

## Savings Options

This Session will help young people understand some of the different formal and informal savings options available, and understand how different products and services work. It will look specifically at: Saving at Home; Savings Club; Savings and Loans Groups; and Individual Account (at a post office, bank or credit union).

**Lesson objectives:** By the end of this Session, participants will be able to:

1. Identify some different saving options available.
2. Identify some advantages and disadvantages of the different saving methods.
3. Identify a saving method suitable for their needs.

**Key learning:**

- Having made the decision to save, it is sensible to look at different methods of saving and places we can deposit money, e.g. at home, village savings group, schools, microfinance organizations, banks, and other financial institutions.
- People need different kinds of services, therefore looking at the advantages and disadvantages of different saving methods will help us decide what best fits our needs.
- Financial institutions are demystified, and young people are confident enough to approach such institutions.

**Materials Needed**

- Option 1: Expert 's cards , with information about one of the following savings options: Saving at Home; Savings Club; Savings and Loans Groups; and Individual Account (at a post office, bank or credit union); flip-chart pages headed with the four savings options.
- Option 2; Resource Figure 3.5.
- Reflect: Small stickers or post its- four for each participant (alternatively, they can draw dots on the flip-chart).

**Information for Facilitator**

- A visit to a bank or other saving institution to gain information regarding saving products would be a valuable addition to this Session.

### 1 Start: Last pair standing

*Explain that in this Session you will be exploring some advantages and disadvantages of some of the different savings options.*

The aim of this game is not to be the last pair left standing, and encourages participants to join in.

**Method (10-15min)**

1. Ask the participants the following question:
  - Where is the best place to keep money that you want to save and why?
2. Assign the participants to pairs and give them a few minutes to discuss what they found out (or what they know from experience) with the person next to them. They can jot down their ideas if they want to.
3. Ask them all to stand up. Tell them that the same question will be asked until everyone has had a turn. To answer, participant pairs should raise their hands after the person asking the question shouts 'Go!' if they have a new answer. Use the following question:
4. Where is the best place to keep money that you want to save? (e.g. in a money box in a secret place at home).
5. Write down the answer on a flip-chart and then the pair that answered should sit down. That pair then asks the question again and shouts 'Go!' They then select the first pair that raises their hands to give a new answer.
6. Repeat this process until everyone is seated or there are no more ideas.

### 2 Learn: Investigate and act

Choose one of the following two activities:

NOTE: Credit unions are small, non-profit financial organizations set up by members with something in common to benefit their community. They differ from banks and other financial institutions because the members who have accounts are the owners of the credit union.

### Option 1: Silent Debate

In this activity, participants will learn about four different savings options, and take part in a silent debate to think about the advantages and disadvantages of each.

#### Method (25-30min)

1. Start by dividing the group into four evenly sized groups.
2. Give each group an Expert 's card, which has information about one of the following savings options: Saving at Home; Savings Club; Savings and Loans Groups; and Individual Account (at a post office, bank, or credit union).
3. Ask one person to read out the information on the card to his/her group, and then, together, discuss the advantages and disadvantages of saving in this way.
4. Participants decide as a team how they will present this information to the rest of the group (could be a two-minute role play, mime, news broadcast, rap or 'lesson' showing the advantages/disadvantages).
5. Each group presents their savings option to the rest of the participants. Make sure participants applaud each presentation.
6. Next, play the Silent Debate activity by placing the four sheets of flip-chart paper, headed with the four savings options, around the classroom.
7. Tell the participants that, using what they have heard from the presentations, they are going to write comments on the flip-chart pages saying what they like or don't like about that particular option.
8. As they move from one option to another, they should respond to a comment made by someone else. For example, if on the Saving at Home sheet, someone has written, 'I like this method because it is convenient and I can save time', someone else might write, 'Yes, but what if you are tempted to use your savings on a new pair of trainers instead of on your training course?' and someone else can comment on that comment, and so on.
9. After an appropriate amount of time, draw this to a close.
10. Give one sheet of flip-chart paper to each group, and ask them to look at the comments and sum up the main comments for the rest of the group.
11. Each group should present their summary to the rest of the participants.

### Option 2: Puzzle it Out

This activity uses similar information as Option 1, but used in a different way.

NOTE: Prior to the Session, prepare four sheets of paper with one of the following savings options written on each: Saving at Home; Savings Club; Savings and Loans Groups; and Individual Account (at a post office, bank or credit union).

You will also need to make four puzzles on card, as shown on Figure 3.5. Cut each puzzle into four individual pieces and put them into a container.

#### Method (25-30min)

##### Step 1: The Game

1. Explain to the participants that they are going to play a matching game in order to learn more about each of the four savings options.
2. Ask for four volunteers.
3. Tape a savings option (written on a sheet of paper) onto the back of each of the four volunteers and ask them to turn so the other participants see their backs (but that they cannot see each other 's backs). Make sure they do not know which option they have and ask the rest of the group not to tell them what is written on their backs.
4. Pass the container around and ask the remaining participants to take a puzzle piece.

Example programs for classroom involvement | Age Level: 15-18

5. Tell them that they have a few minutes to find which savings option they think they match, and to complete their puzzle with three other pieces from three other participants. If there are more than 16 participants, some can work in pairs to find their match.
6. The puzzles should form a rectangle. If the pieces don't fit, one or more of the participants are in the wrong place.
7. While the puzzles are being completed, the volunteers can continuously guess which savings option is taped to their back.
8. Help participants to complete their puzzles if they are having problems finding their right match. Ask a volunteer from each group to state the group's savings method and review its characteristics by referring to the puzzle pieces.
9. Ask the participants if they have any questions regarding any of the four savings options.

Step 2: Analyzing the Savings Options

1. Give each group a chart (see below) with the group's assigned savings option - Saving at Home; Savings Club; Savings and Loans Group; and Individual Account (at a post office, bank or credit union) - and the puzzle clues written at the top. Underneath this descriptive information, create three columns with the headings: Likes; Dislikes; and Questions? This is an example:

Savings at Home Money in jar buried in the ground Money hidden under the mattress Money sewed inside a chair cushion Money taped to the back of a picture on the wall		
Likes	Dislikes	Questions?

2. Ask the groups the following questions:
  - What do you like about your savings option and what don't you like? Why?
  - What are the questions you have about your savings option?
3. The groups should discuss their savings option and write their ideas in the appropriate columns. Circulate around the groups to suggest things they should think about. Give them ten minutes to complete this.
4. Next, post the completed flip-charts of the savings options at different places around the classroom, and invite the groups to circulate and read each other's ideas, and also to write their own comments/questions on them.
5. Review each flip-chart with the participants as a whole group. Answer any questions that may have been written on them.
6. Ask the participants if they have any further comments or questions about any of the savings methods that haven't already been addressed.

### 3 Reflect

#### Method (10-15 min)

1. Explain to the participants that sometimes it is difficult to protect our savings and to not spend them. Invite them to share challenges they might have when trying to hold on to their savings.

If they need a little prompting, you can ask:

- Do you ever feel pressure to spend your savings?
- Who might ask you for the money you've saved?

*NOTE: If you feel participants would benefit from a role play activity that explores how to deal with situations in which their savings are under threat, refer to the Appendix and Role Play Challenges to Saving Money)*

2. Next, give the participants four stickers each.
3. Tell them they are going to show which savings option they prefer by placing a sticker (or stickers) on their preferred savings option.
4. Explain that they can put all four on the same savings option or they can divide them up among the different savings options in whichever way they want. (Alternatively, participants can draw dots on their preferred savings option.)
5. Encourage participants to make their own independent decisions on where to place the stickers.
6. Allow five minutes for this exercise. Identify with participants which method received the most stickers.
7. As a group, discuss why certain options were more or less popular.

#### Enquiry Questions for the next Session

Saving resources can also lead to saving money. In the next Session, participants will consider what it means to be a Smart Saver (e.g. someone who has an understanding of saving that includes saving time and resources as well as money).

- Encourage participants to ask their friends and family the following question about this, in preparation for the next Session: Smart Savers
- How can saving resources (water, fuel, time, etc), and using them carefully also help us to save money?

*Figure 3.5*  
*Puzzle*

Savings at home	
Money taped to the back of a picture on wall	Money hidden under the mattress
Money in jar buried in the ground	Money sewed inside a chair cushion

Individual account at bank, post office or credit union	
Regulated by government	Fees charged for most transactions (for example, withdrawals)
Different types of savings accounts to choose from	Money held in a locked safe in a secure building

Rotating saving and credit association (ROSCA)
Group of friends or relatives usually in same community
Members deposit same amount each month into the group account
The money collected goes to a different member each month
Members often decide to save in this way for a specific goal

Saving Club
Saving as a group
Club members set for withdrawal of money
Each member has of deposit to group account
One account member