Review of 'The Library's Role in Supporting Financial Literacy for Patrons'

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Abstract: Review of Smallwood, Carol. *The Library's Role in Supporting Financial Literacy for Patrons.* Lanham, Maryland: Rowman & Littlefield, 2016

Keywords: public libraries; financial literacy; library programming

In 2013 when the American Library Association's ACRL President, Trevor Dawes, called upon academic librarians to make financial literacy a focus of their information literacy programs, many librarians were both eager yet hesitant to take on this challenge. By their nature, librarians help their patrons find the information they need, but when it comes to finding and disseminating financial information, many librarians feel ill-equipped. Personal finance queries often lead to unfamiliar research territory and privacy issues. With the publication of the book, *The Library's Role in Supporting Financial Literacy for Patrons*, librarians have a resource that compiles articles from a myriad of librarians in the United States and Canada who have been making financial literacy a priority. This collection, edited by librarian anthologist, Carol Smallwood, covers both the academic and public sphere. Academic libraries are providing financial literacy resources and programming to college students while public libraries are reaching out to their patrons via workshops, programs, and instruction. This review analyzes each section of the book and highlights some of the more cogent points made by the librarians on the importance of financial literacy.

The book is divided into three parts. Part 1, "Overview of financial literacy" presents a multitude of definitions for financial literacy from various credible and reliable sources such as the Council for Economic Education. These chapters include commentary about financial illiteracy preventing patrons and students from making sound personal finance decisions. Part 2, "Library resources," combines commentary about the importance of financial literacy with resource lists and, in some cases, ways to best implement the resources. Part 3 provides readers with ten case studies in which librarians share best practices and hindsight assessments.

In part 1, the authors of chapters 10 and 11 make a convincing case why librarians should include financial literacy in their information literacy instruction. The chapters, "What is financial literacy and why should we care?" and "Why financial literacy matters" should be the first and second chapters because they lay the ground work for what is needed to improve financial aptitudes. In Chapter 10, authors Shin Freedman and Marcia Dursi begin their overview by discussing the problem of financial illiteracy in the United States, and how college students need access to financial information resources to deal with crippling college debt. The authors offer five different definitions of financial literacy from various sources including this from the National Financial Educators Council: "Possessing the skills and knowledge on financial matters to confidently take effective action that best fulfills an individual's personal, family, and global community goals" (p. 94). The other definitions of financial literacy also illustrate how elusive the concept can be. Freedman and Dursi discuss how librarians can come to terms with the slippery slope of financial literacy by educating themselves about the topic via a variety of resources. The most inviting is "Financial literacy education in libraries: Guidelines and best practices for service" written by the librarians of the Business Reference Services Section of the Reference and Users Services Association in conjunction with an expert panel of financial literacy advisors. Unfortunately, there is no link to the referenced document in the chapter. However, there is a useful list of financial literacy programs from various universities across the country in the section of the chapter entitled, "Librarian academic support." Each example of financial literacy activities highlights how libraries can answer the call of past ACRL President Trevor Dawes to make financial literacy a priority in academic libraries. One interesting example came from Marymount University. An information literacy curriculum map is combined with the objectives and goals of composition, and business school classes. An appendix of curriculum map worksheets correlates most of the information literacy competency standards with financial literacy objectives (pp. 99-106).

In Chapter 11, "Why financial literacy matters," author Ashley Faulkner acknowledges the complicated nature of our financial world with an observation about the importance of a financially literate society. Operation HOPE founder John Hope Bryant states, "In today's world, a solid understanding of financial matters is as fundamental as learning to read and write" (Operation HOPE 2015). Faulkner then asks her readers a pointed question: "But are you satisfied with such a simple explanation? That's it? If so, you can stop reading here" Financial literacy matters because the world is increasingly complex. (p. 109). Faulkner's boldness in questioning the reader is a refreshing departure from most academic writing. In arguing the need for more analysis to understand the dire need for financial literacy, Faulkner analyzes three factors that make understanding one's own financial situation imperative. Her short bulleted list includes: "economic turbulence, digitization: and a disproportionately high impact on at-risk groups" (p. 109). Faulkner's analysis of these three factors is thought-provoking and meaningful. She weighs both sides of the argument that financial literacy could prevent economic crises. "In one argument, economic turbulence is caused by macro forces, and financial literacy is the means of treating resulting economic wounds. In the other, poor financial literacy, in part, actually causes economic turbulence as poor consumer decisions, en masse, affect macroeconomic forces" (p. 110). She surmises that if information literacy improves, consumers will be able to make informed choices affecting both their personal lives and the nation's economy. By illustration, the author discusses how information illiteracy takes a devastating toll on small business owners. She predicts that the student loan crisis will delay home ownership for millennials therefore impairing the overall economy. In her analysis of the digitization of financial resources which has led consumers to take more stock of their financial welfare, the author points out a strange psychological phenomenon occurring with individual investors. Faulkner explains, “But individual investors are, on a whole, financially illiterate and in a strange quirk of human nature, not just blissfully ignorant of their own ignorance but actually vehemently convinced they are more knowledgeable than they are” (113). Faulkner breaks down the phenomenon in two parts: “(1) the tendency of individuals to exhibit confirmation bias in their search for information, and (2) a form of cognitive bias called Dunning-Kruger effect. The first relates to the way people search for information in an online environment which offers near disintermediation of information: users can access almost any and every type of information directly and with minimal filters” (p.113). Librarians are uniquely positioned to help patrons with their online searches in order to avoid cognitive bias. According to Faulkner, the “The Dunning-Kugler effect is almost entirely a matter of overconfidence, and an interesting explanation for why the least financially literate individuals will likely be the most overconfident investors and thus face the worst returns in the modern free-for-all markets” (p.114). By including this psychological analysis, Faulkner re-emphasizes the need for the type of unbiased and reliable financial resources that could only be found in a library setting. Librarians employ the same techniques, both in financial and information literacy instruction, to teach patrons how to recognize unreliable resources on the internet.

The remaining nine chapters in part 1 address how to define financial literacy, and how it can be implemented in both academic and public libraries for different sets of patrons. This section addresses specific topics such as community needs, consumer credit, and librarian financial education training programs. In Chapter 1, Lauren Reiter discusses how academic libraries can use Pennsylvania State University Libraries’ financial literacy program, MoneyCounts,[1]. This "began as a one-shot presentation about budgeting by the Commission for Adult Learners' financial literacy manager" (p. 5). Since the MoneyCounts program began in 2013, there have been twenty monthly workshops at the Reiter's library. Reiter also provides readers with four guidelines to maximize student attendance: "trustworthy experts; careful topic selection; comfortable atmosphere; and shameless marketing" (p. 5). Some libraries participate in the Money Smart Week program started by the Federal Reserve Bank of Chicago. Authors Joanne Kuster and Maryann Mori discuss Iowa State Library participation in Money Smart Week to teach financial literacy skills to Iowans. A more complete account of Kuster and Mori's programming is found in part three in the case studies section.

Some of the most useful chapters list both online and print resources that libraries could make accessible to their patrons.   In her chapter, Financial literacy in libraries, Sonnet Ireland provides readers with information on websites that focus on educating people from different age groups, from children to retirees. Ireland's main focus is government websites that teach financial literacy skills to adults such as MyMoney.gov and Investor.gov.[1] In part 2, Karen Evans also lists some of the government sources found in Ireland's article; however, the two articles focus on different government agencies and their websites. Both authors agree there is a plethora of government sites that can help patrons learn how to save, budget, and invest their money.

Part 2 of the text is comprised of ten articles that focus on library resources. In chapter 12, Asking for help, Kate Moody discusses the importance of outside experts as valuable partners in any library's financial literacy endeavors. She lists several organizations librarians should ask for help when creating financial literacy programs. Moody's article discusses the importance of aligning the financial literacy needs of patrons with the list of potential partners. She notes the

[1] http://financialliteracy.psu.edu/moneycounts/

importance of choosing unbiased partners, especially ones that have good standing in the *community*. Moody outlines best practices in sections entitled, Ensure a smooth working relationship and beware of common pitfalls. These points are illustrated in her case study, Money fitness. This title is also the name of Moody's financial literacy program.

Melissa Jeter's chapter not only provides librarians with great resources, it reads like a case study in its own right. "Best practices to implement financial literacy in a large public library," discusses Jeter's process of determining patrons' needs by first surveying the librarians. Librarians took an online survey about what kinds of financial questions patrons were asking. Results showed an overwhelming desire for patron information on accessing their credit reports. Jeter also surveyed the patrons and confirmed the librarians' observation. Jeter also observes that financial literacy needs occur in seasons. January is when patrons might be resolving changing their spending habits or beginning work on their taxes. April marks the end of tax season and is also the month that some libraries participate in Money Smart Week. Jeter stresses, "Holding programs around these times maximizes the importance of financial literacy in a particular community and also lends initiative to even more resources that help in creating a successful program" (p. 134). Like previous authors, Jeter stresses how community partners can play a vital role in developing and implementing a strong financial literacy program. Along with these outside partners, fellow librarians are possibly the most invaluable of all resources.

Author Frans Albarillo extends the definition of financial literacy to include career information. He proposes, "The more financially literate they are, the better information they can use to inform their education decisions. Academic librarians can play an important role in providing students with the information and financial literacy they need to make career-related decisions" (p.141). The author suggests the best way to aid students in finding career information is to create a guide with keywords indicating where the career section is located in the library. To recommend online resources to students, Albarillo suggests that librarians become familiar with the U.S. Department of Labor's Bureau of Labor Statistics website and the Occupational Outlook Handbook[2].

Both Chapters 15 and 16 focus on collection development and offer insightful advice to public and academic librarians on how to create a financial literacy collection via print and online resources. In chapter 15, authors Lisa G. Lin and Roslyn Donald explore ways to update and improve a personal finance collection in a large public library. Lin and Donald created a three-phase collection development process for the Santa Clara County Library District as part of a Smart Investing@yourlibrary grant. Phase one entails analyzing the already existing collection of financial literacy books and the needs of the community; phase two gives step-by-step instructions on how to develop a core collection; and phase three offers librarians ideas about compiling a list of supplemental recommended titles. The authors discuss how to assess if the new titles are meeting the needs of the patrons. This chapter also reads like a case study and is most useful for collection development. The following chapter by Karen Evans speaks about collection development in a more generalized way. Evans discusses the importance of format considerations such as non-English sources, large print, and braille. Evans stresses the importance of knowing patrons' needs when cultivating a collection to meet those needs.

The last half of part 2 features topics that fall under the financial literacy umbrella from job interviewing skills to home buying skills. Topics addressed in the previous chapters, U.S. government resources, and career information literacy, cover different content and provide another glimpse in providing students and patrons with these resources. The case studies in the

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[2] https://www.bls.gov/ooh/

book’s final section illustrate a variety of ways financial literacy resources can be made available in libraries. Librarians will find these case studies informative exemplars to follow in their own financial literacy programs. These studies illustrate the dire need for financial literacy in public, school, and academic libraries. The chapters cover a gamut of topics from creating programming, assisting military families with personal finance challenges, or teaching college students to make a budget. Some of the case studies expand the definition of financial literacy to include fraud protection and salary negotiation. The study presented by Roland Barksdale-Hall details the trials and successes of financial literacy programs in a public housing centered library. The most important case study on marketing is, Marketing planning for library-based financial education programs by Mary Jo Ryan and Kit Keller. The authors explain the importance of marketing planning via a visual that illustrates the circular nature of needs assessment and tailoring programming. The process covers: “know your community; know your library; implement; communicate; and evaluate.” (p. 260).

For any librarian searching for guidance on addressing the dire need for financial literacy for their patrons or students, this anthology is the go-to source. The contributors in this text provide invaluable advice and resources to create a useful and meaningful financial literacy program in their libraries.

References

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