

BITC Member Company Education Case Study



Company Details

Promoted as the world's local bank, HSBC Bank plc has its headquarters in London. HSBC Bank is a member of the HSBC Group of companies, one of the largest banking and financial services organisations in the world. The Group is named after its founding member, The Hongkong and Shanghai Banking Corporation Limited, established in 1865 with the objective of financing the growing trade between Europe and China. HSBC provides a comprehensive range of financial services, encompassing personal financial services, investment banking and markets, corporate, commercial, and private banking. HSBC has an extensive network of international companies with over 10,000 offices in 83 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa.

Educational Activities

Through its global Corporate Responsibility policy, HSBC focuses strongly on education, with a minimum of 75 per cent of its total philanthropic expenditure going to the two core areas of education and environment. HSBC underlines that this dual focus allows it to provide sustained support to projects that facilitate the development of long-term relationships as well as helping other initiatives over shorter periods. The Group's global educational programmes are managed by the HSBC Global Education Trust, which concentrates on supporting projects that:

- support the education of children and young adults aged 3-25;
- enhance young people's understanding of business and finance;
- focus on disadvantaged children;
- help enhance international and cultural understanding; and
- focus on improving language skills, in particular the teaching of Mandarin to non-native speakers in English-speaking countries.

Within these key areas, HSBC concentrates on nurturing talent, enhancing positive attitudes through the development of skills, providing local solutions for real local needs, and encouraging employees to become involved in educational projects. The company stresses strongly that education is not a marketing campaign and that the last thing it wants is to get involved with projects that are not valued by the schools.

While HSBC does a great deal of education work on an international scale, our interest is limited to UK-based education programmes, since the purpose of this paper is to document HSBC's work on education in the UK. This work can be divided into three main categories: *exploring business and finance*; *helping disadvantaged young people*; and *promoting international understanding*.

Exploring Business and Finance

What Money Means

Launched in late 2007, *What Money Means* is a new five-year partnership between HSBC and the charity Personal Finance Education Group (**pfeg**), which aims to improve the way primary-school children learn about money to enhance their financial skills. HSBC stresses the importance of working with an effective charity partner to create powerful and effective education programmes. Furthermore HSBC underlines the suitability of **pfeg** as that partner because it was also chosen as a partner to the Financial Services Authority to promote financial education in secondary schools.

The initiative was designed to address the issue that to date a lot of attention has been focused on promoting financial literacy in secondary schools with little emphasis or resource being channelled towards primary schools. HSBC recognises that, in order to address the currently low standards of financial education in the UK, it is essential to support primary schools as well as secondary schools; and to this end, during 2006, it financed a £25,000 scoping exercise to find out if there was teacher-led demand for support to enhance financial education in primary schools. HSBC states the importance of carrying out a scoping study in the initial stages of the programme to ensure that there is real need for the initiative in primary schools; and the company stresses that, unless there was real need, it was very unlikely that any initiative would be owned by schools. The findings of the initial scoping exercise confirmed that there was willingness and interest in delivering financial education among primary school teachers but that it was not happening because the teachers did not know how to design and deliver it.

An important dimension of What Money Means is the collaborative nature of the project. The project encourages teachers and local authorities to work with **pfeg** and HSBC volunteers to explore the role of personal finance in the primary curriculum and to develop approaches and lessons that enhance children's financial capability. This design, which is far from being prescriptive, encourages and supports teachers to be experimental and creative and allows significant flexibility to HSBC volunteers to ensure the support they provide is well suited to the needs of the teachers. HSBC stresses that the partnership between teachers and HSBC volunteers is teacher-led and that it is up to the school to decide how it wants to benefit from the input of volunteers. This could include volunteer support of teachers in or outside the classroom depending on the needs of the teachers.

Before launch, What Money Means was piloted in eight local authorities in England; each pilot project explored a different approach to developing financial capability. Pilot projects explored different ways of identifying needs and priorities, developing classroom practice, and involving the wider community, focusing on the following:

- developing and testing a “draw and write” research tool to be used in the classroom to establish children’s understanding of money;
- developing a framework of questions for financial education at Key Stages 1 and 2;
- enhancing financial education within the new Mathematics Framework to enhance classroom practice;
- designing classroom activities and examples of children’s work;
- exploring the social and moral dilemmas about money by using poetry and stories;
- designing guidance and training materials for bank and primary school staff;
- tackling financial exclusion by developing financial education activities for children and their parents;
- developing different ways for children and their parents to learn about money together.

The outcomes of the pilot projects have been used to develop a set of materials to be used in schools from January 2008 onwards. HSBC volunteers and **pfeg** are now providing direct support to another eight local authorities. By the end of 2011, the programme aims to provide 17,500 schools in 36 local authorities across England with resources, materials and classroom support to help teachers provide children with a solid insight into using money responsibly and wisely. HSBC is also actively liaising with the devolved Welsh and Scottish governments to explore how these resources can be utilised within schools in these countries.

HSBC will support What Money Means with a £3.4 million contribution over five years. The company also provides time and skills through employee volunteering opportunities. The volunteers provide extra classroom support or resource to support the schools where children’s financial capacity is being developed. HSBC underlines that the initiative is very popular, with 2,200 volunteers already having signed up within less than a month. It expects to involve 10,000 employee volunteers to work with primary school teachers during the course of the project. The firm also stresses the importance of regular programme evaluation, and has engaged an external research organisation to make an independent assessment of the programme over five years. Regular continuous feedback from this study will be fed into pfeg and HSBC to inform the institutions about the strengths and weaknesses of the programme. HSBC underlines the major role that the findings of this study will play in helping the company and pfeg develop the programme further.

Three key elements set this initiative apart from other financial literacy programmes: a flexible approach to delivery; an evidence-based approach allowing for refinement and improvement of the programme; and close partnership. HSBC stresses that all of these elements are critical in ensuring that the programme addresses the real and changing needs of schools.

Young Enterprise

Established in the UK in 1962, Young Enterprise is a leading business and enterprise education charity that brings volunteers from business into the classroom. Some of the programmes it offers encourage and support students to design and run their own company in groups while others aim to enhance young people's business and enterprise skills through games, hands-on activities and role play. The charity works with over 320,000 children and young people a year from more than 5,500 schools and colleges.

HSBC has been supporting Young Enterprise for more than 25 years by participating in the Young Enterprise education programmes and supporting the Innovation Awards – the UK national final of the Company of the Year Competition designed to provide students with the opportunity to compete for the UK title. The winning team goes on to represent the UK in a European final. The 2007 HSBC Young Enterprise Innovation Awards were held in July in The Savoy Hotel, London, with the participation of 12 regional winning teams. The winning team is awarded about £965 and an all-expenses trip to the Junior Achievement – Young Enterprise European Company Competition.

HSBC's contribution to Young Enterprise amounts to around £500,000 annually. In addition to financial capital, the firm also invests time and skills in the programme by mobilising around 500 of its employees to take part in the Company programme every year. Around 45,000 students take part in the programme annually. The HSBC volunteers act as business advisers to a Young Enterprise company or sit on local boards. HSBC stresses that acting as Young Enterprise company advisers also enhances the advisers' skills by offering them a great learning experience.

The HSBC Management Academy Programme

The HSBC Management Academy Programme was launched in 2007 to offer school-leavers a structured development programme for young people who decide to opt for employment over higher/further education opportunities. The programme aims to provide trainees with the support and training they need to move to a management job at HSBC within three years. The Programme offers participants with an alternative to the traditional university route for young people. On joining the programme, trainees receive an induction on how HSBC works. For the first two years, trainees work through a diverse range of roles within retail, commercial and Premier divisions. This helps them develop a wide-range of skills from which they select a specialism in their third year. The trainees are also provided with the opportunity to take a professional industry-recognised qualification and a degree as part of the programme. The cost of their studies is covered by HSBC, which also gives students study leave. For trainees on the Management Academy Programme, the salary ranges from £13,100 to £15,700

in 2007, depending on where they are based. Trainees also receive £1,500 monthly paid annual bonus for the time they stay in the programme.

Currently 200 trainees take part in the scheme. HSBC aims to increase this number to 300 by the end of 2007.

UNIAID

UNIAID is a charity that supports students aged from 15 upwards to cope with the financial barriers to higher education by exploring how to balance academic, social and health demands. The charity helps young people to enhance their understanding of financial management. In order to achieve its objective, UNIAID has developed interactive on-line tools such as "All About U", "Student Survivor" and a "Budget Calculator Tool". These tools are available to young people to help them manage these challenges more effectively.

All About U allows students to spend a year at "university" and tackle their finances in a virtual environment. The tool challenges students with a series of scenarios that support them to learn how to balance their finances at university before they get there. This helps to enhance their decision-making as well as budgeting skills and leads to improved financial capability before they get to university. *Student Survivor* allows students to adopt a virtual student they need to take care of. By playing the online game, users learn about the effects of their decisions and see the benefits of maintaining a balanced life during their university career. *The Online Budget Calculator Tool* allows students to enhance their understanding of how much money they will have once tuition, living expenses and other costs are deducted from their overall budget. In addition to interactive on-line tools, UNIAID provides accommodation bursaries to those in hardship.

HSBC has supported UNIAID's work since 2003.

Helping Disadvantaged Young People

Outward Bound

Outward Bound is one of the flagship programmes of HSBC. In 2002, the firm established a five-year partnership with Outward Bound, an educational charity that aims to enhance disadvantaged young people's self-esteem and potential by participation in safe and adventurous activities. Through this partnership, students from five east London and five inner-city Birmingham schools are offered the opportunity to take part in outdoor events. The students are from disadvantaged areas where they are not often provided with opportunities to build confidence and enhance team-working skills. The partnership provides participants with these types of opportunity. The programme is made up of four levels. The first stage is a one-day taster that around 300 students attend annually; the second is a three-day residential course that approximately 300

students attend. This is followed by a week-long residential course in which around 200 students take part. Finally there is a three-week Outward Bound course in August in which the 20 best-performing students take part.

HSBC has invested around £900,000 in the overarching programme over the last five years. It encourages and supports its employees to volunteer and act as student mentors to participants. The key contribution volunteers make is to guide students and show them that they, too, are challenged by some of the things they do. HSBC supports the overarching programme by participating in the programme's steering group, which meets four times a year. This strategic input allows HSBC to contribute to decisions on how to improve the programme. One other key part of the firm's support is the five-year longitudinal evaluation commissioned from Loughborough University, that measures whether taking part in Outward Bound increases academic achievement and future opportunities among participants. The final report of the study will be published in summer 2008. Regular six-monthly reports have been shared with HSBC and Outward Bound and findings were used to improve the programme.

The firm acknowledges the importance of establishing sustainable long-term collaborative partnerships with charities and stresses that its relationship with Outward Bound was one of the first corporate educational programmes that took this approach. The programme has had real impact on how the firm engages with the charity sector and has shaped its thinking for future projects.

Kielder Challenge

Launched in 1985, Kielder Challenge is an annual outdoor event for young people aged 11-16 with and without disabilities. Among its main aims are to enhance young people's teamwork and leadership skills through a series of outdoor activities, to support them in developing an understanding of people with different abilities, and help increase the confidence and inclusion of disabled people.

Young people compete in teams of eight (made up of four people with and four people without disabilities) to become the Kielder Challenge Champions by tackling wide-ranging outdoor challenges. More than 20 Kielder Challenge events are held annually throughout the UK between March and April. More than 120 teams compete against each other to secure a place in the Kielder Challenge grand final held in Kielder Forest, Northumberland, in September.

HSBC has supported the Kielder Challenge since 2001. In 2006, 60 and in 2007 around 200 HSBC volunteers took part in the initiative, helping to run the local, regional and national competitions. The firm has also commissioned Loughborough University to measure the impact of the programme along with Outward Bound and the Tall Ships Voyage, main findings of which are discussed in the impact section of this case study.

Tall Ship Challenge

Tall Ship challenge is an annual outdoor event for young people, which provides young people with the opportunity to learn new skills, and meet new people during a 10-day voyage. The programme has been supported by the HSBC Education Trust since 2001 and delivered by the Tall Ship Youth charity, founded in 1956 to support young people aged 16-25 in developing themselves through the crewing of Tall Ships.

Forty eight disadvantaged students from 24 schools in the HSBC Family of Schools join the HSBC voyage, sailing from Cardiff to the City of London with a crew of experienced volunteers. Participants learn sailing skills while developing their communication, teamwork and leadership skills. HSBC has committed funding until 2009. The firm has also commissioned Loughborough University to carry out a research study on the programme along with two other schemes it supports: Outward Bound and the Kielder Challenge. Findings of this study are discussed in the impact section of this case study.

On-line Mathematics

HSBC has supported the Thomas Telford School based in Telford to develop an on-line GCSE mathematics course with a donation of around £570,260. The course aims to address the shortage of maths teachers, can be used with or without teacher guidance and can be accessed from outside the campus. The course, which has two levels, contains 1,000 presentations and 200 videos to prepare students for GCSEs.

Supporting Chinese Language Instruction

Supporting Chinese Language Instruction is a British Council programme that helps to improve the teaching of Mandarin and enhance the awareness of Chinese culture in primary and secondary schools in the UK. The programme allows teachers from China, known as language assistants, to come to the UK to teach Chinese in UK schools. The British Council supports language assistants and other teachers of Mandarin with lesson planning and curriculum materials while it also organises teaching seminars on educational co-operation between China and UK.

HSBC has been supporting the programme for seven years, during which the number of language assistants has increased to 62 from six annually, growing the number of schools receiving support with Chinese language teaching to 60. It is expected that the number will grow to over 80 in the 2007/2008 academic year.

Governors

HSBC is one of the largest providers of school governors. The firm stresses that there is great interest among staff to act as school governors and a significant number of staff support school management by acting as school governors in the governing bodies. However, no statistical information is available in support.

Impact

Although some of the educational programmes and activities HSBC has in place have not yet been evaluated, three of the firm's flagship programmes, Outward Bound, the Kielder Challenge and the Tall Ships challenge, in which the firm has invested significantly both financially and through employee volunteering, have been independently evaluated by the Institute of Youth Sport, Loughborough University. The study was commissioned by the firm, and the main findings of the evaluation have been regularly disseminated to the firm and its partner charities. HSBC stresses that the findings have been used to improve the programmes, providing them with the means to enhance the opportunities for young people. The firm also underlines that the same strategy was used in developing its recently-launched What Money Matters programme, and an independent research study was again commissioned. The findings will again be used to improve the programme and ensure that it addresses the changing needs of young people and schools. Findings on What Money Means are yet to be disseminated.

Educational Benefits

The study carried out by Loughborough University reports that all three programmes – Outward Bound, the Kielder Challenge, and the Tall Ships challenge – lead to invaluable benefits for young people.

Data from various schools participating in Outward Bound demonstrate long-term positive improvement for participating students who outperform the comparison group, with the majority of them showing positive changes from their baseline profile. Among the perceived benefits were improved ambition, academic improvement, enhanced social skills including communication and leadership skills, increased determination, and enhanced confidence.

Similarly, the Kielder Challenge was also found to be perceived as highly beneficial, particularly by teachers. Teachers have demonstrated determination to retain their involvement in the Kielder Challenge even when they change schools. They report a positive impact on pupils and the opportunity to forge lasting links between schools as two main reasons for their extended involvement. Among the benefits teachers reported for themselves are:

- the opportunity to observe young people in different contexts;
- the opportunity to interact with staff from other participating schools;
- an enhanced school image within the community; and
- the opportunity to support young people in developing their skills within a different environment.

The Tall Ships challenge was reported to have a positive impact on young people that exceeded the expectations of the school staff. Among the benefits observed by staff were:

- improved teamwork, communication, leadership, and problem-solving skills;
- enhanced self-reliance, determination, intellectual development, and confidence;
- meeting new people and making new friends; and
- positive influence over future aspirations

Data gathered from students also confirmed that they believed the experience had led to the benefits mentioned.

The initial findings of the research study on What Money Matters are yet to be disseminated, but among the expected outcomes are enhanced Local Authority and teacher capacity to provide young children with invaluable experiences that enhance their financial awareness as well as improved financial awareness and understanding among participating children.

Company Benefits

Although no robust study was carried out on company benefits, third-party testimonials and anecdotal evidence suggest that employees' participation in educational programmes and activities enhances their self-esteem and increases the pride they derive from being HSBC employees. HSBC underlines that this is critical in building and maintaining loyalty. The firm also reports a positive impact on its external profile, stressing that participating in educational programmes and activities leads to increased brand awareness and reinforces the values of the brand.