

# Toward Financially Capable Youth

Insights from YouthSave's Financial Education

A **Save the Children** YouthSave Note



The MasterCard  
Foundation



**Save the Children®**

## Acknowledgements

This paper was written by Dasha Kosmynina based on the work of the YouthSave team.

Special thanks go to Rani Deshpande and Gaby Timpl for their substantial inputs, as well as to Jaya Burathoki, Surendra Chaudhary, Angela Mesa, Alejandra Montes, Caroline Nderitu, and Victoria Ndolo for their instrumental support in data collection and analysis. The author is also grateful to The MasterCard Foundation and the entire YouthSave Consortium for their reviews and comments.

Photo Credit: Dasha Kosmynina

Photo Caption: Kenyan youth participating in YouthSave-led financial education workshop.

© 2015 Save the Children Federation, Inc.  
All rights reserved.

## Insights from YouthSave's Financial Education

This paper documents the work of the YouthSave project. Created in partnership with The MasterCard Foundation, YouthSave investigated the potential of savings accounts as a tool for youth development and financial inclusion in developing countries, by co-designing tailored, sustainable savings products with local financial institutions and assessing their performance and development outcomes with local researchers. The project was an initiative of the YouthSave Consortium, led by Save the Children in partnership with the Center for Social Development at Washington University in St. Louis, New America, and the Consultative Group to Assist the Poor (CGAP). For more information, please visit [www.youthsave.org](http://www.youthsave.org)

We found statistically significant improvements in participants' values related to saving, their attitudes towards banks, and their knowledge about the more technical aspects of saving and budgeting.

## Executive Summary

As part of the YouthSave project, Save the Children (SC) carried out financial education (FE) activities in Colombia, Kenya, and Nepal to teach adolescent youth how to make the best use of their savings accounts and about sound personal financial management generally. To evaluate the effectiveness of these activities, SC tested the participating youth before and after the FE sessions, assessing any changes in related knowledge, attitudes, and behaviors.

We found statistically significant improvements in participants' values related to saving, their attitudes towards banks, and their knowledge about the more technical aspects of saving and budgeting. Less change was observed around more general topics that could be learned through everyday experience or reasonably inferred, such as the purpose of a budget or understanding that budgeting helps with saving. Our experience also suggests that longer and deeper engagement with youth brought greater knowledge and attitude improvements, and was particularly important in reaching girls. In terms of behavior changes, after the FE trainings, a greater number of youth reported that they had opened a savings account, were actually saving, or were saving more.

While it is not possible to attribute causality in this analysis, the results are in line with findings of several randomized controlled trials that demonstrated similar changes. Our results therefore add to the body of evidence indicating the promise of youth FE, and the need for further investment in rigorous impact analysis that can guide practitioners towards effective implementation.

## Introduction

YouthSave's goal was to develop and offer suitable savings accounts to low-income youth (ages 12 to 18) through local partner banks in Colombia, Ghana, Kenya, and Nepal.<sup>1</sup> Because most of the participating youth had never had a savings account before, the project also sought to ensure that the young people could manage their money and their accounts effectively.<sup>2</sup> The YouthSave project therefore included a financial education component, to complement the account ownership with the knowledge and skills necessary to make the best use of it, implemented by Save the Children among youth who fit its marginalized beneficiary profile. FE participants and youth savings account holders overlapped but did not represent the same group of young people. FE participants were offered the choice to open savings accounts but were not obligated to do so; similarly, YouthSave's partner banks marketed the savings accounts to an audience much wider than the FE participants.

1 YouthSave's implementing partner banks were Banco Caja Social (BCS) in Colombia, HFC Bank in Ghana, Kenya Postbank, and Bank of Kathmandu (BoK) in Nepal.

2 Johnson and Sherraden (2007) propose that "financial capability results when individuals develop financial knowledge and skills, but also gain access to financial instruments and institutions."



Youth in Colombia at a financial education workshop.  
(Photo courtesy of Save the Children)

## Description of FE Programming

YouthSave carried out FE activities in three countries: Colombia, Kenya, and Nepal. FE was not offered in Ghana in order to avoid contamination in the experimental impact study that was set up as part of the project.<sup>3</sup> The FE programming was designed and implemented independently in each country, taking into account both global best practices and local market research findings and context. These findings indicated a consistent desire among youth for learning through face-to-face interaction, so programming in all three countries centered around FE training sessions carried out

either by SC staff directly or by SC-trained independent facilitators/local partner NGO staff (the choice depended on budget and availability of qualified partners). From the beginning, it was evident that the support of parents and community members was important to ensure youth were supported in their learning and saving. Therefore, YouthSave's FE programming included community sensitization activities as well. For a complete description of SC-led FE activities and total outreach, see Annex 1.

In Colombia, training sessions were conducted at schools and took two different forms: one-time four-hour *workshops* and 45-minute *assemblies*. The *workshop* included six group activities, including games and exercises with approximately 25-35 children, while the *assembly* consisted of a presentation in front of groups of 100-

3 Chow, G., et al (2015). *Impacts of Financial Inclusion on Youth Development: Findings from the Ghana YouthSave Experiment*. (YouthSave Research Report, CSD Publication 15-35). St. Louis, MO: Washington University, Center for Social Development.



Postbank employee Shem Njenga speaks to students about savings during a school outreach visit in Emali, Kenya. (Photo by Dasha Kosmyrina)

200 children.<sup>4</sup> In addition, FE and deposit reminder text messages were sent to account holders.<sup>5</sup> To obtain the necessary buy-in from adults, SC staff conducted meetings with school administration staff and joined PTA meetings where possible, both before and after the trainings.

In Nepal, activities included one-time three-hour workshops held predominantly at schools but also at youth clubs, followed by shorter periodic “booster sessions.” During the workshop, youth received a comic book with FE-themed stories and a calendar with messages on saving. Community outreach was done through street drama performances focusing on FE topics, with the story involving several characters from the comic book. To reach areas where SC’s implementation partners were not physically present, the street drama content was adapted into a four-part serialized radio program.

Finally, in Kenya, an FE curriculum of 10–14 sessions called *Life Poa* was delivered through in- and out-of-school youth clubs over the course of several days or weeks, depending on the location. Community outreach activities included FE training with groups of adults, as well as short buy-in sessions with parents, teachers, and community leaders.

Financial education content in all three countries included discussions about financial institutions and products, and the



Students discuss formal vs informal savings at workshop in Medellín, Colombia. (Photo courtesy of Save the Children)

partner financial institutions, especially in Kenya and Nepal, participated in some of the sessions. In Nepal, BoK staff attended both workshops and booster activities to facilitate account opening and to collect deposits. BoK also held their own FE sessions in schools where SC and partners were not working. In Kenya, the clubs’ training session on banks included a visit to the local branch, and Postbank also conducted outreach at other schools to promote their youth products. In Colombia, due to restrictions on marketing bank products during workshops in schools, bank involvement was initially limited. By the time FE assemblies were rolled out, these restrictions had been eased and the bank began participating in school visits to facilitate account opening.

<sup>4</sup> SC’s assembly session in Colombia was adapted from the [MyBnk Savvy Savers Assembly](#) methodology.

<sup>5</sup> FE text messages provided informative content such as budgeting tips or explanation of needs vs. wants, while reminders encouraged account holders to deposit. More information on effectiveness of SMS reminders vs. FE messages can be found in Rodríguez and Saavedra’s *Nudging Youth to Develop Savings Habits: Experimental Evidence Using SMS Messages*. CSD Working Paper (2015, forthcoming).

## Methodology

To examine the effect of the FE trainings on knowledge, attitudes, and behavior related to saving, SC tested youth who had participated in the workshops in Colombia and Nepal, and the clubs in Kenya. SC administered a pre-test questionnaire to all youth immediately before the start of the trainings, a post-test immediately after, and a “post-post-test” after a period of time had elapsed, to note which changes persisted over time. The results discussed in this analysis focus on the differences between pre-tests and post-post-tests in all three countries. In addition, SC administered pre- and post-tests to youth who participated in the 45-minute

assemblies in Colombia; those results are noted separately below.

For each country, sample sizes were established based on statistical relevance for disaggregation of categories (e.g., gender, age/grade, location, time interval) and taking into account local realities and budgets for data collection. All samples were randomly determined and sizes were chosen to be representative of the total population of youth who participated in FE. Table 1 provides a breakdown of the samples sizes used in each country.

It is important to note several limitations of this analysis. First, it is not possible to attribute causality of any observed results

**Table 1: YouthSave FE Testing Sampling Methodology**

| Country                    | Total Outreach | Sample Type                  | Sample size | Difference analyzed        | Time between end of training and post-post-test |
|----------------------------|----------------|------------------------------|-------------|----------------------------|-------------------------------------------------|
| <b>Colombia workshops</b>  | 7,149          | Tracked sample* (Panel data) | 2,526       | Pre/post and pre/post-post | 2 months                                        |
| <b>Colombia assemblies</b> | 6,095          | Random sample                | 1,507       | Pre/post                   | Immediately after assembly                      |
| <b>Kenya</b>               | 16,190         | Random sample                | 400         | Pre/post-post              | 9-11 months                                     |
| <b>Nepal</b>               | 20,820         | Random sample                | 1,253       | Pre/post-post              | 1-18 months                                     |

\* Youth who took pre-, post-, and post-post-test

to the FE delivered because there was no control or comparison group. Second, responses about behavioral changes were self-reported by youth and could not be verified against other data sources. Finally, because the testing was conducted based

on what was logistically feasible in each country, the time intervals between the end of the FE trainings and the post-post-tests varied between and within countries. Figures given in this paper represent the average of all post-post-test respondents.

## Outreach Results

By the end of implementation, YouthSave had reached over 44,000 youth with direct FE training in the three countries, in addition to over 6,000 youth reached through assemblies in Colombia. Because some assemblies were conducted at the same schools where workshops had taken place earlier, the assemblies' reach is shown separately to avoid double-counting (the exact extent of overlap between the two populations could not be determined). See Table 2 below for detailed outreach numbers.

**Table 2: YouthSave FE Outreach Summary**

| Country         | Program Activities             | Outreach             |
|-----------------|--------------------------------|----------------------|
| <b>Colombia</b> | FE workshops                   | 7,149 youth          |
|                 | FE assemblies                  | 6,095 youth          |
|                 | SMS                            | 8,839 youth          |
| <b>Kenya</b>    | Youth FE training              | 16,190 youth         |
|                 | Adult FE training              | 1,862 individuals    |
|                 | Short community buy-in session | 26,443 individuals   |
| <b>Nepal</b>    | FE workshops                   | 20,820 youth         |
|                 | Street drama                   | 20,197 youth         |
|                 | Radio drama                    | 660,000 individuals* |

\* As reported by Thompson Nepal in December 2012 based on population and estimated listenership

SC-trained partner facilitator leads the FE training session in Likoni, Kenya. (Photo by Dasha Kosmynina)



## Testing Results

Testing attempted to shed light on differences over time in youth attitudes, knowledge, and behaviors related to saving.

### Attitudes

*Pre-tests showed that youth attitudes before the FE trainings were already highly positive toward saving generally. The greatest changes in attitude were observed in values-related questions (i.e. about safe and responsible ways to save) in Nepal, and in views about banks in Kenya and Colombia.*

In Colombia and Nepal, pre-test results indicated that most of the youth already appreciated the importance of saving for the

future, with 97 percent of youth in Colombia and 92 percent in Nepal saying that saving was important or very important. There was no statistically significant change in this perception during post-post testing. More change was observed in Kenya, where youth were asked about the importance of budgeting. The number of respondents with a favorable attitude toward budgeting showed a statistically significant increase of 12 percentage points in those who said it was always important to budget, from 68 percent to 80 percent.

The most dramatic attitude changes were observed in Nepal around values-focused questions, which corresponded to the “ethical saving” module of the FE curriculum. These questions tested youths’ understanding of responsible and safe ways of saving, such as whether or not to skip meals to save or whether it was only the duty

of the guardian to save. Attitude changes around these questions were statistically significant over time, with the highest increase—from 40 percent to 72 percent—found among youth who understood that one should not save by skipping meals. In terms of changes in attitude regarding whether only the guardian in the family has the duty to save money, the number of youth who understood that such was not the case increased from 58 percent to 76 percent. Finally, the share of Nepali youth who perceived that there are right and wrong ways to save increased from 56 percent to 69 percent.

In Kenya and Colombia, FE training also supported a change in youth attitudes toward banks, with a decrease in the number of youth who viewed banks as for adults only, from 21 percent to 12 percent in Kenya and from 5 percent to 3 percent in Colombia. Furthermore, in Colombia, the number of youth who saw banks as a safe place to save increased from 78 percent to 89 percent, and youth who perceived banks as institutions designed for only those with large sums of money decreased from 7 percent to 3 percent. All of these changes were statistically significant. There was also an increase among the Kenyan youth who thought saving in a bank was always a good idea, from 70 percent to 74 percent, but this change was not statistically significant.

## Knowledge

*Youth have gained knowledge on specific technical issues – e.g. budgets, interest rates, and bank accounts – while maintaining a high level of understanding of the general principles about savings and budgeting.*

Knowledge results were similar to those observed in attitude questions, in that the

greatest change was observed on the least obvious or “commonsense” questions. In Colombia, the most dramatic and statistically significant changes were seen in two technical knowledge questions around the requirements for opening a savings account and the definition of an interest rate. The number of youth who knew at which age and with what paperwork they could open an account increased from 19 percent to 79 percent, and the number of youth who knew the definition of an interest rate increased from 29 percent to 53 percent.

Statistically significant changes were also observed in all three countries for more technical questions related to budgeting. The proportion of Kenyan youth able to identify what does not belong in a budget increased by 15 percentage points from 15 percent to 30 percent. In Colombia, there was a 9 percentage point increase in youth who knew that a budget consisted of income and expenses (from 58 percent to 67 percent). There was also an 8 percentage point increase in the proportion of Nepali youth who knew that one could save by controlling expenses (from 84 percent to 92 percent).

Less change was observed in the budgeting questions that were of a more general nature and could be learned through experience or reasonably inferred. For example, in Nepal and Kenya, understanding of the general purpose of a budget was already high before taking the workshop, with 93 percent of Kenyan youth knowing that budgeting could help one better plan for their money, and 88 percent of Nepali youth knowing that budgeting helps with saving. No statistically significant changes were registered on these questions in either country. However, in Colombia, where the understanding of



Photos above and on facing page: Middle-school students participate in an interactive workshop in Colombia. (Photos by Dasha Kosmynina)

the link between budgeting and saving was less prevalent, results showed statistically significant improvement, increasing from 66 percent to 80 percent of respondents who understood that making a budget would help with saving. This demonstrates the importance of conducting formative research during program design, to determine what attitudes and knowledge are common in a given context.

## Behavior

More youth engaging in saving was the major behavior change youth reported after the FE training in Colombia and Kenya. Participants also reported opening savings accounts in all three countries, but at different rates and in the face of different obstacles.

### *Behavior: Saving*

After the training, various measures of youth saving showed improvements in Kenya and Colombia. In Kenya, there was a statistically significant increase in the number of youth who claimed they were saving, from 76 percent before the training to 89 percent afterwards. Gender analysis of these results revealed that the proportion of girls and boys who reported saving before the training was not significantly different (78 percent vs 74 percent respectively). However, after the training, the increase in the number of girls who claimed they were saving was statistically significantly higher than was the increase in the number of boys (17 percentage point increase vs 11), resulting in a statistically significant difference, where more girls were saving after the training. Of those youth who took the post-post-test, 77 percent said they had saved in the month prior to testing, and there was a statistically significant gender difference in these results, with 82 percent girls vs 72 percent boys reporting saving.

In Colombia, 30 percent of youth claimed they had saved more after attending the workshop. There was also a statistically significant increase in the number of youth who said they had saved in the month prior to testing, from 61 percent to 69 percent.

Unlike in Kenya, fewer Colombian girls were saving in the month prior to the workshop (58 percent vs 64 percent of boys) and in the month prior to post-post-test (67 percent vs 71 percent). However, similar to Kenyan results, the increase in the number of girls who had saved in the past month was statistically greater than that for boys (9 percentage point increase vs 7). These gender observations suggest that FE training might be particularly effective in encouraging more girls to save.

### ***Behavior: Opening accounts***

Youth in all three countries reported opening savings accounts after FE training: roughly the same proportion in Nepal and Kenya (42 percent and 39 percent respectively), but only 15 percent in Colombia. One explanation for the disparity may be the greater involvement of YouthSave's partner banks in the FE trainings in Kenya and Nepal than Colombia, as described above. Interestingly, in Kenya, 81 percent of all those who said they had opened accounts said they did so with Postbank, the YouthSave financial institution partner. In Nepal, on the other hand, only 8 percent of respondents said they had opened an account with YouthSave partner BoK, while 34 percent said they had opened an account in another bank or cooperative.

Although BoK made significant efforts to offer in-school banking services, these were apparently insufficient to attract most trained youth in the face of challenges related to regulation and competition. In Nepal, only parents or other legal guardians may co-sign on a youth account, while in Kenya bank policies allowed for other trusted adults, such as teachers or guardians, to

become co-signatories. This meant that Kenyan youth could open an account on the spot during Postbank's school outreach visits, using a teacher as co-signatory, whereas Nepali youth had to wait to involve their parents, decreasing the chances that the BoK account would be opened. Financial cooperatives operating under looser regulation were also common in the areas where YouthSave was working in Nepal, and often offered easier access to accounts for youth, especially if their parents were members.

For youth who did not open a savings account, the lack of personal identification documents was the most frequently cited reason, reported by 36 percent of respondents in Kenya and 29 percent in Nepal (Colombia questionnaire did not include this question). In Kenya, the lack of banking services in the area<sup>6</sup> was the second

<sup>6</sup> Many of the FE participants lived in more rural areas where access to financial institutions is limited.



largest obstacle to opening an account, cited by 34 percent of youth, while in Nepal it was the inability to get an adult to co-sign, cited by 23 percent of respondents (recall that in Nepal, co-signers were required to be parents/legal guardians while in Kenya they could be any trusted adult). Finally, lack of parental approval was cited as a reason by 12 percent of Kenyan youth who said that they had not opened a savings account. These obstacles are presented in detail in Figure 1 and Figure 2.

In both Kenya and Nepal, these challenges appeared to affect more girls than boys. More girls cited lack of ID as a reason for not opening accounts in both countries, and girls in Kenya reported that obtaining parental approval was difficult more frequently than boys. This may explain why, in both countries, analysis of account holders reveals an approximate 3:2 ratio between boys and girls.<sup>7</sup> However, there were no statistically significant gender differences in account opening in either country among those who reported opening accounts after FE training. The gender ratio was also equal during YouthSave's pilot phase, when account outreach was performed only through FE trainings and face-to-face marketing and no mass media was used.<sup>8</sup> These findings suggest the important role that in-person or "below-the-line" outreach efforts may play in countering the greater structural obstacles to girls' access to savings accounts in some countries.

7 Johnson, L., et al. (2015). *Youth Savings Patterns and Performance in Colombia, Ghana, Kenya, and Nepal* (YouthSave Research Report, CSD Publication 15-01). St. Louis, MO: Washington University, Center for Social Development.

8 Ngurukie, C. (2013). *Testing the Waters: YouthSave Pilot Results from Three Markets*. Washington, DC: Save the Children.

## Colombia Assemblies vs. Workshops

*Assembly trainings covering similar topics as the workshops in Colombia produced a similar overall pattern of results in terms of changes in knowledge, attitudes, and behaviors as those discussed above. However, the magnitude of these changes was greater in the workshops than in the assemblies.*

Analysis of the data collected in Colombia, where two types of FE activities were conducted, presents an opportunity to compare different programming models and consider the implications for future implementation. School administrators selected youth for assemblies and workshops based on the students' schedules, and pre- and post-tests were administered immediately before and right after both these types of FE activities. Although the two activities covered similar topics, workshops were four-hour long interactive trainings with two facilitators engaging groups of 25-35 youth, while assemblies were about 45 minutes long, and consisted of a presentation delivered to groups of 100-200 youth.

Overall, the Colombia assemblies' pre- and post-test results showed similar trends as those described for the workshops in Colombia and Nepal and for the Kenya *Life Poa* club training. In terms of attitudes reported, there was an almost universal pre-existing awareness of the importance of saving, with 99 percent of youth responding prior to the assembly that it is important or very important to save. Just as there had been after the workshops, after the assembly, there was also a statistically

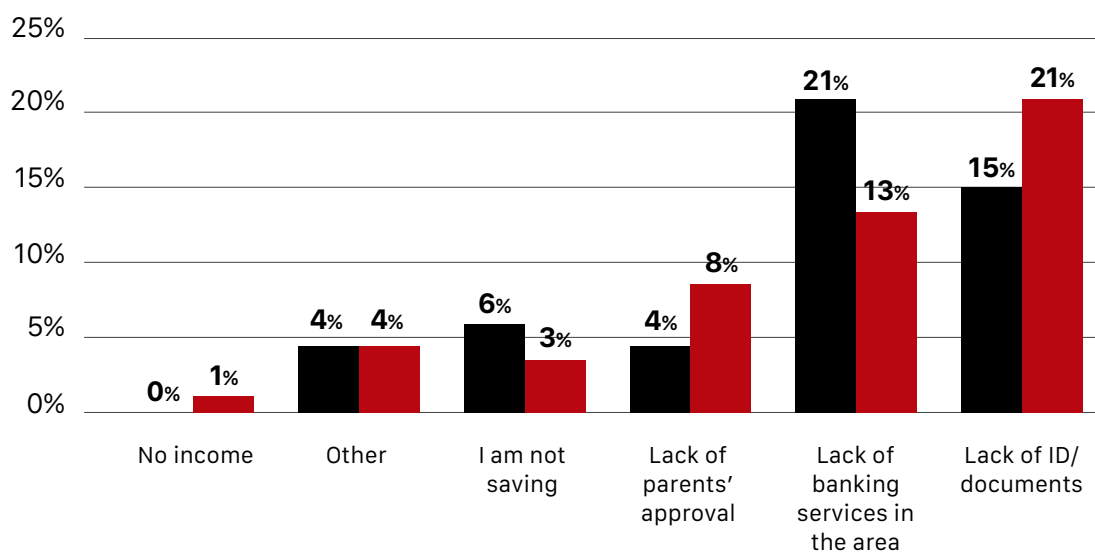
## If you did not open a savings account after the FE training, why not?



### Kenya

Boys  
Girls

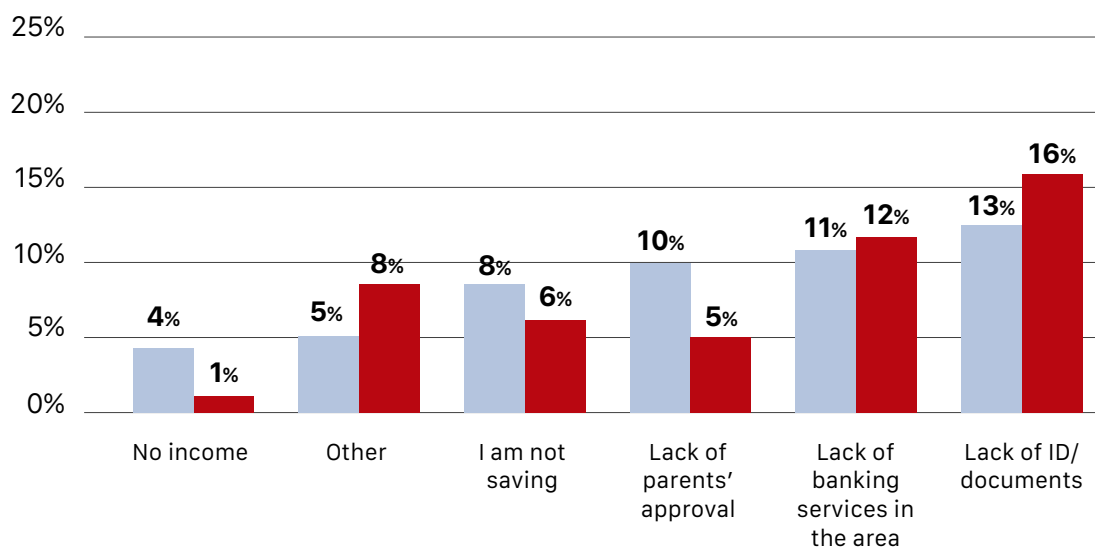
Figure 1: Reasons for Not Opening a Bank Account: Kenya



### Nepal

Boys  
Girls

Figure 2: Reasons for Not Opening a Bank Account: Nepal





Youth club members perform in the street drama skit "Note Bahadur" in Nepal.  
(Photo courtesy of Save the Children)

significant increase in the number of youth who saw banks as a safe place to save (from 85 percent to 90 percent). In terms of knowledge, it was the more specific technical questions that showed more improvement. Similar to the Colombia workshop results, the most dramatic knowledge increases were in the two specific questions: the definition of an interest rate (statistically significant increase from 32 percent to 46 percent) and account opening requirements (statistically significant increase from 34 percent to 70 percent). Questions on budgeting also showed statistically significant though smaller improvements, similar to the analysis for all three countries' longer trainings.

Overall results showed similar trends across assemblies and workshops, but the magnitude of improvements in knowledge and attitudes was not as high for assemblies. As noted above, there was a 5 percentage point increase in the youth who saw banks

as a safe place to save after assemblies (from 85 percent to 90 percent), but there was an 11 percentage point increase among those who took the workshops (from 78 percent to 89 percent). For the two technical knowledge questions, workshop results showed a 60 percentage point increase among youth who understood account opening requirements (from 19 percent to 79 percent) and a 34 percentage point increase among those who could define what an interest rate is (from 29 percent to 53 percent). The comparable figures for assembly participants were 36 and 14 percentage point increases respectively. On the question of what comprises a budget, there was a 12 percentage point increase among workshop participants (from 58 percent to 69 percent), while the increase after assemblies was only 3 percent (from 77 percent to 80 percent). Similarly, a 14 percentage point increase was observed for workshop youth who knew that making a budget helps saving (from 66 percent to 80 percent), as compared to a 3 percentage point increase among assembly youth (from 84 percent to 87 percent). These differences in attitude change and knowledge gains are all statistically significant.

Analysis revealed that youth participating in assemblies had higher pre-test scores on all questions, possibly because some of those schools had already hosted FE workshops earlier in the program. The fact that there were additional improvements in test scores may indicate a benefit from further and/or continuous reinforcement of messages. In addition, workshops showed evidence of greater effectiveness for girls. For three out of four knowledge questions, girls improved

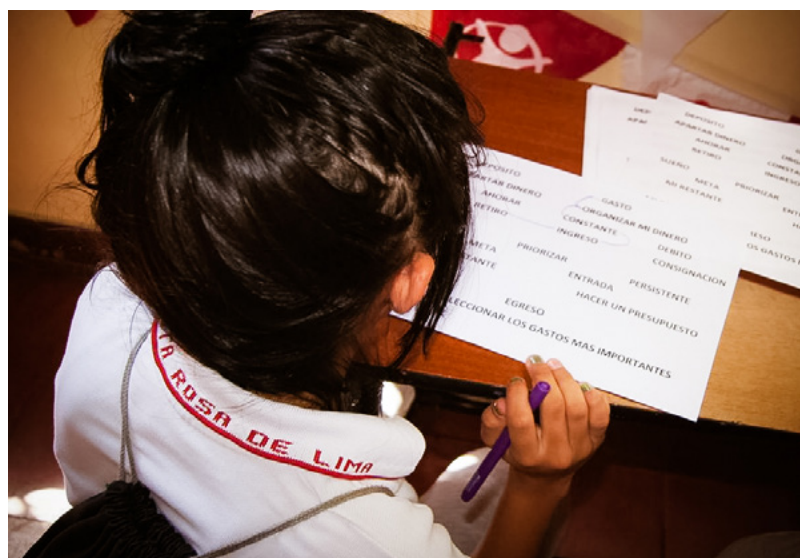
their correct scores more than boys during workshops, and this difference in increases was statistically significant for two of the questions (on the definition of interest rate and account opening requirements). Also, after the workshop, the increase in girls who saw banks as a safe place to save was greater than in boys; this difference was statistically significant as well. After assemblies, on the other hand, there was no statistically significant gender difference in participants' improvement in attitude towards banks, and only for the question on the definition of the interest rate did girls' score improvement show a statistically greater increase than boys'. Overall, therefore, these findings suggest that longer and deeper or more personal engagement brings greater change, and is perhaps especially important for influencing girls.

## Conclusion

Though the results described above are confined by the methodological limitations noted earlier, Save the Children's testing has nevertheless shown significant and durable improvements in attitudes, knowledge levels, and behaviors related to saving among youth who participated in YouthSave's financial education trainings. These results are also in line with the findings of a meta-analysis that reviewed 21 experimental studies of FE programs across the globe for children and youth aged 0 to 24 years.<sup>9</sup> That analysis found that FE can indeed be effective in improving knowledge, attitudes, and behaviors, with the most significant gains

observed in knowledge, along with smaller improvements in attitudes and behaviors. Collectively, these findings suggest that FE for youth is a promising intervention that can yield results when correctly implemented.

The findings suggest that FE may be most effective when targeted at technical knowledge related to savings concepts and methods, rather than general insights youth can acquire on their own. For example, technical topics would include the definitions of financial terms (e.g., "interest rate") and their real-life applicability, or perhaps the specifics of how to create a budget, rather than commonsense knowledge of what a budget is or pronouncements about the importance of saving. These results also indicate FE may have an important role to play in mitigating potential risks associated with youth saving, since the second area of major observed changes involved values-related questions about safe, ethical, and healthy ways to save. Messages related to not skipping



Girl completing a financial education workshop exercise in Colombia.  
(Photo courtesy of Save the Children)

9 O'Prey, L. and Shephard, D. (2014) Financial Education for Children and Youth: A Systematic Review and Meta-analysis. Aflatoun Working Paper 2014.1C. Accessed at [www.aflatoun.org/evaluation](http://www.aflatoun.org/evaluation)

meals may be particularly important to convey, since YouthSave's implementation monitoring activities found that cutting down on unnecessary expenses appears to be one of the most common ways that youth accumulate money to save. However "unnecessary" is a subjective term, and often its interpretation needs to be clarified for young people. Specific technical topics or attitudes that need to be taught or reinforced in a given country or context should be confirmed at the program design stage through market research and needs assessment.

This analysis also suggests that longer trainings with smaller groups may be more effective in changing knowledge and attitudes. In Colombia, girls benefited more from the longer trainings, and in Kenya and Nepal, girls seem to have required greater assistance with opening accounts – suggesting that girls in particular may benefit from more intensive face-to-face financial capability interventions. Future FE programming and bank outreach efforts

must therefore account for the obstacles that girls disproportionately face. How best to facilitate account opening, if that is one of the goals of the FE programming in question, should also be considered in light of local regulations and competition, and may need to go beyond bank participation in trainings. Both in Kenya and Nepal, youth named the lack of personal identification documents as the key barrier in opening a savings account—more fuel for advocacy efforts aimed at universal birth registration and documentation as well as for flexible account opening requirements for minors.<sup>10</sup>

More investment in rigorous impact analysis of future youth FE programs could expand on these findings, to provide additional critical practical guidance on the different types of activities that bring about increased financial capability for different segments of youth in different contexts. Much remains to be learned.

---

10 For more on supportive policies for youth savings accounts see Aldebot-Green & Sprague (2014). *Regulatory Environments for Youth Savings in the Development World*. Washington, DC: New America.

---

#### References:

- Aldebot-Green, A. & Sprague, A. (2014). *Regulatory Environments for Youth Savings in the Developing World*. Washington, DC: New America.
- Chowa, G., Masa, R., Osei-Akoto, I., Ansong, D., Despard, M., Afranie, S., Sherraden, M. (2015). *Impacts of Financial Inclusion on Youth Development: Findings from the Ghana YouthSave Experiment* (YouthSave Research Report, CSD Publication 15-35). St. Louis, MO: Washington University, Center for Social Development.
- Johnson, E., & Sherraden, M. S. (2007). From financial literacy to financial capability among youth. *Journal of Sociology and Social Welfare* 34(3), 119–145.
- Johnson, L., Lee, Y., Ansong, D., Sherraden, M.S., Chowa, G., Ssewamala, F., Sherraden, M. (2015). *Youth Savings Patterns and Performance in Colombia, Ghana, Kenya, and Nepal* (YouthSave Research Report, CSD Publication 15-01). St. Louis, MO: Washington University, Center for Social Development.
- Ngurukie, C. (2013). *Testing the Waters: YouthSave Pilot Results from Three Markets* (Save the Children YouthSave Note). Washington, DC: Save the Children.
- O'Prey, L., & Shephard, D. (2014). *Financial Education for Children and Youth: A Systematic Review and Meta-analysis*. Aflatoun Working Paper 2014.1C.
- Rodríguez, C, & Saavedra, J. (2015) *Nudging Youth to Develop Saving Habits: Experimental Evidence Using SMS Messages* (CSD Working Paper, forthcoming). St. Louis, MO: Washington University, Center for Social Development.

# Annex 1

## YouthSave Financial Education Programming Summary Table

| Country  | Program Activities                                                                                                                                                                                                                                                                                                  | Outreach                      | Sample size and type for pre/post tests                                            | Timeframe of post-post test    |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|------------------------------------------------------------------------------------|--------------------------------|
| Colombia | 1. <u>FE workshops</u> . One-time workshops of 25-35 children each, approximately 4 hours long, delivered at schools via trained facilitators.                                                                                                                                                                      | • 7,149 youth                 | • 2,526 youth<br><br>Tracked sample – youth who took pre, post, and post-post test | 2 months after the workshop    |
|          | 2. <u>SMS</u> . Messages with either financial education content or reminders to deposit funds sent to accountholders.                                                                                                                                                                                              | • 8,839 account holders       |                                                                                    |                                |
|          | 3. <u>FE assemblies</u> . One-hour assemblies of 100-200 children each, delivered by SC and BCS at schools that BCS targeted for Cuentamiga account promotional activities.                                                                                                                                         | • 6,095 youth                 | • 1,507 youth<br><br>Random sample                                                 |                                |
| Kenya    | 1. <u>Youth FE training</u> . 10-14 session curriculum delivered by local partner NGOs to youth clubs of 20-45 children each, both in- and out-of-school.                                                                                                                                                           | • 16,190 youth                | • 400 youth<br><br>Random sample                                                   | 9-11 months after the training |
|          | 2. <u>Adult FE training</u> . Two-hour session delivered by local partner NGOs.                                                                                                                                                                                                                                     | • 1,862 individuals           |                                                                                    |                                |
|          | 3. <u>Short buy-in sessions</u> . Community engagement meetings of 30-60 minutes each, to ensure sensitization to savings, conducted by local partner NGOs.                                                                                                                                                         | • 26,443 individuals          |                                                                                    |                                |
| Nepal    | 1. <u>FE workshops</u> . One-time 3-hour workshops at schools and youth clubs, delivered by local partner NGOs. A comic book with signature characters imparting financial literacy messages distributed to each youth at workshops. Follow up bi-weekly or monthly booster activities of approximately 45 minutes. | • 20,820 youth                | • 1,253 youth<br><br>Random sample                                                 | 1-18 months after the workshop |
|          | 2. <u>Street drama</u> . Youth club performances to raise community awareness, held at schools and community/village venues.                                                                                                                                                                                        | • 20,197 individuals          |                                                                                    |                                |
|          | 3. <u>Radio drama</u> . Serialized 4-part recorded adaptation of street drama in local languages, aired on radio in areas with no SC FE programming.                                                                                                                                                                | • 660,000 estimated listeners |                                                                                    |                                |

# Annex 2

## Selected Results by Country and Question

Percent of youth that answered the question correctly or affirmatively.

Questions were selected based on those discussed in the body of this paper and to provide a general sense of the types of questions asked to gauge changes in attitudes, knowledge, and behaviors.

### COLOMBIA

1. Pre- and post-post-test results from the workshops (n = 2526)

*Illustrative questions out of the 14 total on pre-test and 18 total on the post-post-test.*

| Questions                                                        | Workshops |                |              |
|------------------------------------------------------------------|-----------|----------------|--------------|
|                                                                  | Pre-test  | Post-post-test | Significant* |
| It is important or very important to save for the future         | 96.91%    | 97.03%         | No           |
| Banks are places where you can save safely                       | 78.03%    | 88.56%         | Yes          |
| Banks are for adults only                                        | 4.67%     | 2.85%          | Yes          |
| Banks are only for those with large sums of money                | 7.48%     | 3.25%          | Yes          |
| Saving for a house is a good example of a long term savings goal | 69.71%    | 68.73%         | No           |
| What comprises a budget                                          | 57.84%    | 66.51%         | Yes          |
| Making a budget helps saving                                     | 66.07%    | 79.69%         | Yes          |
| What is necessary to open an account                             | 19.36%    | 79.33%         | Yes          |
| Definition of the interest rate                                  | 29.22%    | 52.85%         | Yes          |
| Saved in the month prior to testing                              | 60.89%    | 69.08%         | Yes          |
| girls                                                            | 57.94%    | 67.18%         | Yes          |
| boys                                                             | 63.70%    | 70.90%         | Yes          |
| I save more after the workshop                                   | n/a       | 30.09%         | n/a          |
| I have opened a savings account after the workshop               | n/a       | 14.49%         | n/a          |

\*Significant (2-tailed z-test) at p=0.05

Using <http://epitools.ausvet.com.au/content.php?page=z-test-2>

2. Pre- and post-test results from the workshops (n=2526) and assemblies (n=1507)

Illustrative corresponding questions out of the 14 total on pre-test and 14 total on the post-test (workshops), and 9 total on pre-test and 11 on post-test (assemblies)

| Questions                                                        | Workshops |           |              | Assemblies |           |              |
|------------------------------------------------------------------|-----------|-----------|--------------|------------|-----------|--------------|
|                                                                  | Pre-test  | Post-test | Significant* | Pre-test   | Post-test | Significant* |
| It is important or very important to save for the future         | 96.91%    | 97.19%    | No           | 99.00%     | 98.47%    | No           |
| Saving is cutting down unnecessary spending                      | 94.34%    | 94.50%    | No           | 97.28%     | 93.70%    | Yes          |
| Saving for a house is a good example of a long term savings goal | 69.71%    | 73.12%    | Yes          | 77.40%     | 84.74%    | Yes          |
| Banks are places where you can save safely                       | 78.03%    | 88.92%    | Yes          | 84.67%     | 89.78%    | Yes          |
| What comprises a budget                                          | 57.84%    | 69.44%    | Yes          | 77.57%     | 80.49%    | Yes          |
| Making a budget helps saving                                     | 66.07%    | 79.97%    | Yes          | 84.27%     | 87.13%    | Yes          |
| What is necessary to open an account                             | 19.36%    | 79.02%    | Yes          | 33.77%     | 69.67%    | Yes          |
| Definition of the interest rate                                  | 29.22%    | 63.46%    | Yes          | 31.65%     | 45.45%    | Yes          |

\*Significant (2-tailed z-test) at p=0.05

Using <http://epitools.ausvet.com.au/content.php?page=z-test-2>

### 3. Pre- and post-test results from girls attending workshops (n=1234) and assemblies (n=703)

| Questions                                  | Workshops – Girls |           |              | Assemblies – Girls |           |              |
|--------------------------------------------|-------------------|-----------|--------------|--------------------|-----------|--------------|
|                                            | Pre-test          | Post-test | Significant* | Pre-test           | Post-test | Significant* |
| Banks are places where you can save safely | 79.66%            | 91.98%    | Yes          | 85.82%             | 90.17%    | Yes          |
| What comprises a budget                    | 59.00%            | 69.61%    | Yes          | 78.23%             | 81.34%    | No           |
| Making a budget helps saving               | 66.13%            | 81.36%    | Yes          | 84.33%             | 86.69%    | No           |
| What is necessary to open an account       | 20.18%            | 82.25%    | Yes          | 37.06%             | 72.26%    | Yes          |
| Definition of the interest rate            | 26.50%            | 62.80%    | Yes          | 29.73%             | 45.15%    | Yes          |

\*Significant (2-tailed z-test) at p=0.05

Using <http://epitools.ausvet.com.au/content.php?page=z-test-2>

### 4. Pre- and post-test results from boys attending workshops (n =1292) and assemblies (n= 804)

| Questions                                  | Workshops – Boys |           |              | Assemblies – Boys |           |              |
|--------------------------------------------|------------------|-----------|--------------|-------------------|-----------|--------------|
|                                            | Pre-test         | Post-test | Significant* | Pre-test          | Post-test | Significant* |
| Banks are places where you can save safely | 76.47%           | 85.99%    | Yes          | 83.36%            | 89.33%    | Yes          |
| What comprises a budget                    | 56.73%           | 69.27%    | Yes          | 76.81%            | 79.52%    | No           |
| Making a budget helps saving               | 66.02%           | 78.64%    | Yes          | 84.21%            | 87.62%    | Yes          |
| What is necessary to open an account       | 18.58%           | 75.93%    | Yes          | 30.01%            | 66.71%    | Yes          |
| Definition of the interest rate            | 31.81%           | 64.09%    | Yes          | 33.85%            | 45.80%    | Yes          |

\*Significant (2-tailed z-test) at p=0.05

Using <http://epitools.ausvet.com.au/content.php?page=z-test-2>

## KENYA

Pre- and post-post-test results from the workshops (n = 400)

Illustrative questions out of the 13 total on pre-test and 19 total on the post-post-test

| Questions                                            | Workshops |                |              |
|------------------------------------------------------|-----------|----------------|--------------|
|                                                      | Pre-test  | Post-post-test | Significant* |
| Saving is putting money aside for tomorrow           | 71.00%    | 83.00%         | Yes          |
| Budgeting could help one better plan for their money | 93.00%    | 95.75%         | No           |
| It is always important to budget                     | 67.75%    | 79.50%         | Yes          |
| What does not belong in a budget                     | 15.00%    | 30.25%         | Yes          |
| Banks are for adults only                            | 20.50%    | 11.50%         | Yes          |
| Saving in a bank is always a good idea               | 70.00%    | 74.30%         | No           |
| I save                                               | 75.80%    | 89.20%         | Yes          |
| girls                                                | 77.50%    | 94.00%         | Yes          |
| boys                                                 | 74.00%    | 84.50%         | Yes          |
| I saved in the month prior to post-post-test         | n/a       | 77.00%         |              |
| girls                                                |           | 82.00%         |              |
| boys                                                 |           | 72.00%         |              |
| I opened a bank account after training               | n/a       | 39.30%         | n/a          |

\*Significant (2-tailed z-test) at p=0.05

Using <http://epitools.ausvet.com.au/content.php?page=z-test-2>

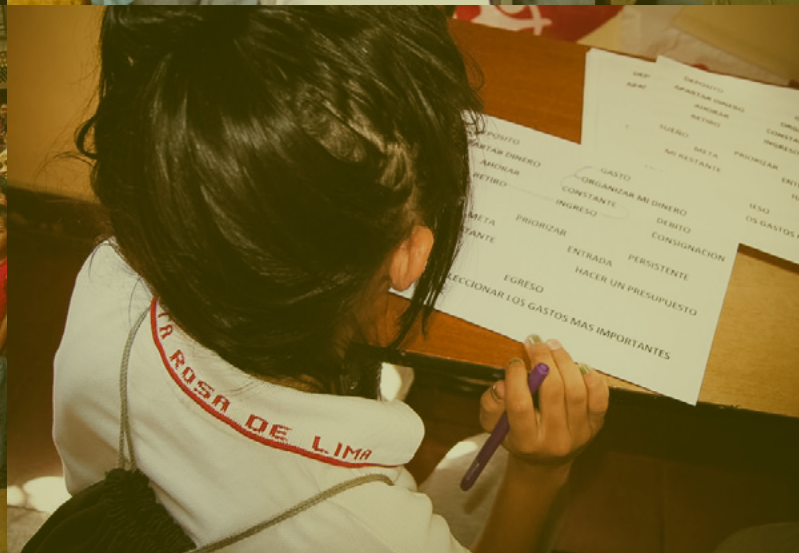
## NEPAL

*Pre- and post-post-test results from the workshops (n = 1253)*

*Illustrative questions out of the 13 total on pre-test and 18 total on the post-post-test*

| Questions                                                           | Workshops |                |              |
|---------------------------------------------------------------------|-----------|----------------|--------------|
|                                                                     | Pre-test  | Post-post-test | Significant* |
| One can save by controlling expenses                                | 83.91%    | 92.04%         | Yes          |
| One should not save by skipping meals ("khaja")                     | 39.84 %   | 71.58%         | Yes          |
| One should not save by borrowing money from others                  | 85.46%    | 92.65%         | No           |
| One can save by buying only the things he needs                     | 91.32%    | 89.66%         | No           |
| There are right and wrong ways to save                              | 56.09%    | 68.82%         | Yes          |
| Budgeting (income and expenditure plan) helps with saving           | 88.01%    | 88.24%         | No           |
| It is not only the duty of the guardian in the family to save money | 58.61%    | 76.19%         | Yes          |
| Savings goals are not only for long-term                            | 57.86%    | 63.17%         | Yes          |
| There is a difference between wants and needs                       | 63.88%    | 61.15%         | No           |
| It is important or very important to save for the future            | 91.68%    | 91.35%         | No           |
| I opened a bank savings account after training                      | n/a       | 41.70%         | n/a          |

\*Significant (two-tailed t-test) at p=0.05



**Save the Children** invests in childhood – every day, in times of crisis and for our future. In the United States and around the world, we are dedicated to ensuring every child has the best chance for success. Our pioneering programs give children a healthy start, the opportunity to learn and protection from harm. Our advocacy efforts provide a voice for children who cannot speak for themselves. As the leading expert on children, we inspire and achieve lasting impact for millions of the world's most vulnerable girls and boys. By transforming children's lives now, we change the course of their future and ours.



**Save the Children®**

[www.savethechildren.org](http://www.savethechildren.org) | [www.youthsave.org](http://www.youthsave.org)

