Center for Social Development

GEORGE WARREN BROWN SCHOOL OF SOCIAL WORK

Voices of Youth, Parents, and Stakeholders:

Findings from Case Studies in the YouthSave Project

YouthSave Research Report 2015

Washington University in St. Louis

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Voices of Youth, Parents, and Stakeholders: Findings from Case Studies in the YouthSave Project

Li Zou, Sarah Myers Tlapek, Margaret S. Sherraden, and John W. Gabbert
Washington University in St. Louis

Amy Ritterbusch
Universidad de los Andes

Ernest Appiah and Dorcas Opai-Tetteh
University of Ghana

Githinji Njenga and Joseph Kieyah
Kenya Institute for Public Policy Research and Analysis (KIPPRA)

Sharad K. Sharma, Jyoti Manandhar, and Manik Maharjan
New ERA of Nepal

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Campus Box 1196 One Brookings Drive St. Louis, MO 63130-9906 • (314) 935.7433 • csd.wustl.edu

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Overview of YouthSave

What is YouthSave?

Supported by The MasterCard Foundation, YouthSave was a five-year (2010–2015) project that investigated the potential of savings accounts as a tool for youth development and financial inclusion in Colombia, Ghana, Kenya, and Nepal. YouthSave codesigned tailored, sustainable savings products with local financial institutions (FIs) and assessed their performance and youth development outcomes with local researchers. The YouthSave Consortium included Save the Children (SC) Canada and USA, the Center for Social Development (CSD) at Washington University in St. Louis, the Consultative Group to Assist the Poor (CGAP), and the New America Foundation. The four partner FIs were Banco Caja Social (BCS) in Colombia, HFC Bank in Ghana, the Kenya Post Office Savings Bank (Postbank) in Kenya, and Bank of Kathmandu (BOK) in Nepal. The research partners were Universidad de Los Andes in Colombia; the Institute of Statistical, Social and Economic Research (ISSER) at University of Ghana; the Kenya Institute for Public Policy Research and Analysis (KIPPRA); and New ERA in Nepal.

The YouthSave learning agenda

The YouthSave learning agenda was "broad in its reach, extensive in its multi-method approach, and deep in its longitudinal analysis of impacts on youth, households, and financial institutions" (Center for Social Development, 2011, p. 3). Research aimed to "examine effects of savings products and service characteristics on savings success among youth, effects of youth characteristics and circumstances on savings success, and long-term development outcomes for youth participants and households—especially on their education, livelihood, and health," and to explore the "business case" of FIs offering savings accounts to young people (Center for Social Development, 2011, p. 3).

Voices of Youth, Parents, and Stakeholders: Findings from Case Studies in the YouthSave Project

Executive Summary

Promoting youth financial inclusion involves bringing financial services and products directly to youth in developing countries. Aligned with this effort, the YouthSave project investigated the potential of savings accounts as a tool for youth development and financial inclusion in Colombia, Ghana, Kenya, and Nepal with the support of The MasterCard Foundation. Despite growing interest in youth financial inclusion in these countries, the state of knowledge on global financial inclusion for youth remains limited. The YouthSave project combined project implementation with original research to address this gap in knowledge regarding youth savings behavior in different country contexts. These case studies examined the experiences of youth in each of the four countries to understand commonalities in savings behavior and to address the question of how context affects youth experiences in saving.

This report[1] presents the findings of in-depth interviews conducted by in-country research partners with a total of 24 youth participants, parents, and community or school stakeholders. In each country, triads consisting of a youth, his or her parent, and a stakeholder from his or her school or community shared their experiences of saving with the YouthSave project. In coordination with the YouthSave financial institution (FI) in each country, we examined data on savings balances, length of account operation, deposits, and withdrawals from the YouthSave Savings Demand Assessment (SDA)[2] to select youth. The length of youth's account holding ranged from five months to more than one year prior to the in-depth interview. The findings are informed by a review of the very different political, economic, and institutional contexts of the four countries.

In spite of such different contexts, the case studies revealed four areas of commonality that youth share across the each country regarding their experience with savings: motivations to save, the effects of saving, factors that facilitate saving, and challenges to saving that youth overcame. Each country's unique context substantially influences savings behavior, poverty, and unemployment; therefore, policy responses to these problems have particular salience for youth savings. This report provides details about the experiences of youth saving in each of these different contexts—these personal stories add a human touch to the on-the-ground work of youth financial inclusion. Results will be of interest to policymakers, FIs, and program developers as they consider ways to expand access to financial services to youth and their families.

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[1] This report expands on the article *Facilitators and Obstacles in Youth Saving: Perspectives from Ghana and Kenya* (Zou, Myers Tlapek, Njenga, Appiah, Opai-Tetteh, & Sherraden, 2015), published in the journal *Global Social Welfare* available at http://link.springer.com/article/10.1007%2Fs40609-015-0028-y.

[2] For greater details on SDA, please refer to the report on *Youth Savings Patterns and Performance in Colombia, Ghana, Kenya, and Nepal* at http://csd.wustl.edu/Publications/Documents/RR15-01.pdf.

Youth described a number of goals for saving fueled by internal and external motivations. All youth reported that preparing for the future was a reason for saving. Many youth listed specific future goals for which to save, such as higher education or a career. A desire for financial independence motivated other youth. Several youth spoke of a desire to help support their families.

Parents, schools, and banks provide essential support to youth in enabling savings behavior. Youth who were saving frequently reported that their parents modeled good saving behavior and helped their children to save by providing encouragement or tangible assistance with things such as transportation or funds. Schools also played an important role in promoting savings; institutional factors such as a financial education curriculum were important, but school personnel support and encouragement were also critical. Students reported learning basic financial education at schools where this was part of a standardized curriculum. School principals and teachers supported youth saving by providing information and, in some cases, practical assistance to open or maintain accounts. Youth in school noted that motivation from other students via clubs or competitions was an additional factor that encouraged them to save. Trustworthy banks with youth-friendly procedures helped youth to easily open accounts and make deposits. YouthSave participants noted the important role that bank staff played by sharing information and collecting deposits.

Despite the notable programs and policy initiatives to promote financial inclusion for youth in each country, youth faced obstacles to saving. Youth, parents, and community stakeholders in all four countries reported challenges from poverty and unemployment; youth who struggle with limited funds are often unable to set money aside in a savings account. Although contextual factors related to family income, employment, and economic opportunities varied across the different case studies, many youth reported that the management of limited funds was an ongoing concern.

Reports from youth, parents, and stakeholders indicate that saving through YouthSave has made a difference in the lives of youth. Youth recounted learning financial management skills and increasing their self-discipline. They explained how the act of saving changed their outlook and behaviors to be more future-oriented and also gave them a sense of pride and excitement. Observers such as parents, teachers, and community stakeholders reported that youth developed a greater sense of responsibility, and had inspired parents and teachers to save.

In response to the four areas of commonality associated with youth's saving experience across four countries, we conclude with four specific recommendations to promote youth financial inclusion: (1) leverage motivation of youth and families, (2) engage youth in program and policy designs, (3) maximize the full potential of facilitating factors, and (4) invite all actors, such as policymakers, regulators, donors, and employers, to help remove obstacles.

Background

Today, 1.8 billion youth aged between 10 and 24 years live in the world (United Nations Population Fund, 2014). Approximately 85% of these young people live in developing countries, and 45% live on less than two dollars per day (United Nations, n.d.; YouthSave, 2010). Only an estimated 27% of youth aged 15 years and older use formal financial services (World Bank, n.d.-a). Low access to formal financial services deprives youth of the opportunity to learn how to manage their financial lives using the financial tools that are increasingly necessary in modern life. Moreover, lack of access in adolescence may have important long-term implications for financial inclusion over a lifetime. Reaching youth with financial services is one way to reduce the numbers of adults who are "unbanked," a number that approaches two billion worldwide (Demirguc-Kunt, Klapper, Singer, & Van Oudheusden, 2015).

Financial inclusion is important because it is "critical in reducing poverty and achieving inclusive economic growth" (World Bank, 2014). Over the past decade, international and national organizations, FIs, and others have turned their attention to expanding financial access, especially in less developed countries. Governments are promoting financial inclusion policies; for example, the Kenyan Vision 2030 and the Ghanaian National Youth Policy initiatives (Kenya Vision 2030, 2012; Ministry of Youth and Sports, 2010). Simultaneously, banks are developing youth-specific savings products to attract and cultivate their next generation of customers.

In this context, YouthSave contributed to the worldwide effort of promoting financial asset building among low-income youth. YouthSave targeted youth aged 12 to 18 years in four developing countries: Colombia, Ghana, Kenya, and Nepal. It sought a deeper understanding of whether and how youth savings accounts can be used as a tool to build assets and improve well-being among low-income youth. The YouthSave project combined project implementation with multimethod research to study youth saving in different country contexts. As of May 2014, more than 98,000 youth across four countries had opened savings accounts, and around 70,000 of these youth consented to be part of the YouthSave research (Johnson et al., 2015).

This report examines the detailed saving experiences of youth who opened YouthSave accounts in the four countries. Twenty-four informants, including youth, parents, and key community stakeholders, talked with in-country researchers about their participation in the YouthSave project, including their reasons for saving, the outcomes of saving, and what helped or hindered their saving efforts. The following case studies reveal these experiences of youth in developing countries as they strived to save. These first-hand accounts illuminate how, despite significant challenges, many youth still managed to save.

Research Method

Study design

We employed a multiple case study approach to understand the details of the saving experience. This method complemented and informed other research approaches such as the experimental study in Ghana and the SDA used in the YouthSave initiative by offering a nuanced assessment of youth's the savings experience in the contexts of family, community, and country.

Respondent selection and recruitment

We developed the case studies from 24 in-depth interviews with eight triads consisting of a youth participant, one of his or her parents or a caregiver, and a stakeholder from the youth's school or community. Researchers in each country selected two such triads from different geographic regions for the interviews. With the exception of Colombia, one youth of each gender was selected. The ages of selected youth ranged from 12 to 18 years. We worked in coordination with the YouthSave FI in each country to select youth who held the account long enough to be able to report on their experience for inclusion as a participant in the case study. The minimum length of account holding was five months—several youth had been saving with YouthSave for more than one year prior to the in-depth interview.

After selecting youth of interest for the study, researchers contacted the youth and their parents or caregivers to assess interest and suitability for an interview and to obtain informed consent. Youth had already given consent to be part of the larger research study, which included data collection on their savings balances and transactions. Selected youth, parents, and stakeholders were asked to sign consent forms to enroll in the interview portion of the study.

Research instrument development

For the in-depth interviews, we developed an interview guide (the research instrument) informed by published literature and earlier work from CSD's American Dream Demonstration and I Can Save projects (Center for Social Development, 2011; Sherraden et al., 2005). Researchers in all four countries contributed further to the development of the interview guide, and pilot-tested it prior to implementation. After pilot-testing, we translated the interview guide into the language most comfortable for participants in each country.

The interviews with youth focused on experiences with the YouthSave account, family and youth history of savings, goals for YouthSave account savings, obstacles and facilitators to saving, and perceived impact of saving to date. In-depth interviews with parents (or caregivers) focused on the parents' own financial education, experience with saving, experience with YouthSave, perception of savings impact to date, and their children's financial education at home. The interviews with stakeholders addressed financial education the community or school provided to youth, the story of YouthSave in the community, and the stakeholders' perceptions of impact.

Data collection procedures

To ensure a standardized data collection methodology across countries, in-country research partners participated in a one-day workshop on case selection, data collection procedures, and in-depth interviewing techniques in April 2012. In-country research partners scheduled the interviews, and trained interviewers to conduct the interviews. Researchers scheduled interviews at a location where the respondent felt comfortable speaking freely (e.g., home, school) and conducted all interviews in the local language in 2013. The interviews did not exceed 90 minutes. Per in-country standards for research, the in-country research partners offered financial or in-kind incentives at researchers' discretion. Examples include a meal, a pen or notebook, or a small contribution to the youth's savings account.

Data analysis

The interviews were audiotaped, transcribed, and translated to English. Both in-country research partners and CSD research team members analyzed the data. To help identify key areas of commonality, the joint research teams first coded the transcripts according to a priori codes, adding additional codes as appropriate that reflected the distinctive experiences of respondents and the context of this project. The joint research teams aggregated findings from all four countries to look for meanings related to savings and used cross-case synthesis to identify similarities and differences across cases and countries to develop "naturalistic generalizations" that might be applied to youth saving behavior (Creswell, 2013, p. 200). The inclusion of parents, stakeholders, and data from secondary documents allowed all researchers to triangulate information. In-country research partners also provided data on country-specific context from observation, document review, and media review, which contributed to the analysis. The joint research teams discussed areas of commonality with the in-country research partners to reach consensus and confirm that constructs identified were consistent with in-country interpretation.

Meet the Participants

Colombia

Julio[3] is a 14-year-old male student from Pasto, Colombia. Julio comes from a family of four—his parents, a sister, and himself—in a lower income socioeconomic class.[4] He described his neighborhood as "nice but a little dangerous." He and his mother participated in the in-depth interview to share their experience with YouthSave. An eighth grader, Julio dreams to use his savings to attend a university in the future. An important community figure in Julio's hometown and a long-time family friend reported her observations on Julio's participation in YouthSave during her interview.

Pablo is a 16-year-old male high school student from Bogota, Colombia. He comes from a family of four—his parents, a brother, and himself—in the poorest socioeconomic class. He lives in a

[3] All names in this manuscript are pseudonyms to protect confidentiality.
[4] For more information about Colombia's social strata, please visit http://en.wikipedia.org/wiki/Poverty_in_Colombia.

neighborhood that community members consider dangerous, but he described it as wholesome and community-oriented in spite of its problems. Pablo's father works as a newspaper salesman and has side jobs to supplement the family income. Pablo hopes to become a hydrocarbon engineer after completing a technical degree. Pablo, his father, and the deacon of the church participated in the in-depth interviews.

Ghana

Kofi is a 12-year-old male from a periurban town called Kasoa, approximately 30 kilometers west of Accra, Ghana's capital city. Kofi attends the sixth level of primary school, has six people in his household, and his father has a salaried job in the private sector. Kofi's father and the head of Kofi's school participated in in-depth interviews to inform his case study. Kofi's future goal for the future is to work as a banker or an engineer.

Abena, a 15-year-old female, told her story of life in Accra, the capital city of Ghana, where she attends the third level of junior high school. Abena's mother and a teacher from her school also shared information about Abena's participation in the YouthSave project. Abena's father works a salaried position to support seven people who live in the household. When she grows up, Abena would like to be a bank manager.

Kenya

Gatete is an 18-year-old male from the market town of Naivasha, Kenya. For schooling, Gatete lives with his cousins who act as his guardians because his parents are very poor and live far away. His uncle pays his school fees. Gatete's cousin participated in an in-depth interview to discuss YouthSave; she and her husband are self-employed and do some small-scale farming to support their household of six people. The principal of Gatete's school also reflected on his observations of YouthSave and how the project worked for Gatete and more than 500 students in the school. Gatete is in the fourth level of high school and hopes to attend university after completing his secondary education.

Akilah is a 16-year-old female student in the third level of an all-girls secondary school in Migori town in southern Kenya. Akilah's mother is a single parent who provides for a household of five people with income from a casual job and small farming activities. A teacher at her school talked about Akilah's participation in the YouthSave project during his interview and related his own experience with Postbank dating back to his university days. Akilah would like to open her own business in the future.

Nepal

Rakesh is a 15-year-old male from the rural Kavrepalanchowk district in central Nepal. He comes from a family of four—his parents, elder brother, and himself. Rakesh just completed secondary school and relies mostly on his parents to finance his saving. He receives occasional income by picking oranges and ploughing potato fields for others. Agriculture is the main source of income in his family. His father also works as a security guard at a local branch of a bank to help the family. Rakesh, his father, and a teacher from his school discussed their views on YouthSave. Rakesh plans to use his saving for various purposes such as education and medical treatment.

Sajita is an 18-year-old female from the Bhaktapur district in Nepal in Kathmandu Valley. She comes from a family of seven—her parents, four younger sisters, and herself. She studies business at the Modern College of Management. Her parents have no regular jobs; they make bricks seasonally. Sajita and her younger siblings sometimes help their parents make bricks in the factory to supplement the family income. Sajita, her father, and a high school principal from the Bhaktapur district participated in the in-depth interviews to explain their perspectives on YouthSave. She aspires to be a banker when she grows up.

Findings from Case Studies

In-depth interviews with the youth, parents, and stakeholders revealed rich detail on youth's experience with saving. Although youth's environment and saving context affected their motivations, abilities to save, and the effects of savings, there were commonalities that emerged across the four countries.

I. Motivations for saving: A path from poverty to the future

In line with the growing rate of savings among populations aged 15 years and older,[5] youth interviewed from four countries demonstrated their ability and talked about their motivations and goals to save. Every youth specified a target amount to save and articulated goals and plans for how to spend this money. Several youth discussed their prior experiences with savings accounts and how they used those accounts to save for snacks, trips, books, or clothing. Although most youth mentioned purchasing personal items as a reason to save, more often they were focused on longer term goals. Knowing the short- and long-term goals youth have for their saving sheds light on what motivated them to save. Of all the reasons for saving, the top three savings goals across countries discovered during the study are as follows: (1) for the future, (2) to promote financial independence and empowerment, and (3) to support families.

I.I. Saving for the future

Every youth referred to the future when discussing savings. Even though some youth could not foresee specific needs that could surface later, most believed that savings could help in their future. Rakesh said, "Well, now I am more confident that I can save more money that I could invest for some purpose in the future to make my future bright and prosperous."

When asked how he would spend savings in the future, Pablo answered, "Let's say to achieve something, to buy something or like when I need it for something important."

When Kofi from Ghana, the youngest respondent, was asked why savings was important to him, he replied, "It is important because maybe in future, you will need something and that money in the bank, you can use it." A number of the respondents were more specific and referred to the need to protect against possible financial shocks that might occur, such as Rakesh from Nepal:

[5] See Table 1 in the Appendix.

> We can save this money and use [it] when we come across economic problems. This saved money comes in handy when we need economic support in [the] future. I can save the money by not going to watch a movie or play football, and use this money in the future whenever I come across economic difficulties.

Gatete from Kenya mentioned the future 12 times during his interview and clearly linked his desire for savings with the perception that it would prepare him for an uncertain future:

> Saving is really something that a person cannot do without, because this money—you can have money today, but you're not certain about the future, so if you save [even] a little money—this money will be able to help you in future, maybe in the time of need.

An important community figure from Julio's neighborhood in Colombia said that saving to be rich is not the point for the youth who save. Instead, savings gives them an opportunity to build future financial stability:

> Rather it's to think about the future, in a more dignified future, in a slightly more stable life. So that, the family can have stability, as well as the children and young people that are growing also have stability.

Nearly all respondents cited the specific future goal to use their savings for university or higher education, which is in line with the expected 11–13 years of schooling;[6] for example, Pablo from Colombia said, "I would like to save in order to have my university education." This was often the first goal youth mentioned when asked about their plan for their savings. Every youth respondent reported planning to or already having used savings money to pay school fees or to buy books and other study materials. Other education-related expenses include transportation, exam fees, or stationery.

The majority of youth noted that their parents were often unable to provide necessities such as school fees or materials. Kofi from Ghana reported that he wanted to save "because when sometimes my father cannot afford my school fees, I'll use it."

Julio from Colombia viewed saving as way to work together with his parents toward his future goals:

> That there would be enough for my studies was always what motivated me, my studies, so that I wasn't only forcing my parents into debt so that they could pay for my university, like that without me doing something on my own to get some [money]. A way to help them and collaborate with them for my studies.

I.II. Saving to promote financial independence and empowerment

The majority of the interviewed YouthSave participants viewed saving as a means to help them achieve financial independence. They reported feeling good when they did not need to ask others

[6] See Table 2 in the Appendix.

for money. Julio from Colombia said, "I don't like it when other people have to pay for my things, instead I wanted to be able to pay with my own money."

Others noted that they appreciated when they did not have to ask friends or parents for money. Sajita from Nepal noted, "If I have savings, I don't have to ask from others to buy the things like clothes I need." She added, "I feel happy and secure if I have money and financially secured. I don't have to ask money from others to solve my problems." When asked why youth should save, she said,

> To solve our problems independently without depending on [anyone]. Youths have many things to do in life like they have to think of developing their career, so until and unless they save money today they can't make their future career themselves. We need money to manage for our own needs and it is always not good to ask someone else's support to fulfill one's own need.

"To help me" was a phrase that frequently represented the sentiments of many youth on why they save. They talked about how saving could help them fulfill their personal needs in the future. Only two respondents named nonessentials such as cell phones and vacations, whereas all others mentioned practical items such as clothing, shoes, and transportation. Julio from Colombia reported, "With what comes my way I'm planning to save to buy myself first a driver's license and later a—a means of transportation."

A number of youth envisioned having savings in a bank as a means of empowerment to think big and far. For example, when asked why the YouthSave account was important to him, Pablo from Colombia responded, "It's my capital, my capital for my life's project," which he had earlier identified as a plan to become a hydrocarbon engineer.

Several youth mentioned that the accumulation of money itself was a motivation. Kofi wanted to accumulate "a million or billion cedis" in his YouthSave account. Sajita from Nepal commented on how being in the bank and watching other transactions motivated her:

> I have seen other customers in the bank transacting thousands and millions of rupees. This gives me positive vibes . . . . I also think that one day I will be also transacting greater amounts of money too. This has motivated me for saving more money in [the] future.

She also noted,

> I have started my account with rupees 500, and now I have rupees 1000 in my account. [Sometimes] my balance in the account goes to minimum, but I'm always optimistic that one day I will have a bigger amount in my account. When I go to the bank, I feel proud of myself. I am hopeful that one day I can also get a job in a bank and be in the position as the people in the bank I have met. So, my motivational level goes high whenever I visit the bank.

I.III. Saving to support families

Youth knew that their families often faced financial difficulties, and they wanted to help. Youth from Ghana and Kenya reported saving as a way to help the family buy food. Rakesh of Nepal wanted to have money available to help his parents prepare for emergencies or family illnesses. Sajita from Nepal reported changes in her responsibilities after she opened the YouthSave account:

> [I have] increasing responsibility towards my home as well as towards developing my own career as I am growing older. Earlier, I was a child and I had limited responsibilities. I don't have my elder sister at home, so I have to be more responsible towards my house and sisters. I have been using my money sometimes to manage financial crises at home and for managing my own expenses. Once I had withdrawn Rupees 10,000 to help my father pay wages for the laborers who are building our new house.

Summary of motivations for saving: A path from poverty to the future

Poverty is a reality of these youth's everyday lives. According to the World Bank (n.d.-b), 43.4% of the Kenya's population, 28.8% of Ghanaians, 23.7% of the Nepalese, and 5.6% of the Colombians live on less than $1.25 USD a day. According the World Bank, the Gross National Income (GNI) per capita is $730 in Nepal, $1160 in Kenya, $1770 in Ghana, and $7590 in Colombia. Despite such poverty, youth reported a wide range of motivations to save. All youth wanted to save for their future. Many viewed savings as a pathway to financial independence and to support their family. Other motivations included savings for the sake of saving, higher education, career development, and personal needs. Despite the various motivations, one commonality among youth is apparent: They can and do save when presented with the opportunity. Given that these youth welcomed the opportunity to save and have articulated multiple reasons why they want to save, the demand for and the value of creating future opportunities is evident.

Youth in all four countries were motivated by similar goals, but their motivation was informed by their respective country's context. Although the Country Policy and Institutional Assessment's rating on social protection[7] of Ghana, Kenya, and Nepal hover near the middle (3.5–4 out of 6), youth in less developed countries such as Nepal may think more about practical goals, such as supporting their family's material needs and financing their education. Youth who face less poverty may be more likely to be motivated to save for personal items, such as Julio in Columbia, who eventually used his YouthSave account savings to purchase a cell phone. The countries' policies and regulatory environments for savings may not provide direct motivation for saving, but if regulations do not protect savers, youth motivation may be reduced, which will affect the gross savings rate in their countries.[8] Similarly, motivation to save may further erode if the FIs fail to directly influence youth's intrinsic motivation with youth-friendly products or procedures. Financial institutions should also consider the motivations of youth in each country; youth goals may provide valuable information regarding products. For example, youth may be motivated by different goals at each life stage, and products tailored to relevant life events may be particularly useful to youth.

[7] See Table 3 in the Appendix.
[8] See Table 4 in the Appendix.

II. Effects of saving: Multidimensional benefits to youth

Youth, parents, and stakeholders identified economic, psychological/cognitive, and social benefits of participating in YouthSave. They noted that YouthSave enabled participants to gain (1) economic benefits by developing financial management skills and techniques and learning the importance of good financial management and saving; (2) psychological/cognitive benefits by increasing self-discipline, (3) a creating broader sense of responsibility, (4) a sense of pride and excitement; and (5) social benefits by empowering participants with the ability to inspire others to save and develop a future-oriented outlook.

II.I. Developing financial management skills

YouthSave helped youth build awareness of saving and develop positive financial management practices early in life. By participating in YouthSave, youth developed, on a cognitive level, a fundamental sense of saving and its benefits. Presenting youth with the opportunity to save at such an early stage of life instilled a set of saving skills that will carry on throughout each youth's life. Overall, parents and stakeholders were satisfied that youth learned about saving with banks via the YouthSave project. Some youth described how YouthSave allowed an unprecedented opportunity to save more with banks. Julio said, "I didn't worry about saving, but this way it's possible to save more. I plan to keep saving more."

Gatete's principal mentioned that the head boy and the head girl in his school are both YouthSave account holders. These two students learned the importance of saving from school: "They [all students] were being taught about the importance of saving, the importance of saving and to them . . . most of them it was their first time to hear they can save."

A personal savings account gave youth a sense of ownership and independence because they can use it towards their future and have the opportunity to build financial stability. Akilah's teacher discussed how owning a personal savings account is the core interest for youth: "[youth's] main interest is not in the extra shilling that [they] will get, but their main interest is to have an account, 'my [youth's] personal account and I will even use it for saving.'"

Several parents and stakeholders discussed their beliefs that having youth participate in saving at such a young age helps them understand its inherent value. Gatete's school principal elaborated how learning finance early is beneficial:

> The issue of finances is an issue that actually affects very many people and if one can have . . . experience of managing finances or guidance on managing finances—life revolves around finances—if one can start at that early age I think our society would be better than where it is.

Pablo's father endorsed the YouthSave savings account because it helps youth learn to manage financial affairs: "It is a bank account that helps people start to learn to manage well their affairs. It would be a good, a good idea."

Rakesh's father expressed his confidence in the YouthSave project: "He will be able to save some money for the future and will also develop the habit of saving money."

When asked her specific purpose for opening the YouthSave account, Sajita from Nepal said,

> I have learnt saving habit as I opened accounts in BOK and other banks too. If I save today, that saving will be used for the future. Saving money in a bank has additional benefits like it does not entice you to spend on unnecessary things . . . the money remains safe in the bank.

A high school principal from Sajita's region observed the benefits youth gain from understanding saving:

> This incident [a student's accident] has taught a lesson to our students about how important savings can be during times of difficulties and unseen casualties. Now they have understood the importance of savings. Furthermore, they have also learnt that saving can be very useful when we need money.

II.II. Increasing self-discipline

As youth became more familiar with saving with YouthSave, they learned more strategies to actually get money into the bank. By making deposits and making conscious decisions not to spend, youth were able to increase their discipline to allow for successful saving.

According to school stakeholders, participating in YouthSave noticeably improved students' self-discipline. Gatete's school principal noted the changes on his students:

> These students have changed, discipline-wise they have changed. Before the *SMATA* account came, whenever they were being given money, you'd find students just spending money . . . they didn't have any value in saving the money. They are now talking amongst themselves, they are saying that they have saved this much and I know this much is going to assist me in future. And when you hear somebody talking about savings it's an attribute of discipline.

Abena's teacher said teachers in his school endorsed the saving among students as a mechanism for reducing wasteful behavior among students:

> They [teachers] are impressed, especially my headmistress . . . she is very, very happy about it because some of [the youth] waste money, so if there is an opportunity for them to save then I think that is good.

Similarly, a number of youth mentioned how saving money helped them to be less wasteful. Akilah from Kenya described how youth with extra money often waste it on harmful habits instead of saving:

> Saving, it saves a lot of money . . . let's say that you have money you don't save . . . you're just using it buying useless things. You know a lot of money can make you even use drugs. So, it's good to save—it can help you in future.

Rakesh of Nepal described how he limited his spending so that he could save for practical purposes:

> I used to wander around with friends and spend a lot on them. But now since I am saving in the bank . . . the money that I spend on useless things has decreased to some extent . . . . I am trying my best to save money…All my friends tell me that I have become stingy (laughs). I don't spend . . . any [money] buying stuff . . . . For example clothing items, I will buy only what I need and will not spend buying stylish clothes that I do not need. My brother too calls me stingy.

Stakeholders observed that youth were saving the pocket money they had previously spent on snacks. A high school principal from Sajita's region acknowledged that students at his school work hard to save:

> Youths in my school have been minimizing Tiffin [snack] expenditure and saving money to deposit in this scheme. For instance, if the parent gives Rs 20 for school Tiffin, the youth spends Rs 8 to 10 for buying some snack and rest of the money; they save for YouthSave accounts.

To prevent the urge to make unnecessary purchases, youth mentioned depositing money in the bank, where it is harder to access. For example, Kofi explained,

> What has changed is that when I deposit money in the bank I can't use the money to buy things frivolously. First when I kept money at home and I needed something then I gave the money to my mother to buy the thing for me but this time because I am saving in the bank I don't give the money to my mother to buy me things.

II.III. Developing a broader sense of responsibility

Youth, parents, and stakeholders observed how saving helped youth become more responsible by doing better in school and improving their relationships. Rakesh credited savings for his increased sense of responsibility about his own future: "I feel more responsible after I have opened this account . . . . I have a plan to save as much as I can. So I think my responsibility has been increasing day by day."

Julio indicated that developing a consistent saving habit also helped him become more responsible in many aspects of his life, including homework submission:

> [With] the account, you have to have something to save up . . . to hand over punctually. Before, at school with my homework, [I would often say], 'no, teacher, I didn't bring it,' and now [I'm] more responsible with my homework—more punctual in order to be more accurate, more punctual with homework, with the homework I have to do.

Gatete described how participating in saving via YouthSave helped him improve his relationships with his parents and relatives:

> My cousin usually encouraged me to go on saving because she saw that I was focused about achieving my goals . . . my father became proud of me because he knew that I will achieve

> my goals someday . . . because by telling him that I was saving to cater for the necessities in the university—my father saw that—he had a son who was focused. So, it boosted that relationship between me and my relatives.

II.IV. Inspiring parents and teachers to save

As discussed earlier, young people learn from each other's behavior and are motivated to save among peers. While youth participated in YouthSave, they naturally became ambassadors of saving for their parents and school stakeholders. These adults also learned the value of saving via YouthSave.

Some parents discussed plans to open a savings account as a result of their children's participation in YouthSave. Schoolmates and teachers are also inspired to own their saving accounts. Julio's mother mentioned, "He [Julio] told me about the [YouthSave] account. But it's because Julio loves saving that I opened it [for him]. I also opened one [for myself]."

Kofi's father from Ghana indicated his personal learnings from YouthSave:

> Yes I learnt something especially from that bank. I've seen that the bank has a vision for young children so I have also personally decided that I will also try to open accounts there. To go and do the account with them so that I will also be a family of that HFC bank.

Kofi's father understood that the bank had a vision of helping youth see a better future:

> Formerly, I know that bank but I never heard that they were doing that *Enidaso* account. So it is through my child . . . I know that that bank is doing that *Enidaso* account. But I was very happy when I heard that this bank have a future or their vision or they have a very good mission for the young ones . . . I was very, very excited that this bank HFC is doing *Enidaso* savings accounts for the young ones. They have a good plan for the children of the nation or the children of the world.

Abena's mother believed the YouthSave account changed her perception about saving money:

> Previously, I didn't believe when people say they keep their money in the bank. I didn't understand how the system works. But ever since I got to know about this account through my daughter, I am very happy. I hope I can also open an account for myself one day.

In addition to changing her perception, learning through YouthSave actually enabled Abena's mother to change her behavior:

> These days I am very cautious about how I spend money. In the past, I used to buy almost everything on an ad hoc basis. I used to buy cloth and other things but these days I am more careful with how I use money. I have stopped unplanned buying . . . . I will also go and open an account in order to start saving.

YouthSave also influenced teachers. Some teachers opened new savings accounts with bank after YouthSave project started. Kofi's teacher said, "Some of our teachers in this school also have a personal account with HFC. Actually, we wanted to use HFC as our salary account bank."

Kofi's teacher noted that not only many students in Kofi's class followed suit and opened accounts, but other teachers did as well. Kofi's teacher also added,

> I know at least four teachers who as a result of *Enidaso* have opened accounts with HFC . . . . HFC created a new vision in me that no matter how little you save, it's good to put something aside. I also felt that I also have to lead them . . . I as their leader have to show that I am also doing something. So it has also made me to go ahead and open accounts for my children.

II.V. Feeling pride and excitement

The youth described how saving made them feel proud and excited. For example, Rakesh was particularly proud about owning an account and having access to it with an ATM card: "I feel proud to have an ATM card. I feel proud of myself because my friends think that I have money in the bank account. It makes me happy." He continued about how YouthSave instilled a sense of hopefulness: "I am hopeful that one day I can also get a job in a bank and be in the position as the people in the bank I have met. So, my motivational level goes high whenever I visit the bank."

Parents observed their children's excitement about taking the money to the bank, participating in bank information sessions at school, and learning about saving. Kofi's father said, "Yes, he always talks about it to me."

Kofi's school head observed students' positive response to saving and said, "It shows that the [students] like the idea of operating the YouthSave account. Yes. So I think it has created some enthusiasm among the students."

Abena's teacher recalled one of his students describing his banking experience as "wonderful." Abena explained that walking into the bank branch office the first time with the "big men" (i.e., people with big sums of money) was a very special experience for her.

Summary of effects of saving: Multidimensional benefits to youth

Saving through the YouthSave project brought additional and unexpected benefits to youth. Youth gained economic benefits by developing financial management skills; psychological benefits by increasing self-discipline, improving a broader sense of responsibility, and feeling a sense of pride and excitement; and social benefits by inspiring parents and teachers to save.

The YouthSave account provided a place for youth to store small savings safely. Although the average savings balances range from USD 9 to 262 across the four countries (Johnson et al, 2015), the outcomes were far more profound. The youth, their parents, and stakeholders talked about how YouthSave increased youth's financial management skills, improved their discipline, bolstered their self-confidence, inspired others to save, and focused their orientation towards future. Equipped with these crucial skills and informed perspectives, low-income youth learned to save and were engaged in shaping their future.

But youth were not the only participants who learned about saving through YouthSave. Some teachers and parents opened a savings account as a result of their students' participation. It is very likely these adults will need support in opening accounts. Given the obstacles to saving that youth encountered, encouraging more parents and others in the community to open accounts will require wider access, incentives, and bank support. Future similar research, programs, and incentives could help disseminate these positive effects of saving to even more youth, thus promoting financial inclusion on a larger scale.

The impact on youth was uniquely influenced by each different country and context. The characteristics of different FIs can play a role in the impact that savings has on youth. Financial institutions in each country operate under different regulations regarding the age at which youth can open and operate their account independently, ranging from seven years in Colombia to 18 years in Ghana and Kenya (Aldebot-Green & Sprague, 2014). Youth who independently manage an account from an early age will likely build financial skills and develop responsibility differently from youth whose savings behavior is partly dependent on the cooperation of a trusted adult or parent. Youth in countries in which FIs provide financial education for youth clients may also find it easier to build financial self-discipline and skills.

III. Facilitators of youth saving: Every little bit helps

Youth, parents, and stakeholders identified factors that facilitated youth saving during the YouthSave project. Although participants reported facilitators unique to their own situation, the research team was able to identify three common types of support that facilitated saving across the four countries: (1) support from parents and families, (2) support from schools, and (3) support from FIs.

III.I Support from parents and families

All 24 respondents underscored the importance of parental and family support. Parents supported youth by acting as role models, teaching financial education, or encouraging and helping their children to save.

Parents prioritize savings. Saving was a priority for the parents of the YouthSave account holders according to these parents. Every parent interviewed about their child's saving reported that they were also saving on his or her own. All parents except one—a mother from Ghana who saved in a *susu* box—had a bank or cooperative account for savings. Several of the parents reported having a loan from an FI in addition to the savings account.

Parents talked about their motivations for their own saving, which were similar across countries. Nearly all parents referred to a desire to be prepared for future needs and to help their children achieve educational goals. Julio's mother said,

> The other [goal] was my children, that they be able to study, that they become something . . . . Because I couldn't study . . . My children need to study.

The majority of youth noted that their parents or family had provided their first exposure to finances. Youth shared examples of how family members either modeled by example or intentionally taught them about the practice of savings and its importance. Akilah mentioned how she learned about saving:

> I also learnt about my family members; for example my cousin has an account so that when her salary comes she usually goes and . . . saves and then that money can help her in future. And also my grandmother saved some money and then she was able to buy a motorbike. So I saw it, really this thing can help in future.

Parents encourage and motivate saving. Youth, parents, and stakeholders all mentioned the practical and logistical importance of parents in supporting savings behavior. Youth said that their parents' example of participating in saving was motivating. For example, Akilah recalled, "When my mom opened the account, so I heard saving, saving, saving. So, I also wanted to save."

Kofi said that he kept his weekly savings in his father's bedroom drawer before depositing it at HFC every Friday. Kofi's father was very pleased about Kofi's behavior, and he encouraged saving by reminding Kofi about its importance:

> When he told me I was very happy . . . . Really I always advise him that the money he gets he should not spend it roughly because you do not know what is going to happen in the future. I think he takes that advice—even in the house whatever money he gets, he makes sure that he puts some of it in the box . . . . What I always tell him is that the money he gets he should not consume it all. He should keep some aside, because he may need something I don't have the money to give him, and then he can use that money to buy it.

Julio's sister, who joined the interview with her mother, described the proactive role Julio's mother played in encouraging her children to save:

> She's always instilled in us the importance of saving . . . . Since we were little, she's always instilled that in us. We began with the little piggy bank . . . And then later we began to save in banks . . . She really likes to save, for me since I was little . . . she planted that in all of us . . . . Even if it was under pressure that she made us save.

Her mother added:

> Yup, I made them save by putting pressure on them. For my oldest, the first time I saved something for him was in [bank name], I said to him well this is a good idea, each month save something, and because they [bank] took some of the money he was angry . . . . And in the end, when he went to go take out his money, he called me and he said: look mom I've saved the entire year and they're going to give me so much money . . . So he liked it.

All youth respondents except one reported that they had saved prior to opening the YouthSave account, primarily in piggy banks or small containers kept at home. The majority of youth reported that with their parents' encouragement, they began saving at an early age with money from parents or relatives. Sajita's father reported how he supported Sajita to open a savings account:

> I have always been teaching my children to save money because it's difficult to find people who help when you are in need. They listen to my suggestions and are therefore saving money. I have opened an account in a local saving and credit group in everyone's name . . . I don't have account in other cooperative. But my daughter said she was interested to open an account in BOK. To help her open the account, I had withdrawn some money from the cooperative."

Gatete's school principal in Kenya reported that several parents were supporters of their children participating in the YouthSave savings program:

> I remember several parents calling me. They thought it was an initiative of the school. They told me, "Aaah, this is very good, this is very good that you have started thinking about the future of our children." In fact there is a parent who told me . . . that if we had people thinking about us when we were these children's age, I think we'd not be where we are now financially.

III.II Support from schools

Youth, parents, and stakeholders provided details of specific ways that school programs made saving easier for youth. Several youth and stakeholders pointed to financial education from schools as a way they learned more about saving. Financial education also helped youth become more familiar and comfortable with banking at an FI. Youth and parents identified teachers and school administrators as essential supporters of the YouthSave program who helped make saving possible for a number of students. School stakeholders also mentioned how peers and extracurricular activities helped motivate students to save.

Financial education. Respondents in Ghana, Kenya, and Nepal described the inclusion of financial education into the school curriculum. Kenyan schools follow standardized curricula that include compulsory business education in the earliest grades and provide opportunities for students to learn more in following years.

A number of YouthSave account holders received financial education from either formal classes at school or informal education from teachers or house parents (at boarding schools). Akilah's teacher noted that several students had also learned about financial education through informal clubs such as Junior Achievement.

Through the school financial education curriculum, youth respondents gained a basic understanding of savings and were taught reasons for saving. Gatete reported that during a lesson in business studies at school he learned about "money and banking" as well as savings and different "types of accounts."

In Ghana, Abena believed that her education at school reinforced what she was learning from family members: "I learned that if you are saving, it helps you to provide for your needs and also helps your mother to further your education for you." Kofi's teacher explained that the school both taught financial education during social studies coursework and also reinforced the knowledge via presentations from FIs and discussions at school assemblies:

> Some organizations come here and we always give them the opportunity to address the children . . . They come to tell them about the products that are suitable for them as a student . . . . Sometimes, at the assembly twice a week we talk on general topics . . . Maybe one day we discuss savings . . . . The teacher on duty elaborates on the topic and the children participate actively.

In Kenya, Gatete's principal described how his school provides financial education in line with the Kenyan governmental requirement and how students with particular interest in the subject may continue receiving financial education for several years:

> [T]eaching of finances is taught as a subject right from Form One[9] . . . It's a requirement that they study Business Education . . . . The finances are taught there—it's compulsory. So, those who wish to go specific—to continue with it—from Form Three to Form Four they choose . . . Business is an optional subject.

School stakeholders support saving. In-country partner FIs worked directly with schools to raise awareness of the YouthSave account, and the support of school stakeholders, such as administrators and teachers, was crucial for youth engagement. School stakeholders connected students with bank staff, relayed information from the bank to the students' parents, and helped collect and consolidate student deposits for bank collection. The in-depth interviews frequently revealed the importance of the role that school stakeholders play. For example, a teacher from Abena's school in Ghana who helped a parent open a savings account for her child said,

> Once a parent came to me, I didn't know her but apparently her child explained the YouthSave account to her and she came here to me to find out the requirements because the girl could not give the details. So she came to ask me what she needed to open the account, and she went back and brought it, so I took her to the bank, and then she opened the account for her child.

School stakeholders told similar stories of helping FI representatives present YouthSave information and connect to youth. In some cases, teachers played a significant role in helping youth open an account, such as in Ghana, where some teachers stood in for parents unable to be present. School stakeholders frequently declared their beliefs that opening a savings account was a good idea for youth.

Peers motivate each other to save. Several youth and teachers mentioned the positive and motivating influence of clubs, peers, and competitions at school to encourage saving. Although accumulating the largest amount of savings was not the goal of YouthSave, the principal of Gatete's school noted that students in the school had begun competing to see who could attain the highest savings balance. He was impressed that one of the youth who saved the highest amount was among the poorest children in the school.

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[9] A British term that means seventh grade or the first year of secondary school. For more information, please visit http://www.trans4mind.com/personal_development/writing/Readability_software/briishAmericanComparison.htm.

The head of Kofi's school in Ghana also discussed the role of peers and identified Kofi as a role model who positively influenced the students around him to save:

> [E]very week he finds time to take the money personally there [to the bank], and it's surprising when he is going—you find a lot of children following him, as if Kofi has now become a hero . . . . I think most of the children who have subscribed to this account are from Kofi's class. So I think that Kofi has had a great impact even on his mates.

Akilah's teacher in Kenya discussed the role of peer influence in extracurricular clubs:

> [S]ome [students] went ahead through a club known as Junior Achievers and opened accounts . . . at Junior Achievers when they go for these kinds of retreat . . . they normally are taught about the savings and how they can improve.

He also mentioned that some students in the YouthSave program were motivated by competition with peers, while others were motivated to save regardless:

> [W]hen they learned of the competition and what they could earn from that . . . some had that opinion that at the end of the competition, they will add some coins into whatever they have—but [for] others—you will see that their main interest is not on the extra shilling that [they] will get, but their main interest is to have an account.

Abena's teacher indicated his preference for school sanctioned peer-support activities to promote saving when he expressed concern about one informal method some students had been using to learn about and save money:

> Among them, they have groups that they have been doing *susu* among themselves. But as a school, me myself, I am against that . . . Because they will be saving and giving the money to somebody and at the end of the day the person will come and say the money is missing. Sometimes one of them will spend the money. Then the complaint will come to the teachers.

III.III Support from financial institutions

Participants' stories illustrated the important role that FIs play in facilitating youth saving. The most vital elements of support from FIs according to YouthSave participants were the bank's staff and procedures, and the reputation. Youth and school stakeholders articulated the supportive role that bank staff have played in facilitating youth saving at school and bank branches, and youth noted that they appreciated the friendly and easy account-opening procedures (Sharma et al., 2015; Zou et al., 2015). Youth, parents, and teachers expressed their trust in the YouthSave FIs.

Bank staff offer youth support. Bank staff have been key facilitators in both opening accounts and helping youth make deposits into them. They visited schools, introduced the savings accounts to youth, and even picked up deposits from youth at school at specified times. They followed standard Know Your Customer procedure when opening accounts for youth, even though country banking regulations varied with respect to the age of majority to open accounts. Ghana and Kenya require youth to be aged 18 years to be eligible to operate a bank account; Nepal requires youth to be aged

16 years; and Colombia has an even younger threshold of 12 years. In addition, the Nepal Rastra Bank, its Central Bank, requires banks to be more transparent with interest rates as a way of protecting all customers.

In general, bank staff were supportive of youth participants in the YouthSave project. Kofi from Ghana reported,

> Once I wanted to go and deposit money into my account. When I got to the market I saw one of the bank men who came to our school to open the account for us. I told him that I wanted to go and deposit so he sent me to the bank and he gave me my account number and he showed me how to deposit the money.

School administrators also expressed appreciation for the way the bank staff come to the school and facilitate student savings. The head of Kofi's school noted,

> Twice in a term [the bank staff] pick up monies deposited with the headmaster . . . how they are doing it is very good . . . they come promptly. For example, this morning I called them. I said, "Come, we have some money," and they responded by coming the same day.

Financial institutions feature youth-friendly procedures. Partner FIs creatively accepted alternative documentation (e.g., school letters, baptism cards) especially in Ghana, Kenya, and Nepal at account openings. This was helpful for some youth who were in boarding school or lived far away from their parents without easy access to their official documents. Given that partner FIs have made the account-opening process youth-friendly, youth reported that their experience in opening savings accounts was streamlined and easy (Ngurukie, 2013). It involved simple tasks, such as checking parental identification, filling out some forms, and signing names on the form. Akilah recalled her first experience opening the *SMATA* account:

> When I went there [to the bank], we were asked to give out the ID number of [our parents]. Then as we gave them, they took photos of us. Then they gave us some forms to answer the questions. As we answered them, we went to the cashier, and we were given the smart cards . . . then the accounts were there.

Gatete described his simple and fast experience with opening an account: "The agents gave us some papers that we filled in with our details, and then we handed those papers over . . . and then they opened the accounts for us. That's how we opened the accounts."

Abena confirmed that the bank staff taught students how to fill out the application form, so when she came to the bank, opening an account was a straightforward procedure: "When I came, I took the pen and I wrote my name and my mother's name and I wrote my account number, the date and I signed."

Some participants mentioned specific bank incentives and account features, such as Rakesh from Nepal: "One is that they provide a piggy bank. With this piggy bank, it is easier for people to save money [at home] and deposit in the account later. It is safer there too."

Both youth and parents mentioned specific features of the account that helped youth save. Gatete appreciated the rules and regulations that accompanied the savings account:

> The rules are very good and the regulations are very good because there are some youth who want to save the money now and withdraw it tomorrow. So the rules enable that person to save, to save, to save without withdrawing the money. So, you can achieve much huge of money with that little savings.

Other parents and stakeholders mentioned features such as no transaction fees, the appealing advertising, good service at the bank, and incentives for new accounts.

Julio appreciated that the bank offered a youth account allowing him to withdraw at any time: "They gave me a way to take out money. And with that . . . the desire to pass by and withdraw the money in whatever moment."

Adults trust financial institutions to store savings. In-depth interviews reflected the trust that parents and school stakeholders have in the FIs. YouthSave participants considered FIs to be trustworthy and safe places to deposit money, which contributed positively to youth saving. Kofi's father said,

> I know that HFC they are a very good bank. They can't go to schools and tell the school authorities that they wanted to deal with the young ones when they know that pupils or students don't have money or they are not working. So I know that they can't deceive them. They will make sure that they keep the money very safe.

Abena's teacher had enough confidence in the bank to set an example by not only owning a personal account there but also recommending it to others:

> Yes, I'm an account holder at HFC. I maintain a current account with them and I was so impressed with their customer relations that I recommended the bank to my church. I go there regularly and I'm happy with the way you are received and the way the whole transaction goes on. And when the officials also come to talk with parents of the school children, I like the way they conduct their business.

In Nepal, Rakesh's father helped his son open an account because of the good reputation of the FI:

> The Bank of Kathmandu is a large and established bank. So, I was sure about the benefits this project will have for the children and I opened the account for my son so that he will be able to save some money for the future and will also develop the habit of saving money.

Summary of facilitators of youth saving: Every little bit helps

These interviews illuminated how saving is not only the result of youth wanting to save money. Successful saving also demonstrably depends on support from parents and families, schools, and FIs. Future research could explore the benefits of youth and adults opening accounts simultaneously, or the role youth play in bringing parents into formal savings.

Youth savings in each country is also affected by differences in FI characteristics, the policy and regulatory environment for saving, and the social and economic environment. The products, procedures, and programs of FIs make a difference in youth saving behavior (Johnson et al., 2015). In all four countries, youth development is being prioritized at the national level. When this priority translates itself into tangible promotion of youth saving along with the banks' outreach effort, youth will likely find it easier to save. Similarly, a state-sponsored curriculum of financial education, such as exists in Ghana and Kenya, helps students to feel more supported by their school to save. Youth named parental support as one of the most influential motivating factors. However, parents in poorer countries may be less able to support youth involvement with saving at a bank. All participants in the case studies were attending school, but out-of-school youth miss out on financial education and the support for saving provided by teachers and peers. Youth also appreciated bank's outreach effort and ongoing support because they increased people's knowledge of savings accounts and gained trust in bank.

IV. Overcoming obstacles to saving: It takes a village to promote youth saving

In the interviews, youth, parents, and stakeholders identified personal, situational, and institutional obstacles to saving that the participants encountered. Given that all of the interviewed youth come from low-income families, it is not surprising that a lack of financial resources made saving difficult on a daily basis. Limited employment opportunities further contributed to the financial difficulty. For some youth, saving was challenging because it is difficult for them to manage expenses. Though daunting, the obstacles—(1) lack of income and (2) difficulty managing expenses—to saving can be overcome, as the YouthSave participants described in the in-depth interviews.

IV.I. Lack of income

Youth had very limited income partly because of limited employment opportunities. Naturally, parents and other family members were the main source of finance for the youth to deposit into the YouthSave account, but the standard indicator of received domestic remittances[10] did not surface as a source of financing youth's savings account in this study.

In 2013, the youth unemployment rate in Colombia accounted for 21% of the total labor force aged 15 to 24 years; 9% in Ghana; 17% in Kenya; and 5% in Nepal (World Bank, 2013).[11] The large youth population (approximately one third of the total population in Colombia, over a third in the other three countries), structural rigidities in the labor market, lack of timely labor market information, and limited linkages between industry and training institutions compound the unemployment problem in these countries.

In all but one case, youth, parents, or stakeholders reported challenges related to money or living situations. In five locations, youth described buying their own school supplies or paying school fees

[10] See Table 5 in the Appendix.
[11] See Table 6 in the Appendix.

because their parents could not. In Nepal, Rakesh's teacher explained, "Most of the students have poor financial status. Their parents have a hard time giving them lunch."

In Ghana, Abena talked about her struggle to save at the bank on a regular basis because of her family's limited financial resources:

> Sometimes if I am coming [to the bank], my mother will say that [she does not] have money to give to me to deposit. And also my mother gives me only two cedi [~USD 0.60] a day. So I can't come [to the bank regularly] like other people.

In Colombia, Pablo's father described difficulties finding enough work to support his family:

> I've been injured for 16 years. I always used to have my work in landscaping . . . but I didn't have any more work because there wasn't anyone to replace meso that work left bit by bit.

In Kenya, Gatete lives with relatives who managed to pay his school fees but had little extra to give him for saving. He described his struggles to find funds to deposit:

> I have not made any deposits because my family is facing some financial problems, so that the money they used to give me they are not giving me now . . . . So I have no alternative of getting the money because I am always in school.

Gatete's school principal reflected on the poverty that faces many of his students who have similar financial challenges at home. Yet, he said these students still manage to save:

> Well, I think that the students that we have—though we come from an urban centre—they come from a clientele that we can call the "urban poor." They have issues with school fees and their access to money is quite limited. But I am happy that when you talk to them, the little money that they are accessing they are able to—after getting their basic needs—they are able to start saving.

The Kenyan government has established the Youth Enterprise Development Fund to build, nurture, and fund youth talents and viable entrepreneurial initiatives with a strong potential to create employment and reduce poverty. Gatete, Akilah, and their schoolmates can benefit from such initiatives.

Rakesh's teacher described a similar story on unemployment in Nepal. When asked where students get money, she reported, "Most of them ask their parents while some do labors like digging potatoes during their holidays." Nepal has implemented a national joint venture campaign to fight rising youth unemployment, which may directly affect Nepalese students like Rakesh and Sajita.

One major reason that most of the youth interviewed lacked income was because they did not have regular employment opportunities. A few of them worked occasional income-earning jobs to help them save with the YouthSave project. For example, Rakesh knit caps to make money for saving:

> Obviously, it is difficult to collect money for saving. To collect money, I have to work. These days, I don't have income because I have stopped working now . . . . Recently, I have been doing sewing work. I mean in my spare time I knit caps.

Gatete's caregiver described how she and her husband decided to give Gatete land to cultivate crops to help him earn money to deposit in his account:

> Then he would ask me, "and how am I going to save the money because I don't have money, we don't have anything." I just talked with my husband . . . then we told him that because we cannot give you money—we are going to—in this compound, we are going to give you some portion, you just dig then we'll just give you something.

For students who earned their own money, Rakesh's teacher reported that it could interfere with their studies:

> Like, they do not come to school, in the morning they go to find potatoes. And sometimes they come late. Sometimes they come late because it becomes 10:00 or 10:30 sometimes when they go to find potatoes and the teacher does not allow them in the class and then the whole day they keep finding potatoes. And maybe the money saved from that they use it to eat good food and to wear good clothes. And they come to school. This is all they do. Their family may give them lunch and that is all they may give.

IV.II. Difficulty managing expenses

Participants mentioned the difficulty in managing expenses as a frequent barrier. Youth reported that there are many expenses—school supplies, clothes, shoes, and snacks—that vie with their desire to save. They constantly assessed what they want, what they can afford, and what they need—not easy processes for teenagers. Yet youth also developed strategies for overcoming their own difficulties. Gatete described how he used delayed gratification to limit his expenditures:

> In order to save, you have to deny yourself . . . some luxuries, so I usually denied myself—instead of going and eating or enjoying—maybe like buying something, I usually go and save this money so that it can help me in future.

Similarly, Kofi from Ghana was proud that he stopped purchasing yogurt a snack for a while so he could save. His father expressed minor concerns about the potential conflicting demands on savings for his son: "That is why I am saying, really any money he gets he should make sure that he doesn't use it to buy toffee and the rest. He should make sure that he uses the money wisely."

For Pablo, balancing friendships and keeping his money in savings was not an easy task. Pablo discussed his experience of receiving loan requests from peers that could prevent him from saving: "In school sometimes there are other students that sometimes ask for money because they need it for their own things. So you, well, you trust them and you loan them the money."

Abena discussed how she plans her expenses and manages to save. She outlined her decision-making process for a scenario if she received two cedis from her parents: "I spend 1 cedi [USD 0.31] for my food. It will leave me with 1 cedi. I will pay for my studies 60 pesewas [USD 0.19], so it will leave me with 40 pesewas [USD 0.12] [remaining to save]."

Summary of overcoming obstacles to saving: It takes a village to promote youth saving

Youth face an array of diverse challenges to saving. Lack of income for youth was one such obstacle. The challenge of managing the little income they had made saving that much more difficult. Youth who participated in YouthSave did not have support from wealthy families, so they struggled to manages expenses and save on a daily basis. In spite of all this—the personal, situational, and institutional obstacles—youth still managed to save. This is an achievement that makes clear how youth can and do overcome barriers by harnessing their intrinsic desire to save. The question now becomes, "What can we do to help further promote positive saving behavior?"

Country context affects the challenges to saving that youth face. Youth in poorer countries are likely to face more challenges because of limited income and limited opportunity for employment. Parents with limited income may not be able to assist youth with money for depositing into savings accounts. The policy and regulatory environment for saving also matters a great deal; youth may face institutional barriers when FIs do not offer youth-friendly products because of transaction taxes, information requirements, or mandatory reserves. Youth who are constrained by limited income will likely require financial products that allow low balances and small deposits without transaction fees. Financial institutions with multiple branches or the ability to collect deposits at points of service may help to make saving an alternative in the face of many competing demands on limited youth income.

Implications for Practice and Policy

The in-depth interviews revealed four areas of commonality related to youth's savings experience across all four countries. Despite their diverse backgrounds and different cultural contexts, all youth wanted to save for similar reasons. For example, nearly all participants, like Julio in Colombia, wanted to save for higher education;[12] more than half, like Sajita in Nepal, believed in saving for greater financial independence. The greatest commonality was that they all wished to save for their future. Despite the personal, situational, and institutional obstacles to saving that youth faced, they still managed to save with support from their families, encouragement from banks, the availability of financial products, the financial education curriculum, and support from school and peers. Some even took part-time jobs to make money for saving, which, though enterprising, comes with the possible negative effect of interfering with school performance.

Though the sums of money these youth saved were not large, the overall effects are more profound: youth developed financial management skills and techniques and benefitted from a diverse range of psychological benefits associated with saving. Youth participation in YouthSave also had the unexpected benefit of teaching adults about saving. Further research could explore and expand upon the theme of saving directionalities (i.e., youth influences adults or vice versa). During in-depth

[12] The Center for Social Development's report *Youth Savings Patterns and Performance in Colombia, Ghana, Kenya, and Nepal* and Save the Children's note *Testing the Waters: YouthSave Pilot Results from Three Market* also studied this aspect.

interviews, participants also spoke positively of the inclusion of financial education into the school curriculum as part of the governmental requirement.

Bank regulations that govern partner FIs in each country differ in ways, but they also have similarities. Participants' stories reinforced that the account requirements put in place by FIs support youth saving and make a difference in their experience with saving. However, in spite of saving-friendly policies, youth may still be constrained by other factors. Julio and Pablo in Colombia are legally able to make withdrawals without a parent, but both relied on their parents for transportation to make deposits because the FI did not have a branch in their neighborhood. Kofi from Ghana relied on his father to help him accumulate funds before making bank deposits. This worked well in his family because of a good relationship with his father, but other Ghanaian youth without supportive parents may have greater difficulty. Other youth participants had supportive parents who encouraged them to save. Gatete from Kenya considered it strength that FIs require parental involvement.

Youth, parents, and stakeholders in all four countries described examples of the way that country-level challenges such as unemployment affected them personally. Rakesh in Nepal spoke about the difficulty of finding income when he was only able to work occasionally knitting caps, which had the negative effect of interfering with his school work. Unemployment of parents also affected YouthSave youth. Youth whose parents were steadily employed in professional salaried positions, such as Abena from Ghana, received most of the funds for saving from their parents; other youth such as Gatete in Kenya and Sajita in Nepal had parents with inconsistent employment and problems with finding money to deposit into their YouthSave account.

Hearing the voices of youth, parents, and community stakeholders has been an invaluable experience in understanding the complex context of each YouthSave country. These cases suggest lessons and implications that could be applicable in other contexts with have similar characteristics. With these in mind, we have four specific suggestions.

I. Leverage motivation of youth and families

Youth are motivated to save for a variety of reasons: for the future, for financial independence, and to support their families. It is clear that youth participating in YouthSave expressed a strong desire to save. To leverage that motivation, we should create new opportunities to engage youth, educate them about saving and other financial knowledge, and help them start their financial interactions with FIs in a healthy way.

II. Engage youth in program and policy designs

Youth described the perceived social and psychological benefits of participating in the YouthSave project. Involving youth in the process promotes saving. Future programs and policies for youth should consider involving youth in the process, engaging them along the way, getting their direct inputs and suggestions, and giving them a voice in program implementation. One particular approach that has been used in previous work is the creation of a youth advisory board that is involved in the decision-making structure of project design and implementation and ensures youth participation in all aspects of the project. This approach moves beyond superficial levels of participation that are limited to practices of consulting with youth on certain aspects of the project, but often leave them out of key decision-making moments and structures.

III. Maximize full potential of facilitating factors

Parents, schools, and FIs support youth saving. Parents serve as role models and encourage youth by prioritizing and motivating their children to save. Schools offer financial education courses to youth, and school stakeholders endorse and support students to saving. Peers at school motivate each other in meaningful ways that promote saving. Financial institutions offer youth-friendly procedures and establish trustworthy reputations in the community. These positive factors facilitate youth saving. To maximize their efficacy, parents, schools, and FIs should be challenged to think creatively of ways to better serve and encourage youth to save more efficiently.

IV. Invite all actors to help remove obstacles

Youth regularly struggle with financial difficulty and must decide between conflicting demands on their small income. They have limited employment opportunities to gain financial resources. As ambassadors for youth, key stakeholders such as policymakers, regulators, donors, and employers can use their influence to help remove obstacles. Policymakers should consider policies that facilitate youth's financial inclusion and economic development. Regulators could adjust regulations to help youth save more easily. Employers should consider providing diverse employment opportunities for youth, especially options that do not conflict with educational attainment. Donors' support in vocational skills development can help youth better prepared for future employment. A collective contribution would be a solid step to promote youth saving.

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Appendix

Table 1. Savings Culture in Each Country among Youth Aged 15 to 24 Years*

Saved any money in the past year				
	Population aged 15+ (%)		Young adults, aged 15-24 (%)	
	2011	2014	2011	2014
Colombia	33	44	36	51
Ghana	37	55	28	48
Kenya	40	76	37	71
Nepal	18	45	16	40

**Source:* Global Findex 2011 and 2014

Table 2. Education*

	Colombia 2014	**Ghana** 2014	**Kenya** 2014	**Nepal** 2014
Population with at least some secondary education (% aged 25+)	56	65	32	40
Primary school drop-out rate (% of primary school cohort)	15	28	27	38
Expected years of schooling	13	12	11	12

**Source:* World Bank data

Table 3. Country Policy and Institutional Assessment's rating on social protection, 2014*

Country	Social protection rating (1 = low to 6 = high)
Ghana	4
Kenya	3.5
Nepal	3.5

*There is no figure available for Colombia; however, the adequacy of social safety net programs in Colombia, according to World Bank data, is estimated at 5%. Adequacy of social safety net programs is measured by the total transfer amount received by the population participating in social safety net programs as a share of their total welfare. Welfare is defined as the total income or total expenditure of beneficiary households. Social safety net programs include cash transfers and last resort programs, noncontributory social pensions, other cash transfers programs (child, family and orphan allowances, birth and death grants, disability benefits, and other allowances), conditional cash transfers, in-kind food transfers (food stamps and vouchers, food rations, supplementary feeding, and emergency food distribution), school feeding, other social assistance programs (housing allowances, scholarships, fee waivers, health subsidies, and other social assistance) and public works programs (cash for work and food for work). Estimates include both direct and indirect beneficiaries.

Table 4. Gross Savings Rate*

Country, year	% of Gross Domestic Product
Colombia, 2013	20
Ghana, 2013	21
Kenya, 2012	11
Nepal, 2013	43

**Source:* World Bank data.

Note: Gross savings are calculated as gross national income less total consumption, plus net transfers. Gross savings represent the difference between disposable income and consumption

Table 5. Personal Remittances, Received*

	Colombia		Ghana		Kenya		Nepal	
Key financial inclusion indicators	2011	2014	2011	2014	2011	2014	2011	2014
Received domestic remittances in the past year (% age 15+)	-	19.1	-	36.9	-	61.0	-	24.1
Received domestic remittances in the past year, income, poorest 40% (% ages 15+)	-	17.8	-	30.3	-	51.3	-	19.5
Received domestic remittances in the past year, young adults (% ages 15-24)	-	24.0	-	36.3	-	59.2	-	22.9

**Source:* Global Findex

Table 6. Unemployment, total (% of total labor force)*

	Colombia	**Ghana**	**Kenya**	**Nepal**
Unemployment, total (% of total labor force) (modeled ILO estimate)	11	5	9	3
Unemployment, female (% of female labor force) (modeled ILO estimate)	14	5	11	2
Unemployment, male (% of male labor force) (modeled ILO estimate)	8	4	8	3
Unemployment, youth female (% of female labor force ages 15-24) (modeled ILO estimate)	26	10	17	3
Unemployment, youth male (% of male labor force ages 15-24) (modeled ILO estimate)	16	7	17	6
Unemployment, youth total (% of total labor force ages 15-24) (modeled ILO estimate)	21	9	17	5

* *Source:* World Bank data, 2013

Center for
Social Development

GEORGE WARREN BROWN
SCHOOL OF SOCIAL WORK

Washington University in St. Louis
Campus Box 1196
One Brookings Drive
St. Louis, MO 63130

csd.wustl.edu

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