
"I'm financially literate, but you're not"

By Editor Test Thu, Sep 12, 2013

Over half of Americans gave themselves an A or B grade on their saving and investing knowledge, while giving the average American a grade of D, according to a survey sponsored by Genworth Financial.

It's been said that 90% of French men consider themselves better-than-average lovers. And everyone knows that all of the children in Lake Wobegon, Minn., are above average. Now comes survey evidence that most Americans consider themselves to have better-than-average knowledge about saving and investing. They can't say the same about their neighbors, however.

According to a survey conducted as part of Genworth's continuing series of *Psychology of Financial Planning* consumer research, 52% of Americans gave themselves an A or B grade on their saving and investing knowledge, while giving the average American a failing grade of D.

Almost all of the survey respondents agreed on the importance of financial literacy and the nation's lack of financial literacy. More than half blamed "lack of financial education" as a main reason why Americans don't save enough for retirement.

Genworth's Financial Education study was conducted in collaboration with J&K Solutions, LLC and Toluna, Inc. The data was collected from an online survey in June 2013. 1011 adults (ages 25+ with household incomes of \$50,000 or higher) across the United States were surveyed.

"Despite having more financial education resources available than ever before in the form of books, TV shows, websites, blogs, etc. we don't take advantage of them and, if we do, we don't apply what we learn. Why? Financial decisions, behaviors, and actions are highly motivated by emotional and psychological factors," said Barbara Nusbaum, a New York-based psychologist and "money coach."

The data reveals that only 40 percent of women would give themselves a grade of A or B on their knowledge of saving, preparing for the future, and investing options compared to 66 percent of men. Furthermore, women (21%) appear to be more driven by fear than men (14%) when it comes to seeking more financial education.

When asked who should take responsibility for educating the American public on basic financial matters, the vast majority (75%) of respondents place the responsibility for financial literacy on themselves, followed by parents and family (56%), teachers/school (50%), the financial industry (34%), independent third-party organizations (19%) and government (17%).