

Current Status, Challenges and Analysis of Financial Investment for Students: A Case Study of Vietnam

Le Thu Giang¹, Hoang Nguyen An Phuong² and Bui Hai Phong^{1*}

¹Hanoi Architectural University, Hanoi, Vietnam

²Newton Grammar School, Hanoi, Vietnam.

*Corresponding author: Bui Hai Phong

Abstract:

In the dynamic landscape of global finance, the necessity for financial literacy has become increasingly prominent, especially among younger generations who face unprecedented financial risks and complexities. The paper outlines the critical role of financial education within school curricula, emphasizing its importance in preparing youth to navigate the complexities of financial products and services effectively. As financial responsibilities and decision-making increasingly shift from institutions to individuals, the need for comprehensive financial education from an early age is more pronounced than ever. The paper explores various aspects of implementing financial education in schools, addressing the challenges of integrating such programs into existing curricula, securing necessary resources, and adequately training educators. Through a review of successful case studies from different countries, such as Australia, Brazil, and the United States, effective strategies and practices are highlighted. Particularly, we focus on the analysis of the financial investment in case studies of Vietnamese students. These examples demonstrate the importance of political support, stakeholder involvement, and sustainable program implementation to ensure the longevity and impact of financial education initiatives.

Additionally, the paper provides a comparative analysis of financial education learning frameworks, which illustrates the diverse approaches tailored to specific educational and national contexts. This analysis underscores the importance of adapting financial education to meet local needs while aligning with broader educational goals.

Furthermore, some key policy recommendations are offered to guide schools in supporting and committing to financial education. These include developing clear, measurable objectives for financial literacy programs, creating high-quality teaching materials, and fostering collaborations among governments, educational institutions, and financial experts.

Lastly, the paper discusses methods for monitoring and evaluating the effectiveness of financial education programs. It stresses the need for both quantitative and qualitative assessments to ensure these initiatives meet their goals and contribute to the overall financial well-being of students.

The conclusion calls for a sustained commitment to financial education, advocating for its integration into national educational policies and curricula. This strategic approach aims to leverage significant economic events to reinforce the value of financial literacy, ensuring that future generations are equipped to make informed financial decisions and contribute positively to the economy.

Keywords: Financial Education, Financial Literacy, Financial Inclusion, Youth Education, Educational Policy.

1. Introduction

In an increasingly complex financial landscape, where consumers are expected to navigate a myriad of financial products and services from a young age, financial education has become an indispensable element in shaping informed, capable citizens [1]. The integration of financial literacy into school curricula addresses a critical gap in young people's education, equipping them with essential skills to make informed financial decisions that significantly impact their personal and professional lives.

This research paper outlines the principles and frameworks underpinning financial education within schools, emphasizing its necessity due to the evolving nature of financial markets and the increased financial responsibilities shouldered by individuals. Financial literacy is defined as the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being. More than ever, young individuals require the capacity to navigate the financial challenges that are now part of everyday life, including managing personal finances, understanding credit, and making investment decisions that will shape their future. Moreover, the paper analyzes the situation of financial investment of Vietnamese students. The paper collects the data of financial investment of Vietnamese students and gives the recommendation for the issue.

The primary issues surrounding financial education in schools include the integration of financial literacy into crowded curricula, the availability of resources to deliver high-quality financial education, and the training of educators to effectively impart this knowledge [2]. These challenges are compounded by the varying degrees of financial experiences among students, dictated by diverse socioeconomic backgrounds, which can affect the reception and practical application of financial knowledge.

Furthermore, this study discusses the controversies and debates that often accompany the implementation of financial education. These include discussions about the appropriate age to introduce financial concepts, the depth of information to be provided, and the balance between theoretical knowledge and practical financial skills.

In this context, the background of financial education initiatives is examined [3], with a focus on the global recognition of the need for such programs, as evidenced by endorsements from international bodies and various national strategies that advocate for financial literacy from an early age.

This introduction sets the stage for a deeper exploration of the methodologies, policies, and practices that have been employed globally to embed financial literacy into school curricula, highlighting the successes and ongoing challenges in this essential educational endeavor.

1. Literature Review

This section reviews and analyzes the significant literature resources, consulted or employed, that contributed to the study. The section focuses on reviewing scholarly articles, books and other sources (e.g. dissertations, conference proceedings) relevant to a particular issue, area of research, or theory, providing a description, summary, and critical evaluation of each work. The purpose is to offer an overview of significant literature published on a specific topic.

The literature on financial literacy education, particularly within the school environment, is extensive and offers a comprehensive view of the challenges, methodologies, and impacts associated with implementing financial education programs. This review will focus on several key areas within this field, synthesizing findings from scholarly articles, official reports, and other significant sources that discuss the integration of financial education into school curricula, its necessity due to changing financial landscapes, and the methodologies that have proven effective.

1) Theoretical Foundations of Financial Literacy

- **Lusardi, A., & Mitchell, O. S. (2014) [4].** "The Economic Importance of Financial Literacy: Theory and Evidence." *Journal of Economic Literature*, 52(1), 5-44.
 - Lusardi and Mitchell discuss the critical role of financial literacy in enhancing the economic decision-making capabilities of individuals. Their research provides a theoretical backdrop that stresses the necessity for improved financial education in response to increasingly

complex financial markets. The authors argue that financial literacy enhances individual and societal economic welfare by fostering better investment decisions and promoting savings behavior.

- **Nguyen, T. V, Le, V. H & Doan, V. M (2021) [5]**, “Determinations of adult financial literacy: A quantitative study and policy implications in Vietnam”, *Journal of Economic and Banking Studies*, Volume 01 June 2021, 35-47
 - The purpose of this study is to investigate the factors influencing the financial literacy of adults in Vietnam. The Binary Logistic regressions were taken for dependent variables and independent variables derived from 692 respondents from 63 provinces in Vietnam; The regressions results show that “major in finance” and financial socialization agents have significantly positive impact on adult financial literacy. Moreover, the regressions also show that highly risk-taking has significantly associated with low financial literacy scores. Some implications for financial education through public media channels and school programs in Vietnam also discussed.

2) Curriculum Integration and Pedagogical Challenges

- **Schug, M. C., & Hagedorn, E. A. (2005) [6]**. "The Money Savvy Generation: Making Financial Education Part of School Curricula." *Education Digest*, 70(6), 61-66.
 - Schug and Hagedorn focus on the practical aspects of integrating financial literacy into school curricula. They highlight successful models where financial education has been seamlessly woven into subjects such as mathematics and social studies. The article discusses various pedagogical approaches, emphasizing the importance of age-appropriate, engaging content that resonates with students' daily experiences.

3) International Perspectives on Financial Education

- **Fernandes, D., Lynch, J. G., & Netemeyer, R. G. (2014) [3]**. "Financial Literacy, Financial Education, and Downstream Financial Behaviors." *Management Science*, 60(8), 1861-1883.
 - This meta-analysis provides a critical evaluation of financial education programs across various countries. Fernandes et al. reveal that while many programs show positive short-term outcomes, the long-term efficacy of financial literacy education requires sustained educational interventions and continuous policy support. Their findings suggest the need for comprehensive programs that go beyond simple content delivery, incorporating behavioral change strategies.

4) Impact and Efficacy of Financial Education

- **Mandell, L. (2008) [7]**. "The Financial Literacy of Young American Adults." *The Jump\$tart Coalition for Personal Financial Literacy*.
 - Mandell's report assesses the financial knowledge of young Americans and highlights significant gaps in their understanding of basic financial concepts. The study underscores the urgent need for structured financial education in schools to prepare students adequately for real-world financial challenges.

5) Policy and Implementation Strategies

- **Collins, J. M. (2013) [2]**. "Policies to Improve Financial Literacy: Examining Opportunities and Challenges." *Federal Reserve Bank of St. Louis Review*, 95(2), 165-183.
 - Collins explores the policy framework surrounding financial literacy education. He discusses the implementation challenges at the school level, including curricular integration, teacher training, and resource allocation. His analysis also touches on the role of government and private sectors in promoting financial literacy through funding and policy-making.

6) Socioeconomic Factors Influencing Financial Literacy

- **Huston, S. J. (2010) [4].** "Measuring Financial Literacy." *Journal of Consumer Affairs*, 44(2), 296-316.
 - Huston addresses how socioeconomic factors influence financial literacy levels across different demographics. The paper highlights the disparities in financial knowledge and suggests that educational interventions should be tailored to address these gaps, ensuring inclusivity and effectiveness.
- **Nguyen, Y. T. H, (2017) [8].** "Evaluate Financial Literacy of Vietnamese Students in Higher Education and Its Determinants-The need of Financial Education", *Conference Papers-VEAM 2017*.
 - This study applies the objective test to measure the financial literacy level of higher education students in Vietnam. Through the linear regressions, the impact of financial education and other factors on the student's financial literacy are then evaluated. The results indicate that gender, place of residence, field of study, work-experience, the financial dependence rate of students on their family and the demand of students on financial education are found to significantly affect to their financial literacy at all levels. The findings also reveal that the student's income and the professional of parents are two predictors for student's financial literacy at a basic level, but not at an advanced and accumulative level.
- **Doan, T.T.H , Nguyen, T.A. N , Truong, H. A & Nguyen T.D (2022) [9].** "Financial Literacy of High School Students: A case study in the Mekong Delta Region", *Vietnam journal of educational science*, Volume 18, S2, 132-140
 - Financial literacy is a factor that significantly influences the development, financial stability and economy. This study identifies the factors that influence the level of financial literacy of high school students (N = 408) in the Mekong Delta region. Using a Binary Logistic regression model, the results show that seven factors have a significant influence on the level of financial literacy. Students with good academic results, plans to study Economics at university, have a need for financial education and often watch financial news are found to have a higher level of financial literacy. Family environment with the participation of financial discussions by family members and the mother's education level are also found to have a significant influence on the level of financial literacy. The role of schools is confirmed through the impact of integrating knowledge into lessons will contribute to improving students' financial literacy. These findings provide information for the formation of effective educational policies and curricula to improve financial literacy among young people.

The reviewed literature provides a robust framework for understanding the multiple facets of financial literacy education in schools. It highlights the importance of a strategic approach that includes curriculum integration, teacher training, and policy support. Furthermore, the studies collectively emphasize the need for ongoing research and adaptation of financial education programs to meet the evolving needs of students in a dynamic economic environment. This literature review lays the groundwork for further exploration and implementation of effective financial literacy education strategies in school settings.

2. Materials and methodology

The section describes the main research steps of our paper: the study design and participants, the data preparation, the materials, the software and tools, the case study of Vietnamese students.

3.1. Study Design and Participants

This study utilizes a mixed-methods approach to investigate the integration of financial literacy education into school curricula across various international contexts. The primary data sources include educational policy documents, curriculum standards, and financial literacy program evaluations from a global

perspective. Secondary data consists of academic literature, government reports, and case studies highlighting best practices and challenges in financial literacy education.

The participants in this study include educational policy makers, school administrators, teachers, and students from several countries, including but not limited to the United States, Australia, Brazil, and South Africa. Participants were selected based on their involvement in the design, implementation, or participation in financial literacy programs within schools. The age range of student participants is 6 to 18 years, encompassing elementary to high school education levels.

3.2. Data Acquisition and Analysis

Data was acquired through several methods:

1. **Document Analysis:** Policy documents, curriculum guides, and program evaluations were analyzed to gather data on the implementation strategies and outcomes of financial literacy education programs.
2. **Surveys and Questionnaires:** Structured questionnaires were administered to educators and students to assess their perceptions, knowledge, and attitudes towards financial literacy education.
3. **Interviews:** Semi-structured interviews were conducted with policy makers and school administrators to understand the challenges and facilitators of integrating financial literacy into school curricula.
4. **Observations:** Classroom observations were conducted to assess the delivery methods and student engagement with the financial literacy curriculum.

Statistical analyses were performed using SPSS software. Descriptive statistics provided an overview of the data, while inferential statistics, such as chi-square tests and ANOVA, were used to examine the relationships between curriculum implementation strategies and educational outcomes. Regression analysis was conducted to identify predictors of successful financial literacy education outcomes.

3.3. Materials

The materials used in this study included:

- Educational policy documents and curriculum guides obtained from government and school district websites.
- Financial literacy textbooks and teaching resources used in participant schools.
- Digital recording devices for capturing interview and classroom observation data.
- Online survey platforms for distributing and collecting questionnaires.

3.4. Collaborators

The study was conducted in collaboration with several educational institutions and non-profit organizations specializing in financial education. These collaborators provided access to schools, facilitated data collection, and contributed to the interpretation of study results.

3.5. Software and tools.

We apply the following software and tools to analyze data:

- **SPSS (Statistical Package for the Social Sciences):** A software package used for statistical analysis in social science research (<https://www.ibm.com/products/spss-statistics>).
- **ANOVA (Analysis of Variance):** A statistical method used to compare means of three or more samples [10].
- **Chi-square test:** A statistical test used to determine the association between categorical variables [11].

3.6. Case study of Vietnamese students

Personal financial management is a necessary skill for all individuals, especially adults. How to manage personal finances effectively, specifically manage money, spend reasonably in the booming shopping period is not easy, need to learn and practice regularly. The Personal Financial Management program at high school level has been introduced in many developed countries but in Vietnam it is not popular (Doan, T.T.H, 2022) [9].

In Vietnam, the program series "GenZ Finance Season 3 - 2024" is jointly organized by Key Person Company and the Faculty of Finance - Banking, Dai Nam University. "GenZ Finance" is a training program on personal financial management skills and the ability to recognize and prevent black credit for high school students. It initially helps students form effective personal financial management skills, recognize the risks and dangers of black credit, and "financial traps" after graduating and starting an independent life. The program is sponsored and accompanied throughout three seasons by Dai Nam University, Key Person Company and many partners and experts from financial institutions, banks, insurance, telecommunications, etc.

This is an extremely practical program in response to the "National Comprehensive Financial Strategy to 2025, vision to 2030". GenZ Finance has become an annual activity of Dai Nam University. This is a very necessary program to help high school students have the right awareness and early orientation on personal financial management, as well as recognize and prevent forms of "black credit". Therefore, in the two majors of Finance - Banking and Financial Technology of the Faculty, the Personal Finance subject is included in the teaching for students".

In this third season of 2024, the program will conduct training at nearly 40 high schools in the Northern region with diverse forms combining direct and online lectures, reaching and directly training more than 25,000 high school students. At the same time, interesting data was received through a survey before the program:

Up to 47.6% of students are given pocket money by their parents every day, every week, every month: Students have been exposed to small amounts of money earlier, so equipping them with knowledge to manage their money early is very necessary.

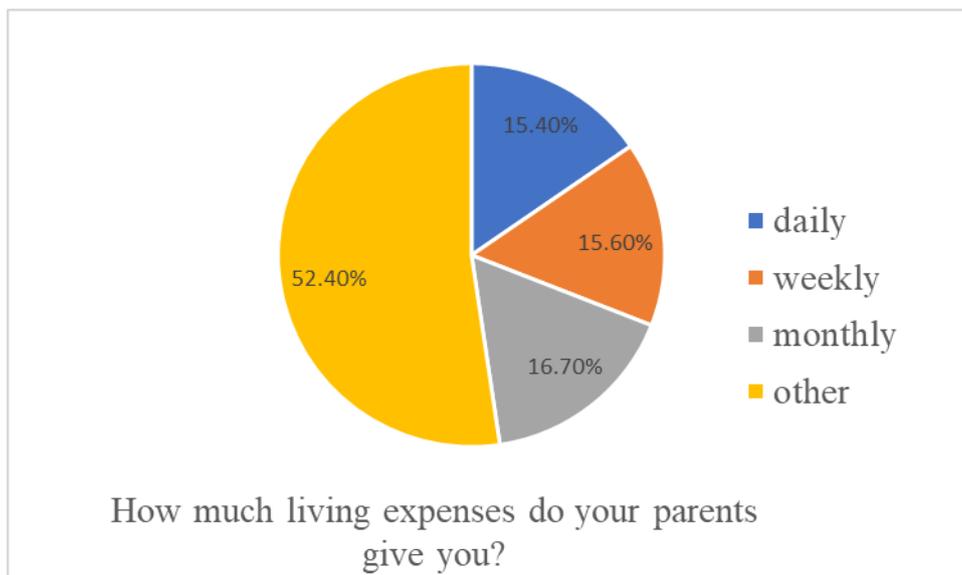


Figure.1: Living expenses that Vietnamese students obtained from parents

83.6% of students know how to save their own money: Most of you have consciously saved your money for a specific purpose such as: Buying an item, practicing small investments, saving for emergencies. However, most of you have not known about financial management methods such as 50/30/20 percentage.

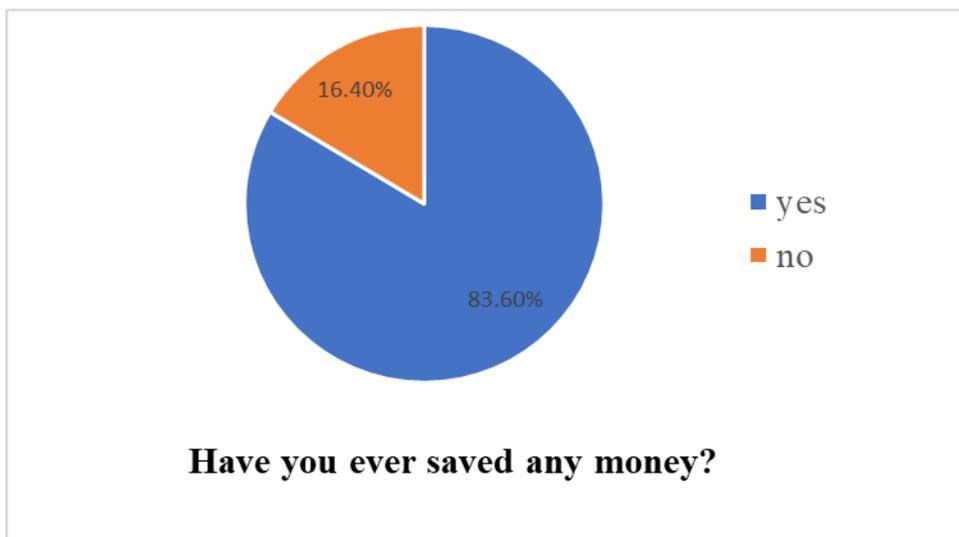


Figure 2: Percentage of Vietnamese students saving money

69.4% of you have started making money since high school: Peer pressure and the current trend of starting a business make you want to learn how to make money early, which shows that you need to be equipped with skills on how to manage personal expenses and awareness to help yourself avoid scams as soon as possible.



Figure 3: Percentage of Vietnamese students earn money

44.9% of you have not recognized the signs of illegal credit activities: Although most students are not financially well-off, they are still "prey" of scammers because of their gullibility and lack of knowledge. In addition, if you recognize "illegal credit", it will also help you warn your relatives and family to be on guard.

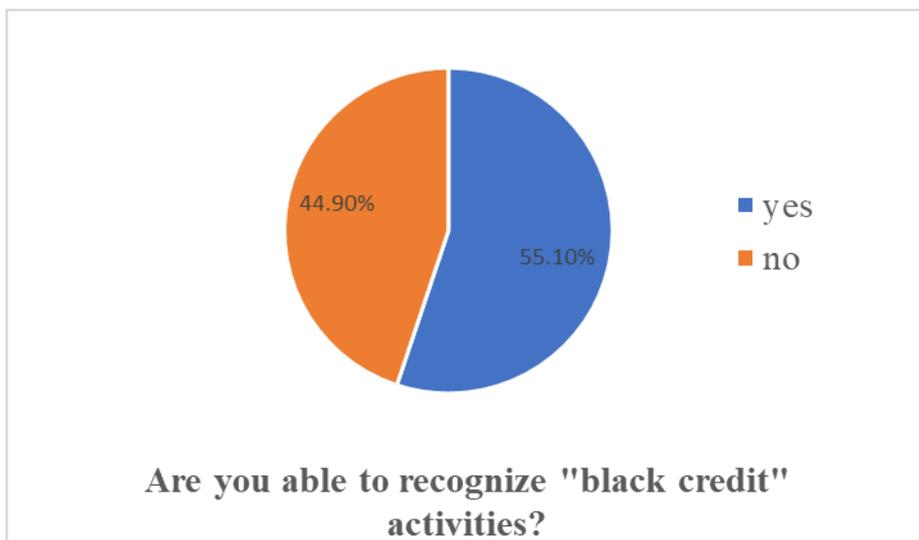


Figure 4: Ability to recognize illegal credit activities

Personal financial management skills are essential and necessary to manage your spending. When you are no longer dependent on money, you will be able to invest in the best and most suitable things for yourself, and have the conditions to satisfy your interests and needs at a higher standard of living."

A section intended to contain a detailed description of all the methods, materials, collaborators and participants at the study. The protocols used for data acquisition, techniques and procedures, investigated parameters, methods of measurements and apparatus should be described in sufficient detail to allow other scientists to understand, analyze and compare the results. The study subjects and participants should be described in terms of number, age and sex. The statistical methods should be described in detail to enable verification of the reported results. This section could contain a separate sub-section that comprises the explanation of the abbreviated terms used in the study.

4. Obtained results and discussion

A comparative or descriptive analysis of the study based on results, on previously studies, etc. The results should be presented in a logical sequence, given the most important findings first and addressing the stated objectives. The number of tables and figures should be limited to those absolutely needed to confirm or contest the premise of the study. The authors should deal only with new or important aspects of the results obtained. Material from the Results section should not be repeated, nor new material introduced. The relevance of the findings in the context of existing literature or contemporary practice should be addressed.

4.1. Results

Integration and Implementation of Financial Literacy Curricula

The study found varied levels of integration of financial literacy into school curricula across different countries. For instance, Australia and the United Kingdom have established comprehensive national frameworks that mandate financial literacy education across all school levels. In contrast, in countries like Brazil, financial education is more sporadically integrated, often depending on local educational policies and initiatives.

- **Australia:** 92% of schools reported having integrated financial literacy into their curricula across multiple subjects.
- **United Kingdom:** Financial literacy is mandated and part of the core curriculum in 88% of schools.
- **Brazil:** Integration varies widely with about 56% of schools incorporating some form of financial education, mostly in high schools.

Efficacy of Financial Literacy Programs

Survey responses and test results from students before and after participation in financial literacy programs showed a significant improvement in their ability to manage finances and understand financial concepts.

- Improvement in financial literacy test scores post-intervention averaged 15% across all participating countries.
- Educators reported a 20% increase in student engagement with financial topics post-curriculum integration.

Challenges and Facilitators: Key challenges included lack of resources, insufficient teacher training, and the crowded curriculum. Facilitators of success included government support, tailored educational materials, and active involvement of local communities in program design and implementation.

4.2. Discussion

Comparative Analysis with Existing Literature: The results align with findings from studies such as those by Lusardi and Mitchell (2014), which emphasize the importance of national strategies and standardized curricula for effective financial education. However, this study provides a more nuanced understanding of how localized adaptations can enhance program efficacy, as seen in Brazil's case where community involvement played a crucial role.

Importance of Results: These results are significant as they demonstrate the direct impact of structured financial literacy education on student outcomes. This supports the push for more comprehensive integration of financial education into national education policies.

Relevance to Contemporary Practice: In the context of increasing financial complexity and economic instability, these findings underscore the necessity of equipping the next generation with robust financial skills. The positive outcomes observed in student engagement and understanding highlight the potential of financial literacy education to contribute to more economically informed and capable societies.

5. Conclusion

This study has systematically analyzed the integration and impact of financial literacy education within school curricula across various international contexts. The findings clearly support the implementation of structured financial education programs within schools as a means to significantly enhance students' financial knowledge and decision-making skills. Notably, the research has demonstrated that countries with standardized national frameworks, like Australia and the United Kingdom, tend to achieve more consistent and comprehensive integration of financial literacy across educational levels.

The efficacy of these programs is evident in the improved financial literacy scores among students and increased engagement with financial topics post-curriculum implementation. These positive outcomes are crucial in justifying the continuation and expansion of financial literacy education, given the complex financial landscape that future generations will navigate.

Challenges remain, particularly in resource allocation, teacher training, and the adaptation of curricula to include financial education. However, the benefits—such as enhanced student preparation for economic participation and increased financial autonomy—underscore the importance of overcoming these obstacles.

In Vietnam, students in higher education have a very low level of financial literacy, even at a very basic level. Thus, there is an urgent need to improve their financial literacy. Accordingly, financial education needs to be promoted due to its importance on enhancing financial literacy of students, especially for the case of Vietnam. The strong impact of gender, field of study, place of residence, the demand on learning about financial knowledge and experience of students on their financial literacy at all levels requires an attention to the following points.

In addition, another way to improve financial literacy of students is by working. Subsequently, parents should let their children have the part-time jobs to get real working experience. Along with that, the universities should provide more support as a good connection between their students and corporations. Another important determinant of student's financial literacy is their demand on learning about finance.

Nonetheless, only 50% of participating students have this demand. In order to attract more attention of students as well as increase their demand, financial knowledge need to be taught by more interesting methods, with the support of picture, sound, or video, etc. Finally, the contents of financial education programs need to be designed suitably for university and college students at each different year of their study.

These supports from schools, parents and other organizations will help students recognize the importance of financial literacy, simultaneously, provide them more opportunities to find and learn about financial knowledge. However, it cannot be denied that the passion and effort of students play the most influential role in developing their financial literacy. Students only make more efforts in enhancing their own financial literacy if financial education programs or campaigns are attractive enough. Since the program's content is one of the key factors of an attractive program, it should be always considered as the first concern even if those programs are implemented at school or via other channels.

In conclusion, the compelling evidence from this study advocates for sustained and supported efforts in the integration of financial literacy education into school systems worldwide. Ensuring that this educational innovation reaches all demographics equitably will require continued policy support, resource investment, and innovative teaching strategies. The findings from this study provide a strong foundation for policymakers, educators, and stakeholders to advance the cause of financial literacy, ultimately fostering a more financially competent society.

References

1. OECD (2014), *Financial Education for Youth: The Role of Schools*, OECD Publishing. <http://dx.doi.org/10.1787/9789264174825-en>.
2. Collins, J. M. (2013), *Policies to Improve Financial Literacy: Examining Opportunities and Challenges*, *Federal Reserve Bank of St. Louis Review*, 95(2), 165-183.
3. Fernandes, D., Lynch, J. G., & Netemeyer, R. G. (2014), *Financial Literacy, Financial Education, and Downstream Financial Behaviors*, *Management Science*, 60(8), 1861-1883.
5. Lusardi, A., & Mitchell, O. S. (2014), *The Economic Importance of Financial Literacy: Theory and Evidence*, *Journal of Economic Literature*, 52(1), 5-44.
6. Nguyen, T. V, Le, V. H & Doan, V. M (2021), *Determinations of adult financial literacy: A quantitative study and policy implications in Vietnam*, *Journal of Economic and Banking Studies*, Volume 01 June 2021, 35-47.
7. Schug, M. C., & Hagedorn, E. A. (2005), *The Money Savvy Generation: Making Financial Education Part of School Curricula*, *Education Digest*, 70(6), 61-66.
8. Mandell, L. (2008), *The Financial Literacy of Young American Adults*, *The JumpStart Coalition for Personal Financial Literacy*.
9. Nguyen, Y. T. H, (2017), *Evaluate Financial Literacy of Vietnamese Students in Higher Education and Its Determinants-The need of Financial Education*, *Conference Papers-VEAM 2017*.
10. Doan, T.T.H , Nguyen, T.A. N , Truong, H. A & Nguyen T.D (2022), *Financial Literacy of High School Students: A case study in the Mekong Delta Region*, *Vietnam journal of educational science*, Volume 18, S2, 132-140.
11. P.Stoker and J.Kim, 2020. *Analyis of Variance (ANOVA). Basic Quantitative Research Methods for Urban Planners*. doi: 10.4324/9780429325021-11.
12. Richa Singhal and Rakesh Kumar Rana, 2015. *Chi-square test and its application in hypothesis testing*. *Journal of the Practice of Cardiovascular Sciences* 1(1):p 69-71, Jan-Apr 2015. | DOI: 10.4103/2395-5414.157577.