

Youth-Inclusive Financial Services Case Study Series 2009



**Youth-Inclusive Financial
Services Linkage Program
(YFS-Link)**

Case Study No. 10:

*Save the Children Youth Financial
Services: Adolescent Girls Project*

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Save the Children

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ABSTRACT

In Bangladesh, adolescents constitute about one fourth of the total population, of which rural girls are more vulnerable due to lack of/ less exposure to necessary information and education, early marriage, pregnancy and other social discriminations. This case study describes the Kishoree Kontha (Adolescent Girls' Voices) Project implemented by Save the Children in 5 sub-districts of southern Bangladesh. The goal of this intervention is to link savings schemes with other non-financial services, such as health and education, to allow rural adolescent girls ages 10-19 to build human, social and economic assets. Save the Children uses tailored youth-inclusive market research tools to develop and effectively deliver appropriate financial and non-financial products and services. By using youth-friendly tools, games, and toys during focus groups, and separating out older and younger age cohorts, Save the Children staff was able to identify the key needs of adolescent girls. Using a group mechanism, girls were empowered to make their own decisions in terms of savings and were then given access to credit to transition to income-generation activity. By providing additional non-financial support through training conducted by other young women, girls are equipped with the skills and support needed to enter the workforce. One ongoing challenge is that adolescent girls are not decision-makers, and thus Save the Children engages the family and community in intense sensitization.

1. Institutional Background

Save the Children USA is the leading independent international organization creating lasting change in the lives of children in need in the United States and around the world for more than 75 years through helping children survive and thrive by improving their health, education and economic opportunities. The organization's mission is to create lasting, positive change in the lives of children in need, by mobilizing citizens throughout the world to envision a world in which every child is ensured the right to survival, protection, development and participation.

In Bangladesh, Save the Children USA started working in 1972 specifically in relief and rehabilitation. Now it works with children up to 19 years old along with youth and women around the areas of maternal, newborn and child health, Early childhood development, basic education, school health and nutrition, adolescent development, HIV/AIDS, and livelihood and emergencies.

2. Social and Business Case

Adolescents constitute about one fourth of the total population, of which rural girls are more vulnerable due to lack of/ less exposure to necessary information and education, early marriage and pregnancy and other social factors/ discriminations. To reduce these constraints hindering girls' development towards secure and healthy adulthood, Save the Children USA decided to work with adolescent girls of 10-19 years by making provisions of health, education and economic opportunity efforts by implementing the "Kishoree Kontha" (Adolescent Girls' Voices) Project in 5 sub-districts of southern Bangladesh.

The aim of this project is to empower rural adolescent girls by educating and training them on different issues which will help them to build their human, social and economic assets. Through this project, Save the Children USA offers basic reproductive health information, life skills education, financial literacy, a group-managed savings scheme and linkages to financial services for rural adolescent girls. Girls are being trained as trainers (peer educators) to provide the intensive learning to other girls at the community level, using interactive learning methods and peer education approach. In the subsequent phase, those learning are being utilized by the girls after the sessions through practices, in partnership with the adults like parents and community members. At the end of the learning sessions, girls formally plan to use this new information through different interventions organized and managed by them. Since the project has been implemented for the last three years in the community for these girls, Save the Children USA has been able to observe their learning practices during the project life and provide necessary assistance towards girls' development. It is assumed that behavior change among the adolescent girls will happen with the continuation of those practices at both individual and group level.

3. Market Research

While thinking about the economic opportunity/ livelihood component for rural adolescent girls of 10-19 years in this project, Save the Children USA, Bangladesh Country Office, decided to use Youth-Inclusive Market Research to gauge the needs and perspectives of adolescent girls on this specific issue. Youth-Inclusive Market Research has broken the traditional practice of

providing stereotypical vocational skills for income generation which are not customized or required for the adolescents/ youth.

This supply-driven approach often fails to scale up or sustain among target groups and has little or no impact, while the demand-driven approach can substantially enhance those probabilities through intervention design with decision making and participation of target groups like adolescents. It includes qualitative market research tools and approaches which were tested in different countries and proven effective.

These are the following pre-requisites to use this Youth-Inclusive Market Research for adolescents/ youth:

- Formation of skilled facilitation team: focus group facilitation skills along with ability to design and refine focus group tools; capacity to plan, organize and implement data gathering and data management, and building effective rapport with youth/ adolescents. Team can be formed with diverse specialties (both internal and external).
- Capacity building through experiencing to work directly with youth/ adolescents which is different to work with adults and may need new facilitation tools and techniques to get them. Also needs to know the ways of effective Youth focus group facilitation maintaining flow and quality.
- Believe in potentials and strengths of youth/ adolescents and considering their insights and aspirations in program designing. It can confirm or challenge the particular theme/ mindset. Needs to be focused on “needs to know” and have a mindset shift to neutral, open-ended.
- Youth-Inclusive Market Research draws on skills in both effective youth work and rigorous market research. Building positive rapport is crucial for the reliability and validity of the data.

The findings from this Youth-Inclusive Market Research focused more on traditional views where girls took lesser part in economic activities though there were some area-wise variations in activities undertaken by the girls. Rather than indicating the stereotypical vocational skill training or capital, girls put more emphasis on mental preparation, quality, time management, accounting, parental endorsement and moral support towards girls’ activities. This information influenced and shifted the thinking of program planners to change the starting of Youth-inclusive Financial Services from the financial literacy for girls as the base; it covers the issues mentioned by the girls, through peer sessions using structured curriculum. The contents of financial literacy curriculum have also been adapted from the manuals and toolkits, successfully used in other countries for young people.

Then the aim of the Youth-inclusive Financial Services (YFS) component has been set as to make the adolescent girls ready for their future through providing the required knowledge and skills to explore, negotiate and to be linked with businesses/ financial services available in their community. This type of YFS offers life skills education, financial literacy, group-managed savings scheme and linking with financial services.

4. Product Design

All these issues covered in the Youth-inclusive Financial Services component were identified by the adolescent girls, by using Youth-inclusive market research tools. This research was done in all project sub-districts by project team members using information from 30 focus group consultations with adolescent girls; the girls were categorized in three groups: 10-14 years, 15-19 years and the married. The facilitator team was formed people from multidisciplinary background – frontline workers, supervisors and technical assistance providers. While facilitating those focus groups discussion by the adults, girls’ participation was ensured through building rapport and also creating a trust for mutual learning as well as using few interesting tools like *Koosh Ball*, *Stretchy Ball* and *Chicken* for fun and interaction. The principles followed in these discussions were believe in adolescent/ young peoples’ abilities/ contributions to work for themselves and asking them questions in a way that they can come out of themselves for sharing. Girls were asked open-ended questions about how they can earn money; how they can prepare themselves to do those activities successfully; and, how they spend their money. The research findings mostly indicated the soft skills related to quality money management, time management, accounting, savings etc. Based on the market research findings, financial literacy curriculum was designed to meet the needs of project girls through adaptation. The curriculum, like others, was developed with examples, case studies and exercises on different issues.

After adapting financial literacy, it has been pre-tested with the girls. It did not require any major change except changing some terminologies to make them easy in local language. Idea of savings session came out after starting the financial literacy as part of practice.

While developing the group-managed savings scheme and linkage with financial services for the adolescent girls, similar approach was applied to explore the scopes and opportunities in their community. Following a proven, generic guideline for group-managed savings scheme used by CARE in other countries including Bangladesh, savings sessions were started as part of financial literacy after a successful pilot on a small scale. Although the scheme allowed both savings and lending, piloting showed that girls were not interested in the lending mechanism. In this model, girls run the savings mechanism among themselves where they select management, set rules and use a locally made savings box (with three locks) for deposit. Girls save their money by buying shares according to their convenience and rules. Girls’ group also plan for utilizing that group savings for income generation at small level.

After the successful practices of savings scheme, linkage of girls with financial services is the next step where the adolescent girls’ opportunities and scopes will be explored to utilize their savings as well as expand their economic activities towards income generation. To be involved with these activities, girls have to use their acquired life skills such as negotiation, effective communication, problem solving, decision making etc. with their parents and the community members. As the first step of the linkage with financial services, the income generation opportunities for girls in their community will be identified through resource mapping; communication with resource persons who can help the girls to be trained and start business; familiarization of available and accessible financial institutes for girls at village level to save their money.

The girls are doing all these activities at village level with the common assumption that parent and community can give them required support to run and continue. Through the processes, girls will acquire confidence and will be empowered to take some decisions by their own.

Since the linkage of girls with financial services is the new step for Save the Children USA, the results are yet to see. But it was observed that before starting this component, girls were interested and provided some preliminary efforts for linkage. Save the Children USA designed the project product in a package which included both financial and non-financial issues for the project adolescent girls, so that those issues can supplement each other. As the knowledge empowerment requires various information necessary for life and livelihood, the ‘must know’ knowledge was delivered to girls through this project.

5. Marketing and Delivery

Local organization has been implementing this project under the guidance of Save the Children USA. Specific project staff (village workers are all young female) is assigned to run the project in specific villages who mobilizes the parents (get parental permission) and community and form community management groups to identify safe spaces and girl peer educators at community level. She also provides training to girl peer educators to run the sessions on life skills, financial literacy, reproductive health and group savings (including savings management) and monitor the sessions once a week at safe space/ learning centre level with constructive feedbacks to girl educators. She facilitates girls’ meeting, parent workshop and community meeting for this project. After closing the learning cycle after six months, she also oversees and provides technical assistance to the girl-led post cycle activities at community level.

Since the adolescent girls are not decision makers, project has to reach the decision makers like parents and community leaders through intensive efforts - parent workshop and community meeting. Convincing them for the betterment of girls is really difficult compared to others as there are other factors related to girls’ lives in poor, rural areas.

6. Monitoring and Evaluation

Project staff implement all activities designed for the girls and have been monitored monthly by their supervisors. The total number of different sessions, girls’ attendance and their activities are compiled monthly basis and send to Save the Children USA. The girl educators record the data by themselves and then are cross checked by the project staff which is the basic difference with any other project. The data collected each month is process level data; result level data was collected during baseline in 2007 and would be collected again as endline in 2010.

Since financial literacy is the pre-requisite for starting savings scheme and others, all girls will be ready for the next steps. The group savings is not mandatory for all; after the savings session, interested girls join. Then at the end of financial literacy and savings scheme, girls will be linked with financial services based on their interests and available scopes and opportunities in their community.

7. Lessons learned

- Parental influence on girls’ decision making, e.g. while continuing savings scheme or what can be done with savings etc. It is difficult to manage as girls live within families. Can be minimized through intensive parental education.

- Due to stereotype gender roles, girls are not seen as productive part of families. Gender education for girls, parents and community members might be an important intervention. Demonstration of event management by girls can also play important role.

ANNEX 1: BIBLIOGRAPHY OF YFS CASE STUDY SERIES

1. Abeywickrema, C. (2009, September). The role of the Hatton National Bank in creating access to financial services for youth in Sri Lanka. Hatton National Bank. Accessible at: http://www.makingcents.com/products_services/resources.php

Hatton National Bank (HNB), a prominent commercial bank in Sri Lanka, has been committed to providing financial services in rural areas and to more vulnerable populations for years. More recently, HNB has begun to focus on serving youth in two key ways: 1) establishing Student Banking Centers in schools 2) targeting youth in rural areas in their village microfinance programs to receive both financial and non-financial services. This case study examines key methodologies to effectively serving youth with financial services through a commercial lending model.

2. Ahammed, I. (2009, September). A case study on financial services for street children. Padakhep. Accessible at: http://www.makingcents.com/products_services/resources.php

Padakhep is a non-government organization (NGO) in Bangladesh that strives to reach street children through an integrated approach. This case study details the innovative “Introduction of Financial Services” program which provides both credit and savings services to Dhaka street kids to encourage them to initiate income generating activities of their own. A key lesson that emerged was that flexible terms and conditions of financial products are essential for working with an extremely vulnerable target population like urban street children.

3. Austrian, K. & Ngurukie, C. (2009, September). Safe and smart savings products for vulnerable adolescent girls in Kenya & Uganda. Population Council & MicroSave Consulting Ltd. Accessible at: http://www.makingcents.com/products_services/resources.php

This case study details the unique partnership between Population Council, a research-focused NGO, and MicroSave, a consulting firm, to develop and deliver critical financial services to adolescent girls by partnering with four financial institutions in Kenya. This case study shows that by offering girls secure savings products they can mitigate some of the hardships they endure as well as encourage positive savings habits, thereby increasing their economic stability as they transition to adulthood.

4. Chandani, T. & Twamuhabwa, W. (2009, September). A partnership to offer educational loans to nursing students in Uganda. Banyan Global & Equity Bank. Accessible at: http://www.makingcents.com/products_services/resources.php

Equity Bank-Uganda and Banyan Global have successfully partnered in Uganda to develop an innovative loan product that links workforce development in the health sector with microfinance. This case study describes the key elements of success of their pilot to bring education loans to aspiring nurses between the ages of 17 and 24. Equity Bank proves that by approaching youth who are formally affiliated with a training institution can be critical to alleviating risk, gaining trust and achieving market share.

5. Kashfi, F. (2009, September). Youth financial services: The case of BRAC and the adolescent girls of Bangladesh. BRAC. Accessible at: <http://www.cyesnetwork.org/sites/default/files/Case%20Study%20on%20BRAC%20and%20Youth.pdf>

Ten years after beginning adolescent-focused initiatives in Bangladesh, BRAC realized that financial independence can play a key role in empowering adolescent girls further. This case study focuses on the Employment and Livelihood for Adolescents (ELA), which offers both credit and savings services to adolescent girls. Findings indicate that using a holistic approach to financial service delivery customized to the needs of adolescents will equip the girls to invest better and take higher loans on average.

6. Gepaya, L.Y. (2009, September). Youth inclusive financial services: Marketing and delivery is what matters. Panabo Multi-Purpose Cooperative. Accessible at: http://www.makingcents.com/products_services/resources.php

The Panabo Multi-Purpose Cooperative (PMPC) is a cooperative based in the Philippines and a part of the global World Council of Credit Unions (WOCCU) network. This case study describes how PMPC discovered that partnerships with schools can be an effective form of growing membership, promoting a culture of savings at a young age, and delivering much-needed financial services to underserved youth populations.

7. Harnest, J. & Neilson, E. (2009, September). Microfinance and “the next generation” The FINCA Aflatoun curriculum implemented in an MFI setting. Finca Peru & Aflatoun. Accessible at: http://www.makingcents.com/products_services/resources.php

Aflatoun, an organization committed to social development and financial literacy for children between the ages of 6-14, has begun partnering with select microfinance institutions (MFIs) to offer its curricula to clients’ children. This case study discusses Aflatoun’s work with FINCA Peru detailing the strengths, weaknesses, opportunities and challenges associated with implementing Aflatoun curricula in a non-formal school setting with children of microfinance beneficiaries. Findings from this project indicate that children who consistently attend classes have demonstrated a strong willingness to save.

8. Denomy, J. (2009, September). MEDA works with youth: YouthInvest. Mennonite Economic Development Associates. Accessible at: http://www.makingcents.com/products_services/resources.php

This case study provides an overview of MEDA's work on increasing youth access to financial services, particularly through YouthInvest in Egypt and Morocco. Detailed in this case study, YouthInvest was designed with a strong market research component, the results of which are crucial to designing successful financial and non-financial services for youth.

9. Massie, J.(2009, September). Using innovative partnerships and market research to link financial education and savings products for girls. MicroFinance Opportunities. Accessible at: http://www.makingcents.com/products_services/resources.php

Microfinance Opportunities working with Savings and Economic Empowerment grantees to develop financial literacy modules that will be closely linked to their savings products. For the first time, market research is informing both the design of financial education and financial products for young women. This effort is carried out through innovative partnerships between MFO, youth service organizations, and financial institutions. This case study provides an overview of these partnerships and how they conduct market research, the integral role of these results in designing of appropriate savings products for youth.

10. Nazneen, S. (2009, September). Save the Children's youth financial services: Adolescent girls project. Save the Children. Accessible at: http://www.makingcents.com/products_services/resources.php

This case study describes the Kishoree Kontha (Adolescent Girls' Voices) Project implemented by Save the Children in 5 sub-districts of southern Bangladesh. The goal of this intervention is to link savings schemes with other non-financial services, such as health and education, to allow rural adolescent girls to build their human, social and economic assets. Additionally, this case study details how Save the Children dealt with traditional gender roles, as adolescent girls are not decision-makers, through intense community outreach and sensitization.

11. Cilimkovic, S. & Jahic, S. (2009, September). Youth inclusive financial services: A case study from Bosnia. Partner Microcredit Foundation. Accessible at: http://www.makingcents.com/products_services/resources.php

Partner Microcredit Foundation is a non-profit microfinance institution in Bosnia Herzegovina that recently piloted a youth loan product. The goal of this youth program was to increase self-employment opportunities for young people in Bosnia and Herzegovina by providing access to loan capital in addition to market-oriented business training and mentorship services for youth clients. This case study describes in extensive detail the experience of Partner MK in conducting market, research, designing a specialized youth loan product, and the preliminary outcomes and lessons learned of this program.

12. Schiller, J. (2009, September). Making financial services and business skills development available to African children and youth: Accomplishments and limitations of research and monitoring. Plan International. Accessible at: http://www.makingcents.com/products_services/resources.php

This case study examines Plan International's situation analysis research carried out in Senegal, Niger and Sierra Leone. This project identifies active youth groups and presents a profile of youth and their activities and their general socio-economic conditions in each locality. This project focuses on the Village Savings and Loan (VSL) program in the three countries. The associations formed are sustainable and replicable, and the local implementing partner institutions have been effective and successful in all three program countries. Overall, youth's response has encouraged the project to believe that dramatic upscale is possible.

13. Storm-Swires, L. (2009, September). Exploring youth financial services: The case of ProMujer in Bolivia. ProMujer. Accessible at: http://www.makingcents.com/products_services/resources.php

Pro Mujer is an international women's development and microfinance organization that alleviates poverty in Latin America by providing financial services, healthcare and training to poor women entrepreneurs. This case study details the process of developing a group-based loan product targeted at youth, with results indicating that significant investment in proper market research, product development, staff and infrastructure is required to determine the differing needs of this heterogeneous market.

14. Shell, B. (2009, September). Product development for girls: Girls' savings and financial education. Women's World Banking. Accessible at: http://www.makingcents.com/products_services/resources.php

This case study examines how Women's World Banking has helped two of its network members, XacBank of Mongolia and Banco ADOPEM in the Dominican Republic, design and roll out savings products and financial education programs for girls and young woman ages 7-24. WWB found that reaching girls cost-effectively required developing strategic partnerships – with experienced youth education professionals, since the bank did not have that expertise in-house, and with institutions already interacting with girls, since convenience is an important issue for both the products and the financial education program.