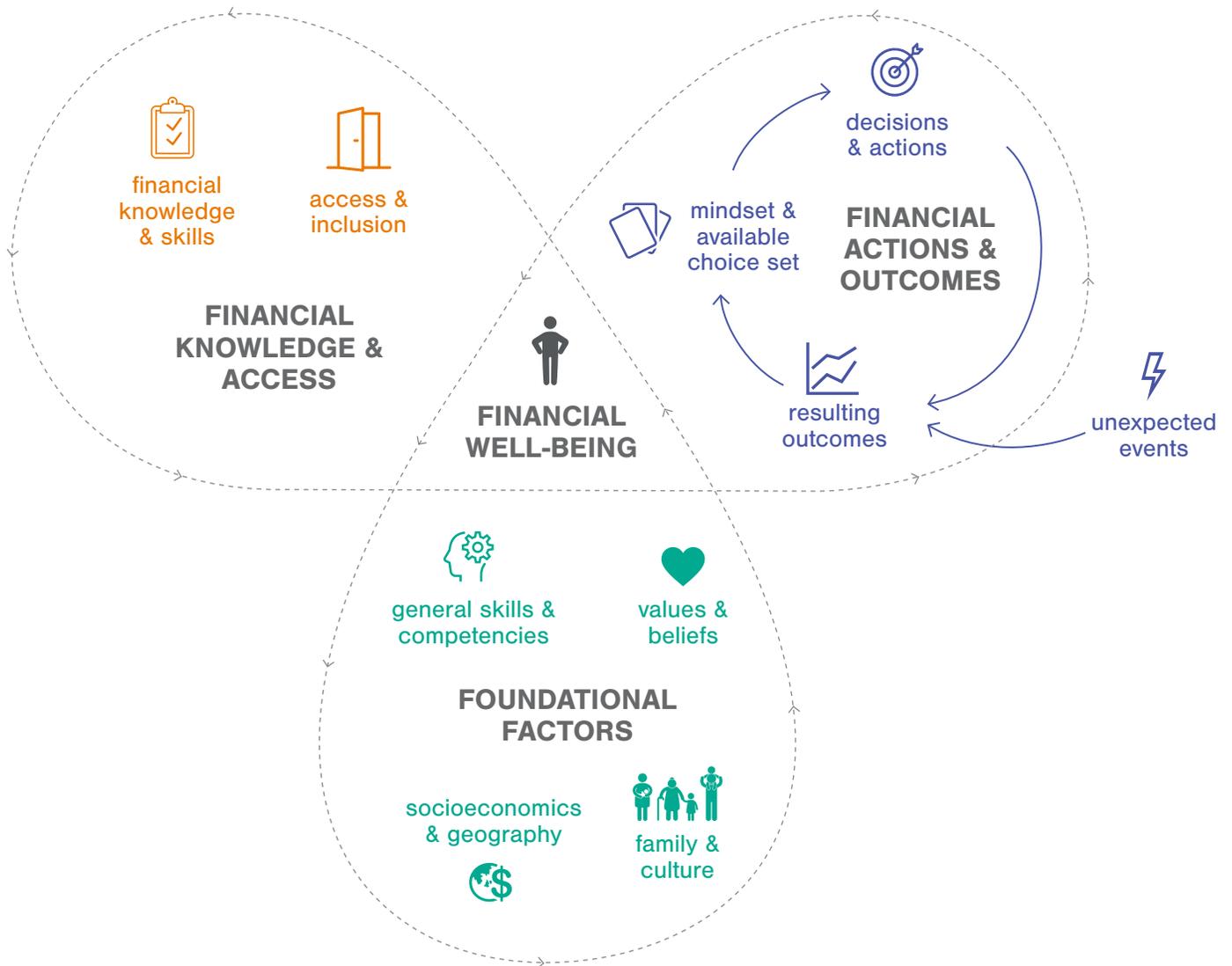
Hexagonal Thinking Debrief

DIRECTIONS: Respond to each of the questions below. Reference the hexagons and your group's outcome, as needed.

1. Were you able to find a place for all your hexagons? If not, how many could not be placed?
2. How would you describe your final shape?
3. Discuss one of your central hexagons (a hexagon that is connected to six others). Why was it easy to make connections for that one?
4. Which hexagons were harder to fit than others? Why?
5. If you added hexagons of your own, what were they, and did you find good fits for them?
6. Identify three factors you think will have a more substantial impact on your own financial well-being than others and share why you selected them.
7. What is something you learned from this activity?



Core Elements of the Personal Finance Ecosystem



Making Connections Facilitation Guide

DIRECTIONS: Use the following examples to provide additional background and context as you help students make connections between the hexagonal thinking activity and the Personal Finance Ecosystem.

Hexagon Content	Ecosystem Correlations	Fast Fact	Additional Information
Taking a Personal Finance Class in School	Financial Knowledge and Skills	Whether or not students take a course in personal finance in high school often depends on where they live. Some states require students to take a personal finance course to graduate. Does yours?	State of Financial Education Reports (Next Gen Personal Finance)
How Easily You Can Get to a Bank or Credit Union Opportunity to Open a Bank Account on Your Own	Access and Inclusion Socioeconomics and Geography	An estimated 5.4 percent of U.S. households (approximately 7.1 million) were “unbanked” in 2019, meaning that no one in the household had a checking or savings account at a bank or credit union (i.e., bank). (Source: FDI)	Top Reasons to #GetBanked (FDIC) How America Banks - Household use of Banking and Financial Services (FDIC)
Your Credit Score	Resulting Outcomes	Credit scores generally range from 300 to 850. Higher is better. Credit scores (and reports) are used not only by lenders but also by potential employers, landlords and others.	How Your Credit Score Impacts Your Financial Future (FINRA)
Your Reading and Math Skills	General Skills and Competencies	Research indicates that people with strong reading and math scores often have higher levels of “financial literacy.” (OECD)	PISA 2021 Financial Literacy Analytical and Assessment Framework (OECD)



Making Connections Facilitation Guide

Hexagon Content	Ecosystem Correlations	Fast Fact	Additional Information
How Much Money Was (or Wasn't) Talked About in Your Family	Family and Culture Values and Beliefs	Some parents experience negative emotions when thinking about talking to their kids about money.	Annual Parents, Kids & Money Survey (T. Rowe Price)
Your Family's Income and/ or Wealth	Socioeconomics and Geography	A significant gap exists for many families when it comes to both income and wealth. Notably, the Federal Reserve indicates that Black families' median and mean wealth is less than 15 percent that of White families. (Federal Reserve)	Disparities in Wealth by Race and Ethnicity in the 2019 Survey of Consumer Finances (Federal Reserve) Has Wealth Inequality in America Changed over Time? Here Are Key Statistics (Federal Reserve Bank of St. Louis)
An Unexpected Expense	Unexpected Events	The Federal Reserve Bank regularly reports on the economic well-being of American households. One of the questions they ask is how the family would handle an unexpected expense of \$400. The percentage of households that could cover the expense with money from cash or savings was 63% in 2022, down from a high of 68% in 2021. When asked the largest expense they could cover only using savings, 18% said the largest expense they could cover with savings was under \$100. (Federal Reserve)	Survey of Household Economics and Decisionmaking (Federal Reserve)
Your Level of Trust in the Financial System	Values and Beliefs	People's trust in the financial system can be impacted by many factors, including their past experiences, beliefs, age and more.	Financial Trust Index (Chicago Booth/Kellogg School) Consumer Complaint Database (CFPB)

