

What Works for Families: Clinical and Experimental Methods for Studying Consumer Issues

The purpose of this session was to provide an overview of the instruction, research, application, and policy uses of clinical and experimental research in the area of financial education and counseling. Discussants provided examples and guidance designed to improve consumer outcomes by illustrating how teaching and research can inform practice. The mantra of the session was, “what works” to improve relationship and financial satisfaction, financial behavior, and didactic processes among consumers.

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Dan Iannicola, the Deputy Assistant Secretary for Financial Education at the U.S. Department of Treasury under the Bush administration, was quoted as saying, “Regardless of the technical soundness of the lessons we produce or how creatively we present them, financial education for most adult Americans may always be limited in its practical effectiveness because it forgets to address the family. The cost of this limitation is both financial and social, and potentially substantial on both measures.”²

Nearly all marriage and family therapists, financial counselors, and family economists working in the consumer finance arena would tend to agree with Mr. Iannicola when he stated that attempts to change financial behavior at the consumer level often fail because educational and intervention techniques typically do not account for the dynamic influences inherent in the family system. Complicating the issue is the general lack of causal evidence that financial education and financial counseling works to change behavior. The deficiency in evidence-based practice is a direct result of the current void in clinical and experimental teaching, training, research, and application among consumer researchers and educators. That is, the current state of financial education and counseling is premised on research conducted almost entirely from a cross-sectional survey methodology rather than clinical approaches used in other disciplines.

Each of the presentations in this session provided an overview of the instruction, research, application, and policy uses of clinical and experimental research in the area of financial education and counseling. Discussants provided examples and guidance designed to improve consumer outcomes by illustrating how teaching and research can inform practice.

Session Topics

Teaching and Training – Does Clinical Education Work in the Context Of Financial Education and Counseling? Joseph Goetz, University of Georgia.

Consumer educators, financial planners, and therapists often work in isolation when evaluating the causes and implications of destructive financial behavior. Few consumer educators are trained to understand couple

(didactic) interactions among individuals living in committed relationships; not many therapists, on the other hand, are exposed to instruction about consumer finance issues that impact families. Bridging the divide between consumer finance and therapy – something referred to as Financial Therapy – is a growing field consisting of researchers, educators, practitioners, and policy makers. This discussion, based on experiences at the University of Georgia, provided an insight into the unique opportunities and challenges confronting faculty and graduate students as they incorporate clinical teaching techniques into financial counseling and planning curriculums.

Outreach and Dissemination – Communicating Clinical Research to Practitioner Audiences. Sonya Britt, Texas Tech University.

For practitioners, interpreting clinical research may be akin to understanding ancient hieroglyphics: reports may make some sense, but it can still be quite vague. Without a clear understanding of empirically based/sound research, practitioners are at a disadvantage when identifying and practicing methods that have been proven to produce positive results. This part of the session focused on delivering research to practitioners. Case studies, using examples on DVD, were presented and discussed.

Research Practice – How Can Experimental Methods Be Used to Describe What Works? J. Michael Collins, University of Wisconsin

An often cited "gold standard" in research is to conduct a randomized experiment. A recent review of more than 25 studies of financial education and counseling found only two using any form of experimental design and less than half using quasi-experiments. The lack of experimental results has led some observers to discount the value of consumer education and other efforts to improve consumer behavior. Despite some administrative complexity, experimental and clinical methods are quite reasonable to implement in a field setting. This aspect of the discussion reviewed research opportunities, such as using wait lists or exposure levels, as well as statistical techniques, such as propensity score matching or instrumental variables, which can be used to better show the causal effects of interventions. Strategies for performing random assignment with human subjects was addressed, as well as tactics for developing research projects with applied practitioners in the field.

Research Practice – Clinical Methods Applied to Financial Counseling. Kristy Archuleta (Session Leader), Kansas State University.

Clinical and experimental research has been used in the fields of psychology and marriage and family therapy to gain knowledge about what types of intervention techniques (e.g., education, counseling, etc.) works, and how interventions work in therapy in a way that informs and improves therapeutic services. In the field consumer finance, clinical research methods can help consumers, financial services practitioners, and researchers when seeking best practices. Clinical research can also provide educators with knowledge to train consumer affairs professionals, educate the public through mass media dissemination, and inform policymakers. An overview of clinical research and how this research method can be implemented in a financial planning and financial counseling setting was provided.

Methodology Issues – Dealing With Small Samples and Unusual Distributions. John Grable (Session Leader), Kansas State University.

Researchers trained in family and consumer economics, resource management, and financial counseling have typically favored the use of survey data when conducting research. In general, survey data allows for wide generalizability and statistical robustness, assuming a large enough sample size. Small sample research, experimental methods, and clinical procedures, which often result in violations of parametric design requirements, can sometimes cause concern because typical research methods may be unusable with limited data. This discussion highlighted some of the methods used to assess clinical data, and illustrated the value of clinical/experimental procedures. Examples of methods presented included: Cochran's Q, Cohen's kappa, Friedman two-way analysis of variance by ranks, Kendall's tau, Kolmogorov-Smirnov test, Kruskal-Wallis one-way analysis of variance by ranks, Mann-Whitney U or Wilcoxon rank sum test, median test, Siegel-Tukey test, Spearman's rank correlation coefficient, and Wilcoxon signed-rank test.

Policy Applications – What Policy Makers Need To Know in Order to Appreciate the Value of Financial Education and Counseling. Jane Schuchardt, USDA Cooperative State Research, Education, and Extension Service.

Taking Ownership of the Future: The National Strategy for Financial Literacy (2006), developed by the 20 federal agencies of the Financial Literacy and Education Commission, determined that there is a clear need for a "broad and deep base of research ... to assist policymakers ..." and consumers. Discussion during this component of

the session focused on (a) the appropriateness of clinical and experimental research in answering some of the questions set forth as priorities at the 2008 National Research Symposium, especially those related to consumer economic socialization; (b) the need for research to inform choice architecture (policies to drive asset-building) as a complement to financial education; and (c) the formation of the Financial Product Safety Commission, and other proposed policies, getting significant attention under the new federal administration, and how clinical research can inform public policy.

Endnotes

¹The views expressed are the authors and do not necessarily represent those of the USDA.

²Quoted from invitation to the Relationship Finance Summit held in Washington, DC in January 2009.

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