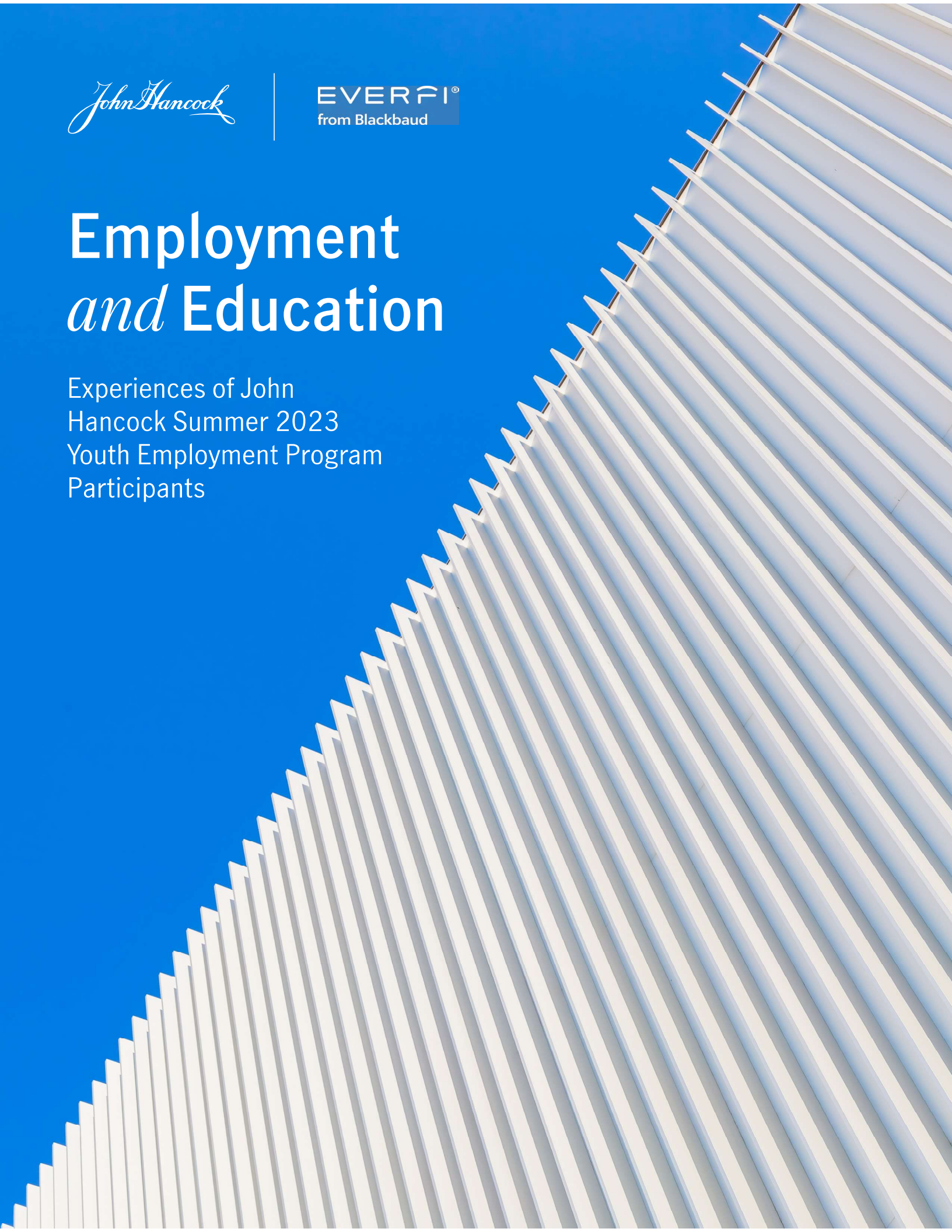




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# Employment *and* Education

Experiences of John  
Hancock Summer 2023  
Youth Employment Program  
Participants





# About this report

Each summer John Hancock sponsors the MLK Scholars program, a summer employment program for teens. Young people ages 16 to 18 participating in the program work at least 20 hours per week at nonprofit organizations and businesses throughout Boston. They also participate in leadership forums and personal development sessions. In addition to employment and this programming, summer employment participants have access to the John Hancock Well-Being Education Center, a digital education program featuring financial and mental wellness resources for young adults. Since 2018, the Education Center has been a resource not just for participants in the MLK Scholars program, but for all youth in summer employment programs supported by the Boston Private Industry Council and the City of Boston.

Through the John Hancock Well-Being Education Center, summer employment participants across Boston had access to digital learning modules focused on personal finance topics ranging from financing higher education and savings, to identity protection and taxes. The Education Center also provided mental wellness education to support participants beyond personal finance. Alongside financial education they receive through the Program, young people were invited to complete a survey about their financial preparedness, the value of employment and financial education, and their day-to-day satisfaction and stress.

This research report summarizes the responses from 48 participants surveyed during the summer of 2023. Among respondents, 18 had participated in the program before, while 30 were first-time participants.



# Key findings:

- **Value of the Summer Youth Employment Program.**

Participants who were returning to the Summer Youth Employment Program in 2022 were more likely than first-time participants to report higher financial confidence, better financial habits, and more conversations with their parents or guardians about financial topics.

- **Developing Healthy Financial Habits and Financial Goals.**

Summer Youth Employment Program participants report good intentions to engage in positive financial behaviors within the next year. Fewer than half of participants, though, report currently engaging in those behaviors.

- **Stress and Satisfaction.**

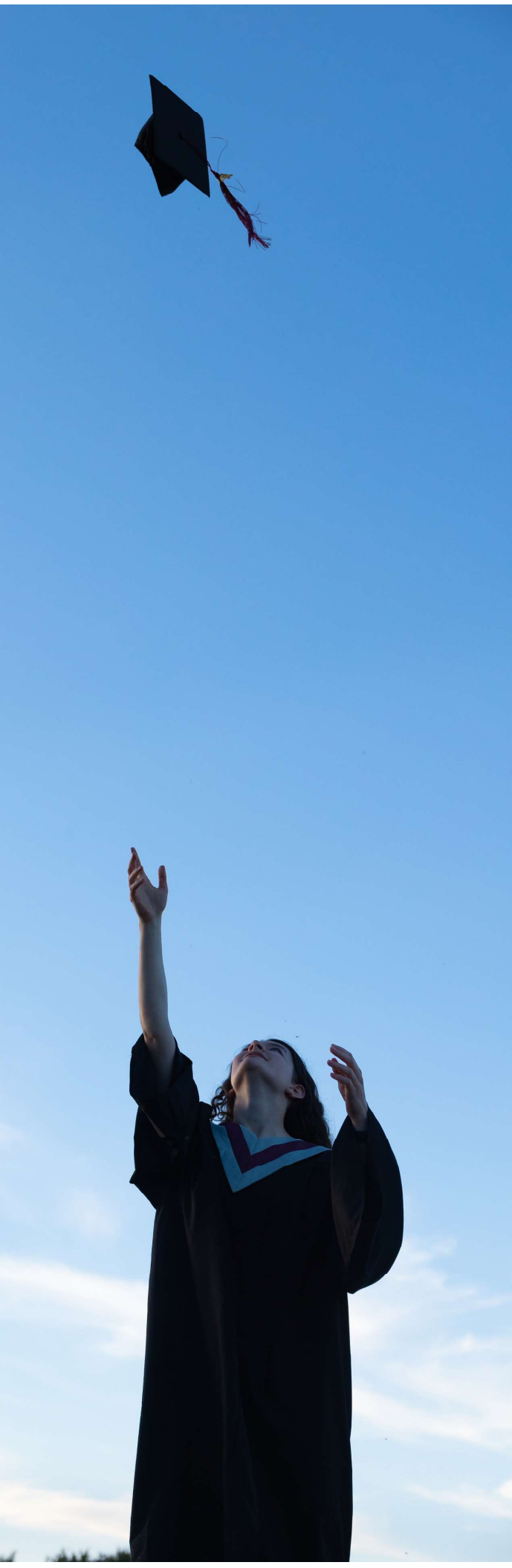
Compared to 2022, Summer Youth Employment Program participants reported similar levels of stress around a variety of topics, most notably school. Overall, participants report being more stressed than satisfied, though school matters are the primary source of stress for many young people and highly correlated with their financial self-efficacy.



For the third year, young people participating in Boston summer youth employment programs reported a positive impact on their financial management confidence and plans from participating in both the education and employment opportunities provided by the program. A large majority of participants reported feeling more prepared to manage their money than they did before participating in the program.

This report will explore updated findings and reflect on the past few years of the Summer Youth Employment Program and the John Hancock Well-Being Education Center. In addition to the positive impact of employment and financial education, the report discusses the attitudes and experiences of program participants, including their financial confidence and their future plans and financial goals.





# *Value* of summer youth employment program

Asked directly about the value of the employment and education they received through the Summer Youth Employment program, a substantial majority of participants reported that the Program impacted the way they manage their money. More than three quarters of participants said they ‘agree’ or ‘strongly agree’ that receiving a regular paycheck has changed the way they think about managing money and that the education they received as part of the Program helps them to manage their money.



While we saw a larger than expected increase in agreement among participants in 2022 compared to years prior, data from 2023 are more in line with year over year data points.

## Youth Employment Program

	2019	2020	2021	2022	2023
Receiving a regular paycheck has changed the way I think about managing my money.	<b>69%</b>	<b>69%</b>	<b>76%</b>	<b>88%</b>	<b>83%</b>
The education I receive through the summer employment program helps me manage my money.	<b>70%</b>	<b>79%</b>	<b>77%</b>	<b>88%</b>	<b>75%</b>
I feel more prepared to manage my money than I did before starting the summer employment program.	<b>70%</b>	<b>77%</b>	<b>78%</b>	<b>84%</b>	<b>77%</b>



A majority – 77 percent -- also agree that they feel more prepared to manage their money than they did before starting the Summer Youth Employment Program. This agreement was particularly strong among first-time participants, 89 percent of whom agreed that the Program improved their money management.





Responses from returning Youth Summer Employment Program participants, when compared to first-time participants, reinforce the positive relationship between the Program and readiness to manage money as participants move toward adulthood. When considering feelings of financial self-efficacy, current financial behaviors, and healthy financial attitudes, returning participants reported healthier or more developed responses.

## Youth Employment Program

	Among Returning	Among First-Time
Receiving a regular paycheck has changed the way I think about managing my money.	<b>89%</b>	<b>79%</b>
The education I receive through the summer employment program helps me manage my money.	<b>78%</b>	<b>76%</b>
I feel more prepared to manage my money than I did before starting the summer employment program.	<b>89%</b>	<b>69%</b>



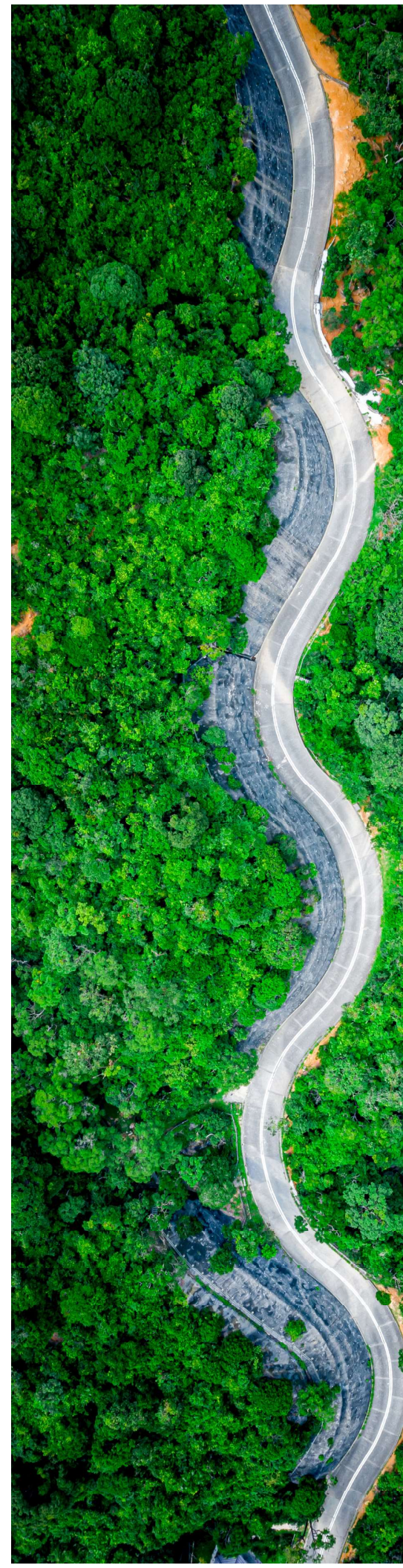
## Financial Self-Efficacy

Overall, Summer Youth Employment Program participants tended to report that they felt prepared to engage in a number of tasks related to personal finance management. Consistent with previous years, both first-time and returning participants were more likely to describe themselves as prepared than a broader group of Massachusetts high school juniors and seniors, who were surveyed prior to their participation in a digital financial education program. Compared to 2022 participants, data this year suggests respondents were less confident in their ability to read a paycheck, budget their finances, and check their credit score.

## Youth Employment Participants

Share of participants who reported feeling prepared to:

	Among Returning Participants	Among First-Time Participants	Among Massachusetts Juniors and Seniors
Select, open, and manage a checking or savings account.	<b>82%</b>	<b>66%</b>	<b>55%</b>
Read a paycheck and understand what determines your net (take-home) pay.	<b>88%</b>	<b>50%</b>	<b>54%</b>
Set up and follow a budget to manage spending and saving.	<b>62%</b>	<b>58%</b>	<b>49%</b>
Check your credit score and maintain good credit over time	<b>52%</b>	<b>46%</b>	<b>34%</b>







## Youth Employment Participants

Share of participants who reported feeling prepared to:

	2020	2021	2022	2023
Select, open, and manage a checking or savings account.	<b>68%</b>	<b>76%</b>	<b>74%</b>	<b>73%</b>
Read a paycheck and understand what determines your net (take-home) pay.	<b>67%</b>	<b>71%</b>	<b>73%</b>	<b>66%</b>
Set up and follow a budget to manage spending and saving.	<b>69%</b>	<b>70%</b>	<b>76%</b>	<b>61%</b>
Check your credit score and maintain good credit over time	<b>57%</b>	<b>54%</b>	<b>60%</b>	<b>48%</b>



## Financial Behaviors

As we saw last year, returning participants were notably more likely to report that they currently engage in healthy financial behaviors than first-time participants. Compared to 2022, students from this cohort were about as likely to engage in almost all behaviors, but were more likely to report budgeting behavior.

## Youth Employment Participants

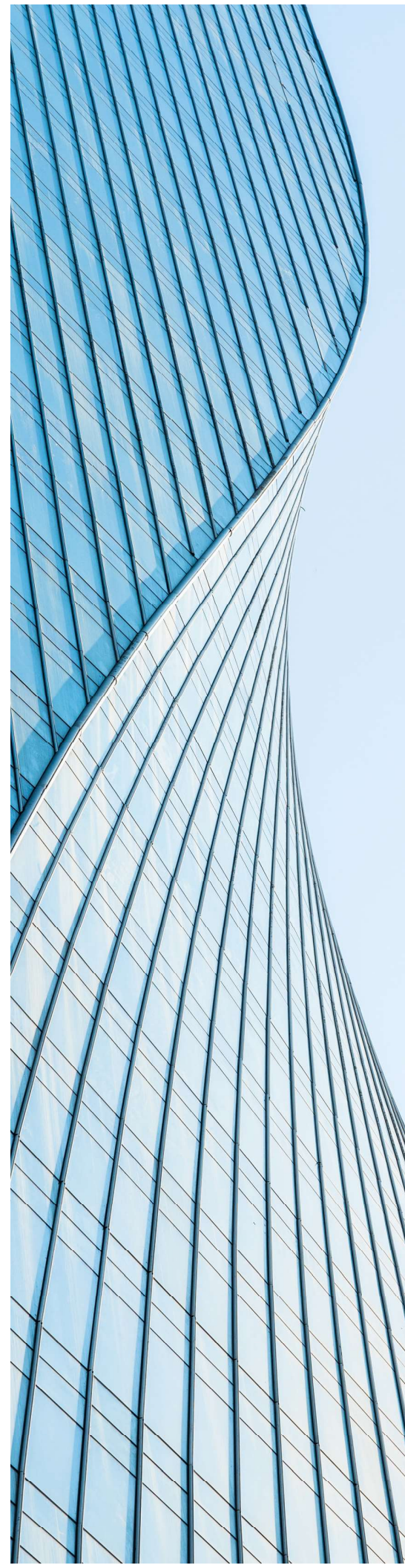
Share of participants who say they already:

	Returning Participants	First-Time Participants
Add money to their savings regularly	<b>41%</b>	<b>35%</b>
Contribute to a college savings account	<b>44%</b>	<b>19%</b>
Follow a budget to manage saving and spending	<b>53%</b>	<b>31%</b>
Pay their bills on time	<b>50%</b>	<b>39%</b>

## Youth Employment Participants

Share of participants who say they already:

	2022	2023
Add money to their savings regularly	<b>38%</b>	<b>38%</b>
Contribute to a college savings account	<b>23%</b>	<b>20%</b>
Follow a budget to manage saving and spending	<b>23%</b>	<b>30%</b>
Pay their bills on time	<b>34%</b>	<b>37%</b>





# Financial *confidence* and management

While financial knowledge is foundational, financial confidence — the belief in one’s ability to make good financial decisions and follow through with action — is also a key component of financial capability and, ultimately, financial health.



The financial education Summer Youth Employment Program participants engaged with is designed to influence confidence by providing real-world scenarios and opportunities for learners to reflect on their personal situation and experience. To measure financial confidence, program participants were asked how prepared they feel to take on a series of personal financial management tasks that they may be navigating now, or could be navigating in the near future.



## Financial Attitudes

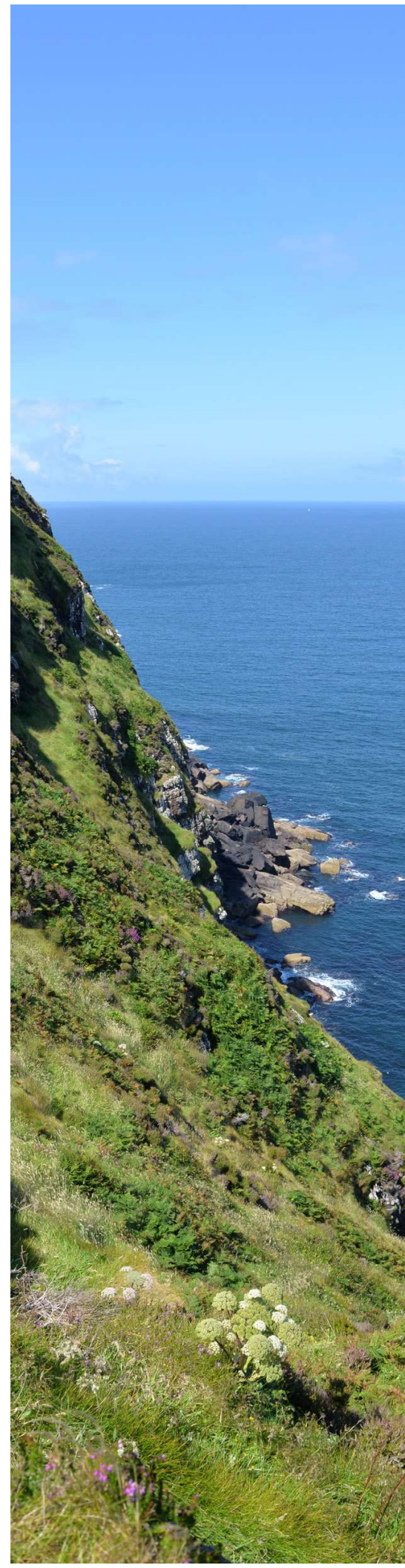
Finally, when it comes to assessing what they should do regarding financial management, eight in 10 participants -- both returning and first-time -- agreed that they should: track monthly expenses, spend within a budget, save money each month, and invest for their future goals. Returning participants, however, are more likely to strongly agree that they should do these things. Compared to data from 2022, participants were less likely to strongly agree that they should spend within a budget, save money each month, and (especially) to track their monthly expenses in 2023. However, participants were more likely to agree that they should be investing for their future goals.

## Financial Attitudes

Share of participants who agree that they should:

	Returning Participants		First-Time Participants	
	Agree	Strongly Agree	Agree	Strongly Agree
Track monthly expenses	<b>41%</b>	<b>53%</b>	<b>39%</b>	<b>46%</b>
Spend within a budget	<b>35%</b>	<b>59%</b>	<b>50%</b>	<b>42%</b>
Save money each month	<b>29%</b>	<b>71%</b>	<b>42%</b>	<b>46%</b>
Invest for their future goals	<b>35%</b>	<b>65%</b>	<b>27%</b>	<b>65%</b>

	2022		2023	
	Agree	Strongly Agree	Agree	Strongly Agree
Track monthly expenses	<b>31%</b>	<b>58%</b>	<b>39%</b>	<b>47%</b>
Spend within a budget	<b>38%</b>	<b>53%</b>	<b>43%</b>	<b>48%</b>
Save money each month	<b>32%</b>	<b>60%</b>	<b>39%</b>	<b>54%</b>
Invest for their future goals	<b>33%</b>	<b>59%</b>	<b>30%</b>	<b>65%</b>







# Developing *healthy* financial habits and financial goals

When asked to consider their financial goals for the next five years, all participants identified at least one goal. Unlike previous years, avoiding taking on new debt was not the most common goal for Summer Youth Employment Program participants, rather they were most likely to choose saving for a personal purchase.



Avoiding new debt and increasing wealth were tied for second most common goals but were markedly lower than responses from the previous year. Following the trend of 2022, this year's cohort of participants also reported a significant decrease in their plans for saving for a car or home financing.

## Developing Health Habits and Goals

	2019	2020	2021	2022	2023
Avoid taking on new debt	58%	68%	61%	69%	59%
Invest and increase wealth	50%	54%	60%	67%	59%
Save for a personal purchase (for enjoyment)	51%	59%	57%	65%	64%
Pay for education (self or family member)	52%	52%	61%	63%	55%
Buy or lease a car	48%	59%	55%	49%	45%
Buy or rent a home	42%	40%	47%	40%	32%





Intentions to budget in the next year, add money to their savings, and regularly pay off their bills were all lower this year compared to last year.



Among 2023 Summer Youth Employment Program participants, survey responses indicated a solid sense of financial self-efficacy (particularly compared to other Massachusetts high school students) and generally healthy financial attitudes (high levels of agreement that individuals should budget and save).

When it comes to financial habits, while less than 40% of participants currently reported engaging in any of these behaviors, about half planned to start in the next year. Compared to 2022, students from this cohort were about as likely to engage in almost all behaviors, but were more likely to report budgeting behavior.

## Financial Habits

Share of participants who say they engage in each action now, or will in the future (2022).

	2022		2023	
	I will do this (within the next year)	I already do this	I will do this (within the next year) next year)	I already do this
Add money to their savings regularly	48%	38%	41%	38%
Contribute to a college savings account	45%	24%	47%	20%
Follow a budget to manage saving and spending	60%	23%	53%	30%
Pay their bills on time	54%	35%	47%	37%



One of the strongest predictors of financial capability in adulthood is the frequency of money-related conversations with family during adolescence. When participants were asked how often they communicated with their parents or guardians about specific topics, healthy percentages of respondents told us that they did indeed cover these financial issues at home. Unlike the trends found in other financial attitudes and behaviors, First-Time participants were more likely to have financial conversations with their parents than Returning participants in all areas apart from how they would pay for college or life after high school.

## Financial Habits

**In the past year, how often have you talked about the following topics with your parent(s) or guardian(s).**

	2022 (Often or Very Often)	2023 (Often or Very Often)
Whether to spend, save, share, or donate money you earn or are given	53%	62%
Purchases you decide to make with money you earn or are given	66%	58%
Things you would like to save for or do with your money in the next few months	64%	56%
How you plan to earn, save, spend, and give money as an adult	60%	39%
How you will pay for college or life after high school	63%	53%
Jobs and careers and how you would like to earn a living when you grow up	74%	72%





Summer Youth Employment Program participants' largely healthy attitudes and understanding of healthy financial behavior are important. But there remains room to improve their practice of good financial habits, financial intentions, and continuing communication with parents/guardians as they move toward adulthood and increasing financial independence.



Compared to participants in 2022, this year we found that respondents were less likely to report discussing most topics with their families, especially how they plan to earn, save, spend and give money as an adult. One topic that seemed to increase in frequency was whether to spend, save, share, or donate money.

## Financial Habits

**In the past year, how often have you talked about the following topics with your parent(s) or guardian(s).**

	2022 (Often or Very Often)	2023 (Often or Very Often)
Whether to spend, save, share, or donate money you earn or are given	53%	62%
Purchases you decide to make with money you earn or are given	66%	58%
Things you would like to save for or do with your money in the next few months	64%	56%
How you plan to earn, save, spend, and give money as an adult	60%	39%
How you will pay for college or life after high school	63%	53%
Jobs and careers and how you would like to earn a living when you grow up	74%	72%

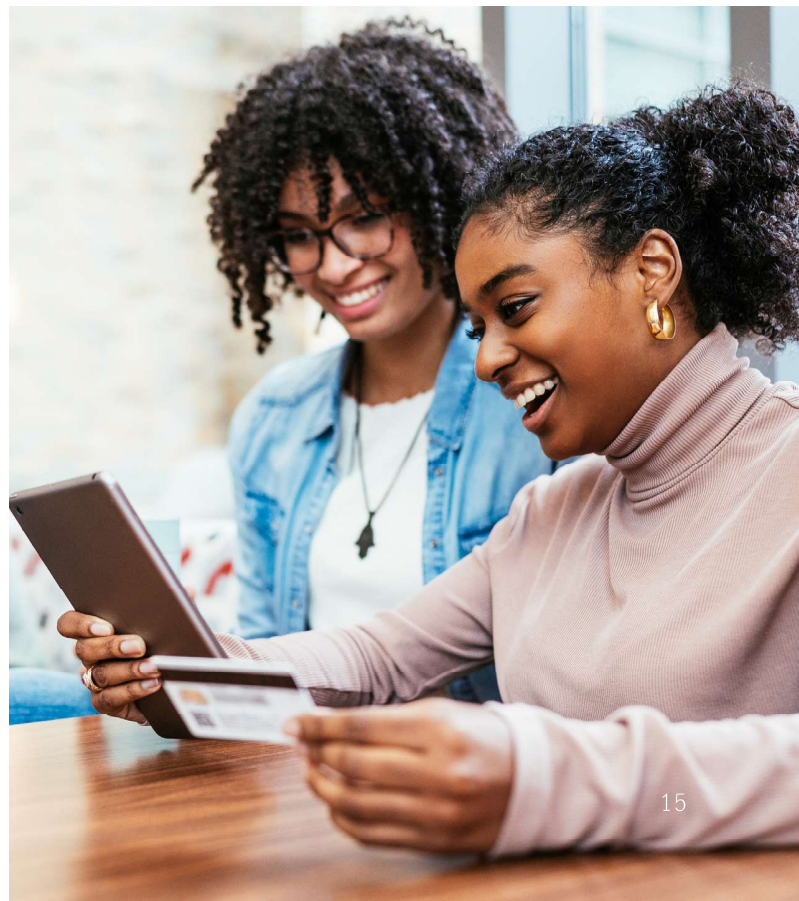


# Stress and *satisfaction*

As we saw in 2022, when asked whether they were ‘more satisfied’ or ‘more stressed’ about various aspects of their lives, respondents were more likely to express satisfaction in all areas other than school. When it came to school or thinking about the next school year, significantly more participants said they were stressed than satisfied.



In general, participants reported being as stressed as in 2022, the only major difference being that they felt more stressed about school this year as compared to last. Respondents in 2023 also reported that they were less satisfied with areas like work and school, but more satisfied with home, family, and friends than in 2022.





For the past two years, we found a relationship between financial confidence (feeling prepared to manage financial tasks) and stress and satisfaction across multiple areas of Summer Youth Employment Program participants' lives. That relationship held this year as well: Participants with higher than average financial confidence were less likely to say that they were 'more stressed' (than satisfied) with all aspects of their lives. There was a particularly large difference between these groups in terms of their satisfaction versus their stress regarding their personal and family financial situations.

Low Financial Confidence							
	Work	School	Home (or living situation)	Family	Friends	Your personal financial situation	Your family's financial situation
Stressed	38%	38%	38%	38%	38%	38%	38%
Neutral	38%	26%	38%	38%	38%	38%	38%
Satisfied	38%	39%	38%	38%	38%	38%	38%
High Financial Confidence							
	Work	School (or thinking about the next school year)	Home (or living situation)	Family	Friends	Your personal financial situation	Your family's financial situation
Stressed	10%	45%	10%	0%	0%	0%	0%
Neutral	62%	30%	24%	33%	10%	52%	48%
Satisfied	29%	25%	67%	67%	90%	48%	52%



## Conclusion

Overall, as we saw in 2022, Summer Youth Employment Program participants reported higher levels of financial confidence than their Massachusetts peers, affirmed healthy financial attitudes, and at least plan to adopt healthy financial behaviors in the near future. Returning participants in particular were more likely to be actively engaging in those behaviors already.

These young people described their financial goals for the next five years and they are on the way to develop the skills needed to make good on those goals while communicating with their families. Consistent with previous years, participants affirm the value of the combination of employment and education that they received through the Summer Youth Employment Program helped them to manage their money effectively.

Today's financial context is more complicated than in previous generations in that it offers more types of financial products and services from which to choose, and people have greater responsibility for making some financial decisions with long-term ramifications compared to previous generations. The growth in individual responsibility combined with the growth in financial products and services has resulted in higher risk than ever for making financial decisions. As a result of these trends and recent global financial crisis and subsequent growth in income and wealth inequality to levels unprecedented in recent US history, there is growing recognition that young adults need stronger financial capability.



Participants in the Summer Youth Employment Program seem well prepared on their journey to become financially capable young adults in this new world, leading them on a path towards healthy behaviors and financial well-being.

*John Hancock*<sup>®</sup>

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