

# Tutoring in Finance: A Service Learning Experience

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## *ABSTRACT*

*We require our intermediate finance students to tutor students in the introductory course. We do give course credit for the tutoring and plan to augment and formalize the program to include both service and learning objectives and outcomes. We believe, and have some evidence, that this experience assists our finance majors in learning their discipline in addition to helping others learn about finance.*

## **INTRODUCTION**

We have implemented a required tutoring program in the finance major at St. Edward's University. Anecdotal evidence suggests that this service learning experience is beneficial to both tutors and students being tutored (recipients).

## **SHORT HISTORY OF SERVICE LEARNING**

From anecdotal evidence, service learning at universities became the hot topic sometime after 1993. Beginning in the mid-1990's at St. Edward's University, small grants had been given to the university and individual faculty members to institute service learning projects in courses. In 1999, one of the School of Management and Business (SMB, as it is now known) professors, Catherine MacDermott, was asked by the provost to be director of experiential education across university. (MacDermott, 2008) Her job was to institutionalize a service-learning program across campus that now resides in the Center for Teaching Excellence.

During the three-year period that Professor MacDermott was the director, every school in the university identified one undergraduate course that would incorporate a service-learning project. For the SMB, business communications (BUSI 3330) was the course. Of course, other professors have introduced service learning into their courses as well.

Although I did not know it at the time, I instituted a service-learning requirement for our intermediate financial management course (FINC 3380) in the fall semester of 2005. I knew little about the university's commitment to service learning per se, but decided to incorporate the tutoring requirement for my students after I had several MBA students approach me about finding a finance tutor. I recommended some students from the intermediate finance class and found that that not only did the MBA students appreciate the help, the undergraduate finance majors enjoyed explaining time value of money concepts to others, especially older others.

We have a large demand for tutors from the undergraduate students as well and without this service-learning requirement, we do not have enough supply. As with most business schools, we require all undergraduate business majors to take an introductory finance upper-division

course, Introduction to Finance. In our MBA program, we require three undergraduate hours of finance or that students complete a fundamentals course before they take the core finance course. Many non-finance majors do not like the subject since it is not intuitive to them or since their math skills are not very good.

As for supply, our undergraduate finance majors typically take 12-18 hours of courses per semester and have a part-time job of 10-20 hours per week. Although they might want to tutor, it is not high on their list of priorities. We wanted to institute a method that put the tutoring higher on their lists without adding too much to their already burdened schedules. They must tutor at least two hours to receive a passing grade in the course and they have opportunities to tutor more for extra credit. At first, it was up to the student to find a recipient to tutor. Also, they could give me permission to post their email address on my website as a potential tutor. Recently we have begun to work with the Tutoring Services staff to schedule tutoring activities to make it easier for the tutors since the recipients seek out the tutoring services.

## **WHY WE REQUIRE OUR STUDENTS TO TUTOR OTHERS**

We continue to require this type of service learning activity not only because there is a large demand for finance tutors (the original reason for requiring tutoring), but also because we want to align our department and student learning objectives with the mission of the university. A large portion of our university mission involves service to others and the community (St. Edward's University, 2006).

See Appendix A for the entire mission statement of St. Edward's University.

As professors, service is one of the three areas required by the faculty manual (St. Edward's University, 2008). Service is considered the second-most important area in its evaluations, with Teaching Effectiveness as the most important area. Since faculty gains much by having this commitment to service, we believe that students will gain as well.

## **HOW WE REQUIRE OUR STUDENTS TO TUTOR OTHERS**

All finance majors must take Intermediate Finance as part of their curriculum. As part of the requirements for this course, they earn 3% of their grade from their tutoring service. They may also earn another 3% in extra credit for further tutoring. See Appendix B for details regarding the requirements and the grading for tutoring.

Tutors must document tutoring experience in one of two ways. Whether the student arranges tutoring assignments via the university's tutoring center or via email or some other informal method, the student must document the time spent tutoring via a Tutoring Fulfillment document (Appendix C). One issue that has arisen is the self-reporting of those tutors who do not go through the tutoring center. We do require that the recipient sign and date the number of hours spent with the tutor. Those students who tutor through the center have to turn in a fulfillment document, but they do not have to have the recipient sign the document since the tutoring center sends the professor a schedule of students who tutored and for how long.

## **HOW OUR PROGRAM DOES OR WILL QUALIFY AS A SERVICE LEARNING EXPERIENCE**

Although the idea of service learning has been around for many years (probably forever), the National and Community Service Trust Act of 1993 created the Corporation for National and Community Service to further the cause of service learning in U.S. society. (Corporation for National and Community Service).

For the tutoring experience to qualify as a service learning experience, service and learning objectives must be part of the program. According to The National Service-Learning Clearinghouse, (Service Learning Organization) (words bolded by the author):

Service-learning combines **service objectives** with **learning objectives** with the intent that the activity **change** both the **recipient** and the **provider** of the service. This is accomplished by combining **service tasks** with **structured opportunities** that link the task to **self-reflection**, **self-discovery**, and the **acquisition** and **comprehension** of **values, skills, and knowledge content**.

## SERVICE OBJECTIVES

Our main service objective is to provide another source and place to develop finance skills to students unfamiliar with the discipline. Often students who have never taken finance are afraid of the math skills required in finance, mainly algebra. We also teach them how to use a financial calculator to estimate time value of money variables, such as present and future value, net present value and rates of return. We also teach them Excel workbook skills.

Perhaps a more important service objective is to provide the recipient with a better understanding of time value of money concepts. Since finance concepts are not intuitive to many people, they typically require extra explanation.

Finally, we want to provide the recipient with a safe environment to ask questions and to be guided as to how to answer them. Many of our recipients are embarrassed at their lack of math skills so one-on-one tutoring provides them with the privacy they may not get in class. Also, some recipients are intimidated by their professors, so working with another student who has had the same experience is comforting to them.

A secondary objective includes that our finance majors experience a teaching/mentoring situation. Many of our students are surprised at how much they enjoy the tutoring process.

Some comments from our recipients via our formal but optional feedback document (see Appendix D) that we request recipients to complete include the following:

- Matt came prepared with extra assignments...excellent at explaining the problems to me.
- ...Taylor was very patient and helpful...second test I made a high B...never have happened without Taylor's help

## LEARNING OBJECTIVES

The main learning objective is that our finance majors explain and apply time value of money concepts. They should also develop a strategy for helping others solve problems.

### *Self-Reflection*

As of now, the only self-reflection required of our students involves commenting on the following statement on the course evaluation at the end of the semester: *The tutoring of other students about finance was a useful experience that enhanced my learning in this course.* Of

course, rating this question is optional since it is on a course evaluation but of the 24 students in the spring 2008 section of the course, almost half of them commented their experience. The comments were mostly positive and included comments regarding self-reflection (...helps realize self worth...), self-discovery (...tutoring was great fun...) and the acquisition of skills and knowledge (... it was helpful because I learned old concepts that I missed before...). (Course Evaluations for FINC 3380, Spring, Burnett, 2008)

In the spring 2009 semester, we will require an online assessment for self-reflection and measurement of the success of the learning objectives. Also, we will require that all recipients take a short assessment that measures how well we met the service objectives.

## **SUMMARY**

The true intent of a service-learning experience is to change both the recipient and the provider. We hope to do that by having our students be in a mentoring role. Many of our students are surprised at how much they enjoy the tutoring experience. Many of our recipient students are surprised at how easy and useful finance can be when they learn it in a friendly environment.

## Appendix A

### Mission Statement

St. Edward's University is an independent Catholic university that welcomes qualified students of all ages, backgrounds and beliefs and serves a culturally diverse student body.

The university's undergraduate programs achieve a balance among the humanities, the sciences and the professions. These programs seek to make graduates competent in a chosen discipline and to help them understand and appreciate the contributions of other disciplines. Graduate and professional development programs prepare individuals to further their life goals and to take advantage of more challenging employment opportunities. Graduates in all programs should be prepared, through training in critical and creative thinking as well as moral reasoning, to analyze problems, propose solutions and make responsible decisions. They should be able to express themselves articulately in both oral and written form. They are encouraged to develop an understanding of the human person that is derived from reason and open to faith.

The university promotes excellence in teaching and learning in an environment that encompasses the campus classroom, student life programs and the broader community. A caring faculty and staff, recognizing that learning is a lifelong process, teach the skills needed to be independent and productive. They encourage individuals to confront the critical issues of society and to seek justice and peace. Students are helped to understand themselves, clarify their personal values and recognize their responsibility to the world community. The university gives the example of its own commitment to service.

St. Edward's was founded by the Congregation of Holy Cross, from which it acquired distinguishing characteristics: the courage to take risks, an international perspective, and the commitment to provide educational opportunities for students of varied cultural, religious, educational and economic backgrounds. St. Edward's expresses its Catholic identity by communicating the dignity of the human person as created in the image of God, by stressing the obligation of all people to pursue a more just world, and by providing opportunities for religious studies and participation in campus ministry. St. Edward's seeks to provide an environment in which freely chosen beliefs can be deepened and expressed.

## Appendix B

### **Tutoring: required, not optional**

See **Table 1: Course Grade** information about the weighting of tutoring in your final course grade. You must tutor for at least two (2) hours to be eligible to receive a passing grade in this course.

You have options

- You can make your name and email address available in a database that will be online for the semester and/or
- You can sign up with the tutoring center (<http://www.stedwards.edu/apss/aet/index.htm>) to be on call and/or
- You can tutor someone that you know in a FINC 3330 class directly

Regardless of how you fulfill your tutoring assignment, you are responsible for

- Actually tutoring someone for at least two (2) hours
- Printing your own *Tutoring Fulfillment* document (found in **Blackboard/Tutoring**),
- Submitting that signed (it needs to be signed by the tutee if you tutor outside the tutoring center) document to me to be eligible for the tutoring portion of your grade **by the end of the final exam period for this section**. You can turn in each session separately or wait and turn them in at the same time.
- In addition, you are responsible for providing, either electronically or hard copy, the *Tutor Feedback* document, also found in **Blackboard/Tutoring** to each student that you tutor. You should encourage each student to complete that feedback sheet even though it will not affect your grade in the course.
- The live tutoring sessions are held in Academic Enrichment & Tutoring Services, Moody Hall 122 and are scheduled throughout the semester. You will give the tutoring lab some information about good times for you to tutor. They will contact you 24 hours before you tutor if you choose to tutor this way.
- You should expect to discuss financial concepts with other business students, typically those taking the FINC 3330 course. See **Blackboard/Tutoring** for scheduling information about the subjects covered in the FINC 3330.
  - If you cannot answer a question, email or talk with me to answer the question and get back with the student.

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- If you make yourself available in the email database, you will be responsible for responding to tutoring requests from other students, making and keeping appointments. There are very specific rules associated with tutoring, so see the website: <http://myweb.stedwards.edu/amyburne/tutoring/tutoring.htm> for those rules. If you do not adhere to those rules, you will be subject to disciplinary action. The rules exist for your safety and the safety of those you tutor.

If you want to earn extra credit, you can sign up for two (2) more two-hour sessions (no partial credit) as well, each worth 1.5% for a total of 3% extra credit possible. You will not get extra credit beyond two more sessions, but you are more than welcome to tutor as much as you want to.

**Tutoring for at least two hours is not optional, that is, if you do not complete successfully at least one two-hour block of tutoring and turn in the appropriate paperwork in a timely manner, you will receive an F in the course regardless of your other grades.**

Appendix C

**Tutoring Fulfillment for (PRINT YOUR NAME ON THE LINE BELOW)**

**PRINTED NAME of TUTOR:** \_\_\_\_\_

**Fill in ALL columns in the table below completely.**

- If you tutor someone outside of the tutoring center, then **the person you tutor MUST sign this document.**
- **Fill in the entire row.**

Printed name of person being tutored	Signature of person being tutored	Date of tutoring (mm/dd/yy)	Number of hours of tutoring

**Up to four TUTORING sessions can be entered on one sheet.**

**I certify that all of the information on this form is correct and complete.**

**Signature of TUTOR:** \_\_\_\_\_

**Student Tutor Signature (please sign on the LINE ABOVE).**

## Appendix D

### Tutor Feedback

**Dear Tutee:** To assist us in developing a useful and effective tutoring system for students in finance, please fill out the survey below. Only I will see your feedback if you return it directly to me (see below). Your feedback will **not** affect your tutor's grade.

Name of student tutor \_\_\_\_\_ Date of tutoring \_\_\_\_\_

Your email address (**optional**) \_\_\_\_\_

Time spent with tutor discussing finance as shown in question 1 below: \_\_\_\_\_ hours

1. We talked about (circle as many as apply):
  - a. Financial concepts
  - b. Using a financial calculator to solve problems
  - c. Using Excel to solve problems
  - d. The BBA Finance major
  - e. Finance careers
  - f. Other \_\_\_\_\_
  
2. I found the tutoring to be:
  - a. Very helpful
  - b. Helpful
  - c. Not as helpful as I expected
  - d. Not helpful at all
  - e. I plan to contact another tutor because I did not find this helpful
  
3. I think we should continue this kind of program:
  - a. Definitely
  - b. No comment
  - c. No

Take a moment to tell us about some things that you think made this tutoring work or not work for you. We would really like to improve the process and your feedback is essential. Write on the back if you need to.



## REFERENCES

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