



Family and Consumer Sciences Extension

—Consumer Skills for the Working Poor 2005

Learning for Life

The University of Georgia Cooperative Extension

The Problem

- Georgians with limited literacy skills, especially financial literacy, are severely disadvantaged in an increasingly sophisticated financial marketplace.
- Georgia ranks 49th in the nation (behind South Carolina) in the percentage of ninth graders who graduate from high school within four years and are considered regular graduates by the state (National Center for Education Statistics, 2004 rankings).
- Georgia ranks 22nd nationally, with nearly 1 in 10 Georgians (9.89%) speaking a language other than English. Slightly more than half of those individuals speak Spanish (5.61%). (CensusScope)
- Georgia ranks 18th in the nation for the percent of adults without a 9th grade education (7.58%) and 14th for the percent of adults without a high school diploma (21.43%). (CensusScope)
- More than a million Georgians live below the poverty threshold (\$19,350 for a family of 4 in 2005).
- Georgia ranked 28th in the U.S. in per capita income for 2002 at \$25,949 and has a higher poverty rate for both individuals (13%) and children (16.7%) than the U.S. overall (U.S. Census).
- A single-parent with two children needs to earn \$9.50 an hour and work full-time, 52 weeks per year to earn wages equal to the federal poverty guideline for 2005.
- According to the Georgia Department of Labor, 13,774 Georgians lost their jobs due to layoffs and business closures between July 01, 2003 and June 30, 2004.
- Studies suggest that a significant portion of families often fail to take advantage of programs for which they are eligible, such as the Earned Income Tax Credit, which can significantly enhance economic well-being.

Research-based Solutions

- Having job readiness skills makes a difference in a person's employability.
- Knowing how to access quality, affordable child care and knowing how to handle transportation is the biggest hurdle in remaining employed.
- Once employed, having life skills (job skills, financial management, health and nutrition, clothing, housing and parenting) can help a person remain employed.

Extension's Role

- Participate in local collaboratives to address the needs of low-income families.
- Provide basic skills education to working poor individuals through either direct education or train-the-trainer programs targeted to social service and adult education providers.
- Teach life skills to low-income individuals and families.
- Create community awareness of poverty issues with the poverty simulation.

Extension's Contribution to Solving the Problem

- More than 1,500 contact hours of workforce preparedness education were provided to 1,239 Georgians. More than half (57%) of the training participants were low-income or at-risk audiences.
- The *Surviving Tough Times* extension program, targeted to individuals experiencing a reduction in hours or lay-off, provided important information about surviving on less resources for more than 100 unemployed workers.
- Seventeen poverty simulation workshops were conducted for over 600 community leaders and service providers. This simulated "month" in poverty informs participants of the realities faced by working poor families.
- Workforce preparedness and consumer education information was provided by media to thousands of Georgians.

Impact on Georgians

- Of the Georgians who participated in the *Surviving Tough Times* extension program, 84% said that it was very helpful to gain knowledge and skills needed to manage a period of unemployment. Most of the participants learned to make correct consumer decisions. For example, 91% planned to call or write their creditors to explain their job

loss situation; 90% planned to identify at least one way to reduce their spending; 94% planned to reduce household utilities to lower their bills; and 91% of the participants planned to pay basic living expenses and credit obligations before spending money on anything extra.

- Nearly 97% of the participants in a customer service education program said that it was helpful to improve their customer service knowledge and skills. Evaluation data indicate that 58% of the participants improved their customer service skills. Most of the participants said that they plan to apply learned customer service practices. For example, 96% planned to serve customers with a smile and pleasant attitude; 88% planned to consider differences in customers when planning customer service activities; and 94% planned for a better customer service.
- Of the participants in workforce preparedness education, 76% planned to practice before a job interview.
- Nearly 90% of the community leaders, educators and service providers who participated in the poverty simulation workshop said it helped them to better understand and relate to the issues and problems faced by working poor families. For instance a program participant said, *“an eye opening experience that changed many of my preconceived notions. It will help me to understand my students better.”*
- Of the poverty simulation program participants, 50% were able to develop more positive attitudes toward people living in poverty and planned to better serve the needs of the people living in poverty. For example, 95% planned to view people living in poverty differently to better serve their needs; 75% planned to work with other related community resources to assist people who live in poverty and seek out information that can be used to address poverty issues in their community.

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