

Conducting spending interviews

Students interview an adult about how they make financial decisions and analyze their findings to come up with their own rules to live by.

Learning goals

Big idea

Understanding the difference between needs and wants can help you to be strategic about your spending.

Essential questions

- How do needs and wants factor into an adult's financial decision-making process?
- How do needs and wants change over time?

Objectives

- Learn about and analyze different ways adults make spending decisions based on an understanding of their needs and wants
- Discover how adults develop rules to live by about spending to fit their own financial life

What students will do




- Interview a parent or another adult in their life to discover how they manage needs and wants.
- Analyze interview notes to improve their own knowledge and decision-making skills.

NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

KEY INFORMATION

Building block:

-  Executive function
-  Financial habits and norms
-  Financial knowledge and decision-making skills

Grade level: High school (9-12)

Age range: 13-19

Topic: Spend (Budgeting, Buying things)

School subject: CTE (Career and technical education), English or language arts, Social studies or history

Teaching strategy: Cooperative learning, Personalized instruction

Bloom's Taxonomy level: Understand, Analyze

Activity duration: 45-60 minutes

National Standards for Personal Financial Education, 2021

Spending: 12-1, 12-2, 12-3, 12-5, 12-9

These standards are cumulative, and topics are not repeated in each grade level. This activity may include information students need to understand before exploring this topic in more detail.

Preparing for this activity

- While it's not necessary, completing the "Reflecting on needs versus wants" activity first may make this one more meaningful.
- Print copies of all student materials for each student, or prepare for students to access them electronically.

What you'll need

THIS TEACHER GUIDE

- Conducting spending interviews (guide)
[cfpb_building_block_activities_conducting-spending-interviews_guide.pdf](#)

STUDENT MATERIALS

- Conducting spending interviews (worksheet)
[cfpb_building_block_activities_conducting-spending-interviews_worksheet.pdf](#)

Exploring key financial concepts

Understanding the differences between needs and wants helps you make a budget to manage your spending and informs your daily spending choices. Covering all your needs before you spend money on your wants is a wise financial habit.

Needs are basic things people must have to survive (such as food, clothing, and shelter), resources they may need to do their jobs (such as reliable transportation and the tools of the trade), and resources to help build and protect their money and property so they can meet future needs (such as emergency savings and insurance). Wants are upgrades and other things that would be nice to have but aren't necessary for living, income, or protecting what you have. To tell the difference between a need and a want, ask yourself, "Do I need that _____ (new jacket, video game, specialty coffee), or do I just really want it?"

TIP

Because financial products, terms, and laws change, students should be encouraged to always look for the most up-to-date information.

Teaching this activity

Whole-class introduction

- Ask one or two students to share an example of something they purchased recently.

- Then ask the rest of the students whether they think that item is a need or a want.
- Read the “Exploring key financial concepts” section to students to elaborate on needs and wants.
- Be sure students understand key vocabulary:
 - **Budget:** A plan that outlines what money you expect to earn or receive (your income) and how you will save it or spend it (your expenses) for a given period of time; also called a spending plan.
 - **Needs:** Basic things people must have to survive (such as food, clothing, and shelter), resources they may need to do their jobs (such as reliable transportation and the tools of the trade), and resources to help build and protect their money and property so they can meet future needs (such as emergency savings and insurance).
 - **Wants:** Upgrades and other things that would be nice to have but aren’t necessary for living, income, or protecting what you have.

TIP

Visit CFPB’s financial education glossary at consumerfinance.gov/financial-education-glossary/.

Individual or group work

- Distribute the “Conducting spending interviews” worksheet, or have students access it electronically.
- Guide students through the instructions for conducting an interview with an adult using the worksheet.
- Ask students to review the sample script and questions in the worksheet and consider how the script can help them manage the interview.
- Students should practice reading the script and the questions aloud.
- You also can have students role-play with a partner and work together to think of what to say and do if the adult they are interviewing is not sure how to answer.
- Keep in mind that the preparation for the interview should take about 15–20 minutes.
- Give students a clear time frame for completing their interviews.
- Explain to students that they are expected to work independently to review their interview notes and answer the three analysis questions in the worksheet.
 - Much of the work will be done outside of school.
 - You may choose to provide time in class to support students’ post-interview analysis and synthesis, or this may be assigned as homework.

- Let students know what the expectations are for completing this activity.
- They should understand that their finished product will be a paragraph (at least five sentences) describing what they learned during this interview about how people balance needs and wants to manage their spending.

Wrap-up

Answer any questions students may have about conducting their interviews.

Suggested next steps

Consider searching for other [CFPB activities](#) that address the topic of spending, including budgeting and buying things. Suggested activities include ["Spending scenarios"](#) and ["Analyzing budgets"](#).

Measuring student learning

Students' answers on their worksheets and during discussion can give you a sense of their understanding. **Keep in mind that students' answers may vary, as there may not be only one right answer.** The important thing is for students to have reasonable justification for their answers.

If you choose to use the scoring rubric below to grade this activity, be sure to share it with all students so they know what criteria matter most and they can plan accordingly.

SCORING RUBRIC

Criteria	Possible points	Points earned
Listed name and relationship of person interviewed	5	
Took notes on all four interview questions	10 per question (up to 40)	
Answered all three analysis questions	10 per question (up to 30)	
Submitted a summary paragraph	25	
Total points	100	