



## MIND YOUR OWN BUDGET RESEARCH DOCUMENT

### Introduction

*Mind Your Own Budget (MYOB)* is a game-based learning application that aims to teach personal financial literacy to middle and high school students. *MYOB* helps students develop basic budgeting skills by introducing them to financial concepts and challenges in everyday life. By interacting with authentic, in-game representations of monetary tools and scenarios, students gain an understanding of financial literacy, which they can apply to the real world.

### The Importance of Financial Literacy

Financial literacy has been cited as one of the most important skills in helping students transition to adulthood. Research suggests that developing financial literacy leads to an increase in economic stability and an overall higher quality of life. For example, financially literate individuals are more likely to plan for retirement, manage their resources successfully, and accumulate wealth over time. Conversely, financially illiterate individuals tend to have lower personal savings and are more susceptible to financial emergencies and debt (Wilson et al., 2020).

Due to the increasing awareness of the importance of financial literacy, more K-12 schools have introduced financial literacy concepts into their curriculum. As of 2020, 21 U.S. states required high school students to complete a course in personal finance (Council for Economic Education, 2020). The Council for Economic Education (CEE) identifies financial literacy standards that can be incorporated into fourth, eighth, and 12th grade instruction (Wilson et al., 2020). This indicates that financial literacy is gaining recognition as a crucial life skill.

### Game-Based Learning

Game-Based Learning (GBL) has been shown to be an effective tool for increasing student engagement and motivation (Jabbar & Felicia, 2015). GBL provides an immersive learning environment that helps meet the needs of contemporary students (Anastasiadis et al., 2018). By providing clear goals, direct and immediate feedback, a balance between ability level and challenge, and a sense of control, GBL supports many of the components associated with student achievement.

GBL has been used effectively to teach STEM, non-cognitive, and life skills (Adame et al., 2017; Lee et al., 2016; McDonald, 2017). This indicates GBL is a useful tool that can be applied to various domains and objectives.

### Standards

*MYOB* addresses Oklahoma's "Personal Financial Literacy Passport" standards (Oklahoma State Department of Education, 2019). By the time students complete the game, they will be able to:

- describe the importance of earning an income and explain how to manage personal income with a budget.
- identify and describe the impact of local, state, and federal taxes on income and standard of living.
- describe the functions and uses of banks and other financial service providers.
- demonstrate the ability to manage a bank account and reconcile financial accounts.
- analyze the costs and benefits of saving and investing.



- explain and evaluate the importance of planning for retirement.
- identify the procedures and analyze the responsibilities of borrowing money.
- describe and explain interest, credit cards, and online commerce.
- identify and explain consumer fraud and identify theft.
- explain and compare the responsibilities of renting versus buying a home.
- describe and explain how various types of insurance can be used to manage risk.
- explain and evaluate the financial impact and consequences of gambling.
- evaluate the consequences of bankruptcy.
- explain the costs and benefits of charitable giving.

## Gameplay

In *MYOB*, the student assumes the role of a recent college graduate living in their own apartment. The student must balance their in-game funds and comfort level to achieve specific financial goals within allotted time periods. The student does this by performing everyday tasks such as making and keeping a budget, paying expenses, managing accounts, and using financial tools.

*MYOB* includes 10 unique scenarios representing a variety of financial challenges. The scenarios progress from simple to advanced. Each scenario addresses monetary responsibilities such as collecting income, managing bills, and paying taxes. The student also can participate in fun or humorous life events that may impact the outcome of the game. Through iterative practice, the student will gain a deeper understanding of financial literacy and its importance in leading a high-quality life.

## References

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