

# Young People

*YOUR FUTURE, YOUR MONEY*



## Trainer's Guide



Citi Foundation

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*freedom*  
from Hunger

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# YOUNG PEOPLE: Your Future, Your Money

## *Trainer's Guide*

By Candace Nelson

**Global Financial Education Program**

**Washington, D.C.**

**2008**



### **MICROFINANCE OPPORTUNITIES**

Microfinance Opportunities was established in 2002 as a microenterprise resource center that promotes client-led microfinance. It seeks to help poor people increase their access to well-designed and delivered financial services. Microfinance Opportunities provides action-research, training and technical assistance in three areas focused on the clients of microfinance services: Financial Education, Microinsurance and Client Assessment.



### **FREEDOM FROM HUNGER**

Founded in 1946, Freedom from Hunger is a nonprofit, international development organization bringing innovative and sustainable self-help solutions to the fight against chronic hunger and poverty. Freedom from Hunger specializes in ensuring that the poor have access to microfinance and health protection services, and life skills training to achieve food security for their families.

Citi Foundation



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The Citi Foundation is committed to enhancing economic opportunities for underserved individuals and families in the communities where it works throughout the world. Globally, the Citi Foundation is focusing its giving on Microfinance and Microentrepreneurship, which helps individuals become economically self-sufficient; Small and Growing Businesses, leading to economic expansion and job creation; Education, which prepares young people for personal and professional success; Financial Education, which helps individuals make informed financial decisions; and the Environment with a focus on sustainable enterprises that generate jobs and stimulate economic growth while preserving the environment. Additional information can be found at [www.citigroupfoundation.com](http://www.citigroupfoundation.com).

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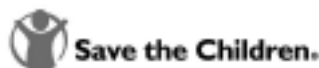
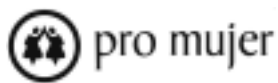
First and foremost we would like to thank the Citi Foundation for investing in this program. Chip Raymond, the former President of the Foundation, and Leslie Meek and Amy Feldman, our Program Officers, took a double risk, embarking on a new area of microfinance and supporting a start-up organization, Microfinance Opportunities. They have been superior partners in their strong support for this work. Subsequently others from the Citi Foundation have joined us in our work.



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We want to express our appreciation to the partner organizations and their clients who made the development of this curriculum possible. We would especially like to recognize the Binti Pamoja Center, an affiliate of the youth organization Carolina for Kibera in Nairobi, Kenya. Binti Pamoja collaborated with GFEP to develop the earliest version of the module, and tested the final draft. Its enthusiasm for financial education for young women and its willingness to help at every turn were invaluable. Other partners that cross-tested the curriculum are CID (Peru), Pro Mujer (Bolivia), Save the Children (Nepal), Save the Children (Bolivia) and Fondation Zakoura (Morocco). Since March 2007, they have conducted market research to adapt, design and finally, pilot test newer versions of the curriculum tailored to their own youth clientele.



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# INTRODUCTION

## Financial Education for Adolescents and Young People

Adolescents are on the edge; they stand at the gateway to adulthood and a future full of responsibilities about which they know little. They teeter between dependence on childhood caretakers and the independence craved by young adults. They fear what they want. They are experimenting with new social relationships; they are assuming more financial responsibilities; they are increasingly exposed to consumer decisions and vulnerable to the influences of marketing. This tumultuous period is also the critical time for young people to face their future and begin preparing for the economic roles they will assume as adults. Drawing their attention to managing money and building assets can help them protect themselves and expand their opportunities. This is the role of financial education.

### *Why is Financial Education Important for Young People?*

At a basic level, financial education focuses on concepts of money and ways to manage it well. It promotes regular saving, wise spending and ways to make the most of one's resources. These skills serve as a foundation for young people who are in transition from dependent to independent roles in financial management. They are shifting from dependence on family support from parents or other relatives to earning their own money and making independent financial decisions. At a very basic level, they must know how to handle themselves, pursue income opportunities, pay their expenses, and plan for the future. However, these basics evolve quickly as the future arrives fast. With partnerships, marriage and household formation, they may shift, still at a young age, to joint decision-making. They take on additional responsibilities and face increasingly complicated negotiations regarding employment, shelter, and relationships.

Thus, to be prepared for the financial responsibilities of adulthood, young people need knowledge and skills to manage not only day-to-day expenses, but life cycle needs as well—education, marriage, and children. They need knowledge and skills to use financial services—saving, borrowing, insurance—that can help them reduce vulnerability and build wealth.

These are skills that young people need now and every day of their adult lives. An investment in financial literacy for youth sets the stage for the many changes that are coming. It will increase their ability to manage money, their confidence and their readiness for the future. Financial knowledge can open up new opportunities to work, build assets, and save. Access to and control over

savings can help young people to protect against, mitigate, and cope with many risks associated with adolescence by providing resources to draw upon in times of need.

### ***Financial Education Curriculum for Adolescents and Young People***

This curriculum, *Young People: Your Future, Your Money*, is targeted at young people, both female and male, ages 16–22, in diverse circumstances. It was developed following the effective process used by the Global Financial Education Program for its training modules that impart financial education to adults. The process begins with market research to identify learning needs and priorities. These market research results inform the initial curriculum design, which is then field-tested in multiple locations. The following partners participated in this process: the Population Council, the Binti Pamoja Center (Kenya), CID (Peru), Pro Mujer (Bolivia), Save the Children (Bolivia and Nepal), and Fondation Zakoura (Morocco). Through their market research and testing, they identified four priority themes for young people: managing money, financial services, financial negotiations, and earning money. The module contains four chapters corresponding to these themes, each with a series of learning sessions.

The Global Financial Education Program goes beyond providing information. Its goal is to strengthen those behaviors that lead to increased saving, more prudent spending, and borrowing for sound reasons. To achieve sustained behavior change, all of its curricula is based on a learner-centered approach. For young people, this approach has been modified to reflect the principles of youth learning. The learning sessions in this module are very active, engaging participants in fun games and exercises. They include opportunities for family involvement and community exploration.

This module builds on the core curriculum developed by the Global Financial Education Program between 2003 and 2005. The core modules are:

- Budgeting: Use Money Wisely
- Savings: You Can Do It!
- Debt Management: Handle With Care
- Bank Services: Know Your Options
- Financial Negotiations: Communicate With Confidence

Starting in 2006, the Global Financial Education Program developed four new modules. Each module targets a specific population or a specific product. The modules are:

- Young People: Your Future, Your Money
- Remittances: Make The Most Of Them
- Risk Management and Insurance: Protect Your Family's Future
- Consumer Protection: Balancing Rights and Responsibilities

For each module, the curriculum offers:

- a content note that provides basic discussion of the topic;
- a trainer's guide with detailed instructions for the conduct of each learning session in the module; and
- a training of trainers manual to prepare those who will conduct the training.

Because each module starts with basic information and progresses to more complex aspects of the topic, you can choose only those learning sessions within each module that address your specific needs. The next section, "How to Use This Guide," provides more guidance on these options.

Turn the page. Read on. The Content Note and the Learning Sessions at a Glance section will give you a good idea of the content, while the step-by-step instructions for the trainer capture the participatory, learner-centered activities that make this training in financial education both fun and effective.



# HOW TO USE THIS GUIDE

*Young People: Your Future, Your Money* is a complete training course to prepare adolescents and young people for the financial responsibilities of adulthood, providing them with the knowledge and skills to transition from economic dependence to independence. The first chapter focuses on financial planning, with an emphasis on saving and budgeting. The second chapter covers basic information about financial services, exploring both formal and informal ways to save and borrow. The learning activities in the third chapter help participants develop the communication skills necessary to successfully manage what can be difficult conversations about money. Finally, the fourth chapter provides opportunities for young people to consider both self- and wage employment options. The training activities in this module will help young people to manage daily expenses, opportunities and risks, as well as plan ahead for life cycle needs. The guide contains step-by-step descriptions of these activities as well as background information to orient you, the trainer, to the topic.

## The Content Note

The Content Note at the end of this guide provides a discussion of money issues that young people face—how to earn it, how to spend it wisely and how to save it safely. Reading this short piece will give you a good idea about the content of the module—the concepts that participants will learn and the skills they will practice. You will see that this module—and the others in the series—are targeted to those with limited education and experience. Therefore, you don't need to be an expert on the topic in order to help others develop some very useful skills. So, if you are confused about something in the Content Note, don't be alarmed. Find someone to help you clarify the information. But if you find that the Content Note is very basic, don't be alarmed either. It is not, and does not need to be, a full textbook on the topic.

The Content Note is background reading for trainers; however, you should decide whether the participants in your training will benefit from reading it as well. Your decision will depend on their level of literacy and ease with written materials. You might consider having some photocopies on hand for those who want one.

## The Learning Sessions

This module contains four chapters each with five or six learning sessions. Each session takes between 45 and 75 minutes to complete. The “Learning Sessions at a Glance” on page 1 provides an overview to the sessions, listing the title and purpose of each. Because this module is long and covers multiple topics, you will need to decide which topics (organized by chapter) are most relevant to your learners. Within each chapter, feel free to use those sessions that best match either your style of facilitation or your participants’ style of learning. You can use one, two or all of them, depending on the experience participants have with the topic, or the time they are able to commit to training.

Some of the sessions contain special features that will require advanced planning. These features are explained in detail in the learning session where they are found, but we want to call your attention to them as early as possible so you can think about if and how you might organize these activities.

- **Chapter 2: Financial Services.** A visit to a bank is an optional activity in this chapter. Participants learn about where they can save and borrow. A visit to the local bank will help demystify an institution that young people often perceive as closed to them. At the bank, participants can gain practice asking questions about financial services in order to make decisions about where and how much money they will save. An arranged visit to a local bank may offer some participants their first experience inside one. Our partner in Kenya thought this was one of the most effective activities in the module. In addition, Sessions 5 and 6 are a bit more advanced. Consider this when choosing the sessions you will include in your training agenda.
- **Chapter 3: Financial Negotiations.** Session 5 calls for parents and guardians to attend and participate in the session. It is lively! But parents will need to be invited well in advance, and participants will need a little extra time to prepare for the activities.
- **Chapter 4: Earning Money.** The main activity in Session 1 is a quick survey of local businesses that calls for participants to walk through the neighborhood and identify the enterprises they see. You will need to decide if the area around your training venue is suitable for such an activity. If it is not, can the group easily travel to a nearby location that is more suitable? What safety precautions will you want to take?

Sessions 3 and 4 each need 4–6 guest speakers to share their work experience with participants. These can be parents or guardians or acquaintances of the trainers. You will need to identify and contact these speakers well in advance.

If you feel that these special features are too difficult to organize, don't be alarmed. Alternative activities are often suggested.

As you read the step-by-step instructions, give yourself permission to imagine a training session that is active, sometimes noisy, and fun. As the trainer, you will not be doing all the talking. Instead, you will be part of a dynamic learning process.

## A Word About Adaptation

Because the learning sessions are spelled out in detail, you do not have to create anything from scratch. However, you must spend time preparing before the training begins, and its success depends on your work at this stage. When you have selected the learning sessions you want to facilitate, you will need to adapt each one to your specific situation. Read them carefully and take note of those details that must be changed in order to make the materials familiar to your participants. In the stories, you may need to change the names of the people and places to reflect your culture and geographic location. Take note of the types of businesses presented as examples. Are they familiar, common businesses in your area? Should you change them? Do you need to change the currency used in the exercises?

In addition to these types of adjustments, you may find opportunities to add activities to the module that are not in the guide. Field trips to relevant sites are a great way to expose participants to new experiences, such as the bank visit that is an optional activity in Chapter 2. This module provides an excellent context for organizing participants into a savings club, especially if the training is scheduled to meet over multiple weeks, giving everyone enough time to save. In Chapter 4, participants explore employment options. A great additional activity would be to organize a "job shadow"—each participant spends a few hours observing an adult at his or her workplace to find out what the job entails. While the module already invites the participation of parents, there are lots of opportunities to bring in other community members to share their experience with the youth.

In the event that the module needs significant re-working to fit your context, don't take on this job alone. See the "Adaptation Guidance" in the Global Financial Education Program's *Implementation Guidance* for direction on what needs to be a team effort.

## Don't Leave the Learning Materials to the Last Minute!

Each learning session starts with a “trainer’s information box” that summarizes the session objectives, materials and activities. Review the list of materials well ahead of the actual training session. Most sessions require flip chart paper, markers and tape. You will use these materials to record important points of participants’ discussions. As you fill each sheet of paper with their responses, you should tape it to a wall for display and reference.

However, many items of the materials list will require that you prepare charts or checklists. All of these are provided for you in the guide, but you will need to re-create them in a large format that everyone can see. Most often this involves re-drawing the chart or table or form on a large sheet of paper such as a flip chart or even inexpensive brown wrapping paper. Some sessions call for cards that you can cut from heavier card-stock paper (if it is not available, regular paper will do). Note if the instructions call for cards of different colors. Session 4 in Chapter 1 calls for pictures that can be very simple; Session 6 in Chapter 2 includes a short script that will be read aloud and requires three people who can read. You need to anticipate this before the session, and identify some readers to work with you.

Handouts and pictures mentioned in the step-by-step instructions are located at the end of each session. They are identified by number for easy reference. They should be photocopied and distributed to participants at the appropriate time.

Don’t underestimate the time you will need to prepare. You don’t want to be caught unprepared in the middle of a session! If you are ready ahead of time, you can spend your time during the session facilitating and enjoying the process.

## Some Training Tips and Techniques

This Trainer’s Guide is full of activities that require organizing participants into pairs or small groups. The instructions frequently direct you to do this, but usually leave the method up to you, the trainer. This section offers a mini catalog of techniques for forming pairs and small groups. Ideas for facilitating group introductions are also included. You will find these handy at the opening of a workshop, and you may also find reason to do introductions again at a later time.



## A. Forming Pairs

1. Form pairs by dividing the total number of participants in half. Ask participants to count off up to the number that represents half of the total. For example, if you have 20 participants, they will count off up to 10 and then start again at 1. The two people who have the same number are partners (the 1s, 2s, 3s, etc.).
2. Ask participants to turn to the person on their right (or left). This person is their partner.
3. Create sets of pairs constructed around opposite words or similar objects or first and last names of famous people. The number of pairs you create should equal half the number of participants. Each pair must have 2 parts. Write 1 word of each pair on a slip of paper. Ask participants to draw a slip of paper from a container and find the other half of their pair. This is their partner. Some examples for a group of 10 participants include:

OPPOSITE		MATCHING OBJECTS		FAMOUS PEOPLE	
black	white	bed	sheets	Nelson	Mandela
sad	happy	table	chair	Bob	Marley
dark	light	camera	photograph	Hillary	Clinton
tall	short	car	driver	Napoleon	Bonaparte
wide	narrow	shoes	socks	David	Beckham

The workshop theme can provide the inspiration for your selection of paired words. Or, select famous people who are relevant to the age range of your participants. For example, rock stars and movie stars tend to work well with young people.

## B. Group Introductions

At the beginning of a workshop, all participants should introduce themselves. You can make this as fun or as serious as you feel is appropriate. Here are some ideas for introductions:

1. Participants can simply give their name and the organization for which they work if that is relevant. Or, you can ask each person to say something unusual about herself, to help the others remember her.
2. Go around the room and instruct participants to state their name, occupation, town of residence plus one of the following: favorite food, or favorite animal, or favorite movie star. You can be creative and think of a different category that may be more enjoyable or relevant to your participants.

3. Distribute paper and markers or colored pencils to each participant. Ask them to draw a picture that tells the others something important about themselves. Give them 5 minutes to draw. Then, one by one, ask each person to give their name and explain their picture. Additionally, you can collect the pictures, post them on the wall, and sometime later in the day have a contest to see who can match names to pictures.
4. Instruct participants to form pairs (see Section A above), and tell the partners to introduce themselves to each other. Give them 5 minutes to talk to each other. Then ask each person to introduce his partner to the group.
5. Ask participants to form a circle. Explain that each person must state certain information when introducing herself (you might add “something distinctive about yourself” to the normal information like name, school or organization, occupation, or main interests). Then toss a soft ball (or rolled up sock or ball of yarn) to someone in the circle who introduces himself. After he has introduced himself, he tosses the ball to someone else in the circle. The game continues until each person has had a chance to give an introduction.

### **C. Forming Groups**

1. Count off. For example, ask participants to count off by 4s. One by one, each participant will say a number (the first participant says “1”, the second says “2,” and when it is the fifth participant’s turn, he will start again at 1). When everyone has counted, instruct participants to form groups with people who have the same number. In the end, you will have 4 groups.
2. Make simple puzzles with 3-5 pieces each. Distribute the puzzle pieces to participants and ask them to find all of the others who have the pieces to complete their puzzle. Be sure to use simple puzzles and have the same number of puzzle pieces as participants. See Chapter 2, Session 2 for sample puzzles that you could adapt to this exercise.
3. Ask participants to stand in line in the order of their birthdays—month and day only—and then count off (such as 1 through 3) to form groups.
4. Assign colors, symbols or pictures at random. Instruct participants to find all others with the same assigned color, symbol or picture.
5. Place the names of 4 well known pop culture stars in different places around the room and ask participants to stand next to their favorite. If everyone flocks to the same star, you will have to adjust the exercise so that you end up with than one group. For example you can ask participants to move to their second favorite star.

6. Select 4 different animals (or whatever number of groups you want to create) and write the name of each animal on several slips of paper. The number of slips will depend on how many participants will be in each group. For example, if you have 16 participants, you can make 4 groups of 4 people. In that case, you will write the name of each animal on 4 slips of paper. Each participant will draw 1 slip of paper from a container. Tell participants that when you say “now”, each person must make the noise of the animal written on his slip of paper. While making their noises, participants must look and listen for those making the same animal noise they are making. These people are their group members.



# YOUNG PEOPLE: YOUR FUTURE, YOUR MONEY

## Learning Sessions at a Glance

The goal of this module is to help participants manage their money effectively. The following table presents the module's learning sessions and their purposes.

### CHAPTER 1: MANAGING MONEY

SESSION TITLE	PURPOSE OF THE SESSION
1. Want to Manage Your Money? Start by Saving	<ul style="list-style-type: none"> <li>■ Identify and prioritize reasons for saving</li> <li>■ Identify personal savings goals</li> </ul>
2. The Savings Plan	<ul style="list-style-type: none"> <li>■ Develop a savings plan required to attain a savings goal</li> <li>■ Prioritize savings goals</li> </ul>
3. Making Spending Decisions	<ul style="list-style-type: none"> <li>■ Distinguish between needs and wants</li> <li>■ Make decisions about spending priorities</li> </ul>
4. Money In/Money Out: The Art of Budgeting	<ul style="list-style-type: none"> <li>■ Create a simple budget</li> <li>■ Use a budget to cover a budget shortfall</li> </ul>
5. Develop Your Own Budget	<ul style="list-style-type: none"> <li>■ Develop a personal budget for 1 week</li> <li>■ Identify the ways in which a budget can vary</li> <li>■ Examine the rules of savings</li> </ul>
6. Challenges to Savings	<ul style="list-style-type: none"> <li>■ Identify the challenges to saving that adolescents face</li> <li>■ Propose solutions to challenging situations</li> </ul>

## CHAPTER 2: FINANCIAL SERVICES

### SESSION TITLE      PURPOSE OF THE SESSION

1. So You Need a Lump Sum of Money?	<ul style="list-style-type: none"> <li>■ Identify 2 ways to gain access to a lump sum (saving and borrowing)</li> <li>■ Compare and contrast the 2 ways to access a lump sum</li> </ul>
2. Savings Options	<ul style="list-style-type: none"> <li>■ Identify multiple savings options</li> <li>■ Describe and compare savings options</li> </ul>
3. To Bank or Not to Bank?	<ul style="list-style-type: none"> <li>■ Identify and clarify common myths about banks</li> <li>■ Compare advantages and disadvantages of saving at home and saving at a bank</li> </ul>
4. Your Own Money vs. Someone Else's Money	<ul style="list-style-type: none"> <li>■ Differentiate between one's own money and borrowed money</li> <li>■ Identify the responsibilities of borrowing and the consequences of failing to meet them</li> </ul>
5. Borrow Wisely	<ul style="list-style-type: none"> <li>■ Identify characteristics of borrowed money</li> <li>■ Determine good reasons for borrowing money</li> </ul>
6. Sources of Loans	<ul style="list-style-type: none"> <li>■ Define credit terminology</li> <li>■ Examine different sources of loans</li> <li>■ Compare 3 different sources of loans</li> </ul>

**CHAPTER 3: FINANCIAL NEGOTIATIONS****SESSION TITLE      PURPOSE OF THE SESSION**

1. What is Financial Negotiation?	<ul style="list-style-type: none"> <li>■ Define financial negotiation</li> <li>■ Recognize that financial negotiations are part of everyday life</li> <li>■ Describe the possible outcomes of a financial negotiation</li> </ul>
2. Communicate with Success	<ul style="list-style-type: none"> <li>■ Identify good and bad communication practices</li> <li>■ Practice effective listening skills</li> </ul>
3. Resolving Conflicts about Money	<ul style="list-style-type: none"> <li>■ Practice using communication skills in made-up conflicts</li> <li>■ Identify several solutions to the same conflict.</li> </ul>
4. Prepare to Negotiate	<ul style="list-style-type: none"> <li>■ Summarize the process of preparing to negotiate</li> <li>■ Practice preparing to negotiate</li> </ul>
5. Share Financial Negotiation Skills with Parents or Guardians	<ul style="list-style-type: none"> <li>■ Communicate with adults who are not their parents</li> <li>■ Demonstrate good and bad communication practices</li> <li>■ Identify ways to improve financial negotiations with the adults</li> </ul>

## CHAPTER 4: EARNING MONEY

### SESSION TITLE      PURPOSE OF THE SESSION

1. Exploring Options for Earning Money	<ul style="list-style-type: none"> <li>■ Identify various options for earning money</li> <li>■ Select work options that are most appealing to them</li> </ul>
2. Matching Personal Qualities and Skills to Work Options	<ul style="list-style-type: none"> <li>■ Match skills and character traits to distinct types of work</li> <li>■ Identify their own character qualities and skills and/or interests</li> <li>■ Select types of work that might suit them given their personality and skills</li> </ul>
3. Pathways to Self-Employment	<ul style="list-style-type: none"> <li>■ Examine pathways to self-employment</li> <li>■ Analyze the advantages and disadvantages of self-employment</li> </ul>
4. Pathways to Wage Employment	<ul style="list-style-type: none"> <li>■ Examine wage employment options</li> <li>■ Compare the advantages and disadvantages of self- and wage employment</li> </ul>
5. Gender Stereotypes and Career Choices	<ul style="list-style-type: none"> <li>■ Identify how gender stereotypes influence occupational choices</li> <li>■ Select a non-traditional occupation to investigate further</li> </ul>
6. How Do I Learn More?	<ul style="list-style-type: none"> <li>■ Discuss ways to learn more about occupations that interest them</li> <li>■ Identify possibilities for networking</li> <li>■ Develop an action plan to learn more about occupations</li> </ul>

Each learning session guide in this module begins with a summary box that contains the following:

- Learning objectives for the session.
- Estimated time needed to conduct the session.
- A list of materials needed to prepare **before** each session. Being prepared for the learning session will make your job much easier. **Review this information carefully.**



- A list of the steps for each activity. The guide provides detailed instructions for the learning activities that will help participants learn and work with the concepts of the session. Please follow the steps as outlined. However, you should use your own words to explain each point.

## FEATURES OF THE LEARNING SESSIONS

### *Trainer's Information Box*

The box at the start of each learning session contains four elements.

**Objectives**—list of actions that the steps in the learning session are constructed to accomplish.

**Time**—the estimated time needed to implement all of the steps designed for the learning session.

**Preparations/Materials**—list of materials that the trainer must prepare before the activity can be presented.

**Flip charts** are listed and incorporated into the step in which they occur. Their shaded borders easily identify the flip charts.

**Handouts** needed for each activity are found at the end of the session.

**Steps**—a list of activities needed to complete the learning session. The titles capture the process to be used and the content to be covered.

### *Steps*

The steps needed to complete the learning session are listed in the order in which they should be implemented. Special features for the trainer to note include the following:

**Italics font** (*italic*) = instructions for the trainer (not to be read to the participants)

**Regular font** (regular) = specific information, instructions or questions for the trainer to read or closely paraphrase to the participants

**Arrow** (➤) = symbol that highlights specific open questions to ask

**Box** = special technical or summary information to share with the participants

**Box with Shaded Borders** = recommended flip chart design to consider using with the participants

**[Square Brackets]** = the “correct” answer to expect from a technical question

**(Parenthesis)** = additional instructions or information

The box below is a reminder of some important principles and practices of youth learning to keep in mind as you lead each session. Remember that you, the trainer, do not have all the answers. The participants come to the learning sessions with a great deal of experience and have many things to add. It is important that all participants (including you) teach and learn.

## IMPORTANT PRINCIPLES TO REMEMBER

- Create a **safe** learning environment.
- Give feedback to the participants and **praise** them for their efforts.
- Think about ways of making the topic **useful** to all participants present.
- Let the participants know that you are a **learner** with them, as well as a leader and a mentor.
- Promote conversations and questions that allow young people to explore and clarify their values as they develop a sense of self.
- Use a **variety** of activities that are appropriate for different maturity levels to cover young people's many developmental stages.
- Make the learning **relevant** to young people's current situation. Be cautious about asking them to project far into the future.
- **Anticipate** that young people may have limited experience with a topic. Simulations or stories may have to substitute for real-life experience.
- Be sure that throughout the session there is an opportunity for **thinking, acting** and **feeling**.
- Include current **media** to ensure relevance of the topic and to promote discussion.
- **Engage participants' families** to connect with the program, understand its content, and support the young people in changing behaviors and meeting goals.
- Encourage humor and use interactive games so that the training is dynamic and **fun!**

## SESSION 1

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Identified and prioritized reasons for saving
2. Identified personal savings goals

## PREPARATIONS/MATERIALS

■ FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Blank flip chart with title: Manage Your Money

Step 2:

- Reasons People Save

Step 3:

- Blank flip charts with titles: Personal Use, Emergencies, and Future Opportunities

Step 4:

- Blank flip charts with titles: Timeline for Girls and Timeline for Boys

■ HANDOUT FOR USE IN THE FOLLOWING STEP:

Step 4:

- Handout 1.1.1: The Story of Suneetha

■ SOFT OBJECT THAT CAN BE TOSSED SAFELY (I.E., BALL, ROLLED-UP SOCK)

■ BLANK CARDS

■ FLIP CHART PAPER

■ MARKERS

■ TAPE

## TIME

55 MINUTES

## STEPS

1. Introduce the chapter on Managing Money  
5 MINUTES
2. Explore the reasons people save  
10 MINUTES
3. Determine priorities for saving money  
15 MINUTES
4. Identify savings goals  
20 MINUTES
5. Summarize the session and apply the new information  
5 MINUTES

# Want To Manage Your Money? Start by Saving

## STEP 1

Introduce the Chapter on Managing Money

5 MINUTES

Ask:

- What do the words “manage your money” mean to you? What do you think of when you hear those words?

*Write answers on a blank sheet of flip chart paper. The flip chart might look like this:*

## MANAGE YOUR MONEY

- Deciding what to buy
- Figuring out how to have enough money for the things you want
- Saving
- Budgeting

*Explain:*

Managing money involves all these things. Since most of us don't have enough money to pay for everything we need and want, we must make choices about what we will buy and what we will not buy. We try to save for things we will want in the future. We figure out ways to stretch our money to cover the necessary expenses we face. It can be hard. In this workshop we will focus on the value of saving, and learn some tips to help us save, such as how to make a budget. We will learn how to match expenses to income, and plan expenditures so we don't go into debt and maybe even have a little left to save.

## STEP 2

### Explore the Reasons that People Save

10 MINUTES

*Ask participants to stand and form a circle. Explain:*

I will say a sentence that is unfinished and throw this ball (*use something soft—a soft ball, ball of string, yarn, rolled-up sock*) to someone in the circle. That person has to complete the sentence. Here is an example:

People my age save to ... buy a house.

After answering, you repeat the same unfinished sentence and throw the ball to another person in the circle who then has to provide her own answer before repeating the process of saying the unfinished sentence and throwing the ball to someone new.

*Use the following 3 unfinished sentences, displayed on a flip chart:*

#### REASONS PEOPLE SAVE

People my age save to \_\_\_\_\_

Adults often save to \_\_\_\_\_

Savings can help you \_\_\_\_\_

*You do not need to wait until everyone has provided an ending to each sentence. It is better to keep things moving at a lively pace. Allow 1–2 minutes per sentence before moving to the next sentence. After the 3 sentences, highlight the differences and similarities between what young people and adults save for.*

## STEP 3

### Determine Priorities for Saving Money

15 MINUTES

*Explain:*

You have named many different reasons to save. Most will fall into 1 of the following categories:

1. Personal use (clothes, entertainment, etc.)
2. Emergencies
3. Future opportunities (education/training, business investments, or assets like a motorbike)

*While participants are still standing, post 3 sheets of flip chart paper, each labeled with 1 of the 3 categories for saving listed above, in different places around the room (a corner, the door, a window).*

<b><i>Personal Use</i></b>	<b><i>Emergencies</i></b>	<b><i>Future Opportunities</i></b>

*Say:*

Your job is to decide which of these categories of reasons to save is the highest priority for you. Please choose one, and stand in the location assigned the category you have selected as the first priority for saving. You have 5 seconds to make your choice and move!

*Highlight the number of participants in each category. Then continue by saying:*

Now that you have chosen your first priority, choose your second priority and move to that spot. Go!

*Highlight the change in the priorities, and then ask participants to choose their third priority. After highlighting the changes in priorities, ask the participants to return to their first choice, their top priority.*

*Once the participants have moved to the savings category of their first choice, say:*

In your groups, spend 2 minutes sharing your reason for choosing this category as a priority. Then, select a volunteer from each group to explain 3 or 4 reasons to the other groups.

*After each group has reported, give the other groups a chance to pose questions to that group by asking:*

- **What questions do you have for the group participants about why they chose this category?**

*Allow 1–2 minutes of discussion per group.*

*Explain:*

There is no correct answer for which of these categories is most important. They are all good reasons to save. But in reality it can be difficult to save for all of them. Sometimes you must decide which is most important to you.

## STEP 4

### Identify Savings Goals

20 MINUTES

*Say:*

When you know your priorities, it is easier to decide on a savings goal. A goal is something you want to achieve. For example, your goal might be to finish high school, or to do well on the history test, or to visit your grandmother once a week. A savings goal refers to a reason for which you save money.

*Distribute Handout 1.1.1 and read the story of Suneetha. Ask the participants to underline each goal they see as you read the story.*

#### **The Story of Suneetha**

Suneetha is 20 years old and lives in a rural village in India. She is looking forward to her wedding in 2 months, and moving to the city to live with her husband's family. Before she leaves she wants to get a gift for her younger sister. She feels sorry to be leaving her sister behind, but so many new adventures are waiting for her in the city! She will definitely need a new outfit. Her clothes are worn and ragged from working in the fields. While she plans to continue doing embroidery work to bring in a little money, she is really looking forward to working with her husband at his kiosk. Once she learns the business, he will be free to look for other work opportunities. And that will help them save up enough money to rent their own place more quickly. Suneetha knows that her husband's family will be expecting them to have a child soon, but she has other dreams for her new life in a place with so much going on.

Ask:

- **What is Suneetha saving for?** *[A gift for sister, a new outfit, to rent own place with new husband.]*
- **Which of her savings goals can be met within a short amount of time?**
- **Which savings goal will take a longer time?**

Say:

As in the case of Suneetha, some goals can be accomplished in a short period of time, while others require more time if they involve greater amounts of money.

*If possible, divide participants by gender. Draw 2 timelines on separate flip charts as follows, 1 for boys and 1 for girls. (However, if your group is 1 gender only, or mostly male or female, simply divide participants into 2 equal groups.)*

### **TIMELINE FOR GIRLS**

<b>1 MONTH</b>	<b>1 YEAR</b>

### **TIMELINE FOR BOYS**

<b>1 MONTH</b>	<b>1 YEAR</b>

*Post the 2 timelines in different places, allowing enough space for each group to stand by its flip chart. Distribute 3 blank cards to each participant.*

Explain:

Think about 3 things that you want to save for—that is, your own savings goals. Some will be short-term, which might require only a few weeks or months to save the money you need to reach your goal. Others might be long-term, and might require a year or more of saving. Write 1 goal per card. When you have finished, place the cards in the short-term (1 month) or long-term (1 year) column according to when you expect to reach each goal. Group 1 will put their cards on their own flip chart (*point to Group 1's flip chart*); and Group 2 will use a different flip chart (*point to Group 2's flip chart*).

*Allow 2–3 minutes for writing and posting goals. Review the goals that participants have identified. Ask the following questions:*

- **Where are the majority of your group's goals—in the short-term or long-term column?**
- **Which are the common short-term goals?**
- **Which are the common long-term savings goals?**
- **How are the boys' goals different from the girls' goals? OR How are Group 1's goals different from Group 2's goals?**
- **What was challenging about identifying and classifying your goals?**

## STEP 5

### Summarize the Session and Apply the New Information

5 MINUTES

*Say:*

We have talked of many reasons to save and identified the things we want to save for. Our reasons for saving vary depending on age, gender and other factors. But, having a specific goal, or reason to save, gives you something to look forward to, and motivates you to save.

*Ask the entire group the following questions, and take answers from a few volunteers:*

- **What will you do in your own life with the information we have discussed?**

*Thank the volunteers and reinforce their ideas.*

*Explain:*

In our next session we will look at how to plan for meeting the savings goals we have talked about today.



## HANDOUT 1.1.1

### The Story of Suneetha

Suneetha is 20 years old and lives in a rural village in India. She is looking forward to her wedding in 2 months, and moving to the city to live with her husband's family. Before she leaves she wants to get a gift for her younger sister who will miss her so much. She feels sorry to be leaving her sister behind, but so many new adventures are waiting for her in the city! She will definitely need a new outfit. Her clothes are all worn and ragged from working in fields. While she plans to continue doing embroidery work that brings in a little money, she is really looking forward to working with her husband at his kiosk. Once she learns the business, he will be free to look for other opportunities. And that will help them save up enough money to rent their own place more quickly. Suneetha knows that her husband's family will be expecting them to have a child soon, but she has other dreams for her new life in a place with so much going on.



## SESSION 2

**OBJECTIVES**

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Developed a savings plan required to attain a savings goal
2. Prioritized their savings goals

**PREPARATIONS/MATERIALS**

- FLIP CHARTS FOR USE IN THE FOLLOWING STEP:

Step 1:

- Sample Goals
- Savings Plan Worksheet

- HANDOUT FOR USE IN THE FOLLOWING STEP:

Step 1:

- Handout 1.2.1:  
Savings Plan Worksheet

- SHEETS OF PAPER, NUMBERED 1 THROUGH THE TOTAL NUMBER OF PARTICIPANTS

- PENS

- MARKERS

- TAPE

- CONTAINER (SUCH AS A BOX, HAT, OR BOWL)

**TIME**

50 MINUTES

**STEPS**

1. Practice developing a savings plan  
25 MINUTES
2. Develop individual savings plans  
25 MINUTES

# The Savings Plan

## STEP 1

### Practice Developing a Savings Plan

25 MINUTES

*Explain:*

We know that savings goals can be as simple as a new pair of jeans, or as ambitious as enrolling in a training program with costly registration fees. The objective today is to learn how to develop a plan that can guide the way you manage your money so you can achieve your savings goals. It is great to know what you want to save for, but to actually save the money you need will be easier with a good plan.

We are going to play a game that will define a savings goal. This will be an imaginary goal and may not reflect your own goals. Your task will be to develop a plan to reach this savings goal.

*Place the numbered sheets of paper in a container (the numbers of sheets should match the number of participants).*

*Explain:*

Each of you will pick 1 number from this container. Then, by the order of the numbers you have drawn, you will select a goal from this list on the flip chart. I will write your name next to the goal you select. Only 2 people can select the same goal. If there are already 2 names written next to the goal, it is taken.

*The following list includes a number of possible savings goals. Your list should contain one-half the number of goals as participants in your group so that the pair exercise that follows will go smoothly. Make sure the goals you include are relevant to your participants. You can substitute and add as goals as needed.*

## **SAMPLE GOALS**

- Jeans
- Henna/Hair dye kit
- Tickets to a national football game (or any popular sports event)
- Goat
- Cell phone
- Athletic shoes
- Bicycle
- Vocational training program
- Ticket to a pop/rock music concert
- Bus ticket to visit a friend in another part of the country

*When everyone has selected a goal, explain:*

Find the person who has the same goal as yours. This is your partner. Together you will develop a plan to meet your common savings goal.

*Use a blank savings plan worksheet drawn on a flip chart to show participants how to develop a plan for reaching their savings goal. Two examples are provided below, 1 short-term and 1 long-term goal.*

## SAVINGS PLAN WORKSHEET: REACHING MY SAVINGS GOALS

<i>Savings Goal</i>	<i>Total Amount Needed</i>	<i>By When?</i>	<i>Amount to Save per Week/ Month</i>
<b>Short-term— might require a few weeks or months</b>			<b>Tip:</b> To figure out the amount to save every week, divide the total amount of money you need by the number of weeks between now and when you need it. (Amount to save/number of weeks)
New skirt	\$12	in 3 months (3 months x 4 = 12 weeks)	\$12 divided by 12 weeks = <b>\$1 per week</b>
<b>Long-term— might require a year or more</b>			<b>Tip:</b> To figure out the amount to save every month, divide the total amount needed by number of months between now and when you need the money.
Move to city	\$60	In 12 months	\$60 divided by 12 months = <b>\$5 per month</b>

*Distribute Handout 1.2.1: Savings Plan Worksheet: Reaching My Savings Goals, to each pair.*

*Say:*

With your partner, develop a savings plan for your savings goal. If you don't know the costs associated with the goal, estimate the total amount needed. You have 5 minutes to work together to complete this task.

*When participants have finished discussing, ask:*

➤ **What challenges did you face developing your plan?**

*Probe for problems they had with the total amount needed or with the calculation of the savings required.*

➤ **How will this plan help you achieve your savings goal?**

## STEP 2

### Develop Individual Savings Plans

25 MINUTES

*Distribute a second copy of Handout 1.2.1: Savings Plan Worksheet: Reaching My Savings Goals to each person.*

*Explain:*

Now it is time to develop your own savings plans. First, you must identify your own savings goals. Think about these 2 questions:

➤ **What are some of your own savings goals?**

➤ **How much money will you need to accomplish each of your goals?**

Identify 3 goals, 2 short-term and 1 long-term. Remember, short-term goals can be met in a few weeks or months; long-term goals might take a year or more.

Write your 3 goals in separate rows in the left hand column of the worksheet.

*Allow 5 minutes for participants to identify their goals. Explain:*

Look at your goals. Decide which goal holds the highest priority for you. Rank the 3 goals in order of priority by writing a number right next to it. A number 1 is the most important, and number 3 the least important.

*Ask a volunteer to share one of his or her goals.*

*Say:*

Now, develop a plan for reaching the goal that is your number 1 priority. First, determine when you will need the money, then figure out the amount you must save each week or month to reach the goal.

*Allow 2–3 minutes for writing out this calculation in the worksheet. Walk around the room and offer help to those who needs it.*

*Ask participants to double the amount of time they allow themselves to reach the goal and re-calculate the amount they need to save every week or month. Allow 1–2 more minutes to do this.*

Ask:

- **What was your reaction when you figured out the amount you needed to save each week or each month to reach your top priority goal?**
- **What happened to that amount of money you had to save each week or month when you doubled the amount of time to save for your goal?**
- **What can we learn from these calculations?** *[Even if your goal comes with a high price, you can still reach it by setting aside money regularly. If you can only save small amounts of money, it will just take you longer to reach your goal.]*

Summarize:

You have practiced figuring out the amount you need to save in order to reach your goals. You know that if you can only save a small amount of money on a regular basis, it will take longer to reach your goal.

Ask:

- **How will making a savings plan help you?**
- **What will you do differently now that you know how to make a savings plan?**

# HANDOUT 1.2.1

## Savings Plan Worksheet: Reaching My Savings Goals

<i><b>Savings Goal</b></i>	<i><b>Total Amount Needed</b></i>	<i><b>By When?</b></i>	<i><b>Amount to Save per Week/ Month</b></i>
<b>Short-term— might require a few weeks or months</b>			<b>Tip:</b> To figure out the amount to save every week, divide the total amount of money you need by the number of weeks between now and when you need it. (Amount to save/number of weeks)
<b>Long-term— might require a year or more</b>			<b>Tip:</b> To figure out the amount to save every month, divide the total amount needed by number of months between now and when you need the money.



## SESSION 3

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Distinguished between needs and wants
2. Made decisions about spending priorities

## PREPARATIONS/MATERIALS

■ FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Definitions: Needs and Wants

Step 2:

- Expenses (1 for each group)
- Making Spending Decisions Individually

Step 3:

- The Spending Game: Transportation

■ HANDOUT FOR USE IN THE FOLLOWING STEP:

Step 3:

- Handout 1.3.1: The Spending Game

■ FAKE BANK NOTES (SEE THE END OF THIS SESSION FOR A TEMPLATE)

■ COUNTING OBJECTS (I.E. BEANS, PAPER CLIPS OR STONES)

■ BLANK SHEETS OF PAPER (1 PER PARTICIPANT)

■ PENS

■ SMALL PRIZES (AT LEAST 4)

## TIME

60 MINUTES

## STEPS

1. Distinguish between needs and wants  
10 MINUTES
2. Make spending decisions in a group  
25 MINUTES
3. Make spending decisions individually  
25 MINUTES

# Making Spending Decisions

## STEP 1

## Distinguish Between Needs and Wants

10 MINUTES

*Distribute blank sheets of paper and pens to each participant. Explain:*

We spend money on lots of things. Some are necessary for our health or education. Some are things we want, and buying them makes us happy.

*Ask:*

- **What do you think is the difference between something you need and something you want?**

*Listen to answers from a number of participants. Then, show the following definitions on a flip chart.*

### DEFINITIONS: NEEDS AND WANTS

**Need:** Something that is a basic necessity you cannot do without

**Want:** Something that is not needed for everyday survival

*Distribute 1 sheet of blank paper to each participant.*

*Say:*

Draw a line down the middle of the sheet of paper in front of you. On one side, write the things you need; on the other, write the things you want. You have 2 minutes.

*After 2 minutes, ask for volunteers to name the needs they identified. Then, review some of the wants.*

*Ask:*

- **Are needs and wants the same for everyone?**
- **What is an example of something that is a need for one person and not for another?**

*Explain:*

Making wise spending decisions is a key to saving. Most of us don't have enough money to pay for everything we want and need. When this happens, it is important to distinguish between wants and needs as you decide what you will go without. Remember, if you can cut your spending enough to save a little, eventually you will reach a savings goal that is important to you. So, your short-term loss can be your long-term gain. Today we are going to do some activities that will allow you all to practice making these hard choices.

## STEP 2

### Make Spending Decisions in a Group

25 MINUTES

**Note to trainer:** For this activity you will need to photocopy the Fake Bank Notes sheet at the end of this session and cut out each note. Each bank note has a value of 10 units. You can substitute the name of your currency for "units". You will give each group 20 bank notes, for a total of 200 units. You will also give each group a sheet of flip chart paper labeled with 6 different expenses and 6 different values. Possible expenses are transport, video games, snacks, clothes, school supplies, savings. Choose expenses that your participants will find meaningful, but make sure to include savings as the final expense. Each expense item and its price should be drawn on the flip chart with enough space around each to allow participants to place their money down next to the expense.

**EXPENSES**

<i>Type of Expense</i>	<i>Value</i>
1. Transport	20
2. School Supplies	30
3. Video Games	40
4. Snacks	30
5. Clothes	100
6. Savings	10

*Each expense has a value—this is the lowest amount that participants can pay for that item. The groups will do this exercise twice. The first time, group members must decide which items they want to purchase. They must go through the list of items in order and decide whether or not they will buy each one. Once they decide, they cannot make any changes. They will not have enough units to purchase all of the items, but don't tell them that. Allow them to make that discovery on their own. They will repeat the exercise and, knowing that they cannot afford to pay for all the items, they should be able to make more careful decisions.*

*To begin the exercise, organize participants into groups of 2 or 3 people. Distribute 20 bank notes and the "Expenses" chart (see example above) to each group. Ask each group to place the flip chart flat on the floor or on a table, with enough space for the group members to gather around it. A sample flip chart is provided.*

*Explain:*

Each group has a chart with expenses and a pile of fake bank notes. As a group, you will decide how to use your money to buy the items listed on the chart.

*Ask a volunteer to read the expense items on his or her chart.*

Now, look at your money. These are fake bank notes worth 10 units each.

➤ **How many bank notes do you need to purchase transport?**

➤ **How many do you need to purchase school supplies?**

As a group, you must decide which of these expenses you want or need. To get the items you want, you must pay at least the price listed on your board. This amount is its minimum price. However, if you decide that you really like an item and want to purchase more than 1, you can simply put more money down on the board for that item. The only rule is that you must purchase each item in the order that it is listed, starting with 1 and ending with 6. Once you have decided the quantity of that item you want to buy, you can't make any changes.

You have 3 minutes to spend your money. GO!

*Walk around the room to make sure each group understands the task. When all the groups have finished, ask a volunteer from each group to report on the group's purchases.*

*Ask:*

➤ **What issues did you face when deciding which items to purchase?**

➤ **What will you do differently the next time?**

*Instruct the participants to take back the money they have put down on their board.*

*Say:*

Now, review these expense items again. Think about which ones are needs that you cannot do without, and which are "wants"—things you would like but are not absolutely necessary to have. You might want to make sure you use the money you have for your needs first. Together, decide how to spend the income you have. You have 5 minutes to make your purchases. GO!

*Circulate around the room while participants complete the exercise. After 5 minutes, ask a volunteer from each group to report on the group's purchases.*

*Ask:*

➤ **What was different about this round?**

➤ **How did you decide which items not to purchase?**

➤ **Who allocated money to savings?**

*Award a prize to the savers! Complete the exercise by saying:*

By determining what you really need and what is only a “want,” you will be able to make better spending decisions. You will now practice this on your own.

### STEP 3

#### Make Spending Decisions Individually 25 MINUTES

*In this step, participants will have another opportunity to make spending decisions—this time on their own. Distribute Handout 1.3.1: The Spending Game, and 20 counting objects—for example, beans, paper clips, stones—to each participant.*

*Explain:*

These objects are your income for the month. Count them, please. Make sure you each have 20 objects. The handout you just received lists all the things you can spend your income on. Each category comes with several choices, and the cost of each item is shown by the number of “Xs” next to it. For each category, select one choice that suits you best, and allocate the number of objects needed to pay for that choice. The choices that do not have an “X” are free. You do not have to allocate any income to them.

Let’s do an example together.

*Show the transportation example on a flip chart.*

#### THE SPENDING GAME: TRANSPORTATION

Type of Transportation	Value
■ Walk or ride bicycle	
■ Bus	X
■ Bus and occasional taxi	XX
■ Frequent taxi	XXX

*Explain:*

Select the transportation option that most appeals to you. You can choose the option you wish for instead of the option that most closely reflects the kind of transportation you actually use. If you want to take taxis to get around, put 3 objects next to "Frequent taxi." But if you think you can walk or ride a bicycle to most places, you don't have to spend anything on transportation.

*Ask:*

➤ **What questions do you have?**

*When participants have finished asking questions, say:*

Go ahead and complete the Spending Game handout.

*Go around the room to make sure that participants understand what to do. Allow 5–10 minutes for this exercise, and then ask:*

➤ **What was difficult about this exercise?**

➤ **What choices did you have to make?**

*Now give participants a second copy of the Spending Game form. Explain that their income has been cut to 13 counting objects and distribute these. Their task is to figure out how they are going to spend their money now that they have less. Allow 5 minutes for this second round. Ask the group as a whole:*

➤ **What was the first item you gave up? Why?**

➤ **What was the last item you were willing to give up? Why?**

➤ **Who included savings in their spending plan? How could that have helped you in the second round?**

*Allow 5 minutes for discussion of the above questions. Then say:*

Turn to the person next to you and compare your spending plans.

*After 2–3 minutes ask:*

➤ **How are your spending plans different?**

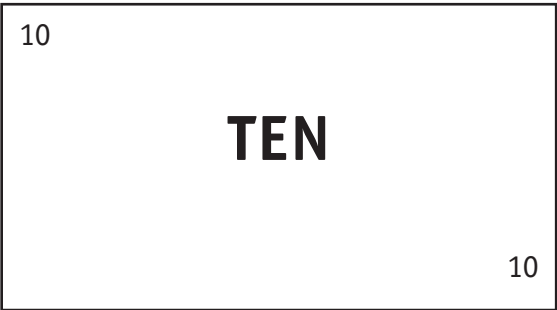
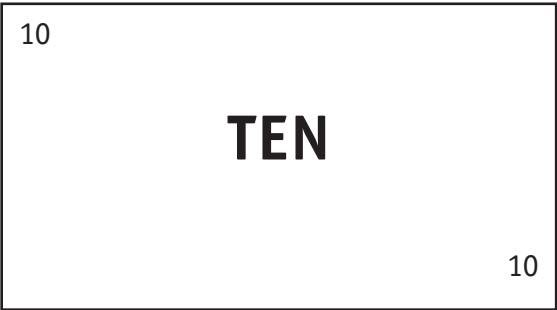
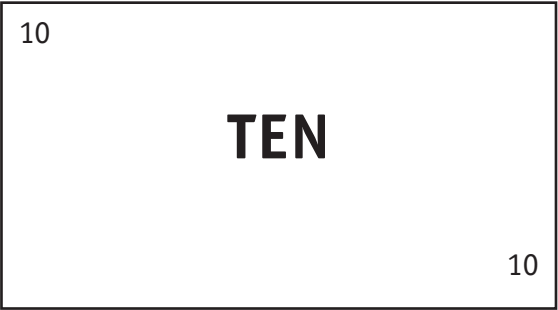
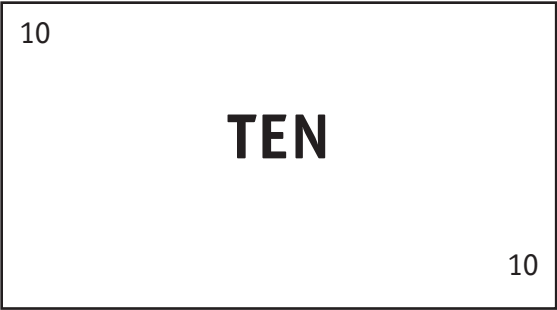
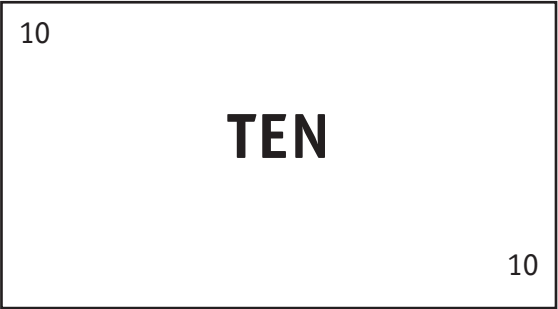
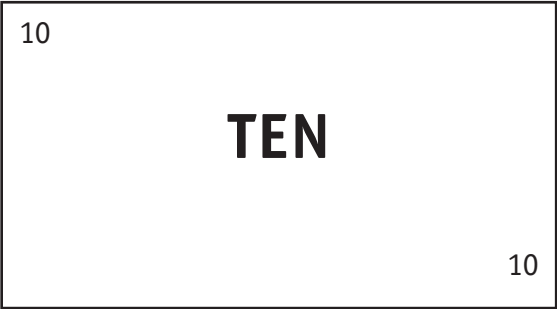
➤ **What do the differences in your choices tell you about how individual preferences influence your choices?**

## HANDOUT 1.3.1

### The Spending Game

<i>Housing</i>		<i>Clothing</i>	
live with parents		no purchase	
share room with a friend	X	shoes	XXX
share apartment with several friends	XX	top/t-shirt	X
rent a place of your own	XXX	jeans	XX
<i>Phone</i>		<i>Personal Care</i>	
pay as you go airtime	X	toiletries (razor, shampoo, feminine supplies)	X
monthly airtime plan	XX	hairdresser/ barber	XX
<i>Food</i>		<i>Entertainment</i>	
always eat at home		visit friends	
tea/snacks out	X	movies	X
eat lunch out	XX	video game parlor	XX
lunch + tea/snacks out	XXX	concert/sports event	XXX
<i>Transportation</i>		<i>Contribution to Household Expenses</i>	
walk or ride bicycle		none asked for/expected	
bus	X	occasionally as needed	XX
bus and occasional taxi	XX	$\frac{1}{4}$ of monthly income	XXXXX
frequent taxi	XXX		
<i>Savings</i>			
occasional pennies in a jar			
small amount each week to savings collector		X	
regular monthly deposit to bank		XX	

Fake Bank Notes





## SESSION 4

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Created a simple budget
2. Used a budget to cover a budget shortfall

## PREPARATIONS/MATERIALS

- FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 3:

- Definition of Budget
- Budget
- Definition of Surplus and Deficit

Step 4:

- Budget Adjustments

- NOTE CARDS IN 2 COLORS FOR USE IN THE FOLLOWING STEPS:

Step 2:

- Blank note cards, 1 color for income, 1 color for expenses

Step 3:

- Note cards (same 2 colors above) with an amount written on each

- 4 SHEETS OF PAPER WITH SEPARATE ANIMALS DRAWN OR DISPLAYED (1 ON EACH PAPER)

- A SMALL PRIZE (SUCH AS SWEETS OR OTHER SMALL TOKENS)

- TAPE

- FLIP CHART PAPER

- MARKERS

## TIME

65 MINUTES

## STEPS

1. Introduce the topic  
5 MINUTES
2. Identify and categorize sources of income and expenses  
25 MINUTES
3. Create a budget  
20 MINUTES
4. Use a budget to cover a shortfall  
15 MINUTES

# Money In/Money Out: The Art of Budgeting

## STEP 1

## Introduce the Topic

5 MINUTES

*Say:*

I will read a series of statements. Please stand up for each statement that is true for you, then sit down quickly. I am going to read each statement quickly so be prepared to stand or sit quickly. Let's practice with an example:

*Read the following statements in quick succession:*

Stand up if you:

- Like to eat ice cream
- Are wearing anything blue today
- Plan to spend any money today

Ready? Let's go!

*Read the following statements in quick succession:*

Stand up if you:

- Have any money saved now
- Have ever saved any money
- Wish you had money saved

- Like to spend money
- Plan ahead for how you will spend the money you have
- Wish you had more money
- Know the amount of money you need for the week
- Know the amount of money you need for the month
- Have an idea for earning some money this month
- Wish you had an idea for how to earn some money
- Have confidence that you can reach your priority savings goal

*After reading all the statements, say:*

All of these statements should make you think about how to manage your money, including savings. For those of you who wish you had savings, you will learn how to start saving. The first step is to keep track of the amount of money you have and how you spend it.

## STEP 2

### Identify and Categorize Sources of Income and Expenses

25 MINUTES

*Divide the participants into 4 groups using 1 of the following options:*

#### **Option 1:**

*Write the names of 4 different animals on 4 sheets of paper (1 per sheet) and post each sheet in a different place in the room. Ask participants to pick the animal that they are most like and stand next to that sheet of paper.*

#### **Option 2:**

*Write the names of 4 famous movie/rock stars in your country on 4 sheets of paper (1 per sheet) and post each sheet in a different place in the room. Ask participants to stand next to their favorite.*

*When participants have formed groups, give each group a sheet of blank flip chart paper and several markers of different colors.*

*Say:*

Draw a picture of a typical adolescent. Name that person; decide his or her age, and what he or she is like. Think about personality, interests and passions, for example.

*Give the groups 5 minutes to draw their pictures.*

*While participants are drawing, distribute 12–15 blank cards and tape (or adhesive notes) to each group. If possible, distribute cards in 2 colors: one for income, one for expenses.*

*Say:*

Next, identify potential sources of income for your imaginary young person. Include anything you feel is appropriate for your young person, from allowances and gifts from relatives and boyfriends or girlfriends to money they earn. Choose one color of card to use for income. Write one source of income per card. Place these cards on the left side of the picture.

*Allow 2 minutes for this task. When they are finished, say:*

Now decide what this young person's typical expenses are. Think of all the things she or he spends money on, and write each expense on a separate card. Use the other colored cards for expenses. Place these cards on the right side of the picture.

*Allow another 5 minutes for this next task.*

*Ask each group to present its imaginary young person to the others, including his or her name, age, interests, sources of income and expenses. Ask each presenting group the following questions:*

- **Does your young person have regular sources of income?**
- **Does your young person have enough money to cover all of his or her expenses?**
- **What is his or her favorite way to spend money?**

*Then invite the other participants to ask any other questions about the imaginary young person. After each of the remaining presentations, invite the other participants to ask the questions.*

*After all pictures have been presented, ask:*

- **What other sources of income do young people have that we have not mentioned yet?**
- **What other common expenses have been left out?**

*Tell each group to write any additional sources of income or expenses on cards and post them on their pictures.*

*Now ask participants to put their young person's expenses into categories. Say:*

Look at your young person's expenses, and separate these expenses into categories. For example, clothes, shoes and toiletries can go together into one category you could call personal items. Tickets to sports events, video games and movies can be considered entertainment. Books, pens and paper fall into the category of school supplies.

*Give them 3 minutes for this task. Ask for one volunteer to report the categories that his or her group created. Ask if any of the other groups had different categories.*

*Explain:*

These categories of expenses will help us to succeed in our next task of creating a budget.

## STEP 3

### Create a Budget

20 MINUTES

*Explain:*

Now we are going to create a budget for one of the imaginary adolescents created during the previous step. But first, let's define the term budget.

*Show the following definition written on a flip chart.*

#### **DEFINITION OF BUDGET**

A budget is a summary of estimated income and how it will be spent over a defined period of time.

*Post the blank budget form on a flip chart (see below) so that everyone can see. Explain the income and expense sections of the budget. Tell participants they will complete this form with income and expenses from 1 of the imaginary young people the group created. Choose 1 of these imaginary persons to be the 'star' of today's session and place that picture (with the expense and income cards attached) on the wall next to the blank budget form.*

**BUDGET**

<i>Budget Line Items</i>	<i>Week 1: Amount</i>
<b><i>Income</i></b>	
<b><i>TOTAL INCOME</i></b>	
<b><i>Expenses</i></b>	
Personal	
Entertainment	
Education	
Transport	
Family	
<b><i>TOTAL EXPENSES</i></b>	
<b><i>TOTAL SURPLUS/DEFICIT</i></b>	

Point to the sources of income of \_\_\_\_\_ (insert the name of the imaginary person you have chosen to feature). Say:

I need a volunteer to take \_\_\_\_\_'s (insert the name of the imaginary person)

income cards and post them on the chart on the lines below the Income heading.

*Then point to the expense categories and say:*

I need a volunteer to post \_\_\_\_\_'s (*insert the name of the imaginary person*) expense cards on the budget. Place each card in the expense category where it belongs.

*In advance, prepare cards with various amounts of money written on them and place them in a box. Follow the same color-coding system you have been using for income and expenses. Make sure that the total amount of income cards is close in value to the total amount of expense cards. The suggested amounts below are generic because they do not belong to any specific currency. On the cards you prepare, use the local currency and amounts that are realistic estimates of sources of income and expenses. Use simple numbers (for example, multiples of 10) to make it easy for participants to add them together.*

*Suggested income amounts: 100, 50, 20, 200, 30, 50*

*Suggested expense amounts: 20, 50, 100, 20, 10, 50*

*Explain:*

Next you will each take a card from this box. These are amount cards; the number you see on the card is the amount of money spent on an item. You must decide where to put it on the budget chart. If you draw an income card, you must place it in the amount column opposite any income item, or line item of your choice. If you draw an expense card, you must put it in the amount column opposite the expense item of your choice.

*Send 2 or 3 participants up to the flip chart at the same time.*

*Once all the line items in the budget have been given amounts, ask participants to help you add up the income and expenses. Ask:*

➤ **Which section of the budget has the highest value?**

➤ **What else do you see in this budget?**

*Point to the last line of the budget form.*

*Explain:*

This last line is one of the most important on the budget form. The number we put here can either be positive or negative, depending on whether there is enough income to cover the expenses. If the number is positive, that means the person has more income than expenses. If it is negative, it means that the

person's expenses are greater than her or his income. We are going to learn the terms for each situation.

*Show the flip chart with the definitions of surplus and deficit.*

### DEFINITION OF SURPLUS AND DEFICIT

- A surplus is the amount of money or quantity of goods that remain when use or need is satisfied.
- A deficit is a shortfall in the amount of money or other good that is needed.

- **What is another word, in any language, that you might use to describe a surplus?**

*Write any local phrases or slang terms that youth use to talk about surplus next to this word.*

- **What is another word, in any language, that you might use to describe a deficit?**

*Write any local phrases or slang terms that youth use to talk about deficit next to this word.*

- **In the case of this budget we have just created, how can a surplus occur?** *[It would mean that there is money left over after paying for all expenses.]*

- **In the case of this budget we have just created, how can a deficit occur?** *[Not enough income to pay for all expenses creates a deficit.]*

- **How do we figure out the number that goes on this line of the budget?** *[We must subtract the total expenses from the total income. A positive number is a surplus and a negative number is a deficit.]*

*Show the calculation, subtracting total expenses from total income on the Budget flip chart that you have been using as an example. Ask participants the following:*

- **Does this budget show a surplus or a deficit?**
- **Why is it important to keep a record of your income and expenses?**

*Summarize by saying the following:*

Keeping a record of your income and expenses helps you to know where your money goes. If you have extra, or a surplus, you can save it for a future need. If your budget tells you that you won't have enough money to pay for your expenses, or a deficit, you know to cut back on some of them.

## STEP 4

### Use a Budget to Cover a Shortfall

15 MINUTES

*Instruct participants to return to the 4 groups from Step 2. Ask them to look again at the imaginary person's budget. If the budget shows a surplus, continue with Part A. If it shows a deficit, skip Part A and start this step with Part B.*

#### Part A.

*If the imaginary person's budget shows a surplus, ask:*

- **What should \_\_\_\_\_ (name of the imaginary person) do with the money he or she has left over, the surplus?** *[Save it, give it to his or her parents for help with household expenses, re-pay a debt, spend it, pay for education needs.]*

*After they have discussed various options for the budget surplus, return to the budget flip chart and remove 1 or more of the income cards to create a deficit.*

#### Part B.

*If the imaginary person's budget shows a deficit, say:*

It looks as though \_\_\_\_\_ (name of imaginary person) has run into a problem and does not have enough to cover his or her expenses for the week.

*Explain:*

In your groups, discuss what \_\_\_\_\_ (name of imaginary person) can do to solve his or her budget deficit. The group that comes up with the most suggestions in 3 minutes wins a prize! GO!



*After 3 minutes, ask a volunteer from each group to report on the ideas they discussed. Record the suggestions on a flip chart with 2 columns (adjustments to expenses and adjustments to income) as shown below:*

### BUDGET ADJUSTMENTS

<i>Group</i>	<i>Adjust Income</i>	<i>Adjust Expenses</i>
Group 1		
Group 2		
Group 3		
Group 4		

*Count up the ideas from each group to determine which group wins the prize. You can reject ideas that are unrealistic.*

*Emphasize that there are 2 main paths to balancing a budget, or making sure that income covers expenses.*

*Say:*

All of these ideas are good, and they fit into 2 possible ways to balance a budget: you can increase your income or reduce your expenses.

*Thank participants for their work.*

### Optional Homework: Developing Your Budget

*Encourage participants to keep a written record of everything they buy, everything they spend money on for 1 week (or between this session and the next if the sessions are separated by several days, thus giving the participants enough time to actually spend money) to see how they do keeping their income and expenses in balance. Point out that they can use the budget framework that you have used in class to track their own income and expenses.*



## SESSION 5

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Developed a personal budget for 1 week
2. Identified the ways in which a budget can vary
3. Examined the rules of savings

## PREPARATIONS/MATERIALS

- FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Definition of Irregular Income

Step 2:

- Two Rules for Savings

- HANDOUT FOR USE IN THE FOLLOWING STEPS:

Steps 1–3:

- Handout 1.5.1: Budget Worksheet

## TIME

60 MINUTES

## STEPS

1. Write a personal budget  
30 MINUTES
2. Analyze savings potential  
15 MINUTES
3. Sing a song about savings rules  
15 MINUTES

# Develop Your Own Budget

## STEP 1

### Write a Personal Budget

30 MINUTES

*If the optional homework from Session 4 was assigned, ask:*

Was anyone able to do the homework assignment? If you have a written record of your expenses you will use this information today to develop your own budget. If you don't, you will estimate your expenses.

*If you have done Session 4 with this group and have the picture and budget prepared for 1 of the imaginary young people created during that session, post it on the wall. Explain:*

We have done a personal budget already for “\_\_\_\_\_” (the imaginary person). And you have practiced making spending decisions, so it should be easier for you to make your expenses match your income.

*Distribute Handout 1.5.1: Budget Worksheet. Refer to the handout as you review the parts of a budget: income, expenses, and total surplus or deficit.*

*Explain:*

Start by filling in the types of income you receive and the amount you get from each source for week 1. When you have done this, fill out the expenses portion of the budget. To figure out your surplus or deficit, subtract your total expenses from your total income. If you have a surplus, decide the amount will you place in savings.

*Circulate among participants to offer help to anyone who wants it. Allow 10 minutes for this task.*

*Ask:*

- **What questions do you have about filling out a budget?**
- **How your budget will look each week? Will it be the same or different? Why?**
- **What happens during the holiday season? How will your budget change then?**
- **What happens during the winter? How will your budget change then?**

*Explain:*

The reason that your budget sheet has columns for weeks 2, 3, and 4 is to give you an opportunity to see how your cash comes in and goes out over a longer period of time and how the amounts can change. Irregular or fluctuating income is common.

*Show the following definition written on a flip chart:*

## **DEFINITION OF IRREGULAR INCOME**

Irregular income is money that one gets periodically or once in a while, instead of every week or month. It can be expected or unexpected.

Ask:

- **What are some examples of irregular sources of income among you and your peers?** *[casual labor, birthday or special holiday gifts]*
- **How do your expenses change from week to week?**

*Ask participants to complete their budget for weeks 2, 3 and 4. If they don't know the exact amounts of income and expenses in future weeks, tell them to estimate the amount of income and expenses they expect to have. Circulate among participants to offer help.*

## PERSONAL BUDGET WORKSHEET

<i>Budget Line Items</i>	<i>Week 1</i>	<i>Week 2</i>	<i>Week 3</i>	<i>Week 4</i>
<b><i>Income</i></b>				
<b><i>TOTAL INCOME</i></b>				
<b><i>Expenses</i></b>				
Necessary				
Food				
Transportation				
Health				
Education				
Family				
Discretionary				
Entertainment				
<b><i>Savings</i></b>				
<b><i>TOTAL EXPENSES</i></b>				
<b><i>TOTAL SURPLUS/DEFICIT</i></b>				

*Allow 10 more minutes to fill out the rest of the worksheet. Then ask:*

- **How do you think a budget can help you manage your money?**
- **What was challenging about filling out a budget?**
- **What advice can you give other participants to address these challenges?**

## STEP 2

### Analyze Savings Potential

15 MINUTES

*Ask:*

- **Who included savings in his or her budget?**

*Congratulate participants who included savings in their budget.*

*Explain:*

Deciding how to save money is an important part of keeping a budget. We must be able to save on a regular basis to meet any short-term or long-term financial goals that we have.

*Then ask participants to review their budgets and find ways they can save money. To do this, they must choose one or more expenses to cut.*

**Note to trainer:** *Alternatively, you can ask participants to pick a partner and exchange budgets with each other. It will be the partner's job to identify expenses to cut. Working in pairs will be more dynamic, but only if you determine that participants will feel comfortable sharing their personal budget with someone else.*

*Allow 2–3 minutes. Then ask a few volunteers to share those items they chose to cut. Ask:*

- **How realistic are your decisions? Can you really do without the items you have cut?**
- **To find money to set aside as savings, we have focused on cutting expenses. What other way is there to have money to save?**  
*[The other option is to increase income.]*

## STEP 3

### Sing a Song about Savings Rules

15 MINUTES

*Explain:*

With savings, taking action can be harder than discussing ideas. It is easy to understand why savings is so important for our financial security, but harder to actually save. It is easy to conclude that “We have no money to save.” It is much harder to force ourselves to find a little something to save each day or each week, even if it is only a penny. To do this, you must follow the 2 basic rules of savings.

*Show the following flip chart with the 2 basic rules for saving.*

#### TWO RULES FOR SAVING

1. Spend less than you earn!
2. Save something every day or every week!

*Divide participants into 2 groups and assign each group one of the rules for saving. If you have a large group, you can create 4 groups and assign each rule to 2 groups.*

*Explain:*

Each group will make up a short song to sing about its assigned savings rule. Your tune should be easy to remember so that you can sing the song often. You can use a tune you already know, or make up a new one. The song can include other words as well or simply repeat the savings rule to music.

*Give the groups 10 minutes to create their song. Then ask them to perform and teach their song to the others.*

**Note to trainer:** Have fun with the song. It may seem awkward at first, but if participants create a song that is funny, or memorable in some other way, you should ask them to sing it again periodically throughout the training. You can offer a prize to the participant who remembers the entire song, a participant who offers to sing it, the participant who initiates singing at the beginning or end of a session, or whatever criteria you think is best.

*Thank the participants for their creativity and musical entertainment!*



# HANDOUT 1.5.1

## Personal Budget Worksheet

<i>Budget Line Items</i>	<i>Week 1</i>	<i>Week 2</i>	<i>Week 3</i>	<i>Week 4</i>
<b><i>Income</i></b>				
<b><i>TOTAL INCOME</i></b>				
<b><i>Expenses</i></b>				
Necessary				
Food				
Transportation				
Health				
Education				
Family				
Discretionary				
Entertainment				
<b><i>Savings</i></b>				
<b><i>TOTAL EXPENSES</i></b>				
<b><i>TOTAL SURPLUS/DEFICIT</i></b>				



## SESSION 6

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Identified the challenges that adolescents face to protect their savings
2. Proposed solutions to challenging situations

## PREPARATIONS/MATERIALS

- ROLE-PLAY DESCRIPTION CARDS (CUT OUT INDIVIDUALLY)

## TIME

60 MINUTES

## STEPS

1. Brainstorm challenges to saving money  
5 MINUTES
2. Role-play challenging situations  
50 MINUTES
3. Summarize session  
5 MINUTES

# Challenges to Savings

## STEP 1

### Brainstorm Challenges to Saving Money

5 MINUTES

*Explain:*

We now know what you have to do to save. You cut back on expenses or increase your income. Who can sing a savings song from the last session?

*Allow 1 minute for a volunteer to sing a savings song.*

Now, let's assume that you each have been able to save some money. Let's also assume that sometimes you find it difficult to protect your savings, and not spend them. I invite you to say out loud whatever difficulties or challenges you can imagine in trying to hold on to your savings. This is called a brainstorm. There are no correct or wrong answers.

*If participants need a little prompting, you can ask:*

- **What pressures to spend your savings do you face?**
- **Who might ask you for the money you've saved?**

*Write the ideas on a flip chart as participants call them out. Summarize the key points and explain that during the session they will discuss ways to address challenges to savings.*

## STEP 2

### Role-Play Challenging Situations

50 MINUTES

*Divide participants into 3 or 4 groups. Ask a representative of each group to draw a card from the pile of Role-Play Descriptions cards. You can find the role play cards at the end of the chapter.*

*Explain:*

The card describes a situation for which your group will develop a role-play to present to all of us. The situations are similar to the challenges we have just been talking about. They each present a problem situation. You have 10 minutes to prepare your role-play. Each role-play should not be over 3 minutes.

*Give participants 10 minutes to plan their role-plays. Circulate among the groups to answer questions. When the time is up, ask groups to volunteer one by one to present their role-plays to the entire group.*

*After each role-play, ask all participants to propose solutions to the dilemma that the saver faces in the role-play. Allow 5–7 minutes after each role-play for discussion. You can begin the discussion with the following questions:*

- **What do you think about this situation?**
- **Do you know anyone who has been in a similar situation?**
- **What options does the 'saver' have?**
- **What would you recommend to him or her to solve the problem?**

## STEP 3

### Summarize the Session

5 MINUTES

*Say:*

The situations described in these role-plays have something in common. I'll ask you a question that will give you a big hint.

- **In each role-play, where are the savings kept?** *[The saver has his or her savings at home.]*
- **What types of problems does having money at home create for the saver?**
- **In these situations, what might be the advantage of keeping the money outside the home?** *[The saver could more easily resist the pressure of the moment to use the money because it is not immediately available.]*

*Explain:*

In the next few sessions, we will talk about the options for saving outside the home. You will learn about banks and the products they offer that can help you better manage your finances.

## ROLE-PLAY 1: THE BOYFRIEND

- Sara is 19 and lives with relatives. They have given her a place in their home but no money to spend.
- She pays for her own expenses with her earnings from (plaiting hair, doing laundry, job at grocery store, other), and has managed to save \$30.
- She is very disciplined about saving because she knows that she won't be able to live with her relatives forever.
- Her boyfriend, Samuel, is a big dreamer. He tries to convince Sara to give him her savings so he can travel to the north where he has heard there is a lot of opportunity to make money. He is sure that he can make enough money for the 2 of them to move in to their own place together.
- She hesitates; she doesn't trust him and fears losing her only asset.
- But he is very persuasive and, she loves him.

## ROLE-PLAY 2: THE SISTER

- Samuel, age 17, has \$40 saved from his job at the grocery store.
- He is saving to rent a motorbike that he will operate as a taxi. His family needs the money and they support his plan by allowing him to save his wages instead of contributing them to the household expenses.
- One day he opens his safe box to add his weekly deposit and finds that he only has \$25. He is missing \$15. He wonders what happened to his money.
- No one in his family knows anything about the missing money.
- Yet, his older sister is not at home at the time.
- When she returns, she is wearing new jeans.
- She smiles broadly when people compliment her new pants, but she will not look her brother in the eye.

**ROLE-PLAY 3: THE PARENTS**

- Marie is 16 and lives with her parents and younger brother and sister.
- She earns a little money helping out at her aunt's market stall on Saturdays.
- Her dream is to attend a computer skills training course. She figures she needs to save her earnings for 1 year to have enough for the course registration and materials.
- Her father likes to play cards; when he wins, he likes to show off his success by giving the kids a little extra lunch money. When he loses, they can't cover all of their expenses.
- Marie's mother wants to prepare a special birthday meal for Marie's little brother who loves beef.
- But Marie's mother is short on cash and knows that Marie has her savings in the house. She orders Marie to give her \$10, which is almost half of her savings.
- Marie's parents both believe that finances should be controlled by adults who are in the best position to balance the needs of everyone in the family.

**ROLE-PLAY 4: THE FRIENDS**

- Ricky is 18 and lucky enough to work with his older brother in his wholesale grain business. Although the work is seasonal, it does give him some income, especially at harvest time when they go on buying trips to farmers in many locations. Ricky is able to save some money from this income.
- When he is not working, Ricky hangs with his friends in town. Two of them know where to buy stolen goods (watches, MP-3 players, etc.) that they can sell on the street. With no work and no income, these guys see this as a good opportunity.
- They need money to buy the goods and try to convince Ricky to join them as he is the only person with any money saved.
- His friends say that in exchange for his investment, they will do all the selling, and thus take the risk of getting caught.
- To Ricky, it seems like easy money; but then again, his savings is the only money he has until his brother needs him again in a few months from now. What if he loses it all?





## SESSION 1

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Identified 2 ways to gain access to a lump sum: saving and borrowing
2. Compared and contrasted the 2 ways to access a lump sum

## PREPARATIONS/MATERIALS

- FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:
  - Step 1:
    - Flip chart (for drawing a picture)
  - Step 3:
    - Saving vs. Borrowing
- BLANK SHEETS OF PAPER
- 100–200 SMALL OBJECTS TO REPRESENT CURRENCY (SUCH AS BOTTLE CAPS, PAPER CLIPS, OR STONES) OR FAKE BANK NOTES DRAWN ON SLIPS OF PAPER (SIMILAR IN SIZE TO YOUR COUNTRY'S CURRENCY)
- RECEPTACLES (SUCH AS JARS, SMALL BOXES, CLEAN CANS), 1 FOR EVERY OTHER PARTICIPANT
- 5 PAPER SIGNS LABELED MONTH 1, MONTH 2, MONTH 3, MONTH 4, AND MONTH 5
- NOTE CARDS
- MARKERS OR COLORED PENCILS
- PENS

## TIME

60 MINUTES

## STEPS

1. Identify reasons for needing a lump sum of money  
15 MINUTES
2. Demonstrate the difference between saving and borrowing  
20 MINUTES
3. Compare saving and borrowing  
25 MINUTES

# So You Need a Lump Sum of Money?

## STEP 1

Identify Reasons for Needing a Lump Sum of Money 15 MINUTES

*Ask:*

- What are some reasons people need a large sum of money?

*After participants have made a few suggestions, say:*

There are things that require large sums of money. I want you to think of one thing, or one reason for which you personally need or want a lump sum of money. Draw a picture of that thing and write the amount you think you need. I will give you each a sheet of paper. I have also placed markers and pens on the table.

*To demonstrate, on a blank flip chart draw a rough sketch of a car, house or animal for which you need a lump sum of money.*



*Say:*

If you need money for education or a trip—something that is not an object—find a way to visually represent the idea. You have 3 minutes to draw. Have fun!

*Walk around the room to answer questions or offer advice. When 3 minutes have passed, ask a few participants to show their pictures and explain their need for a lump sum. Then say:*

Now everyone please look at the other drawings and find people who drew a need or want that is similar to yours. These people will be your partners for the next activity. Find a place near the wall and stand together.

*Give each group tape so that participants can post their pictures together on the wall.*

*Say:*

There are many different reasons to need a lump sum of money. Some of you want a large lump sum. Some of you need less, but still more than you might have now. Finding a large sum of money to meet your goals can be very difficult. However, it is not impossible! Today we are going to learn about 2 ways to get a lump sum of money.

## STEP 2

### Demonstrate the Difference Between Saving and Borrowing

20 MINUTES

**Note to trainer:** In this activity, you will play the role of banker, distributing loans and collecting repayments. You will need many small objects such as bottle caps, paper clips or stones to use as money. Alternatively, you could create play money on sheets of paper with denominations of your currency. If you do this, make all the bills the same amount.

Participants will work together in pairs. If there is an odd number of participants, select someone to be an employer or parent, whichever is more appropriate for your group, who will distribute income. If there is an even number of participants, you will play both banker and employer.

Ask participants to find a partner and decide who will be player #1 and player #2.

Explain:

In this activity, we will have 2 players, #1 and #2. We will also have a banker and an employer (or parent). Each player will get \$50. You and your partner will each collect the same amount of money separately, but you will work towards the same goal. With your partner, pick 1 reason, a goal, for which both of you need the money. Okay, you have 1 minute to pick the goal for needing \$50.

**Note to trainer:** You might need to change the amount to something that is appropriate for your context.

After 1 minute, ask for 2 or 3 pairs to share their goals. Then say:

Raise your hand if you are player #1.

Congratulations, each player #1 will receive a loan of \$50 in cash! The banker will now lend you the money.

Distribute \$50 in counting objects to each #1 player. Explain that each object has a value of \$10, so each #1 player gets 5 objects.

Then say:

Raise your hand if you are player # 2.

Congratulations, you will each receive a can (or other receptacle such as a box or jar) from an employer or parent.

Now, some of you have \$50, others have a can. This might seem unfair, but let me explain. We are about to start a 5-month journey. I have a card for each month. When I hold up the card for Month 1, each player #2 will receive \$10 as income from their employer to deposit in their containers. We will assume that you save the entire amount.

At the same time, each player #1 will give the bank \$10 as repayment for the loan.

➤ **What questions do you have?**

*Answer questions to clarify the activity. Try to clarify only the mechanics of the activity; you will help participants interpret the meaning of their actions afterwards.*

Okay, let's begin! We are in Month 1.

*Hold up the sign Month 1.*

*Ask:*

➤ **Who can pay for his or her goal now?** *[The #1 players]*

➤ **Why are you able to do so?** *[They received the entire \$50 already in the form of a loan.]*

*Say:*

Raise your hand if you are #2 players. The employer will now give \$10 as income to each #2 player.

Raise your hand if you are #1 players. Now you each must pay the banker \$10 for the loan.

*Repeat this collection and distribution 3 more times, for a total of 4 months. Then say:*

Okay, let's stop for a minute and talk about what is happening.

*Ask:*

➤ **The #1 players started with \$50. How much do they have now? What happened to this money?** *[They are repaying their loan of \$50 in monthly installments of \$10.]*

➤ **The #2 players started out with only an empty can. How much do they have now? How have they ended up with so much?** *[This is the money they have deposited from their \$10 monthly income.]*

*Continue by asking:*

- **Now we have 1 month left. What is going to happen?** *[The #1 players are going to be out of money and the #2 players are going to end up with \$50.]*

*Then say:*

Okay, let's go!

*Hold up the sign, Month 5. Collect the last \$10 loan payment from the #1 players and distribute the \$10 income to the #2 players so they can make their last deposit into the can.*

*Ask:*

- **What is the main difference between the 2 groups?** *[The #1 players received the money up front as a loan, and made small monthly repayments to the bank. The #2 players deposited their monthly income into a can, as a form of savings, and got the lump sum they needed at a later time.]*

*Say:*

The #1 players are called borrowers, since they have borrowed money to reach their goals. The #2 players are called savers, because they saved money from their incomes to reach their goals.

As you have noticed, the timing of when each group gained access to their lump sum of \$50 is a key difference.

But the game is not over yet. As the banker, I have to ask the #1 players, or borrowers, to pay me extra money for the privilege of borrowing \$50 and getting it right away. For borrowers who still owe the bank money and do not repay, there are often serious consequences.

*Ask the #1 players for an extra object as payment to the bank for the money borrowed. Since no one is likely to have extra objects, they may protest. Explain that borrowing money usually costs a bit more than the amount borrowed. Tell them that today, players will be released from their obligation to pay this charge, but in real life, there are serious consequences for failure to repay the entire amount owed.*

*Ask:*

- **What is the name for this payment of money above and beyond the exact amount of the original loan?** *[This amount is the "interest" that borrowers must pay in addition to the amount borrowed.]*

- **Do the #2 players, the savers, have to pay interest to the bank? Why?**  
*[No, because they have accumulated their lump sum by putting aside money every month; the lump sum they have is their own money.]*

Say:

Sometimes, if they save money in a bank rather than in a can at home, savers can earn a little interest. Some banks are willing to pay interest on savings because they need the money from savers to lend to borrowers. Whether a bank pays interest on savings deposits depends on the country, bank and type of savings account.

## STEP 3

### Compare Saving and Borrowing

25 MINUTES

*Ask the #1 and #2 players to stand at opposite ends of the room. Divide each of these groups in half so you end up with 4 small groups.*

*Ask the 2 groups of #1 players to identify the advantages and disadvantages of gaining access to a lump sum of money by borrowing as they did in the exercise. Ask the 2 groups of #2 players to identify the advantages and disadvantages of saving to accumulate a lump sum over time.*

*Give each group a set of blank cards and ask them to write each advantage and disadvantage on a separate card. Allow 5 minutes for this task. Then collect the cards, mix them up and distribute one card to each person. Ask participants to place their cards where they think they belong on a chart drawn on a flip chart that looks like this:*

#### SAVING VS. BORROWING

	<b><i>Advantages</i></b>	<b><i>Disadvantages</i></b>
<b>Saving</b> a little at a time to get a lump sum		
<b>Borrowing</b> a lump sum upfront and repaying a little at a time		

*Allow 5 minutes for this task. Then review the placement of the cards with the participants and clarify any questions. Make sure to cover the following points:*

### SAVING VS. BORROWING

	<i>Advantages</i>	<i>Disadvantages</i>
<b>Saving</b> a little at a time to get a lump sum	<ul style="list-style-type: none"> <li>■ Money is your own. You are free to use it however you want.</li> <li>■ No pressure to make repayment.</li> <li>■ In some circumstances, savers earn interest on their savings.</li> </ul>	<ul style="list-style-type: none"> <li>■ Savings is slow. May never reach goal.</li> <li>■ May miss opportunities for investing or buying something at a good price.</li> </ul>
<b>Borrowing</b> a lump sum upfront and repaying a little at a time	<ul style="list-style-type: none"> <li>■ Immediate access to money.</li> <li>■ Able to get a good price or make a good investment.</li> <li>■ Get what you want right away.</li> </ul>	<ul style="list-style-type: none"> <li>■ Borrowing costs money (interest).</li> <li>■ Pressure to repay on time.</li> <li>■ Negative consequences of failing to repay.</li> </ul>

*Next, ask all participants to form 1 vertical line.*

*Explain:*

Now that you have identified advantages and disadvantages of saving vs. borrowing to get a lump sum of money, I am going to describe a situation. You need to decide if, in that situation, it is better to borrow or save. If you think the situation calls for borrowing, step sideways to your left. If you think it is better to save, step sideways to your right. Let's do one example as practice.

*Give the following example:*

You want to take your mother to her favorite restaurant.

*Ask volunteers from each side to explain their decision for standing on the left or right. Proceed to read each of the following situations, allowing time for participants to decide whether to step to the right or left. After reading each situation, ask participants to stand back in the middle before reading the next situation.*

- *You are faced with a medical emergency and need money to pay the doctor and buy medicine*
- *You want to buy a dress*
- *You have an opportunity to invest in a small business and make some money*
- *You want to take a trip to visit your cousin who lives in different town*
- *You need to buy a birthday present for your boyfriend (or girlfriend) whose birthday is tomorrow*

*Emphasize to participants that they should only borrow when they have a source of income that they can use to repay the loan. For personal things they want to buy, it is better to save, even if it takes time. Emergency situations might force one to borrow.*

*Ask:*

- **What did you learn today about the 2 ways to access a lump sum of money?**

*Thank participants for their work!*



## SESSION 2

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Identified multiple savings options
2. Described and compared savings options

## PREPARATIONS/MATERIALS

- FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:
  - Step 3:
    - 4 flip charts: Savings Methods (1 for each method)
- 8 SMALL SHEETS OF PAPER WITH SENTENCE ENDINGS (SEE STEP 1)
- 4 SMALL SHEETS OF PAPER WITH A SAVINGS OPTION WRITTEN ON EACH (SEE STEP 2)
- 4 PUZZLES ON CARD STOCK OR THICK PAPER (SEE STEP 2)
- TAPE
- MARKERS
- SELF-STICK OBJECTS (SUCH AS DOTS OR STARS)

## TIME

60 MINUTES

## STEPS

1. Identify savings options  
15 MINUTES
2. Explore characteristics of four savings options  
15 MINUTES
3. Analyze the savings options  
20 MINUTES
4. Select a preferred savings option  
10 MINUTES

# Savings Options

## STEP 1

### Identify Savings Options 15 MINUTES

*Prepare a small sheet of paper for each of the following statements and put the sheets of paper in a container. In the game that follows, these statements will be used to complete the sentence "A cool breeze blows for anyone who..."*

- *knows someone who has savings*
- *knows someone who keeps her savings at home*
- *knows someone who has a savings account at a bank*
- *knows what a ROSCA is*

**Note to trainer:** Replace ROSCA (Rotating Savings and Credit Association) with the term known in your area, if such a term is widely recognized. For example, a ROSCA is sometimes called a merry-go-round, tontine, tanda, or other term.

- *knows someone who keeps money in a container buried in the ground*
- *knows someone who belongs to a savings club*
- *knows what interest on a savings account is*

*Ask participants to arrange their chairs in a circle. Remove 1 chair so that there is 1 less chair than the total number of participants. The trainer stands in the middle of the circle. Everyone else should sit down on a chair.*

*Explain:*

Today you will play a game called A Cool Breeze Blows. Everyone should be seated in a chair, except the person in the middle who is “it”. The person in the middle will draw a sheet of paper from this container. She will say the sentence, “A cool breeze blows for anyone who...” and complete it with the statement written on the sheet of paper.

If the statement is true for you, you must get up and find another seat. You cannot move to the chair directly to the right or left of your current chair. The “it” person must find a chair and sit down whether the statement is true for her or not. Whoever is left standing without a chair is “it” next and moves to the center of the circle. Let’s do a practice round. I’ll be “it.”

*For the demonstration, choose to complete the sentence “A cool breeze blows for anyone who...:” with something that will hold true for several participants so that several people will get up and look for a chair. See below for some examples:*

*A cool breeze blows for anyone who:*

- *likes to buy clothes*
- *likes to go to the movies with friends*
- *wishes they had more money*

*You may decide not to use all of the statements provided. Four or 5 might be enough. The idea is to introduce the different savings options, so you should use only the statements that will be most familiar to participants. For example, if ROSCAs are not common in your area, do not use the 2 sentence endings that refer to them.*

*Start the game. After 5–7 minutes of playing, ask:*

- **What are the savings options that we have identified so far?**
- **What other options do you know that we have not mentioned?**

*Say:*

We will now explore these savings options in detail.

## STEP 2

### Explore Characteristics of 4 Savings Options

15 MINUTES

*Prepare in advance 4 sheets of paper with 1 of the following savings options written on each: "Saving at Home," "Rotating Savings and Credit Association," "Individual Account at Bank, Post Office or Credit Union," and "Savings Club." You will also need to make 4 puzzles (shown below) using card stock. You will need to cut each puzzle into 4 individual pieces and write each clue on a separate piece of the puzzle. Do not include the title of the savings method inside the puzzle. Put the puzzle pieces in a container. (See below for the puzzles and clues for each piece.)*

*Explain:*

To learn more about each of these savings options, we are going to play a matching game. I need 4 volunteers. Each of you will have something taped to your back, but you will not know what it is. The rest of the participants must be very careful not to say what is written on their backs.

*Tape a savings option (written on a sheet of paper) on the back of each of the 4 volunteers and ask them to turn so the other participants see their backs.*

The rest of you will select one puzzle piece from the container. On each puzzle piece is written a clue about 1 of the 4 savings methods. Read the clue on your puzzle piece and decide which of these 4 savings options offers the best match for your clue. Stand next to that person. The others who choose the same savings method will also have a puzzle piece. You should be able to arrange the 4 pieces into a rectangle.

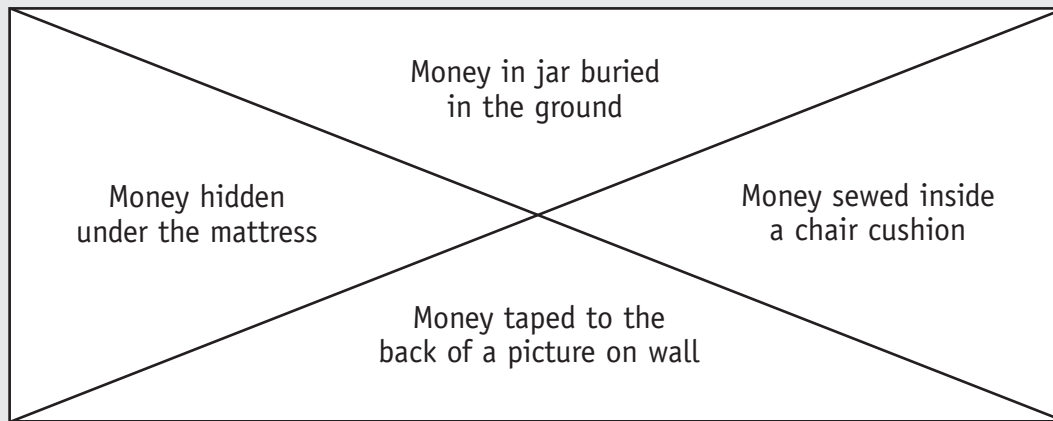
*Point to the volunteers who have the sheets of papers with the various savings methods taped on their backs.*

When you think you are all at the right place, try to fit your puzzle pieces into a rectangle. If they don't fit, one or more of you is in the wrong place. Once you have your puzzle completed, the person with the paper taped on his or her back must guess the type of savings method he or she represents based on the clues.

*Pass the container around; when all participants have taken a puzzle piece, tell them that they have 10 minutes to find their match and complete their puzzle.*

*The puzzles will look like the following:*

## SAVINGS AT HOME

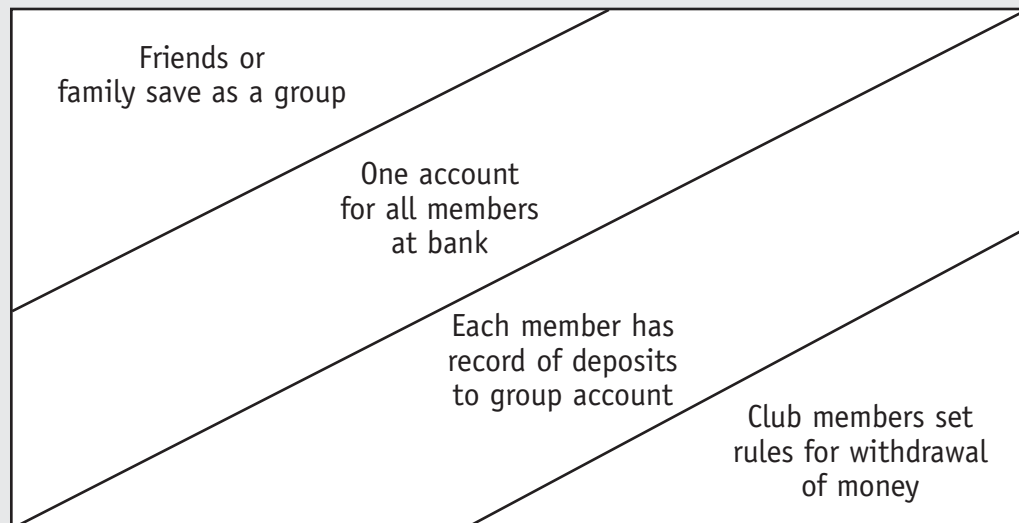


## ROTATING SAVINGS AND CREDIT ASSOCIATION (ROSCA)

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

**INDIVIDUAL ACCOUNT AT BANK, POST OFFICE, CREDIT UNION**

Money held in a locked safe in a secure building	Different types of savings accounts to choose from
Fees charged for most transactions (for example, withdrawals)	Regulated by government

**SAVINGS CLUB**

*After 10 minutes, help participants to complete their puzzles if they are having problems finding their right match. Ask a volunteer from each group to state the group’s savings method and review its characteristics by reading the clues.*

*Ask:*

➤ **What questions do you have about any of these savings options?**

*Allow 1–2 minutes to clarify any questions.*

## STEP 3

### Analyze the Savings Options

20 MINUTES

*Give each group a chart with the group’s assigned savings option—Savings at Home, ROSCA, Individual Account, or Savings Club—and its clues written at the top. Underneath this descriptive information, create 3 columns with the headings Likes, Dislikes, and Questions? The flip charts will look like the following:*

#### SAVINGS CLUB

- Friends or family save as a group
- The group has 1 account for all members at bank
- Each member has record of deposits to group account
- Deposits and withdrawals governed by group policy

Likes	Dislikes	Questions?

**SAVINGS AT HOME**

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

<i>Likes</i>	<i>Dislikes</i>	<i>Questions?</i>

**INDIVIDUAL ACCOUNT AT BANK, POST OFFICE, CREDIT UNION**

- Money held in a locked safe in a secure building
- Different types of savings accounts to choose from
- Fees charged for most transactions (for example, withdrawals)
- Regulated by government

<i>Likes</i>	<i>Dislikes</i>	<i>Questions?</i>

## ROTATING SAVINGS AND CREDIT ASSOCIATION (ROSCA)

- Group of friends or relatives usually in same community
- Members deposit same amount each month into the group account
- The money collected goes to a different member each month
- Members often decide to save in this way for a specific goal

<i>Likes</i>	<i>Dislikes</i>	<i>Questions?</i>

*Ask the groups the following questions:*

- **What do you like about your method and what don't you like? Why?**
- **What are the questions you have about your savings method?**

*They should write their ideas in the appropriate columns. Circulate to suggest things they should think about. They have 10 minutes to have this discussion.*

*After the 10 minutes, post the completed flip charts of the savings methods at different places around the room, and invite the groups to circulate and read each other's ideas.*

*Explain:*

Walk around with your group. At each flip chart, review the information on it, discuss additional likes, dislikes, and add any questions you have that are not already written on the flip chart. You have 5 minutes at each flip chart. Each group will visit the other 3 flip charts/savings methods that they did not work on.

*Review each flip chart with the participants. Answer any questions participants may have written on them.*

*Ask:*

- **What comments or questions do you have about the savings methods?**



## STEP 4

### Select a Preferred Savings Option

10 MINUTES

*Give all participants 4 stickers that represent a fixed amount of your currency (for example, each unit is valued at \$1). Participants will place these stickers in their preferred savings method.*

*Explain:*

These stickers represent money that you can save. Decide how and where you want to save it. You can put all 4 in the same place (bank, at home, savings club or ROSCA). Or, you can divide it up among the different savings options in whatever way you want.

*Encourage participants to make their own independent decisions on where to place the stickers.*

*Allow 5 minutes for this exercise. Identify with participants which method received the most stickers.*

*Ask:*

- **What options did you choose for your savings? Why?**
- **Now that you have studied savings options, what can you tell your family about them?**

*Thank participants for their work!*



## SESSION 3

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Identified and clarified common myths about banks
2. Compared advantages and disadvantages of saving at home and saving at a bank

## PREPARATIONS/MATERIALS

■ FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Blank flip chart with title: Manage Your Money

Step 3:

- Blank flip chart with 2 columns titled: Saving at a Bank—Advantages and Saving at Home—Advantages

■ HANDOUTS FOR USE IN THE FOLLOWING STEPS:

Step 2:

- Handout 2.3.1: A Tale of Two Siblings

Step 3:

- Handout 2.3.2: Questions to Ask at a Bank

■ 2 SIGNS: STRONGLY AGREE AND STRONGLY DISAGREE

■ MARKERS

■ FLIP CHART PAPER

## TIME

55 MINUTES (WITHOUT OPTIONAL STEP 5)

70 MINUTES (WITH OPTIONAL STEP 5)

## STEPS

1. Explore myths and facts about banks  
15 MINUTES
2. Identify characteristics of saving at a bank and at home  
20 MINUTES
3. Compare saving at home to saving at a bank  
10 MINUTES
4. Learn more about a savings account  
10 MINUTES
5. Prepare to visit a bank  
15 MINUTES (OPTIONAL)

# To Bank or not to Bank?

## STEP 1

## Explore Myths and Facts about Banks

15 MINUTES

*Welcome participants to the session.*

*Explain to participants that they will be learning about banks and, in particular, saving at a bank.*

*Say:*

We will start by examining myths about banks. Sometimes, a certain group of people or a type of institution develops a reputation, something that is widely believed to be true even though it is not. For example, many people believe that everyone in the United States is rich. Actually, we know this is not true, it is a myth, not a fact. Now, let's look at myths and facts related to banks.

*Tell participants that there is an imaginary line across the room and ask them to stand anywhere along it. Designate one end of the line as the Strongly Agree end, and the other end as the Strongly Disagree end. Mark each end with a sign to remind participants which end is which.*

*Explain:*

I will read a statement and each of you will decide if you agree or disagree with it, and move to the place on the imaginary line that best represents your position. If you strongly disagree, you will move all the way to this end.

*Point to the end marked Strongly Disagree. Say:*

But if you only disagree slightly with the statement, you might choose to stand closer to the middle. If you strongly agree, you will stand at the opposite end.

*Point to the end marked Strongly Agree. Then say:*

Let's practice with 2 statements:

- Boys who show their emotions are weak
- Women who have professional jobs such as teachers or doctors are not good mothers

*Explain that now they will do the same thing but with statements related to banks. Read each of the statements below, allowing time for participants to move along the imaginary agree/disagree line.*

*After each of the statements, ask a few volunteers to explain their positions, allowing 1–2 minutes for the discussion.*

### **Agree/Disagree Statements**

- **You must be rich to use a bank** [*Myth: Even though many banks do require a minimum amount of money to open an account, it is often possible for people who do not have a lot of money to open an account and benefit from banking services.*]
- **Banks are a safe place to keep your money** [*True: Banks are often the most secure place to keep money. Many have secure premises and insurance to cover losses due to robbery.*]
- **Going to the bank to deposit or withdraw money takes a lot of time** [*True—Sometimes: The queues inside banks can be very long. However, many banks now offer cash machines called Automatic Teller Machines (ATMs) through which clients can deposit and withdraw money 24 hours a day, 7 days a week. At certain times the queues at these ATMs are also long, but if you can avoid these busy times, you won't have to wait.*]
- **Banks lend you money so they can take your TV when you fail to pay** [*Myth: Banks do make loans and sometimes the borrower may offer something of value to guarantee the loan in the case that he is unable to repay. But banks do not want the hassle of taking their clients' valuable things. They much prefer that their clients repay their loans.*]
- **If a bank is robbed, you will lose your money** [*Myth: Banks usually have insurance to cover losses of this kind.*]

*After participants move to each statement, ask 1 or 2 volunteers to explain their moves. Clarify which statements are myths and which are true.*

*Say:*

Even though we can correct some of the common myths about banks, we still need to gather information about their specific products and services to know if saving at a bank is the right choice. We will hear 2 stories that will give us more information about this choice.

## STEP 2

### Identify Characteristics of Saving at a Bank and at Home

20 MINUTES

*In this activity, you will read 2 stories.*

*Explain:*

Listen carefully to the following 2 stories about how a brother and sister save. After each story, we'll stop to analyze what happened.

*Tell the following story:*

Atieno, 17, and Aleke, 19, are brother and sister who live in a small town. When their father died, he left each of them \$100. Both siblings planned to save this money to reach important goals, but they chose different routes. Let's hear about Aleke's experience first.

#### **Aleke's story**

Aleke dreams of going to the big city to work for higher wages, but before he can leave home, he must save for his transportation and living expenses. He puts his \$100 in a savings account at the bank. The bank charges a fee each month for the account, plus a small fee each time he takes money out of his account. However, if he keeps a **minimum balance of \$50** in his account, the bank will not charge him these fees. Aleke thinks this will be easy. He won't need to withdraw money from his account because he earns his spending money with his bicycle taxi. In fact, when the banker told him that his savings can help him get a loan, Aleke had the idea to expand his business by rigging his bicycle with a trailer for hauling things. However, when 1 of his customers, visiting from the capital city, offered to sell him an MP-3 player at a really good price, Aleke got very excited about buying it! He would need to withdraw money from his bank account. But the bank was closed until Monday and the customer left town on Sunday.

Ask:

- **How does having money in the bank help Aleke reach his goals?**  
*[The extra effort needed to get your money out of a bank reduces unplanned spending. With a stable savings account, Aleke may be able to qualify for a loan.]*
- **What are the disadvantages of saving at a bank?** *[Banks charge different kinds of fees for opening and keeping accounts, plus fees for each transaction.]*

**Note to trainer:** *If you have time before the session, set up Atieno's story below as a silent skit with you as the narrator and 3 participants to play the parts of Atieno, her uncle and her mother. As you read the story, they act out what you are describing in the story without talking. Place a box on a table in front of the participants and cover it with clothes to indicate that it is a savings box that is supposed to be hidden.*

Say:

Now we will learn what happened to Aleke's sister, Atieno.

### **Atieno's Story**

Atieno is only 17 and can't open a bank account until she is 18. She keeps her \$100 in a box buried under a pile of clothes. She is saving it to enroll in a computer course. But Atieno is easily tempted by clothes she sees in the market, and usually the jeans or shoes she wants to buy cost more than the money she earns plaiting hair. So, about once a month, she takes a little money out of her box to buy something. That makes her so happy! And sometimes, when she has had a lot of business, she puts money into her box, and is very proud of her ability to save. But 1 day, her uncle sees her put away her box, and the next time she takes it out, she discovers that some money is missing. On another day, her mother falls ill and has to go to the doctor but has no money. Luckily, Atieno can give her money from her savings. But, when the time comes to pay the registration fee for the computer course, Atieno realizes that she only has \$50 left in her box.

Ask:

- **How does having money saved at home help Atieno and her family?**  
*[She has easy access to her money for her use or to help her family.]*
- **How does it make it harder for her to save?** *[Having the money at home makes it too easy to spend. It tempts others who need money; it can be stolen by thieves.]*

- **Atieno puts money in, and takes money out of her box frequently. What might happen if her savings were in a bank account and she made frequent deposits and withdrawals?** *[She might be charged a fee for each transaction at the bank—for each deposit and each withdrawal.]*

## STEP 3

### Compare Saving at Home to Saving at a Bank

10 MINUTES

*Tell participants they will now compare what they have learned about saving at a bank and at home. Explain:*

Turn to a person sitting next to you. You will have 3 minutes to discuss in pairs how to answer one question. The pairs sitting on the right side of the room will discuss how to answer Question #1, while those sitting on the left side will discuss how to answer Question #2. The side of the room with the most answers to their question wins!

- **Question #1: What are the advantages to saving in a bank?**
- **Question #2: What are the advantages of saving at home?**

*After 3 minutes, ask each side of the room (first those who answered Question #1, then those who answered Question #2) to call out the answers they identified. Write these on a flip chart. Make sure the following points are mentioned:*

<b>SAVING AT A BANK: ADVANTAGES</b>	<b>SAVING AT HOME: ADVANTAGES</b>
<ul style="list-style-type: none"> <li>■ Money is safer than at home</li> <li>■ Money on deposit sometimes earns interest</li> <li>■ Fees and limited access promote savings</li> <li>■ Need less willpower to save</li> <li>■ More privacy</li> <li>■ Access to other financial products</li> </ul>	<ul style="list-style-type: none"> <li>■ Deposits and withdrawals are easy</li> <li>■ No transaction fees/bank charges</li> <li>■ No age limits</li> <li>■ No minimum balance</li> <li>■ Money is available for emergencies</li> </ul>

## STEP 4

### Learn More About a Savings Account

10 MINUTES

*Organize the participants into small groups of 3 or 4 and explain:*

Some of you may not be ready for a bank account. You might not be old enough to have one or you may not have enough money now to need one. But as you get older and start earning your own income, you may find that a bank account can help you to reach your long-term goals and to keep your money safe. So far, we have talked about how banks work in a very general way. In reality, each bank has its own policies, and it will be important for you to find out what these are to help you select the bank you want to use. In small groups you will develop a list of questions you should ask in a bank. Think about the story of Atieno and Aleke as you do this.

In your group, discuss what you need to know if you are thinking about opening a bank account and write the questions you would ask to get that information.

Ask one group to report the questions it came up with. Ask the others if they have additional questions. If any of the following questions are not mentioned in the participants' presentation, add them before moving on.

#### QUESTIONS TO ASK AT A BANK ABOUT A SAVINGS ACCOUNT

1. How old do I have to be to open a bank account?
2. How much money do I need to open a savings account?
3. What are the monthly fees charged on the account?
4. What are the charges for deposits and withdrawals?
5. Is there any way to avoid paying these fees?
6. What is the minimum amount I can deposit?
7. Can I withdraw my money at any time?
8. How do I keep track of my deposits, withdrawals and balance?
9. What rate of interest does the bank pay on this account?
10. What happens if I lose my passbook?

*Distribute Handout 2.3.2 and encourage all participants to show this list of questions to their parents or guardians.*



## STEP 5

### Prepare to Visit a Bank (Optional)

15 MINUTES

**Note to trainer:** Organizing a visit for participants to a bank is highly recommended. Young people can benefit from such visits because many will not have the opportunity to go on their own. They can see what the inside of bank looks like, read the bank literature and even interview a branch manager. It is best if a visit can be organized for the group during the training. If not, use the training session to prepare for the visit that is to take place at another time. Participants should identify the questions they want to ask, practice the interview they will conduct and organize themselves for the visit by deciding the following:

- Who will ask the questions
- Who will take notes
- Who will be responsible for thanking the banker at the end of the visit

## HANDOUT 2.3.1

### A Tale of Two Siblings

Atieno, 17, and Aleke, 19, are brother and sister who live in a small town. When their father died, he left each of them \$100. Both siblings planned to save this money to reach important goals, but they chose different routes. Let's hear about Aleke's experience first.

#### **Aleke's Story**

Aleke dreams of going to the big city to work for higher wages, but before he can leave home, he has to save for his transportation and living expenses. He puts his \$100 in a savings account at the bank. The bank charges a fee each month for the account, plus a small fee each time he takes money out of his account. However, if he keeps a minimum balance of \$50 in his account, the bank will not charge him these fees. Aleke thinks this will be easy. He won't need to withdraw money from his account because he earns his spending money with his bicycle taxi. In fact, when the banker told him that his savings can help him get a loan, Aleke had the idea to expand his business by rigging his bicycle with a trailer for hauling things. However, when 1 of his customers, visiting from the capital city, offered to sell him an MP-3 player at a really good price, Aleke got very excited about buying it! He would need to withdraw money from his bank account. But the bank was closed until Monday and the customer left town on Sunday.

- **What are the disadvantages of saving at a bank?** *[Banks charge different kinds of fees for opening and keeping accounts, plus fees for each transaction. Hours of operation are limited.]*
- **How does having money in the bank help Aleke reach his goals?** *[The extra effort you need to make to get your money out of a bank reduces unplanned spending. With a stable savings account, he may be able to qualify for a loan.]*

## A Tale of Two Siblings (continued)

### Atieno's Story

Atieno is only 17 and can't open a bank account until she is 18. She keeps her \$100 in a box buried under a pile of clothes. She is saving it to enroll in a computer course. But Atieno is easily tempted by clothes she sees in the market, and usually the jeans or shoes she wants to buy cost more than the money she earns plaiting hair. So, about once a month, she takes a little money out of her box to buy something. That makes her so happy! And sometimes, when she has had a lot of business, she puts money into her box, and is very proud of her ability to save. But 1 day, her uncle sees her put away her box, and the next time she takes it out, she discovers that some money is missing. On another day, her mother falls ill and has to go to the doctor but has no money. Luckily, Atieno can give her money from her savings. But, when the time comes to pay the registration fee for the computer course, Atieno realizes that she only has \$50 left in her box.

- **How does having money saved at home help Atieno and her family?** *[She has easy access to her money for her own use or to help her family.]*
- **How does it make it harder for her to save?** *[Having the money at home makes it too easy to spend it. It tempts others who need money; it can be stolen by thieves.]*

## HANDOUT 2.3.2

### Questions to Ask at a Bank About a Savings Account

1. How old do I have to be to open a bank account?
2. How much money do I need to open a savings account?
3. What are the monthly fees charged on the account?
4. What are the charges for deposits and withdrawals?
5. Is there any way to avoid paying these fees?
6. What is the minimum amount I can deposit?
7. Can I withdraw my money at any time?
8. How do I keep track of my deposits, withdrawals and balance?
9. What rate of interest does the bank pay on this account?
10. What happens if I lose my passbook?

## SESSION 4

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Differentiated one's own money from borrowed money
2. Identified the responsibilities of borrowing and the consequences of failing to meet them

## PREPARATIONS/MATERIALS

■ FLIP CHARTS FOR USE IN THE FOLLOWING STEP:

Step 1:

- Blank flip charts with statements:  
A loan is... and Interest on a loan is...
- What is a Loan?/What is Interest?

■ HANDOUTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Handout 2.4.1: Cards: Your Own Money vs. Borrowed Money (1 set for each pair)

Step 2:

- Handout 2.4.2: Role-Play Descriptions (cut individually, 1 set per group)

■ FLIP CHART PAPER

■ MARKERS

## TIME

65 MINUTES

## STEPS

1. Distinguish between borrowed money and own money  
20 MINUTES
2. Identify the responsibilities associated with borrowing  
40 MINUTES
3. Conclude  
5 MINUTES

# Your Own Money Vs. Someone Else's Money

## STEP 1

## Distinguish Between Borrowed Money and Own Money 20 MINUTES

*Determine the number of pairs of participants you have and prepare in advance a set of the cards below for each pair (see Handout 2.4.1).*

Sell soccer ball to friend \$3	Do laundry for neighbor \$2
Friend lends you bus money \$1	Gift from uncle \$1
Lunch money from parents \$3	Borrow from sister for movies \$2
Withdraw savings \$2	Buy groceries from corner store on credit \$3
Work for aunt in market stall \$2	

*Divide participants into pairs. Give each pair a set of cards and ask them to sort the cards into 2 categories: "own money" and "borrowed money".*

*Ask:*

- **What are some of the differences between your own money and borrowed money?** *[Borrowed money has to be paid back; you have more flexibility and control with your own money.]*
- **When you borrow money, why must you pay it back?** *[Because the money does not belong to you; and the person who lent it to you usually expects to get it back.]*
- **When you borrow money, can you decide when to pay it back?** *[If you borrow from a friend or relative, they may be very flexible about when you need to return the money. However, if you borrow from a financial institution, you will likely have a payment schedule to repay in installments that are due each week or each month until the full amount is repaid.]*
- **Does it cost you anything to borrow money? Do you repay the same amount that you borrow?** *[Most lenders charge you something to use their money; this amount is "interest."]*

Based on our discussion so far, let's complete this sentence:

*Write participants' ideas for how to complete the sentence on a blank sheet of flip chart paper.*

## A LOAN IS:

*Say:*

Most loans come with interest charges. Help me complete this sentence:

*Write their ideas on the flip chart.*

## INTEREST ON A LOAN IS:

*Then show the following definitions (written in advance on a flip chart) and compare to the ideas that participants have generated.*

### WHAT IS A LOAN?

A loan is money that a borrower can use temporarily. After a defined period of time, the money is repaid to the owner, or lender.

### WHAT IS INTEREST?

Interest is a fee charged for the temporary use of borrowed money.

## STEP 2

### Identify the Responsibilities Associated with Borrowing

40 MINUTES

*Say:*

Turn to the person next to you and ask each other the following question:

- **Have you have ever lent something to someone that was not returned to you?**

*Give them one minute and ask them the next question:*

- **Have you have ever lent someone something that was damaged upon return?**

*Give them one minute and ask the last question:*

- **Have you ever borrowed something that you did not return?**

*Ask the whole group:*

- **How did you feel in those cases?**
- **What did you do?**

*Explain:*

The first responsibility of a borrower is to repay or return whatever he borrows, on time. Today we will look at the consequences that occur when a borrower fails to carry out this responsibility.

*Divide participants into 3 groups. Assign each group a role-play description and explain:*

Your group has 10 minutes to prepare a short, 3-minute role-play based on the description you have been given. You have complete freedom to enhance the role-play. You can give the characters names and change or add details to fit the scenario that you want to present.

*After each presentation, lead a discussion with the audience using the questions provided.*

**Note to trainer:** *If you have a very large group, you may need to form more than 3 groups. In this case, you can give 2 or more groups the same role-play description.*

## ROLE-PLAY 1

A young man (*insert name*) borrows \$10 from each of 2 friends, for a total of \$20. He plans to use this money to buy hats to sell in the market. He promises to repay in 1 week. After the first week he doesn't sell all the hats; the second and third week he has other excuses. When he finally repays the money to his friends, he assumes everything is cool. But, his friends talk behind his back and avoid him. No one will lend him money again.

- **Why do you think the young man did not repay his loan when he promised?** [*He probably did not have enough money to repay the loan.*]
- **Why did his friends turn against him?** [*He broke his promise.*]
- **How do his friends feel about him now?** [*They don't respect him and cannot trust him.*]



## ROLE-PLAY 2

A girl (*insert name*) borrows a sweater from her older sister (*insert name*) and loses it. The younger sister promises to replace the sweater by saving her lunch money and finding odd jobs to earn money. But every day she goes out with her friends, spends her money and delays the repayment to her older sister. The older sister gets angrier and angrier; finally, to get back at her, she steals a favorite item belonging to her younger sister.

- **Why did the older sister steal something from her younger sister?**  
*[The younger sister lost the older sister's sweater.]*
- **How did the older sister feel?** *[She grew angrier with each day that her sister did not replace the sweater.]*
- **Do you know of similar situations between family members?**
- **What is your obligation If you borrow something from a family member or a friend—money or clothes or jewelry?** *[To return it as agreed.]*
- **What can happen if you don't?** *[loss of trust, ruined friendship]*

### ROLE-PLAY 3

A young man (*insert name*) needs to pay the fees for his vocational school term where he is learning carpentry, but he can't find the money. This is his last term and he is excited to graduate. He visits the moneylender who agrees to lend him \$50 at 20% interest. They agree that he will repay a total of \$60 dollars, \$6 per week for 10 weeks. The young man works at the institute and repays right on time for the first couple of weeks. But, when he fails to pay 1 week, the moneylender charges him double. He can never earn that much in 1 week, so he must find someone else to borrow money from to pay the moneylender. Now he owes 2 people money.

- **How is this loan different from the other 2?** *[The lender is not friend or family; the borrower has to pay interest on the loan.]*
- **Why is the moneylender charging interest?** *[This is how he makes money for himself; the interest is his income.]*
- **What happens when the borrower fails to make a payment?** *[The moneylender charges him double the weekly payment amount.]*
- **Can the moneylender really do that? Why or why not?** *[Banks and other lenders commonly charge a fine for missed or late payment.]*

*When all role-plays have been presented, and you have discussed answers to the questions, say:*

Give a big round of applause for all of the actors! You did a great job!

*Explain:*

All 3 role-plays showed a situation in which somebody borrowed something—either money or clothes.

*Ask:*

- **When borrowing money, what are the borrower's responsibilities?** *[To repay as agreed and repay on time.]*
- **If a loan is between family members or between friends, what are the borrower's responsibilities?** *[The terms of a loan between friends may be easier; there may be no interest. But the responsibility to repay is the same.]*

- **What are some of the consequences you face if you don't repay or fail to repay on time?** *[Lose friendships, make people angry, pay penalty fees for being late]*

*Explain:*

Borrowing comes with the responsibility to repay, and repay on time. If you are borrowing from a moneylender or lending institution, you may have to pay interest on the loan. If you fail to repay, or even if you are late, you will likely face negative consequences. You will make people angry; they may begin to mistrust you. If you borrow from a formal lending institution, you may get into legal trouble for failing to repay. Borrowing is serious business. Don't take it lightly!

## STEP 3

### Conclude

5 MINUTES

*To expose participants to more information about borrowing in real-life situations, brainstorm a list of questions about borrowing that they can ask an adult they know well.*

*Say:*

- **Think of someone you know, an adult, who has taken a loan. What would you like to know about that person's experience taking a loan?**

*Your list might include the following:*

- *How does the person feel about borrowing?*
- *Has the person ever taken a loan?*
- *What did they use the loan for?*
- *How did the loan help them?*

## HANDOUT 2.4.1

### Your Own Money vs. Borrowed Money Cards

Sell soccer ball to friend \$3	Do laundry for neighbor \$2	Friend lends you bus money \$1
Gift from uncle \$1	Lunch money from parents \$3	Borrow from sister for movies \$2
Withdraw savings \$2	Buy groceries from corner store on credit \$3	Work for aunt in market stall \$2

## HANDOUT 2.4.2

### Role-Play Descriptions

#### ROLE-PLAY 1

A young man (insert name) borrows \$10 from each of 2 friends, for a total of \$20. He plans to use this money to buy hats to sell in the market. He promises to repay in 1 week. After the first week he doesn't sell all the hats; the second and third week he has other excuses. When he finally repays the money to his friends, he assumes everything is cool. But, his friends talk behind his back and avoid him. No one will lend him money again.

#### ROLE-PLAY 2

A girl (insert name) borrows a sweater from her older sister (insert name) and loses it. The younger sister promises to replace the sweater by saving her lunch money and finding odd jobs to earn money. But every day she goes out with her friends, spends her money and delays the repayment to her older sister. The older sister gets angrier and angrier; finally, to get back at her, she steals a favorite item belonging to her younger sister.

#### ROLE-PLAY 3

A young man (insert name) needs to pay the fees for his vocational school term where he is learning carpentry, but he can't find the money. This is his last term and he is excited to graduate. He visits the moneylender who agrees to lend him \$50 at 20% interest. They agree that he will repay a total of \$60 dollars, \$6 per week for 10 weeks. The young man works at the institute and repays right on time for the first couple of weeks. But, when he fails to pay 1 week, the moneylender charges him double. He can never earn that much in 1 week, so he must find someone else to borrow money from to pay the moneylender. Now he owes 2 people money.



## SESSION 5

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Identified characteristics of borrowed money
2. Determined good reasons for borrowing money

## PREPARATIONS/MATERIALS

■ FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 2:

- Blank flip chart with title: Three Reasons People Borrow

Step 3:

- Flip charts with the titles: Situation 1, Situation 2, Situation 3, Situation 4, and Situation 5
- What You Need to Know Before Borrowing Money

■ CARDS FOR STEP 2: BORROWING MONEY SITUATIONS

## TIME

65 MINUTES

## STEPS

1. Identify characteristics of borrowed money  
15 MINUTES
2. Identify reasons to borrow money  
35 MINUTES
3. Distinguish between good loans and bad loans  
15 MINUTES

# Borrow Wisely

**Note to trainer:** This session is best suited for participants who are preparing to borrow money. It may be too advanced for those who have no exposure to loans. If you want your participants to learn some basics about lending without getting into advanced material, do Steps 1 and 2 only.

## STEP 1

### Identify Characteristics of Borrowed Money

15 MINUTES

*Explain:*

In the last session, we distinguished between money that is our own and money that we borrow. We talked about the responsibilities of borrowing and the consequences of failing to repay on time.

Let's see if we understand how money you borrow is different from money you earn, save, or receive as a gift. I am going to read a series of statements. For each statement, you will tell me whether you think it is true or false by moving to the right or left. We'll start with a practice exercise. Everyone stand up and form a line. I will read the statement twice. When I say, "GO," move to the right if you think the statement is true and to the left if you think it is false.

*Read each statement below twice, finishing with "One, Two, Three, GO!"*

1. Today is \_\_\_\_\_ (*insert the correct day of the week*). TRUE
2. The walls in this room are \_\_\_\_\_ (*insert the wrong color*). FALSE
3. Adults are usually right.

*Say:*

Well done. Let's try the same exercise with statements about our own money and borrowed money.

*Read the statements below, and when participants have moved to the right or left, ask a volunteer who answered correctly to explain her/his answer. Clarify any questions. After each discussion, give participants time to re-position themselves in the line before reading the next true/false statement.*

*You can decide to use all of the statements below or only a few. Use the statements most relevant to your group, or create new ones.*

## TRUE/FALSE STATEMENTS

1. The money from a loan belongs to the person who borrows it. *[False]*
2. A loan can help you start a business when you don't have enough of your own money. *[True]*
3. If a thief takes all of the money you borrowed, you do not have to repay your loan. *[False]*
4. If you borrow money from a friend, you do not have to repay it. *[False]*
5. If you miss a loan payment, you won't face any consequences as long as you eventually pay up. *[False]*
6. Using borrowed money is usually more expensive than using your own money. *[True]*
7. Only banks charge interest on loans. *[False]*

*Explain to participants that in the rest of the session they will explore in more detail how to borrow money wisely.*



## STEP 2

### Identify Reasons to Borrow Money

35 MINUTES

*Organize participants into small groups of 3 or 4 people and explain:*

We know that borrowing comes with some serious responsibilities. Taking a loan can also cost you money in the form of interest. So, why borrow in the first place? To answer this question, we are going to play a game called Charades.

I will give each group a situation that you must communicate to the rest of the participants **without speaking**. Each situation depicts a different reason or need to borrow money. The audience must try to guess the reason that actors are trying to communicate.

You must act out a scene without words. You can select a key word in your message and use clues such as “rhymes with,” and “sounds like,” You can use hand signals to communicate the type of clue you are using. For example, to communicate “sounds like,” put your hand behind your ear (*put your hand behind your ear to demonstrate*). To communicate “rhymes with,” point to your mouth (*point to your mouth to demonstrate*). As the audience responds to the clues, the person directing the charade can indicate, silently, if the audience is getting the clue, or getting closer, or is way off. If the audience does not get the clue, the actors have to try something different until time runs out. You can use props, or draw a picture on a blank sheet of flip chart paper.

*Give each small group 1 of the following situations written on a card. You can substitute different situations that are relevant to your participants. The situations you use should cover the 3 main reasons to borrow: to invest, to consume, to cover an emergency. Explain to everyone that each group will have 5 minutes to get organized and plan its strategy, and 5 minutes to get the audience to guess its reason for borrowing money.*

#### BORROWING MONEY SITUATIONS

Boy is hit by car and injured. Mother must borrow money to pay for hospital bill.

Girl finds shoes in market that she desperately wants. Girl has to borrow money from friend to buy them.

Boy wants to buy a bicycle to operate a bicycle taxi. He wants to borrow the money for the bicycle.

*After 5 minutes, ask the group to tell participants the reason it was trying to communicate. Congratulate the participants who guess correctly the situation being presented.*

*When the correct reason for borrowing has been identified, write that reason on a blank flip chart so that at the end of the presentations you have a list of reasons to borrow. Use this list to highlight the 3 general reasons that people borrow money. The completed flip chart should appear similar to the following:*

### THREE REASONS PEOPLE BORROW

1. To invest
2. To respond to an unexpected emergency
3. To consume—to purchase an item for which they do not have enough money

*Ask:*

- **One of these 3 reasons for borrowing generates money to repay the loan. Which is it? Why is that?** *[Loans for investment will earn income that you can use to repay the loan. Loans for consumption and emergencies do not bring new income and must be paid back from some other source.]*
- **Aside from borrowing, what else can you do to respond to unpredictable emergencies?** *[Use your savings.]*

*Congratulate anyone who mentions saving!*

## STEP 3

### Distinguish Between Good Loans and Bad Loans

15 MINUTES

*Explain:*

We have seen how borrowing money can be a positive experience. It can help you start or expand a business; it can help you respond to an emergency in your family; and it can help you improve your living conditions sooner rather than later. But taking a loan always carries a risk—the risk of not being able to repay. When a loan helps you in these ways, it is usually a good loan; when it ends up costing you money or forcing you to go deeper into debt or default, it

is a bad loan. Let's listen to the following descriptions of different situations. You decide if each one is a good or bad loan.

In each of the following situations, someone takes a loan. Decide if the loan described in each statement is a good or a bad loan. If you think it is good, move to the left side of the room. If you think it is bad, move to the right side. I will ask some of you to explain your decision.

*Instruct participants to form a line in the center of the room. Write in advance the following situations on separate sheets of flip chart paper. Cover them at the beginning and reveal each situation only as you read it. After revealing each situation, allow participants to make their move.*

### SITUATION 1

Mary borrows \$20 to buy vegetables that she will sell in her village. By the end of the week, she sells all of her vegetables for a total of \$30. She has \$20 to buy more vegetables, \$5 for her loan payment and \$5 for her expenses and savings.

### SITUATION 2

Sara borrowed \$50 to purchase hats in bulk at a lower price. But after she sold all the hats to students at her school, she still owed \$10 on the loan.

### SITUATION 3

Alicia borrowed \$200 for a refrigerator for her snack stand. She is able to stock more items, especially cold drinks, and is now earning \$20 more each month. Most of that income is used to repay the loan, but a year from now, when she has finished paying the loan, she will still have the refrigerator.

### SITUATION 4

Magdalena has applied for a loan to make souvenir t-shirts to sell at the school carnival. But when the loan is finally approved, she doesn't have enough time to silk screen the t-shirts before the festival.

## SITUATION 5

John the baker borrows money for a used mixing machine that allows him to increase his bread production. But by the time he has paid off the loan, the machine has broken down.

*Ask a volunteer from each side to explain his or her decision on each situation. You can write notes next to each to highlight the lesson it contains.*

*After reading all the situations, ask:*

- **To make sure that your loan will be a good loan that really helps you, what should you know before deciding to borrow?**

*Write down their responses on a new sheet of flip chart paper. Make sure to mention the following points:*

## WHAT YOU NEED TO KNOW BEFORE BORROWING MONEY

- The amount of your loan payment, including interest.
- The sources of income or savings you have to make the loan payments.
- The time that you will actually get the loan money. Will you receive the money before you need it? After?
- If you are using the loan money to buy a tool or piece of equipment: Will the object outlive the loan and continue earning money for you?
- Can you charge a price for the goods you have financed with a loan that is high enough to both repay the loan and have some money left over?

*Ask:*

- **What did you learn today about loans that you did not know before?**

*Thank participants for their work!*

## SESSION 6

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Defined credit terminology
2. Examined different sources of loans
3. Compared three different sources of loans

## PREPARATIONS/MATERIALS

- FLIP CHART FOR USE IN THE FOLLOWING STEP:

Step 3:

- Personal Experience with Loans

- HANDOUTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Handout 2.6.1:  
Credit Terminology Cards

Step 2:

- Handout 2.6.2: Skit 1 (3 or more copies, 1 for each group member)
- Handout 2.6.3: Skit 2 (3 or more copies, 1 for each group member)
- Handout 2.6.4: Skit 3 (3 or more copies, 1 for each group member)

- CONTAINER (SUCH AS A HAT OR BUCKET)

## TIME

65 MINUTES

## STEPS

1. Review credit terminology  
20 MINUTES
2. Distinguish among three sources of loans  
40 MINUTES
3. Find out about personal experiences with loans  
5 MINUTES

## Sources of Loans

## STEP 1

## Review Credit Terminology

20 MINUTES

*Ask:*

- **What are some of the sources of loans people use?** *[Family, friends, banks, credit unions, moneylenders, microfinance organizations.]*

*Explain:*

There are several sources of credit in our community. Some, like banks, are very formal and have specific requirements for anyone who wants to borrow money. Some try to make borrowing easy even for the poor. Some require you to join a group, and some require you to save before you can borrow. Before we really understand the differences between these lenders, we need to know some basic terms about loans.

In this activity, each of you must draw a card from this container. Some of the cards are terms, some of the cards are definitions for those terms. First, read your card and decide whether you have chosen a term or a definition. Then, walk around the room, talk to the others, and look for your match. Don't worry if you don't know what the terms mean; you will learn as you search for your match and eliminate the obvious mismatches.

*This matching game includes 5 terms and 5 definitions—enough for 10 people to play. If you have more than 10 people, run 2 games simultaneously. For a group of less than 10 people, 1 or more participants can draw 2 cards. When each participant has drawn a card, tell them they have 3 minutes to find the match for their definition or term.*

*After the 3 minutes, ask each pair to read the term and its definition. Correct any mismatches. Ask participants to provide an example of when they have seen someone deal with 1 of those terms.*

*Shuffle the cards and repeat the exercise.*

### CREDIT TERMINOLOGY CARDS

<i><b>Terms</b></i>	<i><b>Definitions</b></i>
Interest	The amount of money that the borrower pays to the lender, in addition to the loan amount, for use of his money
Collateral	An item of value that the borrower pledges to the lender in case he is unable to repay his loan (could be land, vehicle, savings, etc.)
Loan Term	The period of time that the borrower has to use the loan money and repay it
Principal	The original amount of the loan, without interest
Guarantor	A person who will repay your loan in case you cannot pay; this person may be required to co-sign your loan agreement with the lender

*Ask:*

➤ **What questions do you have?**

## STEP 2

### Distinguish among 3 Sources of Loans

40 MINUTES

*Explain:*

Now that you are familiar with the basic terms that are commonly used to discuss credit, we can learn a little more about where people get loans. We are going to present and observe 3 short skits, each of which shows a different type of lending. We'll try to figure out how each situation is different from the others.

*Divide participants into 3 groups. Give each group 1 of 3 skit scripts, Handout 2.6.2, 2.6.3 or 2.6.4.*

*Explain:*

Your task is to prepare a skit based on the script, which you will act out in front of the rest of us. You can use the script exactly as written, or you can adapt it by adding in names for the characters, or changing the income-generating activity to something you know. Each group must choose a moderator who will introduce the skit and lead the discussion afterwards, using the questions provided for each one. Don't worry; I will be here to help you.

*Give the groups 10 minutes to develop and practice their skit. When you are ready, ask each group, one by one, to present its skit to everyone.*

*After all 3 skits have been presented, say:*

You have just seen how 3 different sources of loans can work. The first type is a loan from a friend. The second type is a loan from a bank, and the third type is a loan from a microfinance institution.

► **What are the key differences of these various loans?** *[Answers should include the following:*

- *The loan from a friend is more casual, does not include interest or collateral.*
- *The loan from a bank is bigger and more appropriate for an established business. The bank has a formal application process, including an application fee, and requires collateral.*
- *The loan from the microfinance institution seems like middle ground between the other 2. There are requirements—for joining a group, saving and co-guaranteeing group members—but the whole process seems friendlier and more suited to people who don't have a lot of money.]*

► **Which loan would be most appealing to you if you needed to borrow money? Why?**

## STEP 3

### Find Out about Personal Experiences with Loans

5 MINUTES

*Say:*

Raise your hand if you know anyone who:

- has taken a loan from a bank
- has borrowed from a friend
- has been a member of a microfinance credit group

In the near future, please take the time to talk to that person and ask about his or her experience borrowing. Based on the situations we have discussed, you might have some questions about these different sources of loans. You will learn more talking to people who have experience with them. Think about what you would like to ask that person. Let's brainstorm a list of questions.

*Write the questions on a sheet of blank flip chart paper. The list of questions might include the following:*

#### **PERSONAL EXPERIENCES WITH LOANS**

- What did he or she like or dislike about the experience?
- Was it difficult to get the loan?
- How did he or she plan to repay the loan?
- Would he or she go back to the same lender to borrow again? Or, would he or she try a different lender?

*Encourage everyone to learn more by asking these good questions to people who have actual experience with different sources of loans. Thank participants for their work!*



## HANDOUT 2.6.1

### Cards with Terms and Definitions

*(If you need to make several sets of these, you can photocopy this page and cut)*

<b><i>Terms</i></b>	<b><i>Definitions</i></b>
Interest	The amount of money that the borrower pays to the lender, in addition to the loan amount, for use of his money
Collateral	An item of value that the borrower pledges to the lender in case he is unable to repay his loan (could be land, vehicle, savings, etc.)
Loan Term	The period of time that the borrower has to use the loan money and repay it
Principal	The original amount of the loan, without interest
Guarantor	A person who will repay your loan in case you cannot pay; this person may be required to co-sign your loan agreement with the lender

## HANDOUT 2.6.2

### Skit 1

**Moderator:** We have the pleasure of presenting you with the following conversation between \_\_\_\_\_ and \_\_\_\_\_  
(insert names).

**Friend 1:** Hey, can I borrow \$20 from you? I want to buy some concert tickets now that I will sell for a profit outside the gate on the night of the concert.

**Friend 2:** Well, that depends on when you think you can pay it back

**Friend 1:** I promise to repay you in 1 week, by next Saturday. If I don't sell all the tickets for a profit, I'll get the money from my dad who is coming home from his job at the mine for the weekend.

**Friend 2:** Okay, then. Twenty dollars it is. But I need the money back by Saturday.

The 2 friends shake hands!!

**Moderator:** Applaud for the actors!

*Ask:*

- **Who are the people in this skit? What is their relationship?**  
*[They are 2 friends.]*
- **Does the person who is loaning the money charge interest?**  
*[No, he does not say anything about charging interest on this loan.]*
- **Is there something of value backing up this loan?**  
*[There is no formal collateral.]*
- **What is the loan term? How long does the borrower have to repay the loan?** *[The borrower has 1 week to repay the loan.]*

## HANDOUT 2.6.3

### Skit 2

*Note to actors: Use labels “banker” and “customer” that you attach to yourselves to make it clear to the audience who you are.*

**Moderator:** I have the pleasure of presenting to you the following scene at \_\_\_\_\_ (insert name of bank).

**Banker:** How can I help you today?

**Customer:** I would like to apply for a loan.

**Banker:** Oh? What kind of loan? We have several kinds.

**Customer:** I just need some money to buy supplies for my kiosk. What kind of loan is that?

**Banker:** That would be a working capital loan. Usually our working capital loans start at \$5,000. Do you have something valuable that you can offer to back up the loan, as collateral?

**Customer:** Um, I have a bicycle.

**Banker:** Hmm, in that case, you will need someone to co-sign the loan with you, someone who agrees to repay the loan if you cannot. This person is called a guarantor. Both of you must complete this loan application and pay a fee of \$10 to apply. The fee is non-refundable. The application provides all the information about interest, loan term and late fees. Bring your completed applications to the loan office during office hours on Monday and Thursdays.

**Moderator:** Put your hands together for the actors!

*(Continue on next page)*

## HANDOUT 2.6.3

### Skit 2 (continued)

*Ask:*

- **What does the bank require of the borrower?**  
*[An application and a \$10 fee.]*
- **Why do you think that the banker is not willing to accept the borrower's bicycle as collateral?**  
*[The bicycle is probably not worth the value of the loan.]*
- **What does he require instead?**  
*[Someone to guarantee the loan, a guarantor.]*
- **How is applying for a loan in a bank different from lending between friends?** *[It is more formal with more requirements; the borrower must have collateral or a guarantor; the loans are much bigger than the amounts friends would normally lend to each other.]*

## HANDOUT 2.6.4

### Skit 3

**Moderator:** We are very pleased to present a very eye-opening conversation between \_\_\_\_\_ and \_\_\_\_\_ (*insert names of 2 friends*).

**Friend 1:** Hey Carmen, I want to ask you something. I need to buy tools to start my bicycle repair business but I don't have enough money. How did you get the money to start selling jeans?

**Friend 2:** Oh, that's easy. I joined a group that borrows money from a microfinance organization called Business Now. Members can get small loans to start a business. You repay a little bit every week, so it's not too hard. And, you don't need collateral.

**Friend 1:** Sounds too good to be true! How do I join?

**Friend 2:** Well, first you should know that there are some rules. You have to join a group, come to our weekly meeting, and save before you can borrow. Business Now does charge interest on its loans. And you have to agree to guarantee the loans of the other group members. If someone fails to pay, the others have to cover for her.

**Friend 1:** Well, I wouldn't like doing that, but I guess it's a good replacement for collateral, which I don't have anyway. How do I join?

**Friend 2:** Come to our next meeting and I'll introduce you to the other members. We might need a new member when the next round of loans begins.

**Moderator:** Applause for the actors!

*Ask:*

- **What does Business Now require from borrowers?** *[That they form a group, save, meet weekly, and repay the loan with interest.]*
- **How is it different from the conversation between the 2 friends?** *[It is more complicated and involves more conditions for the loan.]*
- **How is this situation different from the bank?** *[No collateral, small loans are available, borrowers form groups]*
- **Does this loan seem easier to get than a loan from a bank? Why?** *[No collateral, loans are small and easier to repay, application process is simple]*



## SESSION 1

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Defined what financial negotiation is
2. Recognized that financial negotiations are part of everyday life
3. Described the possible outcomes of a financial negotiation

## PREPARATIONS/MATERIALS

- FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- What Is Financial Negotiation?
- Definition of Financial Negotiation

Step 3:

- Possible Negotiation Outcomes

- “ANSWER” SIGNS FOR THE QUESTIONS IN STEP 2

## TIME

60 MINUTES

## STEPS

1. Introduce financial negotiation  
15 MINUTES
2. Identify financial negotiations in everyday life  
25 MINUTES
3. Outcomes of financial negotiation  
20 MINUTES

# What Is Financial Negotiation?

## STEP 1

### Introduce Financial Negotiation

15 MINUTES

*Welcome the participants and thank them for coming. Ask them to introduce themselves. (For introduction activities, see the “How to Use This Guide” section at the beginning. If your group is new, and participants do not already know each other, it is worth spending a few minutes getting to know each other with a fun activity.)*

*Explain:*

Money is 1 of the most difficult topics to talk about with other people. For most, money is a very private topic; few people want others to know the amount of money they have—or don’t have. It is also an emotional topic. Young people might want things—like clothes, music, shoes, sports equipment—that they cannot afford. In some families, young people argue with their parents over money; the amount they can have and what they are allowed to spend it on. Young people may not feel as though they have any say in such issues. Sometimes girlfriends disagree with their boyfriends about how to spend the limited money they have. In this workshop on financial negotiation we will learn some ways to talk about money that make the conversation easier. We will practice talking about money in different situations.

As you build your communication skills, you will become more confident approaching the conversations about money that all of us have.

*Ask:*

➤ **What do you think financial negotiation is?**

*Record the answers on a blank flip chart.*

## WHAT IS FINANCIAL NEGOTIATION?

*Post a flip chart with the definition of financial negotiation next to the flip chart with their ideas. Ask a participant to read it.*

## DEFINITION OF FINANCIAL NEGOTIATION

Financial negotiation is communication among 2 or more persons to achieve agreement on issues related to money.

*Ask the participants:*

➤ **How are your ideas about financial negotiation similar to or different from the definition?**



# STEP 2

## Identify Financial Negotiations in Everyday Life

25 MINUTES

**Note to trainer:** In this step, all participants will respond to a series of questions by selecting one of several answers offered for each question. To “select” an answer, the participants will physically move to the answer they choose, making their choices obvious to everyone in the room. The objective of the activity is to give participants an idea of whom they negotiate with, what they negotiate about, and how they feel when they must negotiate about money. Read these ahead of time; you may want to shorten the activity by offering just 2 of the 3 questions. Also, choose the 4 places in the room (such as the 4 corners) beforehand so that you can refer to them when asking the questions.

Before beginning the activity, post the following answer signs for the first questions:

Parents	Employer
Friends	Shopkeepers/Market vendors

*Explain:*

In this activity, I will ask you some questions. You will see the possible answers to these questions in 4 different locations. (*Point to the 4 locations you have chosen.*) When I have finished asking the question, move to the corner of the room that has the sign with the answer to the question that is best for you. The last person to arrive at her chosen spot will explain the reasons that she chose that answer.

We all enter into financial negotiations even if we don’t recognize our conversations as negotiations. Think about those you discuss money with in any way. You must choose the type of person with whom you have the most frequent financial negotiations and move to that place. As you can see, the 4 types of people are parents, employers, friends, and shopkeepers or market vendors.

Wait until I say “go” to move. The last person to arrive at a corner will be the first to explain her choice!

Ask:

➤ **Question #1: Whom do you negotiate with about money most often? Go!**

*After the last to arrive explains her choice, ask for a volunteer from each of the other 3 locations to do the same.*

*When you have finished discussing answers to Question #1, change the signs that mark the 4 locations of the room to the following topics of negotiation:*

Getting money from parents

Gaining the freedom from parents to earn, save or spend money as you choose

Prices of things you purchase

With friends, deciding what to do and who will pay

Explain:

Now we are going to switch from whom we negotiate with to what we negotiate about. When I ask the question, pick the topic that you talk about most frequently and move to that location. Wait until I say “go” to move. The last person to arrive has the privilege of explaining her or his choice!

Ask:

➤ **Question #2: What do you negotiate about? Go!**

*After the last to arrive explains her or his choice, ask for a volunteer from each of the other locations to do the same. While you explain the final round, put up 4 new choices:*

Scared

Angry

Confident

Noncommittal (don't care)

*Explain:*

In the final round, consider how you usually feel during these financial negotiations. Wait until I say “go” to move. Again, the last person to arrive at a corner has the first privilege of explaining her choice!

*Ask:*

➤ **Question #3: How do you feel when negotiating about money? Go!**

*After the last to arrive explains her or his choice, ask for a volunteer from each of the other locations to do the same.*

*Summarize the findings of this activity by identifying 1) the person participants negotiate with most frequently, 2) the most common topics that they negotiate about, and 3) how they tend to feel during these conversations. Say:*

Our goal is to find ways to make talking about financial issues easier and more effective. We'll start by identifying the possible outcomes of negotiations.

## STEP 3

### Outcomes of Financial Negotiation

20 MINUTES

*Explain:*

We negotiate with people every day, but the outcome is not always the same.

*Show the following flip chart with the possible outcomes of negotiation and review the outcomes.*

Explain the possible negotiation outcomes in the flip chart (see below) to the participants:

## POSSIBLE NEGOTIATION OUTCOMES

Win-Win	Both participants in the negotiation get something they want or need, if not everything. They both have a positive feeling and are willing to negotiate again.
Lose-Lose	Neither person involved in the negotiation gets what she/he wants.
Win-Lose/Lose-Win	One participant gets what she or he wants and the other gets nothing. The loser is likely to be less willing to negotiate with the winner again.

*Say:*

Now, I will tell you about a specific negotiation, and your job is to listen and decide what kind of outcome the 2 people have achieved.

*Read each of the following situations out loud to the entire group. After each situation, stop and ask participants to suggest which type of outcome is described.*

- A customer is negotiating the price of a blanket from a shopkeeper. They cannot agree on a price, and the customer leaves the shop, without buying anything.
- Sara wants her sister to do her housecleaning chores because she has an important date with her new boyfriend. The sister asks Sara to pay her, but Sara refuses. When Sara threatens to hit her sister, the sister gives in and agrees to do the housework.
- James wants to buy a bicycle. He negotiates the price with a salesman but cannot get the salesman to go low enough. He is about to leave when the salesman shows him a used bicycle that James can afford. He decides to buy the used bicycle.

*Ask participants to find a partner and form pairs. Have the pairs count off 1, 2, 3. Explain:*

- Number 1s will think of a situation that shows a “win-win” outcome
- Number 2s will think of a situation that illustrates a “win-lose” outcome
- Number 3s will think of situation that shows a “lose-lose” outcome

*Give participants 5 minutes to discuss with their partner. Ask for volunteers from each type of outcome to share the example they identified.*

*Ask:*

➤ **Which of the 3 outcomes is the preferred outcome? [Win-win] Why?**

*Say:*

Until we meet again, pay close attention to the negotiations that occur around you every day, at home, with friends and in the market. Ask yourselves: What do I notice about them? Are there winners and losers? Or do both sides come away with something they want? Do they seem satisfied? Or do they seem angry?



## SESSION 2

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Identified good and bad communication practices
2. Practiced effective listening skills

## PREPARATIONS/MATERIALS

- FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Dos and Don'ts of Effective Communication

Step 3:

- Rules for Active Listening

- HANDOUT FOR USE IN THE FOLLOWING STEP:

Step 2:

- Handout 2.2.1: A Conversation between a Father and Daughter (2 copies)

- 3 OR 4 DEBATE TOPICS (SEE STEP 1)

## TIME

45 MINUTES

## STEPS

1. Identify the do's and don'ts of effective communication  
20 MINUTES
2. Identify good communication skills  
15 MINUTES
3. Demonstrate the rules of active listening  
10 MINUTES

# Communicate with Success

## STEP 1

### Identify the Do's and Don'ts of Effective Communication

20 MINUTES

*Explain:*

Successful negotiations start with good communication skills. Today we will identify and practice some basic "do's" and "don'ts" of good communication. Let's start with a game. I need 2 volunteers to come forward. Can someone who is not afraid to talk in public go first? *[Before you begin, identify 2 or 3 outgoing participants to go first.]*

*Ask the volunteers to face each other. Explain:*

The 2 of you are opponents in a debate. Your goal is to defeat your opponent. I will give you the topic to debate, and when I say "go," start the arguing. Don't bother to listen to each other; just make your case. The 2 of you will be talking at the same time; feel free to shout over each other! When I yell "switch," you must start arguing for the opposite side. Eventually, I will ask the audience to declare the winner, who will then take on a new opponent.

*Give the pair a topic to argue about, something light and insignificant. Make sure the topics you choose are relevant for your local situation. Possible topics include the following:*

- *married vs. single*
- *chicken vs. beef*
- *reggae vs. rock*
- *sandals vs. sneakers*
- *being tall vs. being short*

*Give each person a position (for or against) to take on the issue. They should come up with a few reasons their position is better. Tell them to begin the debate. After 30 seconds, yell “switch” and give the debaters 30 seconds to defend their new position. Yell “switch” once more, and let the debate continue for 15 seconds. Then stop the debate and ask the rest of the group to declare a winner. The winner remains standing. Ask for a volunteer to take the winner on in a new debate.*

*After 2 or 3 debates, thank all the volunteers and ask the audience the following:*

- **Why was it challenging to select a winner in these debates?**

*For the debaters, ask:*

- **How did you feel trying to make your case in this situation?**

*For everyone, ask:*

- **What words describe these conversations?** [*loud, angry, confusing, rude, ineffective, silly*]

*On a flip chart, draw a vertical line down the middle of the paper, creating 2 columns with the headings, DO and DON'T. In the appropriate column, record participants' answers to the following 2 questions:*

- **Based on this experience, what should you NOT do when trying to communicate successfully?** [*shout, get angry, refuse to listen, say the same thing over and over, interrupt, reject the other person's ideas*]
- **What should you definitely DO to communicate effectively?** [*listen, admit the other person's point of view, stay calm, be respectful*]



Make sure the following points are made:

DOs	DON'Ts
<ul style="list-style-type: none"><li>■ Listen to your partner</li><li>■ Recognize her point of view</li><li>■ Show respect</li><li>■ Be flexible</li><li>■ Clearly state what you want</li></ul>	<ul style="list-style-type: none"><li>■ Get angry</li><li>■ Be rude or insulting</li><li>■ Reject your partner's ideas immediately</li><li>■ Lock yourself into 1 position</li></ul>

## STEP 2

### Identify Good Communication Skills

15 MINUTES

**Note to trainer:** This skit activity needs 2 volunteers. Identify them ahead of time and give them a copy of the skit (Handout 2.2.1) to read and prepare.

Say:

Now that we have identified some basic communication skills, let's watch them in action.

Ask the 2 volunteers you have identified ahead of time to come forward to read the following script: *A Conversation Between a Father and Daughter* (Handout 2.2.1). Give the person playing the father a hat or a tie to put on as the costume for a man. Give the daughter a scarf to tie around her neck in a bow or around her waist as a sash. For a funny twist, have a boy play the daughter and a girl play the father.

### **A Conversation Between a Father and Daughter**

**Daughter:** Hello, father, I want to talk to you about something important. Do you have a few minutes now?

**Father:** I have to leave soon for my card game tonight. Let's make it quick!

**Daughter:** Father, now that I am older and travel across town to school, I really need a cell phone. I know they are expensive but....

**Father:** *(cutting her off)* You always want something—usually a luxury item—even though you know money is tight in this family!

**Daughter:** But father, a cell phone will help all of us, especially as I take on more responsibility for collecting my sister at her school and doing errands for Mama.

**Father:** Young lady, you do not seem to realize that there are many things my income needs to cover, and I have to decide how to spend it in the best interest of everyone.

**Daughter:** I am sorry, father, I did not mean to make you angry. I know it is hard to manage so many demands on the budget. I can wait to get a phone. Do you think it would it be possible to come up with a plan for buying 1 in the future? I am earning money myself now, helping Aunt Sara at her market stall. It is very little, but still, if I save, I can have \$20 in 2 months. If I am able to do that, would you consider helping me pay the balance?

**Father:** I guess I could consider that. But don't expect me to pay for your air time!

*Thank the volunteers for their excellent presentation.*

*Ask:*

- **What communication skills from our DO and DON'T chart did you notice?** *[The daughter showed respect, she stopped herself from becoming really angry, she admitted the father's point of view; she proposed a compromise solution.]*
- **What did the daughter do to avoid an argument?**
- **How did she show respect for her father?**
- **What was the compromise she proposed?**

## STEP 3

### Demonstrate the Rules of Active Listening

10 MINUTES

*Explain:*

Listening skills are critical for good communication. The person you are talking to needs to know that you care about what she is saying, and that you have heard her. As the listener, you need to know that you have heard correctly. In a conversation, these listening practices are useful.

*Display a flip chart with the rules for active listening so that all participants can see:*

#### **RULES FOR ACTIVE LISTENING**

- Look directly at the person. Make eye contact.
- Repeat or summarize what the person has said to you before making your point.
- If you are not clear about what your partner has said, rephrase what you have heard in another way and ask your partner to confirm that you have understood.
- Ask clarifying questions to be sure you understand, or probing questions to get more information.

*Say:*

Let's practice this. I am going to select some of you to talk to. I will approach you and greet you so that you know I want to speak with you, and then I will say something to you. You need to find a way to let me know you have heard what I said and understood it. You can repeat what I have said, rephrase it or ask a question. Then add something of your own to the conversation.

*Beforehand, prepare some very light or even silly topics that you can say a couple of sentences about. These topics should come from your local context. You can prepare very general topics, or you can base your topic on stars of pop music or popular TV shows or a well-known sports team. Some examples are included below:*

- *I believe that the Beatles were the best rock band of all time. I would guess that every musician since has been inspired by the Beatles in one way or another.*
- *Being tall is a huge disadvantage in life. Many are afraid of tall people. And it can be awkward, especially trying to get in and out of small cars. Plus, tall people bump their heads in doorways and stairwells.*
- *Staying up late at night is the most wonderful luxury. The whole world is asleep except you. You have the house to yourself and everything is quiet. It's the best time to just be with yourself.*
- *Ronaldo should never have moved from Real Madrid to A.C. Milan. When he played for Real Madrid, he was successful and in good shape. Ever since his move, he has not been as good a player.*

*After each conversation, thank the volunteer.*

*Ask:*

- **What did this person do to show you that he or she was listening?**

*After all the conversations, thank the participants for their hard work.*

*Ask:*

- **Think of a situation when you have not communicated well with a parent, teacher, or friend. Can you now see what you might do differently in that situation?**

## HANDOUT 2.2.1

### A Conversation Between a Father and Daughter

- Daughter:** Hello, father, I want to talk to you about something important. Do you have a few minutes now?
- Father:** I have to leave soon for my card game tonight. Let's make it quick!
- Daughter:** Father, now that I am older and travel across town to school, I really need a cell phone. I know they are expensive but....
- Father:** *(cutting her off)* You always want something—usually a luxury item—even though you know money is tight in this family!
- Daughter:** But father, a cell phone will help all of us, especially as I take on more responsibility for collecting my sister at her school and doing errands for Mama.
- Father:** Young lady, you do not seem to realize that there are many things my income needs to cover, and I have to decide how to spend it in the best interest of everyone.
- Daughter:** I am sorry, father, I did not mean to make you angry. I know it is hard to manage so many demands on the budget. I can wait to get a phone. Do you think it would be possible to come up with a plan for buying 1 in the future? I am earning money myself now, helping Aunt Sara at her market stall. It is very little, but still, if I save, I can have \$20 in 2 months. If I am able to do that, would you consider helping me pay the balance?
- Father:** I guess I could consider that. But don't expect me to pay for your air time!



## SESSION 3

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Practiced using communication skills in made up conflicts
2. Identified several solutions to the same conflict

## PREPARATIONS/MATERIALS

- HANDOUT FOR USE IN THE FOLLOWING STEP:

Step 2:

- Handout 3.3.1: Conflict Situations

## TIME

55 MINUTES

## STEPS

1. Role-play a conflict and find a solution  
55 MINUTES

# Resolving Conflicts about Money

## STEP 1

### Role-Play a Conflict and Find a Solution

55 MINUTES

**Note to trainer:** This activity calls for participants to role-play conflict situations. You will need to divide participants into groups of 3 or 4 and give them 10 minutes to prepare their role-plays which should last from 3 to 5 minutes. Although there are 6 role-plays, limit the number performed to 4. With more than 4 role-plays, participants may get bored watching. If you have more than 16 participants in your group (4 groups of 4 people each), you might consider these options:

- Ask all groups to develop their role-plays but draw straws to decide which 4 will actually perform them.
- Make each group larger and tell the participants to change and expand the scenario they have to incorporate a few extra people.
- Instead of performing role-plays, ask the groups to simply discuss the situation and identify one or more solutions which they share with the rest of the participants.

Allocate 10 minutes for each role-play presentation and follow-up discussion.

*Explain:*

People often disagree about issues that involve money. Many of you are beginning to have more responsibility for yourself and your financial situation at home, at school and at work. That means you will probably have more discussions, and maybe even conflicts, related to money. Today you are going to practice using the listening skills and communication DOs and DON'Ts from the last session, this time in made-up conflicts.

*Divide the participants into groups of 3 or 4. Explain:*

Each group will select a card that describes a conflict. Each group should decide on a solution to its conflict. Make up a role-play showing the interaction between the people described and the solution you have chosen. Your solution does not have to end with a win-win outcome. You can choose a different outcome where one person wins and the other loses. However, at least one of the characters in the role-play should try to demonstrate good communication skills.

*After each group has performed its role-play, ask:*

- **What communication skills did you notice among the actors in the role-play?**
- **What was the solution they arrived at?**
- **What are other possible solutions to this conflict?**
- **What would you have done differently in that situation?**

*After all the groups have performed, say the following:*

Today we have seen different ways of resolving conflicts. Not all result in a win-win outcome. Although you want a win-win outcome, sometimes it is impossible given the personalities involved, or the emotions of the moment. However, communicating with confidence is the starting point for good negotiations. Explain what you want clearly and listen to the other side. Try to keep calm as you look for a compromise that will satisfy everyone involved. With these skills and a little preparation, you can negotiate your way to a win-win. In the next session, we will look at how to prepare for financial negotiations.



## HANDOUT 3.3.1

### Conflict Situations

1. Lorena helps her grandmother on Saturday mornings at her restaurant in the market. She earns \$2 each week which she wants to keep. Her plan is to save half and keep half to spend during the week. But her mother insists that Lorena give her the money to help with household expenses.
2. Luca has a bicycle taxi and is open for business every day after school. He is saving to emigrate. He dreams of making lots of money. But his parents oppose his plans to leave the country. They need him at home to help with expenses. They insist that he use his savings to enroll in a vocational course that will train him for a profession he can use at home in his own country.
3. Fatima gets money each week from her parents for the bus and lunch. Her parents have encouraged her to budget this money so that it lasts the entire week. But when they learned that Fatima was so good at budgeting that she had a little to save at the end of each week, they got angry, accusing Fatima of hoarding money that is needed for the family. They threatened to reduce her allowance, but Fatima wants a little money as her own.
4. Marie is 1 year older than her brother Samuel. They go to the same high school and receive the same allowance from their parents for transportation and lunch. But Samuel always has more money than Marie. He rides to and from school on his bicycle with other boys; Marie's parents will not let her ride a bicycle with so many boys, so she has to take the bus. And, Samuel helps his father after school collecting fares on his mini-bus. Marie's father says this job is too risky for girls. Marie never has any extra money for the things she wants and she thinks the situation is unfair.
5. Enrique works for a shopkeeper, tending the store at night. He arranges to have Friday night off so he can attend his sister's 15th birthday party. But at the last minute, the shopkeeper tells Enrique that he needs him to work on Friday night. He has no one else who he trusts to close the store at the end of the night. Enrique's family will not allow him to miss the party, but he does not want to lose his job.
6. Elizabeth's boyfriend is James; he is dying to go to the stadium to see the big football match, and he begs Elizabeth to pay for the tickets with the money she got as a birthday gift from her uncle. A whole group of their friends are going. Elizabeth has other plans for this money, but she has seen James flirting with another girl in their group of friends. She worries that if she doesn't say, "yes," James will find another way to go to the match and end up with the other girl.



## SESSION 4

**OBJECTIVES**

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Summarized the process of preparing to negotiate
2. Practiced preparing to negotiate

**PREPARATIONS/MATERIALS**

■ FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Prepare to Negotiate

Step 2:

- Blank flip chart to compare participants' negotiation preparations to the flip chart from Step 1, Prepare to Negotiate

■ HANDOUT FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Handout 3.4.1: A Room of His Own

Step 2:

- Handout 3.4.2: Prepare to Negotiate

**TIME**

45 MINUTES

**STEPS**

1. Identify the Steps in Preparing to Negotiate  
25 MINUTES
2. Make a Plan to Negotiate  
20 MINUTES

# Prepare to Negotiate

## STEP 1

### Identify the Steps in Preparing to Negotiate

25 MINUTES

*Say:*

We know now how good communication skills can help us when we are involved in a conflict or are negotiating a difficult issue. Preparing for a conversation that you expect to have can also help you get to a win-win outcome. Let's review the things you can do to prepare for a financial negotiation.

*Distribute Handout 3.4.2 and read the steps. Say:*

Let's listen to Eddie's story. I will stop at different points to ask you what Eddie is doing to prepare for a negotiation that he will have in the near future.

*Read Part I of the story:*

### A Room of His Own

Eddie is 21 and he lives at home with his mom, his stepfather and 4 younger siblings. His house is noisy and crowded. He argues frequently with his stepfather. He dreams of getting a room of his own, outside the house where he can bring friends, read, and sleep when he wants to. To afford his own room, Eddie must start saving more and giving his mother less for her expenses. He knows his parents will object.

Eddie looks for a room to rent. He learns what the prices are, and discovers that a room close to his home will cost more than a room across town in a poorer neighborhood. He weighs the advantages and disadvantages of staying close to home. The higher price means Eddie will be less able to contribute to the family expenses; but he will be more available to help at home. He is not sure what the right choice is.

*Stop the story and ask:*

- **What does Eddie want to do?** *[Move out of his parents' house and get a room of his own.]*
- **What did Eddie do to prepare for the negotiation with his parents?** *[Eddie researched the prices of rooms to rent and evaluated his options.]*

*After listening to a number of responses, say the following and start a list of the key points (in bold below) on a flip chart. See examples provided at each part of the story.*

It is important to **collect information** and **evaluate your options**. This will help you choose the outcome you seek. An important part of preparing to negotiate is **understanding the interests of the other person**. This will help you think of a plan that offers benefits to both sides.

We've heard how Eddie collected information on the price of rooms and thought about his options. Now, let's listen to how Eddie tried to figure out what his parents' interests were.

*At this point, your flip chart will look like this:*

## PREPARE TO NEGOTIATE

- Collect information
- Evaluate your options
- Understand the interests of the other person

*Read Part II:*

Eddie talks to his aunt about his plan. His aunt warns Eddie that his decision to move out will make his mother sad and his stepfather angry. But the aunt also explains that his mother needs him; she knows how the stepfather's terrible temper can make things bad for the kids. She will want Eddie nearby to help with his siblings—to visit, help with homework, take them out, and offer them a place to get away to.

*Stop the story and ask:*

- **What else did Eddie do to prepare for negotiation?** *[He got advice from his aunt.]*

**Seeking advice from someone close to the situation or people involved** may help you to understand the other's point of view. The insights that Eddie's aunt offered helped him make his decision about where to rent a room.

*Add the new steps on preparing to negotiate to your flip chart:*

### PREPARE TO NEGOTIATE

- Collect information
- Evaluate your options
- Understand the interests of the other person
- Seek advice from someone close to the situation

*Read Part III:*

Eddie thought about what he would propose to his parents. He will tell them of his decision to move out. He will express his desire to remain close to home even though it will cost a bit more because he hopes to help his mom. He will ask his parents for permission to save the money he needs for a security deposit and rent instead of paying into the household account. His stepfather won't like giving up that extra income. So Eddie looks at his budget to figure out how once he is settled in his new place he can commit to paying the school fees for one of his brothers.

*Stop the story and ask:*

- **What else did Eddie do to prepare for negotiation?** *[He made his decision and thought about how to tell his parents about it. He figured out what he could do to respond to his parents issues and offer something to please them.]*

**Decide what you want from the negotiation** before you begin and be prepared to state that clearly. Eddie decided he wanted to pay more for the room in order to stay close to home. He knew that would make his decision easier for his mother.

**Identify something you can offer the other person** that makes your proposal

a win-win situation. Eddie made it clear that he still wanted to be an active part of the family. He will try to pay his brother's school fees in the future.

*Add the new steps for preparing to negotiate to the flip chart:*

## PREPARE TO NEGOTIATE

- Collect information
- Evaluate your options
- Understand the interests of the other person
- Seek advice from someone close to the situation
- Decide what you want from the negotiation
- Identify something you can offer the other person

Ok, let's return to the story.

*Read Part IV:*

Eddie thinks about the conversation he is about to have with his parents. If his step father yells at him he promises himself not to yell back. He will admit his role in their fighting and explain how his leaving will bring greater peace to the household. However if his parents refuse Eddie's proposal he will begin saving whatever he can until he has enough money for the cheaper room across town. He is determined to reach his goal even if it means that his family will lose Eddie's income and his help around the house.

*Stop the story and ask:*

- **What else did Eddie do to prepare for the negotiation with his parents?** *[He decides ahead of time to stay calm and show respect. At the same time, he decided what to do if the negotiations with his parents are not successful.]*

*Add the key points to your list on the flip chart. Highlight the following:*

When you are negotiating, try to **maintain a respectful dialogue with the other person**. Notice the other person; let them know that you understand their position. Eddie is humble with his stepfather, taking responsibility for their arguments. **Try to remain calm.**

**Know what you will do if the negotiation fails to satisfy your needs.** Eddie has decided that he will definitely move out, even if it means moving farther away.

### PREPARE TO NEGOTIATE

- Collect information
- Evaluate your options
- Understand the interests of the other person
- Seek advice from someone close to the situation
- Decide what you want from the negotiation
- Identify something you can offer the other person
- Maintain a respectful dialogue with the other person
- Remain calm
- Know what you will do if the negotiation fails to satisfy your needs

*Explain that the story ends there.*

*Ask:*

- **What have you learned about preparing to negotiate?**
- **What questions do you have about this process?**

*Review the flip chart that you have been writing at each stage of the discussion. It should include the steps above to take when preparing to negotiate.*

## STEP 2

### Make a Plan to Negotiate

20 MINUTES

*Explain:*

Find a partner to work with. Describe a situation in which you will need to negotiate. It can be any financial situation. For example, you can prepare to negotiate with:

- your parents about your savings plan, or a purchase you want to make;
- a seller in the market about the price of something you want to buy;

- a friend about an activity that will require both of you to contribute money;  
or
- a relative about borrowing money.

When you have chosen the specific negotiating situation, think about what you will need to do to prepare for this negotiation. After a few minutes, exchange your ideas with your partner. Each partner will assist the other to prepare to negotiate.

*Give the participants 10 minutes for this exercise. Ask for 2 or 3 volunteers to share what they have discussed, answering the following questions.*

- **What type of negotiation are you planning for?**
- **What steps will you take to prepare for the negotiation?**

*Write the responses on a flip chart and compare to the steps highlighted from the story.*

*Ask:*

- **Who thinks they will use these steps to get ready to negotiate with someone?**
- **What is your plan so far?**

*Applaud the participants and thank them for their good work!*



## HANDOUT 3.4.1

### A Room of His Own

#### PART I

Eddie is 21 and he lives at home with his mom, his stepfather and 4 younger siblings. His house is noisy and crowded. He argues frequently with his stepfather. He dreams of getting a room of his own, outside the house, where he can bring friends, read, and sleep when he wants to. To afford his own room, Eddie must start saving more and giving his mother less for her expenses. He knows his parents will object.

Eddie looks for a room to rent. He learns what the range of prices is, and discovers that a room close to his home will cost more than a room across town in a poorer neighborhood. He weighs the advantages and disadvantages of staying close to home. The higher price means Eddie will be less able to contribute to the family expenses; but he will be more available to help at home. He is not sure what the right choice is.

#### PART II

Eddie talks to his aunt about his plan. His aunt warns Eddie that his decision to move out will make his mother sad and his stepfather angry. But the aunt also explains that his mother needs him; she knows how the stepfather's terrible temper can make things bad for the kids. She will want Eddie nearby to help with his siblings—to visit, help with homework, take them out, and offer them a place to get away to.

#### PART III

Eddie thought about what he would propose to his parents. He will tell them of his decision to move out. He will express his desire to remain close to home even though it is a bit more expensive, because he hopes to help his mom. He will ask his parents for permission to save the money he needs for a security deposit and rent instead of paying into the household account. His stepfather won't like giving up that extra income. So Eddie looks at his budget to figure out how, once he is settled in his new place, he can commit to paying the school fees for one of his brothers.

#### PART IV

Eddie thinks about the conversation he is about to have with his parents. If his stepfather yells at him, he promises himself not to yell back. He will admit his role in their fighting and explain how his leaving will bring greater peace to the household. However, if his parents refuse Eddie's proposal, he will begin saving whatever he can until he has enough money for the cheaper room across town. He is determined to accomplish his goal even it means that his family will lose Eddie's income and his help around the house.

## HANDOUT 3.4.2

### Prepare to Negotiate

- Collect information
- Evaluate your options
- Seek advice from someone close to the situation
- Decide what you want from the negotiation
- Understand the interests of the other person
- Identify what you can offer the other person
- Maintain a respectful dialogue with the other person
- Remain calm
- Know what you will do if the negotiation fails to satisfy your needs

## SESSION 5

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Communicated with adults who are not their parents
2. Demonstrated good and bad communication practices
3. Identified ways to improve financial negotiations with the adults

## PREPARATIONS/MATERIALS

## ■ FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 2:

- Possible Negotiation Outcomes (from Session 1)
- Definition of Win-Win

Step 3:

- Communication Do's and Don'ts

Step 4:

- Blank flip charts with: Answers to Questions for Parents or Guardians and Answers to Questions for Young People

## ■ HANDOUTS FOR USE IN THE FOLLOWING STEPS:

Step 2:

- Handout 3.5.1: Financial Negotiation Scripts for Role-Plays

Step 3:

- Handout 3.5.2: Conversation Between a Father and Daughter I
- Handout 3.5.3: Conversation Between a Father and Daughter II

Step 4:

- Handout 3.5.4: Discussion Questions for Parents
- Handout 3.5.5: Discussion Questions for Young People

## ■ SIMPLE PROPS FOR THE SKITS

## ■ 9 SHEETS OF PAPER, EACH WITH A COMMUNICATION DO OR DON'T

## ■ TAPE

## ■ MARKERS

## TIME

70 MINUTES

## STEPS

1. Talk to each other!

10 MINUTES

2. Defining financial negotiation

10 MINUTES

3. Good and bad communication

30 MINUTES

4. Identify how your financial negotiations can improve

20 MINUTES

# Share Financial Negotiation Skills with Parents or Guardians

**Note to trainer:** This session is designed to bring participants together with their parents or guardians to share some of the learning in this module about financial negotiation. The intent is to help youth and the adults who guide them to negotiate with each other more effectively. It is also a way to let parents know what is going on in the training. The adults will get a better idea of how young people view the financial issues that they have to work out with their parents. The guidelines below provide you with everything you need to conduct the actual session. However, there are several things you will have to do to prepare that vary so much by circumstance that we note them below, but leave you to decide on specific arrangements. Preparations could include the following:

- Deciding when to hold the session. To make it possible for working parents to attend, consider having it in the evening or on a weekend.
- Invitations to parents or guardians.
- Simple refreshments at the end of the session (if possible).
- Participant preparation: Youth need to prepare the short skit (Step 2) and the 2 role-plays (Step 3) they will perform. They are familiar with one of the role-plays already as it was part of Session 2, but the second role-play is new.
- Participant anticipation/anxiety: Youth might be nervous about having their parents join the session. You can lead a discussion about how they feel as they are getting ready for this event.

*These preparations can be done at the end of the last session or in a separate meeting or by having the participants come in an hour before the session with their parents begins.*

## STEP 1

### Talk to Each Other!

10 MINUTES

*Welcome the parents enthusiastically to this workshop on financial negotiation. Explain:*

As young people get older, and school or work takes them further from home, they will handle money more frequently. Conflicts about money are sure to increase. They face many new situations with friends, employers, shopkeepers, landlords, boyfriends, girlfriends and even you, their parents, which may require negotiation. This is an important issue for young people; however, it is very difficult to talk about. In this workshop, we have been exploring the skills that will help us manage conflict and negotiate. Most of these deal with basic communication. We want to share what we've been doing with you.

Let's do a warm-up exercise to get us moving and talking.

*Ask the participants to stand and form a circle. Then ask the parents to form a second circle around the first, on the outside. Have them face the first circle. Instruct the youth in the inner circle to face the parents in the outer circle. You should have 2 concentric circles. Explain:*

Look at the person in front of you. To begin, this person is your partner. Young people, if you are facing your own parent(s) or guardian right now, switch places with someone in your circle so that you are facing someone who is NOT your parent(s) or guardian. Young people, if you are facing a couple (2 parents), treat them as 1 partner. Parents and guardians, those of you in couples should stay together during this activity.

I am going to ask a question. Youth, you will answer the question first. Introduce yourself to your partner in the outer circle and answer the question. When I yell "switch," it is the parents turn to introduce themselves and answer the same question. When I yell "rotate," youth in the inner circle should move 1 place to the right. You will now be facing a new partner. I will ask you a new question and we will repeat the process.

*Because many people will be talking at once, the room will be noisy. To make sure that people hear your "switch" and "rotate" commands, stand on a chair near the circle. Don't give people too much time to answer each question, as they may feel awkward once they have answered and don't know what to do next. Your*

*“switch” and “rotate” commands should keep things moving quickly. Every time you ask a new question, tell the group who should answer first—the youth or the parents.*

*You can choose to use different questions; they should be non-threatening and easy to answer. These start out easy and get harder, especially as they are related to money. Do not feel obligated to use all of these questions. Choose an appropriate number for your group. Use the first question in the following list as practice and afterwards, clarify any questions that the group has about the activity.*

### SAMPLE QUESTIONS

- What is your favorite holiday and why?
- Which part of the day do you enjoy most—morning, afternoon or night? Why?
- What is your favorite meal (type of food)? When and where do you get the opportunity to eat it?
- What goal would you like to accomplish in the next year?
- Who do you work to impress or please most, and what do you do to please them?
- If you could choose any kind of work to earn your living by, what would you choose and why?
- If someone gave you \$50 and said you had to spend it on something for yourself, what would you buy and why?
- If you ever have a little extra money, what are you tempted to spend it on?
- How do you feel when you are going to talk with someone about anything related to money?

*When you have completed several rounds of this introductory exercise, thank everyone and ask them to shake hands with the partner they are currently with.*

*Explain:*

The theme of our meeting today is communication, and especially communication around money. This exercise gave the parents the opportunity to meet and talk to a few of the youth participating in the training, and the young people had to speak with an adult they may not know. That in and of itself can be an accomplishment!

## STEP 2

### Defining Financial Negotiation

10 MINUTES

*Explain:*

In this workshop, we have been talking about how to successfully communicate about money in many different kinds of situations. This is an important skill for our young people to have as they begin to earn money, spend more time away from home and interact with people outside of the family. We call this kind of communication 'financial negotiation'. To better explain what this is, we have a brief presentation.

*In advance, ask for 8 youth to prepare a skit that defines financial negotiation. The 8 will work in 4 pairs. The first pair will start by reading the short conversation in the script below in front of the parents (also found in Handout 3.5.1).*

#### **Skit to Define Financial Negotiation**

**Friend 1:** Say, *(insert actual name of participant)*, can you tell me what financial negotiation is?

**Friend 2:** That's easy. It's communication between 2 people who are looking to resolve a financial issue.

**Friend 1:** You mean, like bargaining for the price of something you want to buy in the market?

**Friend 2:** Yes, but financial negotiations can cover many other situations and topics in addition to bargaining.

*Three other pairs of youth will "illustrate" other examples of financial negotiation by walking across the stage (the front of the room) while negotiating about 1 of the following: (These situations are also found in Handout 3.5.1.)*

- *Two friends discussing who is going to pay for their night at the video game parlor.*
- *A parent and child discussing the amount of money the child needs each week for bus fare and lunch money.*
- *Two adults discussing how they can save more money.*

*Each pair should walk slowly across the front of the room pantomiming an active conversation with each other. They should stop in the center of the stage just long enough to exchange a few sentences out loud that communicates the topic they are discussing. Handout 3.5.1 offers scripts for these brief exchanges. Participants can use these or make up their own. The 8 youth should practice this skit in advance.*

*Ask the parents/guardians:*

- **Who are some of the people you negotiate with?**
- **What are the issues you negotiate about?**
- **How do you feel when you are about to begin a financial negotiation?**
- **How does a financial negotiation end?**

*Show the chart from Session 1 that shows the possible outcomes of a negotiation.*

### POSSIBLE NEGOTIATION OUTCOMES

Win-Win	Both participants in the negotiation get something they want or need, if not everything. They both have a positive feeling and are willing to negotiate again.
Lose-Lose	Neither person involved in the negotiation gets what she/he wants.
Win-Lose/ Lose-Win	One participant gets what she or he wants and the other gets nothing. The loser is likely to be less willing to negotiate with the winner again.

*Review what each outcome means.*

*Ask:*

- **Which outcome is most desirable and why?** *[The most desired outcome of a financial negotiation is a win-win, when both sides get something they want. Both sides are at least partly satisfied.]*

Show the definition of win-win on a flip chart and give some examples of win-win situations.

## WIN-WIN

Both people in the negotiation get something they want or need, if not everything. By compromising, they end with a positive feeling and may be willing to negotiate again.

In a bargaining situation, the buyer gets the product he wants at a good price and the seller makes his sale. A husband and wife negotiating about how to save money can achieve a win-win outcome when each agrees to give up something they enjoy in order to put aside some small amount of money. Each gives up something, but they gain savings.

## STEP 3

### Identify Good and Bad Communication

30 MINUTES

*Explain:*

In this workshop, these young people have been practicing how to arrive at win-win solutions. We are going to demonstrate these skills in 2 role-plays. Watch both carefully for how well the actors communicate with each other. After each role-play, we will talk about how well the actors were able to communicate to get what they wanted.

*Present the “bad” role-play first. Ask for 2 volunteers: one to play the father, and the other to play the daughter. Each actor should wear something simple to indicate his or her part, such as a hat or a tie for the father, a scarf for the daughter. Have the 2 actors practice this ahead of time. (This script can be reproduced from Handout 3.5.2.)*

#### **A Conversation Between a Father and Daughter (I)**

**Daughter:** Hey, it looks like you are going out, as usual, but I have to talk to you about something really important; it can’t wait!

**Father:** I am about to leave for my card game tonight. What could possibly be so urgent?



**Daughter:** Well you know how I am going across town to a new school? So, I am trying to make new friends but all the kids come from all over so it's hard to stay in touch with them. And, on my way home, maybe Mama will want me to do an errand....

**Father:** What are you talking about? Get to the point. I am in a hurry!

**Daughter:** I really want a cell phone. All my friends are getting them and ....

**Father:** *(cutting her off)* You always want something—usually some thing useless and expensive so you can act like a rich kid—even though you know money is tight in this family!

**Daughter:** That's not fair! A cell phone will help all of us, particularly as I take on more responsibility around here.

**Father:** I will decide what is fair and not fair in this household! There are a lot of demands on my income and I have to decide how to spend it in the best interest of everyone.

**Daughter:** Yea, well my interests never seem to matter! My brothers get whatever they want, but for me, money is always tight.

**Father:** Ach, I don't have time for this argument. You are obviously still too young to understand how hard it is to make ends meet.

*Ask:*

- **Was there a winner and a loser in this argument?** *[You could say that the father won and the daughter lost, but in fact, both lost because it ended with both of them angry with each other.]*
- **How did this conversation get off to a bad start?** *[The daughter was not respectful to her father; she insisted on having the conversation at a bad moment. She did not clearly state what she wanted. She made him impatient by talking around her main point. She let herself get provoked by her father and got angry with him.]*
- **How could the father have communicated with a better result?** *[He could have been more patient. The daughter was trying to explain how a cell phone could help the family, but he did not let her finish.]*

*Now present the second role-play. You can ask the same 2 actors to perform again but switch roles this time. Or, you can ask 2 different participants do the second role-play.*

## A Conversation Between a Father and Daughter (II)

**Daughter:** Hello, father, I want to talk to you about something important. Do you have a few minutes now?

**Father:** I have to leave soon for my card game tonight. Let's make it quick!

**Daughter:** Father, now that I am older and travel across town to school, I really need a cell phone. I know they are expensive but....

**Father:** *(cutting her off)* You always want something—usually a luxury item—even though you know money is tight in this family!

**Daughter:** But father, a cell phone will help all of us, especially as I take on more responsibility for collecting my sister at her school and doing errands for Mama.

**Father:** Young lady, you do not seem to realize that there are many things my income needs to cover, and I have to decide how to spend it in the best interest of everyone.

**Daughter:** I am sorry, father, I did not mean to make you angry. I know it is hard to manage so many demands on the budget. I can wait to get a phone. Do you think it would it be possible to come up with a plan for buying 1 in the future? I am earning money myself now, helping Aunt Sara at her market stall. It is very little, but still, if I save, I can have \$20 in 2 months. If I am able to do that, would you consider helping me pay the balance?

**Father:** I guess I could consider that. But don't expect me to pay for your air time!

*Applaud for the actors and thank them for their great acting!*

*Ask:*

- **How was this scene different from the first scene we saw?** *[It ended on a friendly note; the father and daughter found a solution.]*
- **How would you describe the outcome?** *[The daughter got her father to consider helping her to buy a cell phone; the father agreed to help his daughter without spending too much money and without giving in to the whim of an adolescent girl.]*

- **What did the daughter do differently?** *[She was more respectful; she came to the point quickly; she gave specific reasons why a cell phone could help the family; she stopped herself from getting very angry; she listened to her father's objections; she offered a compromise that responded to her father's issues—she offered to put off the purchase and to pay for part of it herself.]*
- **How did the father behave differently?** *[He listened to his daughter's plan without interrupting her and gave her a chance to explain.]*

You have just observed 2 different styles of communication and identified what made 1 work better than the other. Now we're going to identify some basic rules of communication.

*Ask 4 adults and 4 youth to come forward. Ask the volunteers to stand facing the group and tape a sheet of paper to each of their backs. Each paper has a Communication DO or DON'T written on it.*

**COMMUNICATION DOS AND DON'TS**

<i>Do</i>	<i>Don't</i>
<ul style="list-style-type: none"><li>■ Listen to your partner</li><li>■ Recognize her point of view</li><li>■ Show respect</li><li>■ Be flexible</li><li>■ Clearly state what you want</li></ul>	<ul style="list-style-type: none"><li>■ Get angry</li><li>■ Be rude or insulting</li><li>■ Reject your partner's ideas immediately</li><li>■ Lock yourself into 1 position</li></ul>

*Now ask for 2 more parents and a youth (who you know is literate) to come forward. Their job is to sort the 8 volunteers into 2 groups based on the paper taped to their backs. They should look for similarities in what is written on the papers.*

*When the 8 volunteers have been sorted into 2 groups, ask both groups to show their backs to the audience. Ask the audience to figure out the meaning of the 2 groups.*

*Ask:*

- **What changes are needed to the way the groups are organized, if any?**
- **Which behaviors will promote better communication?** *[Listening to your partner, acknowledging his point of view, staying flexible, being clear about what you want.]*
- **Which ones will lead to difficult communication?** *[Getting angry, being rude, rejecting your partner's ideas, being inflexible or rigid in your positions.]*

*Post the following flip chart for participants to refer to during the discussions that will happen in Step 4.*

*Say:*

These are some basic rules of communication that can help you in stressful conversations or negotiations. Keep these in mind during the next activity.

### COMMUNICATION DOS AND DON'TS

<i><b>DO</b></i>	<i><b>DON'T</b></i>
<ul style="list-style-type: none"> <li>■ Listen to your partner</li> <li>■ Recognize her point of view</li> <li>■ Show respect</li> <li>■ Be flexible</li> <li>■ Clearly state what you want</li> </ul>	<ul style="list-style-type: none"> <li>■ Get angry</li> <li>■ Be rude or insulting</li> <li>■ Reject your partner's ideas immediately</li> <li>■ Lock yourself into 1 position</li> </ul>

**Note to trainer:** *An alternative to the above exercise is to distribute cards and ask the adults to place them on the correct side of a blank DO/DON'T chart. This process will take less time but won't be as much fun.*

## STEP 4

### Identify How Your Financial Negotiations Can Improve

20 MINUTES

*Explain:*

Now that we have identified some basic rules of good communication, I am going to ask the adults to talk with each other about how these rules can be introduced at home. The youth will also talk with each other about the same thing.

*Divide the adults into small groups of 3 or 4 and the youth into small groups of 3 or 4. Distribute Handout 3.5.4 to the adults, and ask them to discuss the 3 questions listed on the handout:*

#### DISCUSSION QUESTIONS FOR PARENTS OR GUARDIANS

- What are the most common conversations about money that you have with your teenagers?
- What are 2 things you would like to see your teenager do to make these conversations go better?
- What are 2 things you can do to make these conversations go better?

*Distribute Handout 3.5.5 to the youth and ask them to discuss the 3 questions listed on the handout:*

#### DISCUSSION QUESTIONS FOR YOUNG PEOPLE

- What are the most common conversations about money that you have with your parents?
- What are 2 things you would like to see your parent or guardian do to make these conversations go better?
- What are 2 things you can do to make these conversations go better?

*Ask several groups to report. Write the answers to each question on a separate flip chart. Keep a running tally of their answers.*

## ANSWERS TO QUESTIONS FOR PARENTS OR GUARDIANS

## ANSWERS TO QUESTIONS FOR YOUNG PEOPLE

*After 2 or 3 groups have reported, you can ask if the rest have anything new to add to your lists. Review these lists and say:*

Raise your hand if you plan to use at least one of these ways that you just identified to improve communication.

*Say:*

Even though these rules are basic and probably obvious to everyone, they can be difficult to follow. Bad habits are hard to break. Good communication takes discipline and lots of practice. We hope that your youth now has the confidence and tools to use in financial negotiations of all kinds. They can start at home, with your help.

*Applaud everyone for their terrific participation and thank the parents for coming.*

## HANDOUT 3.5.1

### Financial Negotiation Scripts for Role-Plays

#### SKIT 1

**Friend 1:** Say, (*insert actual name of participant*), can you tell me what financial negotiation is?

**Friend 2:** That's easy. It's communication between 2 people who are looking to resolve a financial issue.

**Friend 1:** You mean, like bargaining for the price of something you want to buy in the market?

**Friend 2:** Yes, but financial negotiations can cover many other situations and topics in addition to bargaining.

#### SKIT 2

*Two friends discussing who is going to pay for their night at the video game parlor*

**Friend 1:** Hey Luca, let's go to the video parlor and play a few games.

**Friend 2:** Great idea! But I will need to borrow some money from you. I'll pay you back next week.

**Friend 1:** You always promise that, but you never do!

## HANDOUT 3.5.1

### Financial Negotiation Scripts for Role-Plays (continued)

#### SKIT 3

*A parent and child discussing the amount of money the child needs each week*

**Child:** Mama, I need money for lunch and the bus.

**Parent:** But I gave you \$2 last week. What did you do with that money?

**Child:** It's not enough for the whole week Mama. Besides, I had to buy lunch for my cousin one day because she did not have any money.

#### SKIT 4

*A husband and wife discussing how they can save more money.*

**Wife:** My dear husband, we must save a little money for our roof.

**Husband:** Oh wife, how can we do that? We have nothing.

**Wife:** If you cut back on your visits to the tea shop, we could save!



## HANDOUT 3.5.2

### A Conversation Between a Father and Daughter (I)

- Daughter:** Hey, it looks like you are going out, as usual, but I have to talk to you about something really important; it can't wait!
- Father:** I am about to leave for my card game tonight. What could possibly be so urgent?
- Daughter:** Well you know how I am going across town to a new school? So, I am trying to make new friends but all the kids come from all over so it's hard to stay in touch with them. And, on my way home, maybe Mama will want me to do an errand....
- Father:** What are you talking about? Get to the point. I am in a hurry!
- Daughter:** I really want a cell phone. All my friends are getting them and ....
- Father:** (*cutting her off*) You always want something—usually something useless and expensive so you can act like a rich kid—even though you know money is tight in this family!
- Daughter:** That's not fair! A cell phone will help all of us, particularly as I take on more responsibility around here.
- Father:** I will decide what is fair and not fair in this household! There are a lot of demands on my income and I have to decide how to spend it in the best interest of everyone.
- Daughter:** Yea, well my interests never seem to matter! My brothers get whatever they want, but for me, money is always tight.
- Father:** Ach, I don't have time for this argument. You are obviously still too young to understand how hard it is to make ends meet.

## HANDOUT 3.5.3

### A Conversation Between a Father and Daughter (II)

**Daughter:** Hello, father, I want to talk to you about something important. Do you have a few minutes now?

**Father:** I have to leave soon for my card game tonight. Let's make it quick!

**Daughter:** Father, now that I am older and travel across town to school, I really need a cell phone. I know they are expensive but....

**Father:** (*cutting her off*) You always want something—usually a luxury item—even though you know money is tight in this family!

**Daughter:** But father, a cell phone will help all of us, especially as I take on more responsibility for collecting my sister at her school and doing errands for Mama.

**Father:** Young lady, you do not seem to realize that there are many things my income needs to cover, and I have to decide how to spend it in the best interest of everyone.

**Daughter:** I am sorry, father, I did not mean to make you angry. I know it is hard to manage so many demands on the budget. I can wait to get a phone. Do you think it would be possible to come up with a plan for buying 1 in the future? I am earning money myself now, helping Aunt Sara at her market stall. It is very little, but still, if I save, I can have \$20 in 2 months. If I am able to do that, would you consider helping me pay the balance?

**Father:** I guess I could consider that. But don't expect me to pay for your air time!

## HANDOUT 3.5.4

### Discussion Questions for Parents/Guardians

- What are the most common conversations about money that you have with your teenagers?
- What are 2 things you would like to see your teenager do to make these conversations go better?
- What are 2 things you can do to make these conversations go better?

## HANDOUT 3.5.5

### Discussion Questions for Young People

- **What are the most common conversations about money that you have with your parents?**
- **What are 2 things you would like to see your parent or guardian do to make these conversations go better?**
- **What are 2 things you can do to make these conversations go better?**

## SESSION 1

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Identified various options for earning money
2. Selected work options that are most appealing to them

## PREPARATIONS/MATERIALS

- FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:
  - Step 2:
    - Rules
  - Step 4:
    - Categories of Work (5 separate flip charts)
- HANDOUT FOR USE IN THE FOLLOWING STEP:
  - Step 1:
    - Handout 4.1.1: Research Guide
- CHOOSE NEIGHBORHOOD FOR INVENTORY ACTIVITY IN STEP 2 (PREFERABLY NEAR THE TRAINING CENTER)
- NOTEBOOK OR PAD OF PAPER FOR EACH GROUP
- MARKERS OR COLORED STICKERS (3 DIFFERENT COLORS)

FOR THE ALTERNATIVE ACTIVITY:

- MAGAZINES AND NEWSPAPERS (MANY)
- SCISSORS
- MARKERS
- FLIP CHART PAPER

## TIME

95 MINUTES

## STEPS

1. Introduce the chapter on earning money  
5 MINUTES
2. Identify how people earn money in the community  
60 MINUTES
3. Sort the economic activities you have found  
15 MINUTES
4. Identify appealing activities  
15 MINUTES

# Exploring Options for Earning Money

**Note to trainer:** In this session, you will send the participants out to the neighborhood to observe what people do to earn money in their communities. The activity is most appropriate for an urban setting. If your training venue is not located near any commercial district, you have 2 options: 1) You can plan to take public transportation to another part of town where there is more activity to observe; Trainers should accompany the participants or 2) You can carry out the alternative activity included at the end of this session. We do not recommend doing this activity as the first that you carry out with a new group of participants.

## STEP 1

## Introduce the Chapter on Earning Money

5 MINUTES

*Explain:*

In this chapter we are going to explore what options you have for earning money. Many of you will do many different activities to earn money that change with the seasons—like farming or making items to sell at Christmas time or sewing school uniforms during the weeks just before the new term begins. Some of you will pursue a defined career that will require special training, like being a health worker or a teacher. We will start by identifying the jobs and businesses and other ways people make money right in our community.

We will explore which of those jobs are a good fit for each of us based on our personalities, skills and interests. We will learn about what it is like to have your own business and compare that to what it is like to have a job working for someone else. This module has 6 learning sessions to help you evaluate your options for how you will earn money now and in the future. They are:

1. Exploring options for earning money
2. Matching personal qualities and skills to work options
3. Pathways to self-employment
4. Pathways to wage employment
5. Gender stereotypes and career choices
6. How do I learn more?

## STEP 2

### Identify How People Earn Money in the Community

60 MINUTES

*During this session you will send the participants out into the community in small groups to take inventory of the jobs they observe. This activity will take a minimum of one hour, and will take much longer if you must travel to another part of town. Once you decide where to go to carry out the proposed inventory of businesses, you should figure out the length of time you will need and how you might need to adjust the training schedule.*

*Divide participants into small groups of 4 and distribute Handout 4.1.1. Explain their task:*

You will go into the community and look for jobs that people have or activities that they do to earn money. Look everywhere; observe what people are doing and how they might be earning money doing it. Identify what they are doing that earns money. Here are some tips to follow:

- **Look in the market.** Who is doing what? There are sellers, of course. What other activities or types of businesses do you see?
- **Look in the shops.** What are the employees doing?
- **Look in the streets.** How are people getting around? What types of transport do you see? Who is transporting people to different destinations?
- **Walk into office buildings and look for a building directory.** What kind of offices do you see listed (law, medical, insurance, etc.)?
- **Look for signs on the windows of offices or hanging outside shops.** What kinds of businesses can you find?

- Is there a school in the neighborhood? What kinds of jobs do people do at schools?
- Where do people eat? What jobs can you identify at these places?

Write down every job or income-earning activity you find. The group that comes back with the longest list will win a prize! There are some rules, however.

*Post a flip chart with the rules for participants to see. Review each rule and ask participants if they have any questions before beginning the exercise.*

## RULES

1. Sellers in the market count as one type of job. You will not get credit for each type of seller you write down (e.g., tomato seller, flower seller). The same is true for shopkeepers. If you find 4 grocery stores, you will only get credit for one grocery store owner.
2. You have 25 minutes to walk around, observe and write down the activities you observe.
3. Your group can split up to cover more territory, but no one can be alone. You must work with at least one other person.

*When participants return, ask them to meet in their small groups to review their lists. They should 1) clean up the list, cross out any repetitions, and; 2) add to their list any job or business that they know about because a family member or friend does it.*

*Review the lists and declare a winner!*

*Ask:*

- **What was challenging about identifying ways to earn money?**  
*[There are so many jobs to identify! And, you can't see all the jobs that people are doing.]*
- **What did you learn that you did not already know about the types of work people do in your community?**

## STEP 3

### Sort the Economic Activities You Have Found

15 MINUTES

*Now post 5 flip charts around the room, 1 for each of the following categories of work. On the flip chart paper, write only the name of the category. Explain each category of work as follows:*

- **Small Business.** A small or micro-business usually sells something (clothes, food, CDs and DVDs, etc.) or offers a service (transportation, repair, tailoring, hairdressing.)
- **Social.** People with jobs in this category help others. They are teachers, law enforcement officers, firemen, and nurses.
- **Technical.** People with these jobs build or make things that usually involve equipment, tools or machinery. They are carpenters, woodworkers, metal-workers, plumbers, electricians, computer specialists.
- **Communication.** People with these jobs manage information. They are journalists, librarians, secretaries, radio announcers, computer data managers.
- **Artistic.** People in these jobs create objects and images. They make pottery, paint signs, or design web pages.

*Ask each group to go to 1 of the flip charts. Their task is to select the economic activities on their list that fit that category and write them on the flip chart. After 5 minutes, call "rotate" and direct the groups to move to a new flip chart. As they work their way through the flip charts they should only add an activity if it is not already written on the flip chart. There is no need to write an activity more than once.*



### CATEGORIES OF WORK

*Small Business*

*Social*

*Technical*

*Communications*

*Artistic*

Ask:

- **What does this categorization show us?** *[Look at the categories that contain the most jobs. You are likely to find more entries in the small business category than the others, because many economic activities are done by those who are self-employed. If some of the categories end up with no jobs, ask for examples of the kind of jobs that could belong in that category.]*

## STEP 4

### Identify Appealing Activities

15 MINUTES

*Give participants 3 different colors of stickers or markers. Tell them they will vote 3 times for the most appealing jobs.*

Say:

Your first vote is for the job that you think earns the most money. Place a red check mark (or whatever color you have) next to your choice.

*When participants have voted, say:*

Your second vote is for the job that seems like the most fun. Place a blue checkmark next to your choice.

*Again, allow participants to choose, and continue by saying:*

Your third choice is for the job that you would most like to do. Place a black checkmark next to your choice.

*If a participant is not interested in any of the activities written on the flip chart, or has a dream of doing something not on the list, he or she can place the stickers or check marks on a blank flip chart that you post for this purpose.*

*Review the votes for each category (earns the most, most fun, most like to do). Identify the winning choices. For each winning choice, ask one or 2 volunteers to explain why they voted for that job:*

➤ **Why did you make the selection you did?**

*And, for those who voted in the blank space, ask:*

➤ **What type of activity do you have in mind for yourself instead?**

*Conclude:*

You have identified many ways to earn money. Not all of them will be right for you. How you choose to earn money should be influenced by the kind of person you are, the skills you have or want to develop, and the opportunities you find. In our next session, we will explore the combination of personal qualities and skills that each of you has and how that can help you narrow down your choice of options for earning money.

### **Alternative Activity**

*Replace Step 2 and Step 3 if the community census of work options is not possible. Bring in lots of magazines and newspapers. Divide participants into small groups of 2 or 3. Assign each group 1 of the following categories: enterprise, social, technical, communication, artistic. Give each group a flip chart and a handful of magazines and newspapers.*

*Explain:*

Each group has a category of work options. Your job is to make a collage for your category. Look in the magazines for pictures or words that depict a type of job that fits in your category. Cut these out and place them on the flip chart however way you want. You can also draw your own images to portray types of work in your category, and you can combine pictures and words that you find in the magazines with your own artwork. Leave the bottom third of your flip chart/collage blank.

*When the collages are complete, post them on the wall at different places around the room. Invite the participants, in their same small groups, to visit each collage.*

*Explain:*

Study the collage. Discuss with your group members the types of work or jobs that fit in this category. In the blank space at the bottom of the collage, write down the jobs that you have identified.

*After 3–5 minutes, ask the groups to move to the next collage.*

## HANDOUT 4.1.1

### Research Guide

- Look in the market. Who is doing what? There are sellers of many goods. What other activities or types of businesses do you see?

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- Look in the shops. What are the employees doing?

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- Look in the streets. How are people getting around? What types of transport do you see?

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- Walk into office buildings and look for a building directory. What kind of offices do you see listed (law, medical, insurance, etc.)?

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- Look for signs on the windows of offices or hanging outside shops. What kinds of businesses can you find?

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- Is there a school in the neighborhood? What kinds of jobs do people do at schools?

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- Where do people eat? What jobs can you identify at these places?

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## SESSION 2

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Matched skills and character traits to distinct types of work
2. Identified their own character qualities and skills and/or interests
3. Selected types of work that might suit them given their personality and skills

## PREPARATIONS/MATERIALS

- FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Personal Qualities and Skills
- Categories of Work (5 flip charts)

Step 2:

- Card Game Rules

- 10–15 SETS OF PERSONAL QUALITIES CARDS IN 1 COLOR (SEE THE END OF THE SESSION)
- 10–15 SETS OF INTERESTS/SKILLS CARDS IN A DIFFERENT COLOR THAN ABOVE (SEE THE END OF THE SESSION)

- TAPE

## TIME

70 MINUTES

## STEPS

1. Matching personal qualities and skills to options for earning money  
30 MINUTES
2. What are your personal qualities and skills?  
40 MINUTES

# Matching Personal Qualities and Skills to Work Options

**Note to trainer:** Step 2 of this session uses a card game that you should review ahead of time to make sure you understand how to play it. Play it with a colleague or friend before you introduce it to your participants for the first time.

## STEP 1

## Matching Personal Qualities and Skills to Options for Earning Money

30 MINUTES

*Explain:*

We know that there are lots of different kinds of work out there. To find 1 that is right for you, you need to know what skills the job requires and ask yourself if you have those skills or if you can learn them. For example, someone who cannot sing on key probably won't find work as a singer. In addition to skills, you might also want to consider what type of personality fits the job. What personal qualities would help someone do the job well? For example, a very shy person might not make a good salesperson.

*Post a flip chart with 2 columns: Personal Qualities and Skills.*

PERSONAL QUALITIES	SKILLS

*Ask:*

- **What is a personal quality?** *[A personal quality is a part of character or personality. It often describes the way a person behaves or interacts with others.]*

*Ask participants to suggest some examples of personal qualities and write these in the Personal Qualities column. If you need to give examples, refer to the list of personal qualities and skills at the end of this session.*

*Ask:*

- **What is a skill?** *[A skill is something that a person does well, acquired through training, self-instruction, or experience.]*

*Ask participants to suggest some examples of skills and write these in the Skills column. If participants know each other well, you can make this more meaningful by asking them to suggest a skill that someone in the room has.*

- **For example, what personal qualities do you think a good salesperson should have?** *[friendly, talkative, confident]*
- **What skills should a good salesperson have?** *[communication skills, observation skills to match product to client need or desire]*
- **What personal qualities should a taxi driver have?** *[confident]*
- **What skills should a good taxi driver have?** *[good driving skills, knowledge of the area]*

*Post 5 flip charts, each titled with a distinct field or type of work. These can include: Social Service, Technical, Arts, Small Business, and Communication. The flip charts should look like the ones below.*

## **SOCIAL SERVICES**

Types of jobs:

- Teacher
- Community development worker
- Health worker

***Skills***

***Personal Qualities***

## **TECHNICAL**

Types of jobs:

- Computer repair
- Electrician
- Motor vehicle repair

***Skills***

***Personal Qualities***

## ARTISTIC

Types of jobs:

- Graphic designer
- Sign painter
- Fashion Designer

***Skills***

***Personal Qualities***

## SMALL BUSINESS

Types of jobs:

- Vendor/salesperson
- Transport
- Restaurant owner

***Skills***

***Personal Qualities***



**COMMUNICATION**

Types of jobs:

- Journalist
- Radio announcer
- Data management

***Skills***

***Personal Qualities***

*Ask participants to find a partner. Place one set of the Personal Qualities cards and one set of the Skill cards face down on a table near the posted flip charts. Have each pair draw one card from the skills pile and one card from the personal qualities pile. Together the partners should decide which job category is the best match for the personal quality and skill on the cards they have chosen. The 2 cards can be assigned to different job categories (and thus different flip charts). There can be more than one right answer. Participants should tape each card on the flip chart they have chosen.*

*Ask 2 or 3 pairs at a time to approach the table to control the traffic in the room. When all the cards are placed, invite everyone to review the completed flip charts.*

*Ask:*

- **What comments do you have about this process?**
- **What changes do you want to recommend, if any?**

*Discuss any proposed changes.*

*Say:*

Some personal qualities are a good match for more than one type of work. The same is true for skills. Understanding which skills and qualities occupations require helps us to focus our attention on those options that might be a good fit for each of us. In our next activity we will work towards identifying the fit between the skills and qualities we have and those required by different types of jobs.

## STEP 2

### What Are Your Personal Qualities and Skills?

40 MINUTES

*Tell participants they will continue working with the same partner. Give each pair a set of personal qualities and skills cards. Ask each pair to combine the 2 types of cards. Post a flip chart with the rules written on it and explain the game:*

We are going to play a card game that 2 people play together. The cards are the same as those we just used in the last activity. On each is a personal quality or a skill. The object of the game is to find 3 personal qualities and 3 skills that you have. This is how you play.

#### CARD GAME RULES

1. Choose one person to handle the cards. This is the “dealer.”
2. The dealer gives each player (himself and his partner) 6 cards, blank side down so that each player sees only the cards he or she holds.
3. The dealer places the rest of the cards—the deck—on the table between them and turns over the top card so both players can see what it says.
4. The non-dealer goes first. If she thinks that the card turned face up is one of her personal qualities or skills, then she can pick up the card and put it in her collection of cards. She must then discard, face up, one of her other cards, placing it on the “discard” pile. Players can keep only 6 cards. Any time that they choose to add a card, they must discard one.
5. If she decides that this first card is not one of her personal qualities or skills, then she can draw one from the pile. If the card she draws is a personality trait or skill that she can claim as hers, she adds it to her collection and discards another. If she does not want to add the drawn card to her hand, she places it on the discard pile face up.
6. Now it is the dealer’s turn. He can either pick up the top card in the discard pile (that the other player has just put down), or he can draw from the pile. In either case, if the dealer thinks that the card shows one of his personal qualities or skills, then he adds it to his collection of cards and discards another one. If it doesn’t, he puts it face up on the discard pile. Once he has chosen a card and either kept or discarded it, it is the other player’s turn.
7. The first player to have 3 qualities and 3 skills that honestly reflect his or her personality and skills, wins!

*Play a practice game. Go around to each pair and answer any questions. Once they have played one round, mix up the cards and play again.*

*When players have their own profile of personal qualities and skills, invite them to take their collection of qualities and skills and search among the job categories on the flip charts for a good match.*

*Explain:*

Take your collection of qualities and skills and circulate among the job category flip charts that we created. Look for a category that includes the qualities and skills you have collected during the card game. Don't worry if you don't find a perfect match. Stand by the flip chart that you decide is a good match for you.

*Ask:*

- **How did you feel about the job category you selected?**
- **What surprised you about the match you found? Are you interested in this category of work? Why?**
- **Each category contains many job options. Which would you like to learn more about?**

*Say:*

We have evaluated some work options by the skills and personal qualities that they require. When you get closer to making decisions about work, you will have other factors to consider, such as training and certification, job location, hours and wages; however, finding a few good matches—or a “fit”—first will help you narrow down your choices before investigating those other factors.

## LIST OF PERSONAL QUALITIES AND SKILLS

(To review and adapt as needed)

### PERSONAL QUALITIES

- Able to concentrate
- Adventurous
- Ambitious
- Analytical
- Attention to detail
- Calm
- Cautious
- Cheerful
- Competitive
- Hard-working
- Friendly
- Helpful
- Honest
- Funny/Witty
- Motivated
- Organized
- Outgoing
- Imaginative
- Persuasive
- Punctual
- Quiet
- Reliable
- Self-confident
- Sensitive
- Shy
- Tough
- Resourceful

### INTERESTS AND/OR SKILLS

- Working with hands (carpentry, welding, pottery)
- Working with computers
- Electrical (wiring, repair)
- Physically strong
- Good at sports/Athletic
- Drawing and painting
- Video, film
- Graphic design
- Fixing things (taking things apart, putting back together)
- Good with numbers
- Cooking, baking: food processing and preparation
- Speaking to groups (public speaking)
- Good writing skills
- Caring for children
- Teaching others
- Organizing/Coordinating
- Selling to others, convincing people
- Working outdoors
- Handling money
- Making deals
- Transportation (buses, cars, boats, planes)
- Managing information (appointments, contact information, client files, etc.)
- Keeping track of details like supplies, inventory

## Personal Qualities Cards

<b>ABLE TO CONCENTRATE</b>	<b>CHEERFUL</b>
<b>AMBITIOUS</b>	<b>ANALYTICAL</b>
<b>CALM</b>	<b>CAUTIOUS</b>
<b>COMPETITIVE</b>	<b>HARD WORKING</b>
<b>TOUGH</b>	<b>HELPFUL</b>

## Personal Qualities Cards (continued)

<b>FUNNY/WITTY</b>	<b>MOTIVATED</b>
<b>OUTGOING</b>	<b>IMAGINATIVE</b>
<b>PUNCTUAL</b>	<b>QUIET</b>
<b>SHY</b>	<b>SELF-CONFIDENT</b>
<b>ADVENTUROUS</b>	<b>ATTENTION TO DETAIL</b>

## Personal Qualities Cards (continued)

<b>CHEERFUL</b>	<b>FRIENDLY</b>
<b>HONEST</b>	<b>ORGANIZED</b>
<b>PERSUASIVE</b>	<b>RELIABLE</b>
<b>SENSITIVE</b>	<b>RESOURCEFUL</b>

## Interests/Skills Cards

<b>WORKING WITH HANDS (CARPENTRY, WELDING, POTTERY)</b>	<b>CARING FOR CHILDREN</b>
<b>GOOD WRITING SKILLS</b>	<b>TEACHING OTHERS</b>
<b>WORKING WITH COMPUTERS</b>	<b>ORGANIZING/COORDINATING</b>
<b>ELECTRICAL (WIRING, REPAIR)</b>	<b>SELLING TO OTHERS, CONVINCING PEOPLE</b>
<b>PHYSICALLY STRONG</b>	<b>WORKING OUTDOORS</b>



## Interests/Skills Cards (continued)

<b>GOOD AT SPORTS/ATHLETIC</b>	<b>HANDLING MONEY</b>
<b>ARTISTIC (DRAWING, PAINTING)</b>	<b>MAKING DEALS</b>
<b>VIDEO, FILM</b>	<b>TRANSPORTATION (BUSES, CARS, BOATS, PLANES)</b>
<b>GRAPHIC DESIGN</b>	<b>MANAGING INFORMATION (CLIENT FILES, APPOINTMENTS)</b>
<b>FIXING THINGS (TAKING THINGS APART, PUTTING BACK TOGETHER)</b>	<b>ORGANIZING/ COORDINATING</b>

## Interests/Skills Cards (continued)

<b>TRANSPORTATION (BUSES, CARS, BOATS, PLANES)</b>	<b>GOOD WITH NUMBERS</b>
<b>FOOD PREPARATION (COOKING, BAKING, ETC.)</b>	<b>SELLING TO OTHERS, CONVINCING PEOPLE</b>
<b>WORKING WITH HANDS (CARPENTRY, WELDING, POTTERY)</b>	<b>WORKING OUTDOORS</b>
<b>SPEAKING TO GROUPS (PUBLIC SPEAKING)</b>	<b>HANDLING MONEY</b>
<b>GOOD WRITING SKILLS</b>	<b>MAKING DEALS</b>

## SESSION 3

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Examined pathways to self-employment
2. Analyzed the advantages and disadvantage of self-employment

## PREPARATIONS/MATERIALS

■ FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Defining Self-Employment
- Examples of Self-Employment

Step 2:

- Guidelines for Interviews

Step 3:

- Advantages
- Disadvantages

■ HANDOUTS FOR USE IN THE FOLLOWING STEPS:

Step 2:

- Handout 4.3.1: Pathways to Self-Employment

Options 2 and 3:

- Handouts 4.3.2–4.3.6: Self-Employment Profiles

■ PENS

■ BLANK SHEETS OF PAPER

■ MARKERS

■ TAPE.

## TIME

90 MINUTES

## STEPS

1. Explore options for self-employment  
15 MINUTES
2. Explore self-employment in detail  
60 MINUTES
3. Discuss advantages and disadvantages of self-employment  
15 MINUTES

# Pathways to Self-Employment

**Note to trainer:** In this session you have the option of inviting 4 or 5 parents, relatives or other adults who are self-employed in a variety of occupations to participate as Guest Speakers. Identify these Guest Speakers in advance and tell them what to expect at the workshop (refer to Step 2 for details).

## STEP 1

### Explore Options for Self-Employment

15 MINUTES

Say:

For each of the following statements, stand up if you agree.

- I am self-disciplined.
- I am confident that I can succeed on my own terms.
- I want to be my own boss.
- I want to make my own decisions about how I work.
- I want to have flexibility in my work.

For those of you who stood up several times, you might prefer to be self-employed. Today we will explore self-employment in detail.

*Show and read the following flip chart:*

## **DEFINING SELF-EMPLOYMENT**

A self-employed person:

- Operates his or her own business as a means of earning income.
- Makes decisions related to the business—working hours, investment, products and services, marketing, etc.

*Say:*

For example, a person who has her own business selling fruit in the market is self-employed. The owner of a hair salon is also self-employed.

*Organize participants into pairs and ask them to develop a list of jobs that could be self-employment. Allow 5 minutes for this exercise.*

*Then ask participants to share their lists. Write each example on a flip chart entitled Examples of Self-Employment. After the first list, ask the remaining presenters to suggest only new examples that have not been mentioned, to avoid repeating.*

## **EXAMPLES OF SELF-EMPLOYMENT**

*Verify that the examples mentioned do, in fact, reflect self-employment. For example, a person who cuts hair is not self-employed if she works at a hair salon owned by someone else and receives a wage for her work.*

*Ask participants to raise their hand if they know someone who is self-employed and doing 1 of the jobs on the list they just developed.*

*Say:*

Some of you already know people who engage in these self-employment options. Our next task is to learn more about how these individuals got started doing this type of work.

## STEP 2

### Explore Self-Employment in Detail

60 MINUTES

#### Option 1:

*The first option, described here, is the preferable option for exploring self-employment in detail. However, if this is not possible, you can use one of the 2 alternative options at the end of this step.*

*Arrange for 4 or 5 parents, relatives or other adults who are self-employed in a variety of occupations to participate in this activity as Guest Speakers. Explain to them that they will be interviewed by workshop participants about the pathway they took to become self-employed, and the experience and training needed to work in their trade. Give them a copy of Handout 4.3.1: Pathways to Self-Employment in advance so they can prepare to answer questions. You may find that you will have a better chance of getting self-employed parents to come in if you schedule this session during the evening or at another time when they are more likely to be available.*

*Organize participants into as many groups as there are guest speakers. Distribute Handout 4.3.1: Pathways to Self-Employment and distribute pens and extra paper to each participant. Allow 2–3 minutes for participants to review this document.*

*Ask:*

► **What questions do you have about this document?**

*Say:*

In order to learn more about the path to becoming self-employed, you will interview people who are self-employed. When you start the interview, make sure to consider the following guidelines:

#### GUIDELINES FOR INTERVIEWS

- Divide the questions among all group participants.
- Select someone to start the interview and introduce the rest of the group members.
- Group members take turns asking their questions.
- Everyone should take notes except the person asking the question.
- Everyone should listen carefully to each response and not interrupt.
- Thank the Guest Speaker for his or her participation.

*Post and read the flip chart, Guidelines for Interviews:*

*Ask:*

➤ **What questions do you have about these guidelines?**

*Arrange the guests in different locations throughout the room. Each group will meet with each Guest Speaker for 7–10 minutes, and ask questions from Handout 4.3.1: Pathways to Self-Employment. After 10 minutes, ask the groups to rotate to the next Guest Speaker.*

*Once all groups have conducted all the interviews, ask Guest Speakers:*

➤ **What advice would you like to share about becoming self-employed, or being self-employed?**

➤ **What are the ways in which young people can prepare to be self-employed?**

*Allow 5 minutes for this discussion.*

*Thank the Guest Speakers for their participation.*

**Option 2:**

*If it is too difficult to get self-employed resource people to come to the training, you can take the participants to these resource people by arranging interviews at their workplaces. Contact entrepreneurs you know in the community and arrange to have participants conduct an interview at their workplace. Divide participants into groups of 2 or 3 and give each group Handout 4.3.1. They should practice asking each other these questions before conducting the interviews with the entrepreneurs. When you go into the community, make sure that several adult trainers accompany the participants; that each group knows where to locate the businessperson who is expecting them, and that no one goes off alone.*

**Option 3:**

*If it is not possible to bring in Guest Speakers, develop 5 self-employment profiles and ask 5 participants to role-play those positions. Profiles should provide enough information so that they can answer the questions on Handout 4.3.1: Pathway to Self-Employment. Five sample profiles are provided (see Handouts 4.3.2, ...3, ...4, ...5, and ...6). Adapt these to your context or write new ones.*

## STEP 3

### Discuss Advantages and Disadvantages of Self-Employment

15 MINUTES

*Ask participants:*

- **What surprised you about what you found out?**
- **What are some common characteristics of the self-employed?**
- **What are some challenges of self-employment?**

*Allow 5 minutes for discussion.*

*Say:*

Now that you have learned more about self-employment, let's discuss in more detail the advantages and disadvantages of self-employment. I will read a series of key points about self-employment. For each 1, decide if you consider it to be an advantage or a disadvantage.

*Post 2 sheets of flip chart paper in the room, 1 that says Advantage, and another that says Disadvantage.*

If you decide the point is an advantage, stand near the Advantage flip chart. If you think it is a disadvantage, go to the flip chart that says Disadvantage. If you can't decide, stand right in the middle, in front of me. You have 3 seconds to make your choice and move!

<b>ADVANTAGE</b>	<b>DISADVANTAGE</b>
------------------	---------------------

*Read the following, pausing for discussion after each key point:*

- Number of hours worked
- Income earned

- Irregularity of income
- Flexibility in work hours
- Responsible for business decisions

*After each point, ask a volunteer from each side to explain why they decided it was an advantage or disadvantage. Allow just 1–2 minutes of discussion per point, short enough to keep the momentum going.*

*Say:*

Now that you know more about self-employment, raise your hand if you are interested in being self-employed.

*Ask one volunteer to explain his or her decision.*

*Say:*

As you plan your future, learn as much as you can about your job options; identify their advantages and disadvantages so you can make better decisions.

*Congratulate everyone for their work and decision-making.*



## HANDOUT 4.3.1

### Pathways to Self-Employment

*Ask the Guest Speakers the following questions:*

**What is your occupation?**

**How did you get started in this occupation?**

**What experience do you need to have to do this type of work?**

**What type of training and education is required?**

**How much money do you need to start this type of work? Where can you obtain the financing?**

**What are the working conditions?**

**What are the main challenges to this type of work?**

**What are the main benefits to this type of work?**

**What should be my first step if I want to do this type of work?**

## HANDOUT 4.3.2

### Self-Employment Profile 1

*Assume the role of a self-employed hairdresser. Give the following answers to the questions your interviewer will ask you.*

**What is your occupation?**

I'm a hairdresser.

**How did you get started in this occupation?**

My aunt is a hairdresser, and when I was a little girl I would watch her cut and style people's hair. When I was old enough I started helping her, and later on I started cutting hair on my own at my house.

**What experience do you need to have to do this type of work?**

You need to know how to cut hair well, and how to create the most popular styles that your customers will request. It's best if you can train with someone experienced, so they can teach you the techniques of cutting and styling hair.

**What type of training and education is required?**

You will need training. I know there are some schools you can attend for 1 year to get certified, but they cost money. That certificate will make it easier to find a job or to attract new clients. The training that my aunt gave me has been very practical for getting started in the business, but if I want to offer new services, I will eventually need to go to school for my trade. I know that some of the products hairdressers use now must be applied very carefully, and I need to learn how to use them.

**How much money do you need to start this type of work? Where can you obtain the financing?**

You need money to get the right training, and you will need money for your tools. Of course, if you want to work outside of your home, you will also need some money to rent a room where you can do business, as well as money for the electricity, water, and chairs. You can borrow money from relatives or sometimes, from a financial institution. But you should start saving to pay for school because it is hard to get a loan for that.

## Self-Employment Profile 1 (continued)

### **Where do you work, and what are your hours?**

I work Monday through Saturday, 10 a.m. to 5 p.m. However, I sometimes have to stay open longer if I can't finish before 5 p.m. I can't send my customer home with only half a haircut! I have my own place at home, but eventually I want to rent a separate location. I am saving money to do that.

### **What are the main challenges to this type of work?**

I don't have a regular number of customers every day. There are days when I only have one! My home can be hard to find for someone outside the community, but I don't have enough money to advertise. Also, the number of hairdressers is growing, and I feel the pressure to do things better than the others so that I keep my customers.

### **What are the main benefits to this type of work?**

I have flexibility, and can close down my shop if I have to run an errand. I don't have a boss who tells me what to do, and I keep all the money I earn. It's fun too. I like experimenting with new styles and I like helping women look their best!

### **What should be my first step if I want to do this type of work?**

Start saving now for your hairdressing training course, and start looking for a course that is right for you. If you want to make some money and learn important skills in the meantime, you should find someone—maybe a friend or family member—who can begin training you little by little.

## HANDOUT 4.3.3

### Self-Employment Profile 2

*Assume the role of a restaurant owner. Give the following answers to the questions your interviewer will ask you.*

#### **What is your occupation?**

I own a café in the market where I serve breakfast in the morning and snacks during the day, along with sodas and other drinks.

#### **How did you get started in this occupation?**

When I was very young, I became an apprentice to a neighbor woman who made different types of food to sell in the market. I helped her at her house, and when I got older, I did the selling. I made a deal with a restaurant to supply homemade foods. After a while, the lady hired me to help her in the restaurant. Eventually she got sick and sold me the restaurant. And here I am, still.

#### **What experience do you need to have to do this type of work?**

You need to know a lot of different things. First, you must decide on the kind of food you want to make and sell. In a small restaurant like mine, you only have to offer 1 or 2 dishes at most. But you must be sure that you can make a large quantity of each 1, because you need a lot of food to serve the customers between 6:30 and 8:30 a.m. Second, you have to know how to plan ahead, to have the ingredients and other supplies you need when you need them. And third, you have to learn how to negotiate with suppliers, the people who sell you the ingredients for your recipes. When you buy a lot, you might be able to get a discount.

#### **What type of training or education is required?**

All of my training was on the job, first in my neighbor's kitchen, then in the restaurant. I learned through experience. Nowadays, kids can go to vocational school for food preparation and catering which would give you more knowledge than I'll ever have! But because my business is small and simple, it's okay that I did not get any special training. In fact, I've been thinking about how to expand and add a juice bar for daytime customers, but I am not sure how to find out what I need to know about juice machines and recipes. Maybe a course in catering would teach me that? Also, you have to know how to make food safely, so that your customers don't get sick.

## Self-Employment Profile 2 (continued)

### **How much money do you need to start this type of work? Where can you obtain the financing?**

In my case, I started paying for the restaurant a little at a time long before the first owner left. We agreed that I would give her a payment every month. I was lucky; she did not have any relatives who wanted it or would require me to buy their interest in it. So I got a really good deal. But now, with my dream to add a juice bar, I need to find some capital. I am saving now in hopes that I will be able to borrow enough money for the juice bar once I figure out how to do it.

### ***Where do you work, and what are your hours?***

Well, I work long hours. I am get up at 4:30 and start cooking at 5:30. My last breakfast customers usually leave by about 9:00 a.m. Then I have to clean up, visit suppliers, and make the food for the snack bar. I stay open selling snacks until 4 p.m. Sometimes, when I have a lot of other business to take care of, I hire someone to tend the snack bar for me. If I get all the food made ahead of time, she just has to sell it. I do all the cooking here. But the lighting is not good. And the bathrooms in this market are really bad. I wish I had more control over the sanitation and general cleanliness in the market.

### **What are the main challenges to this type of work?**

There is a lot of competition. And when people have less money, they don't come. When the weather is bad, customers don't come. If someone gets sick, and thinks that it is because of something they ate at my café, business slows down. So, sometimes, I don't make enough to pay my bills and I get in trouble with my suppliers.

### **What are the main benefits to this type of work?**

I like it; I know my neighbors and customers. We've been together for years! And, by now, I certainly know my business. There are hardly ever any nasty surprises! I could maybe make more money if I were ambitious enough to expand, to change my menu. But that takes more time. I already spend 11 hours a day in this little restaurant! I will get a chance to try something new with the juice bar, someday.

### **What should be my first step if I want to do this type of work?**

Get some experience to see if you really like handling food, cooking and dealing with suppliers and customers.

## HANDOUT 4.3.4

### Self-Employment Profile 3

*Assume the role of a self-employed car mechanic. Give the following answers to the questions your interviewer will ask you.*

#### **What is your occupation?**

I am a car mechanic. I have a small shop behind my house.

#### **How did you get started in this occupation?**

I went to a vocational institute for 1 year. But the institute closed. To learn more, I was attached to a master car mechanic in his shop for another year. I worked in that shop every day but did not get paid anything. In fact, my family had to pay the owner to teach me. It was hard; the days were long, and sometimes the mechanics were mean to me. But I learned a lot about fixing cars!

#### **What experience do you need to have to do this type of work?**

You need to know how engines work. And, you need to work with all the different parts of the car's systems.

#### **What type of training is required?**

Taking a course that gives you a recognized certificate in engine repair is the best way to start. Having a recognized certificate makes it easier to get a job in a repair shop. But that is expensive and can take up to 2 years. The other option is to learn from someone else, a friend or relative or, like me, a master trainer who takes you on as an apprentice.

#### **How much money do you need to start this type of work? Where can you obtain the financing?**

I recommend working for someone else in their repair shop before trying to start your own shop. You need a lot of experience before you can be the one totally responsible for fixing the cars and it takes a while to learn everything there is to know. I started my shop after working for 5 years for someone else. I borrowed money from my uncle to turn an old shed into a garage. At first, I only did small things like oil changes and engine tune-ups. I saved money as best I could and bought the equipment I needed to do bigger repair jobs. Now, I think I could get a loan from my credit union.

## Self-Employment Profile 3 (continued)

### **Where do you work, and what are your hours?**

First, you have to accept working with engines. It's dirty and greasy work. My shop is small and doesn't get much light. Sometimes I feel like I am in a cave. But I am happy when the cars come in. Most days are long, because when someone brings their car in for repair, they want it back as quickly as possible. I have to try to fix each car the same day it comes in. Sometimes I have to work very late.

### **What are the main challenges to this type of work?**

The main challenge is getting the tools and equipment I need to expand my business. The other challenge is when no customers come, I don't earn any money, yet I still have to pay for electricity and support my family. I wish I owned a larger shop with more tools and space. Finally, unhappy customers can make my life difficult. Sometimes, they complain that the car has not been fixed properly and yell at me, demand that I do it over right away and that kind of thing. Of course, I am already working on someone else's car when they come to complain. It is challenging to satisfy everyone!

### **What are the main benefits to this type of work?**

I don't have a boss standing over me telling me what to do. When I don't have any work, I can visit my cousin who works down the street. I am teaching my son how to fix cars, and now he helps me after school. I will be proud if I can pass the business on to him!

### **What should be my first step if I want to do this type of work?**

Start learning about car engines. You can do small things like changing the oil or cleaning the spark plugs yourself.

## HANDOUT 4.3.5

### Self-Employment Profile 4

*Assume the role of a self-employed bookkeeper. Give the following answers to the questions your interviewer will ask you.*

#### **What is your occupation?**

I am a bookkeeper. My clients hire me to maintain their business records for them.

#### **How did you get started in this occupation?**

After secondary school, I attended a technical institute at night, after work. I learned how to keep records and the basics of accounting. Then I got a job as a bookkeeping assistant at a big company. I worked in that office for 3 years, but I never got along very well with my boss.

#### **What experience do you need to have to do this type of work?**

You need to like numbers because you write numbers on forms all day long. You have to pay attention to detail. If you put the wrong number down anywhere, it can really mess things up.

#### **What type of training and education is required?**

First of all, you really should be good at using computers. When you are comfortable with your computer skills, you need to learn basic bookkeeping functions. Business owners need to produce financial reports about the state of their business and the information for these reports comes from the daily records of the business. So you need to know what information goes into these records and how to use the information about daily business activity to create the annual business reports. Most people take a course to learn this. But you could also teach yourself if you are good with numbers. Once you take a course, it is helpful to get some work experience before you try to start your own business.

#### **How much money do you need to start this type of work? Where can you obtain the financing?**

Before I started, I took special courses at a computer center in town, which had a reasonable tuition. Then, I had to buy a computer, and I got 1 used, so it did not cost too much. I work at home, so I don't have to pay rent for my business. My only other expense comes from office supplies.



## Self-Employment Profile 4 (continued)

### **Where do you work, and what are your hours?**

The hours are what I like so much about this job. I do most of my work at night, after my family has gone to bed. As long as I finish the work on time, my clients don't care when I do it. They don't even know, actually. I do have 1 season, about 2 months, when I am really busy because all of my clients have to send in taxes to the government and they need me to prepare their tax forms. Since everyone has the same deadline, I tend to get busy at that time of year.

### **What are the main challenges to this type of work?**

Sometimes I have a problem with a client's records that I don't understand. Often, the client doesn't remember the situation and can't help me. That is really frustrating. The other challenge is that I don't always have clients. When I find myself without enough clients, I get nervous because my income goes down and I can't pay my bills.

### **What are the main benefits to this type of work?**

I love being my own boss. I get to spend more time with my family than people who go to offices every day. I love working at home, although I really need a little room where I can keep my work papers separate from all the other stuff in my house.

### **What should be my first step if I want to do this type of work?**

I would find out what options you have for a bookkeeping course. Find out what the entrance requirements are and how much it costs. Then you can make a plan for how you can take that course.

## HANDOUT 4.3.6

### Self-Employment Profile 5

*Assume the role of a wholesale grain trader. Give the following answers to the questions your interviewer will ask you.*

#### **What is your occupation?**

I am a grain wholesaler. Mostly, I buy and sell maize.

#### **How did you get started in this occupation?**

I started helping my grandfather when I was still in high school. I travelled to the border with him to buy maize and bring it back to our town. Sometimes I helped to load the maize on the hired truck; sometimes I would guard it while he went to settle his accounts. Eventually, I took over his business.

#### **What experience do you need to have to do this type of work?**

You need to be able to travel. You need to travel to lots of different places, depending on the item you buy and sell. You also need to know how to negotiate both with your suppliers and your customers. You make better money when you have negotiated good deals.

#### **What type of training and education is required?**

I don't think you need any special education, just experience.

#### **How much money do you need to start this type of work? Where can you obtain the financing?**

To get started, you need the capital to make your first purchase, and enough to pay for transport. When you sell, you should get back your investment plus some extra. Once you build a customer base, and have confidence that you can sell more, you can buy more. Then you might need more working capital to expand.

#### **Where do you work, and what are your hours?**

Well, I have a store where I keep my grain and sell it. But I am only open on 4 days a week. The other days I am usually traveling someplace to make bulk purchases.

## Self-Employment Profile 5 (continued)

### **What are the main challenges to this type of work?**

Sometimes you end up with a product that goes bad before it should. Sometimes you can't find the quantity you want to buy. And sometimes, you have customers who buy on credit and then don't pay. I have really had challenges collecting on these debts.

### **What are the main benefits to this type of work?**

I love being my own boss. I like going to different places and meeting new people. I also like have steady customers who buy from me.

### ***What should be my first step if I want to do this type of work?***

I would try to accompany someone on a buying trip to learn about the process, and see if you feel comfortable doing this type of work. You should also figure out what grains or other products are in high demand and low supply. Find the gap in the marketplace that you can fill.



## SESSION 4

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Examined wage employment options
2. Compared the advantages and disadvantages of self- and wage employment

## PREPARATIONS/MATERIALS

■ FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- 2 flip charts to compare self- and wage employment
- Job Categories

Step 3:

- Advantages and Disadvantages of Self-Employment and Wage Employment

■ HANDOUTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Handout 4.4.1: Job Category Cards

Step 2:

- Handout 4.4.2: Pathways to Wage Employment

Step 3:

- Handout 4.4.8: Advantages and Disadvantages Cards

Options 2 and 3:

- Handout 4.4.3–4.4.7: Wage Employment Profiles

■ PENS

■ SHEETS OF PAPER

## TIME

90 MINUTES

## STEPS

1. Identify options for wage employment  
20 MINUTES
2. Explore jobs in detail  
50 MINUTES
3. Compare advantages and disadvantages of self- and wage employment  
20 MINUTES

# Pathways to Wage Employment

**Note to trainer:** In this activity you will invite parents, relatives or other adults who are wage earners (or salaried workers) in a variety of occupations to discuss their work. Identify these guest speakers in advance and tell them what to expect at the workshop (see Step 2 for details and other options if inviting guest speakers to the training is not possible).

## STEP 1

## Identify Options for Wage Employment

20 MINUTES

Ask:

- What are the main differences between the following 2 people?

Show the following sheets of flip chart paper as you read the information on each one:

## #1—A PERSON WHO HAS A BUSINESS MAKING CLOTHING

## #2—A PERSON WHO HAS A JOB IN A FACTORY MAKING CLOTHING

*Allow 2–3 minutes for discussion. Take notes on the flip charts to record participants' ideas. If participants have a difficult time identifying differences, ask them to consider specific issues such as level of independence, earnings, schedule, for example.*

*Make sure the following points are made:*

*#1—A person who works for herself is self-employed, sets her own schedule, and has earnings that might vary.*

*#2—A person who works for someone else is an employee, has a regular schedule usually set by the employer, and receives fixed wages on a regular basis. Some employers also provide benefits such as health insurance.*

*Ask:*

➤ **What questions do you have about the differences between these 2 ways of earning money?**

*Say:*

We have already discussed self-employment. Today we will talk about being employed by someone else, which we call wage employment.

*Post the Job Categories flip chart.*

We can classify many wage jobs into the following 5 categories:

### JOB CATEGORIES

- **Health Care.** These jobs usually involve some training to obtain the skills needed to do the job which include lab technician, home healthcare worker, hospital administrator, and nurses or nurses' aides.
- **Social.** People with jobs in this category help others, such as teachers, law enforcement officers, firemen, community organizers, hairdresser.
- **Technical.** People with these jobs build or make things that usually involve equipment or machinery. They are carpenters, metalworkers, plumbers, electricians, computer repair technicians.
- **Communications.** People with these jobs manage information. They are journalists, librarians, secretaries, radio announcers, computer data managers.
- **Artistic.** People with these jobs create objects and images. They make pottery, paint signs, and design web pages.

Now we will play a game to help us understand which types of jobs fall into these different categories.

*Give each participant a card with a job description (copy Handout 4.4.1: Job Category Cards and cut into separate cards). Tell participants to find their peers who have cards with jobs of the same category. Allow 5–7 minutes for this activity.*

**Note to trainer:** Make sure the categories and job descriptions are accurate for your local context. Adapt job descriptions as necessary.

*Participants should be grouped as follows:*

## JOB CATEGORIES

Health Care	Social	Technical	Communication	Artistic
Medical lab assistant	Teacher	Carpenter	Newspaper reporter	Singer
Clinic administrator	Social worker	Architect	Data entry technician	Fashion designer
Home health-care worker	Community mobilizer (NGOs)	Plumber	Web designer	Advertising executive
Nurse/nurses' aide	Firefighter	Electrician	Radio announcer	Painter

*Allow 5 minutes for participants to find their peers in the same categories. Clarify any misclassifications.*

*Say:*

These categories can help you think about the type of job that interests you. You will have a chance to interview someone who is working in each category.

## STEP 2

### Explore Jobs in Detail

50 MINUTES

#### Option 1:

*The first option, described here, is the preferable option for exploring wage employment in detail. However, if this is not possible, you can use one of the 2 alternative options at the end of this step.*

*Identify 5 parents, relatives or other adults working in wage jobs from the 5 different money-earning categories to participate in this activity. Invite them to come to the training as Guest Speakers to be interviewed by participants. (Use*



*the job categories in Step 1 as a guide when you look for resource people to come in as guest speakers. If you find a good candidate who does not fit into one of the 5 categories above, don't worry. You can use his or her job to come up with a 6th category!)*

*Instruct participants to stay in the same groups they assembled in the previous step.*

*Distribute Handout 4.4.2: Pathways to Wage Employment. Arrange the guests in 5 different locations throughout the room. Tell participants that each group will meet with each Guest Speaker for 5–7 minutes to ask him or her questions that will reveal their personal pathway to wage employment. Participants will use the questions on Handout 4.4.2: Pathways to Wage Employment. After 7 minutes, ask the groups to rotate to the next guest speaker. For each interview they conduct, one person should fill out the information on the handout.*

*Once all groups have conducted all the interviews, ask Guest Speakers:*

- **What advice would you like to share with us about preparing for the type of work you are doing?**
- **What advice can you share about being successful on the job?**

*Allow 5 minutes for this discussion.*

*Thank the Guest Speakers for their participation. (They may leave at this point if they wish.)*

*Ask participants:*

- **What have you learned from these job descriptions that you did not know before?**
- **What jobs attract your attention or interest?**

*Allow 5 minutes for discussion.*

*Explain:*

Learning about the requirements and benefits of a job is an important first step to narrowing down your choice of occupation. But, as you can see, information about jobs can be very specific, and the answers are not always easy to find. You might need to go to several different sources to find out what you want to know. For example, relatives or friends can help, or you can ask in your schools about job training programs that might have this type of information. Anybody with access to the internet can find a lot of good information about various occupations.

**Option 2:**

*If it is too difficult to get self-employed resource people to come to the training, you can take the participants to these resource people by arranging interviews at their workplaces. Contact entrepreneurs you know in the community and arrange to have participants conduct an interview at their workplace. Divide participants into groups of 2 or 3 and give each group Handout 4.4.2. They should practice asking each other these questions before conducting the interviews with the entrepreneurs. When you go into the community, make sure that several adult trainers accompany the participants; that each group knows where to locate the businessperson who is expecting them, and that no one goes off alone.*

**Option 3:**

*If it is not possible to bring in Guest Speakers, develop 5 self-employment profiles and ask 5 participants to role-play those occupations. Profiles should provide enough information so that actors can answer the questions on the Handout 4.4.2: Pathway to Self-Employment. Five sample profiles are provided (see Handouts 4.4.3,...4, ...5, ...6, and ...7). Adapt these to your context or write new ones.*

## STEP 3

### Compare Advantages and Disadvantages of Self- and Wage Employment

20 MINUTES

Say:

Now that we have a clearer understanding of job opportunities, we can compare the advantages and disadvantages of self- and wage employment. We'll use a little competition to do this.

*Organize participants into 2 groups. Each group should discuss advantages and disadvantages for both self- and wage employment. Allow 5 minutes for this discussion.*

*Give each group a set of cards with the advantages and disadvantages of both self- and wage employment (see Handout 4.4.8). Give each group a flip chart drawn with a blank table as shown below.*

*Each group will have 5 minutes to decide which advantages and disadvantages belong to wage employment and which to self-employment. Tell them to arrange their cards on the flip chart so you can see them. Once time runs out, they will not be able to make any changes.*

SELF-EMPLOYMENT		WAGE EMPLOYMENT	
<i>Advantage</i>	<i>Disadvantage</i>	<i>Advantage</i>	<i>Disadvantage</i>

*After 5 minutes, say each characteristic one at a time, and review how each group categorized it.*

*Below are the characteristics and the suggested categorization; however, if participants want to argue for a different answer, you can act as the judge and determine whether the group made a valid point.*

SELF-EMPLOYMENT		WAGE EMPLOYMENT	
<i>Advantage</i>	<i>Disadvantage</i>	<i>Advantage</i>	<i>Disadvantage</i>
You can set your own hours	You have to work many hours each day to make any money	You receive wages on a regular basis	You cannot set your own schedule
Don't need educational degrees or certificates	Business income varies, but business expenses are more constant (e.g., utilities, supplies, marketing)	You can have opportunities for promotion	Your work hours may not be convenient for you
You are your own boss and can make your own decisions	You usually need capital to get started	Social contact with co-workers	You have no control over work conditions
You do work you like	Responsibility for business success is stressful	Less stressful, you can leave your work behind at the end of the day	You have limited opportunities to make decisions

*The group that gets the most correct answers wins!*

*Say:*

Now that we have discussed advantages and disadvantages of each type of employment, stand to the right side of me if you want to be self-employed and to the left side if you want to be employed by someone else.

*Ask 2 or 3 volunteers from each side to explain their choice.*

*Congratulate everyone for their work and thank the Guest Speakers for their participation.*

# HANDOUT 4.4.1

## Job Category Cards

SOCIAL	TECHNICAL	HEALTH CARE
Teacher	Carpenter	Medical lab assistant
Social worker	Factory worker	Clinic administrator
Community mobilizer	Computer repair	Home healthcare worker
Firefighter	Electrician	Nurse/nurse's aide

## Job Category Cards (continued)

**COMMUNICATION****ARTISTIC**

Newspaper reporter	Singer
Data entry technician	Fashion designer
Web designer	Advertising executive
Radio announcer	Painter

## HANDOUT 4.4.2

### Pathway to Wage Employment

*Use these questions to find out how our Guest Speakers came to be employed at their current jobs.*

**What is your occupation?**

**How did you get started in this occupation?**

**What experience do you need to have to do this type of work?**

**What type of training and education is required?**

**How did you get your first job?**

**What is the salary range? High/Medium/Low?**

**Where do you work, and what are your hours?**

**What are the main challenges to this type of work?**

**What are the main benefits to this type of work?**

**What should be my first step if I want to do this type of work?**

## HANDOUT 4.4.3

### Sample Wage-Employment Profile 1

*Assume the role of a worker in a clothing factory. Give the following answers to the questions your interviewer will ask you.*

**What is your occupation?**

I work at a factory where I sew clothes.

**How did you get started in this occupation?**

When I was very young I used to help my mother mend our clothes.

**What experience do you need to have to do this type of work?**

You need to have some experience sewing clothes. The more experience and skills you have, the better the position and salary you can get.

**What type of training and education is required?**

The factory doesn't require any specific degree. You just need to know how to use a sewing machine. However, if you want to be a manager, you need to be quite good at writing and calculations.

**How did you get your first job?**

My neighbor works at the same factory. She helped me get a job there.

**What is the salary range? High/Medium/Low?**

Low

**Where do you work, and what are your hours?**

I work from 7 a.m. to 6 p.m., and have to travel about 30 minutes to get to the factory on the other side of town. The factory is crowded and hot, but they do give us lunch. We don't get enough breaks during the day, and I wish that the washrooms were cleaner.

**What are the main challenges to this type of work?**

It's a very long day. I get bored doing the same thing all day long, and I often have a backache from bending over the machine for so long. The boss hardly ever gives us time off and has not raised our salaries in 2 years.



## Sample Wage-Employment Profile 1 (continued)

### **What are the main benefits to this type of work?**

I can count on my paycheck every week, and I don't spend anything during the day because they give us lunch. Also, even though the work is hard and our breaks are short, I have had the chance to meet many people who are now friends.

### **What should be my first step if I want to do this type of work?**

Get some experience sewing, and continue with school so you have more opportunities within the factory.

## HANDOUT 4.4.4

### Sample Wage-Employment Profile 2

*Assume the role of a nurses' aide. Give the following answers to the questions your interviewer will ask you.*

#### **What is your occupation?**

I am a nurses' aide at a private clinic.

#### **How did you get started in this occupation?**

In secondary school I sometimes helped my aunt, who is also a nurses' aide, at the hospital on Saturdays. I wanted to learn about what it would be like to work there. When the hospital offered a training course for nurses' aides, I signed up. I had to borrow money from an aunt for the registration fee, and I am still paying her back!

#### **What experience do you need to have to do this type of work?**

You need to learn the different tasks related to caring for the patients. You do a lot of cleaning and personal care. It is not hard, but sometimes the patients are cranky. You need to be kind and patient with them. I think it is helpful to be an apprentice, as well. You can learn a lot on the job.

#### **What type of training and education is required?**

I got certified as a nurses' aide by a hospital, but not all hospitals require certification. Some will train you on the job. You also have to finish primary school, so that you can take notes and read the labels on medications.

#### **How did you get your first job?**

I got my first job at the hospital where I went for training. It helped that I had already worked there. A lot of people knew me and could vouch for me.

#### **What is the salary range? High/Medium/Low?**

The salary is low, but you can earn more over time. I know some women who make more money working privately, taking care of older rich people who can afford to pay someone to come to their home to care for them!

## Sample Wage-Employment Profile 2 (continued)

### **Where do you work, and what are your hours?**

I work at the clinic 45 hours every week. When I first started, I worked nights, from 11 p.m. until 7 a.m. That was hard. Now, I have better daytime hours, but I still have to work on the weekends. That's 1 thing about working in hospitals and clinics—they need people to care for patients 24 hours a day, so you have to be willing to work nights and weekends.

### **What are the main challenges to this type of work?**

It can be hard to be around people who are really sick. It is depressing. And you have to be able to handle dirty bandages and soiled linens. I hate that part of the job. But sometimes patients are so happy to have someone who is kind to them and you feel good because you have helped someone, even if just a little.

### **What are the main benefits to this type of work?**

I like working with people, helping them to feel better. Most of them appreciate it. I also like having a schedule and knowing when I have to work. I can make plans with my friends more easily because I know when I am free. And getting a paycheck is good. I know how much I earn and how much I need to spend and how much I can save. What's more, I am learning a lot about health, and about different illnesses. I can use some of that information in my own life!

### **What should be my first step if I want to do this type of work?**

Visit a hospital. Try to spend some time there to see if you like the atmosphere. It is not for everyone. Start looking for a training course for nurses' aides.

## HANDOUT 4.4.5

### Sample Wage-Employment Profile 3

*Assume the role of a clerk at an Internet Café. Give the following answers to the questions your interviewer will ask you.*

**What is your occupation?**

I work at an internet café as a clerk.

**How did you get started in this occupation?**

I started at the café when it first opened. After I left secondary school, I saved money to take a typing class. I took it here, and the owner of the café was impressed with my hard work. When the café expanded its hours, he hired me as a clerk.

**What experience do you need to have to do this type of work?**

The only experience I had was the 4-week course I took at this café. I don't fix the computers, or teach courses, so I don't need a lot of technical knowledge. However, I did have to learn some basic bookkeeping, so that I can keep track of the use of the computers and the money we earn.

**What type of training and education is required?**

You need some training and education, but not a lot. I didn't graduate from secondary school, but I attended for 2 years, which helps. I did need to take a course to have a basic idea of how computers work.

**How did you get your first job?**

I applied soon after I finished my course. I saw a sign asking for people to apply. Because the owner remembered me, he gave me a chance!

**What is the salary range? High/Medium/Low?**

Low

**Where do you work, and what are your hours?**

I work in the middle of town, which I like. It's fun to be close to so many different things. I work a 9-hour shift with a break for lunch, which I don't mind.

## Sample Wage-Employment Profile 3 (continued)

### **What are the main challenges to this type of work?**

It can sometimes get boring, if it is a slow day. Also, if we have a problem with electricity, we can shut down for several hours and lose money. Then I worry about keeping my job! If a customer asks a question I can't answer, I also worry. Information about computers changes so quickly that you really have to work to keep up.

### **What are the main benefits to this type of work?**

I get to talk to all kinds of people during the day. I feel like I'm learning something new every day, too, even if it is just how to fix the printer when it becomes jammed. I am saving money to take another course, which might help me to someday become an instructor here, or even start my own internet café. I would never have had those dreams if I didn't work here.

### **What should be my first step if I want to do this type of work?**

You should take a course so that you have some knowledge of working with computers. Also, since many young people work at internet cafés, you can ask around to find out when the owners are hiring.

## HANDOUT 4.4.6

### Sample Wage-Employment Profile 4

*Assume the role of a sign maker in a printing company. Give the following answers to the questions your interviewer will ask you.*

#### **What is your occupation?**

I work for a company that makes all kinds of signs, banners and advertisements mostly for stores. I do the printing.

#### **How did you get started in this occupation?**

I learned from my uncle who started by painting signs. Then he moved on to printing. When I was 18, I attended a vocational course on printing and sign-making. It lasted 6 months.

#### **What experience do you need to have to do this type of work?**

You need to know how to set up the printing press and deal with the different colors of ink.

#### **What type of training and education is required?**

If you know the work already, you don't need a specific diploma, but most people get some kind of formal technical training to learn how to work the presses. Once in a while, a kid who started as the office boy gets to learn on the job.

#### **How did you get your first job?**

Because I had a little experience and a certificate from a technical institute, I got a job as a participant in this company. I worked for almost nothing for 3 months while I was on probation.

#### **What is the salary range? High/Medium/Low?**

At first it was very low, but now after 10 years, it is better. I think it is medium.

#### **Where do you work, and what are your hours?**

We work 10-hour shifts, Monday–Friday. Sometimes when a rush order comes in, we get called to work a night shift and we can't really say no. When the presses are running, it is hot.

## Sample Wage-Employment Profile 4 (continued)

### **What are the main challenges to this type of work?**

It can be difficult to print all the signs perfectly. Sometimes the paper gets a little twisted and the sign is ruined. Or the ink blotches. Then you have to start over. Another problem can be names or words written incorrectly—when that happens, all of your hard work has been for nothing!

### **What are the main benefits to this type of work?**

I like the regular hours and income. I also take pride in signs that look good.

### **What should be my first step if I want to do this type of work?**

Look for someone who does this kind of work and find out everything you can about that company. Ask if there are ever any apprenticeships or opportunities for attachment. Identify what options you have for technical training.

## HANDOUT 4.4.7

### Sample Wage-Employment Profile 5

*Assume the role of a security guard for a security company. Give the following answers to the questions your interviewer will ask you.*

#### **What is your occupation?**

I am the night shift manager for a private security company. I am responsible for the security guards who work the night shift.

#### **How did you get started in this occupation?**

I started working at the company as a security guard and did well. My customers all trusted me. Eventually, I was promoted to manager of the night shift. I had a good reputation as a guard who didn't fall asleep on the job!

#### **What experience do you need to have to do this type of work?**

Former experience in the military is great, but it isn't required to get a security guard job. You have to know how to handle the weapons that the security company gives you. You also need several people to vouch for your character.

#### **What type of training and education is required?**

The company trains you, and it looks for candidates who have a secondary school diploma.

#### **How did you get your first job?**

I got my first job with the security company with the help of my pastor. He vouched for me. I applied at several companies and visited them regularly to follow up on my application.

#### **What is the salary range? High/Medium/Low?**

The range is low for security guards. You earn more with time and experience. Now that I am a manager, my salary is still low, but I can see the possibility of other promotions in the company and feel better about my future. My next goal is to move up to day manager.

#### **Where do you work, and what are your hours?**

Of course, as night manager, I work all night long. I make the rounds, visiting different guards every night, and then spend the rest of my shift in the office. It's not so bad really, except that I have to sleep during the day when my kids are up and noisy. Sometimes I have to yell at them to keep quiet.



## Sample Wage-Employment Profile 5 (continued)

### **What are the main challenges to this type of work?**

My main challenge is guards who don't show up for work. I have to find replacements for them and that is always difficult. I also have to make sure that the guards are awake and doing their duty. If a guard is sleeping, it is my responsibility to discipline him, which I don't really like to do.

### **What are the main benefits to this type of work?**

I like the salary; although it is not much, it is steady. I also like being in a position of responsibility. I like the truck that I drive while at work, and maintaining the security equipment.

## HANDOUT 4.4.8

### Self-Employment vs. Wage Employment Cards

Set your own hours	Work long hours to make money
Don't need educational degrees or certificates	Income changes, but expenses are constant
You are your own boss and can make your own decisions	Need capital to get started
You do work you like	Responsibility for business success is stressful

## Self-Employment vs. Wage Employment Cards (continued)

Wages paid on a regular basis	Cannot set your own schedule
Social contact with co-workers	You might have to work at inconvenient times
Opportunities for promotion	No control over work conditions
You can leave your work behind at the end of the day	Limited opportunities to make decisions



## SESSION 5

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Identified how gender stereotypes influence occupational choices
2. Selected a non-traditional occupation to investigate further

## PREPARATIONS/MATERIALS

- FLIP CHART FOR USE IN THE FOLLOWING STEP:
  - Step 1:
    - Stereotypes
- TOOLS AND/OR OBJECTS ASSOCIATED WITH SPECIFIC OCCUPATIONS, OR
- PICTURES OF TOOLS AND/OR OBJECTS ASSOCIATED WITH SPECIFIC OCCUPATIONS
- FLIP CHART PAPER
- MARKERS

## TIME

50 MINUTES

## STEPS

1. Analyze gender-based stereotypes  
15 MINUTES
2. Choose a non-traditional job  
25 MINUTES
3. Would a non-traditional job be possible for you?  
10 MINUTES

# Gender Stereotypes and Career Choices

## STEP 1

### Analyze Gender-Based Stereotypes

15 MINUTES

*Post the following statements on a flip chart. (You can replace these with stereotypes common in your country or region.)*

*Ask:*

- **What do these statements have in common?**  
*[They reflect beliefs commonly held about a particular group or segment of the population.]*

### STEREOTYPES

- All Americans are rich
- Women are too emotional to hold positions of leadership
- Youth are irresponsible
- Men like to fight
- Adolescent girls only care about fashion

*Explain:*

Such beliefs are called **stereotypes**. Often stereotypes are more myth than reality, although at one time they may have had some small basis in reality.

*Separate participants into single sex groups with 3 or 4 to a group. (You may have one or several single-sex groups.)*

*Ask the girls to make a list of any commonly held beliefs, or stereotypes, about boys. Ask the boys to make a list of commonly held beliefs about girls.*

*After 5 minutes, ask each group to present its list.*

*Ask the boys:*

➤ **Are there any statements in the girls' list that you disagree with? Why?**

*Ask the girls:*

➤ **Are there any statements on the boys' list that you disagree with? Why?**

*Ask everyone:*

➤ **How do you think that these stereotypes have influenced the kind of work our mothers and fathers do?**

➤ **How will they influence your own choices of an occupation?**

## STEP 2

### Choose a Non-Traditional Job

25 MINUTES

*Gather a wide selection of tools, equipment or parts of a uniform that are used in well-known occupations; these can be the real thing, toys or pictures of the real thing (see sample list below for ideas, or use the pictures at the end of this session). Display them on a table. Create 2 additional display spaces on a table or shelf labeled "women" and "men."*

*Explain:*

One by one, you will approach the table, pick an object and decide what occupation it represents. Then, decide whether that occupation has traditionally been considered women's work or men's work. If you do not know what the tool is used for, or can't figure out the occupation, ask the other participants for their suggestions and then decide if it represents women's or men's work. Announce your decision and place the object in the appropriate space.

*When all participants have had a turn, ask:*

- **Who do you know who does the kind of work that your object represents?**
- **Describe a situation in which someone does a job that is traditionally associated with the opposite sex. How does this work out for them?**

*Invite participants to view all the tools/objects.*

*Explain:*

Boys, please choose a tool from the traditionally female group that indicates an occupation you would be willing to learn. Girls, please choose a tool from the traditionally male group that indicates an occupation you would be willing to learn. You have one minute to make your selection and write it down on the paper in front of you. Then, I will ask each of you to come forward, hold up the tool you have selected and tell us your answer to these questions:

- **Why did you choose this type of work? What do you think its benefits are?**
- **What do you think its challenges are?**

### SAMPLE TOOLS/EQUIPMENT/OBJECTS

Electrician	Coil of wire, light switch plate, light bulb
Carpenter	Hammer, nails, saw
Plumber	Pipe wrench or other plumber's tools
Accountant	Calculator, registers
House painter	Paint brush/roller and tray
Mason	Brick, trowel (for brick laying vs. brick making)
Doctor	White coat, stethoscope
Police officer	Whistle, pistol (toy), badge
Postal worker	Letters, stamps, mailbag
Driver	Toy bus or truck

**SAMPLE TOOLS/EQUIPMENT/OBJECTS (CONTINUED)**

Bicycle mechanic	Bicycle parts (tire, chain pedal)
Car mechanic	Small car part (such as a spark plug)
Welder	Torch, metalworking product
Banker	Money, picture of teller behind a window
Pharmacist	Pills, prescription pad, creams
Cook	Cooking utensils, pots and pans
Tailor	Tape measure, pins, patterns, parts of garments
Hairdresser	Brushes, combs, hair product
Secretary	Computer (or part of a computer)
Teacher	Books, papers, chalkboard
Nurse	Nurse's hat, bandages, thermometer
Janitor/Maid	Cleaning tools/products (broom, mop soaps)
Childcare	Toys or child's book, baby bottle
Market vendor	Fruits, cloth, any commodity common in the market
Textile worker	Dyed or woven cloth
Farmer/Field worker	A hoe, some seeds
Weaver	Grass, other weaving material

**Alternative:**

*Create a flip chart similar to the list above. Separate the list of careers into traditionally male and female jobs in your context. Ask participants to choose a non-traditional occupation (i.e., boys choose female jobs and vice versa for girls) and explain their choice (Why they chose that work; what its benefits are; what its challenges are). This is easier than gathering all the props, but won't be as much fun as guessing what occupation each prop represents.*



## STEP 3

### Would a Non-Traditional Job be Possible for You?

10 MINUTES







*Ask participants to find a partner and discuss how to answer the following question:*

➤ **Can you see yourself in a non-traditional job? Why or why not?**

*Ask a few participants to share their ideas.*

*Conclude the sessions by asking participants to look for someone doing a non-traditional job. And, thank everyone for their hard work!*







## Pictures of Objects and Tools Associated with Occupations

	
<p><b>ELECTRICIAN</b></p>	<p><b>CARPENTER</b></p>
	
<p><b>PLUMBER</b></p>	<p><b>ACCOUNTANT</b></p>
	
<p><b>HOUSE PAINTER</b></p>	<p><b>MASON</b></p>



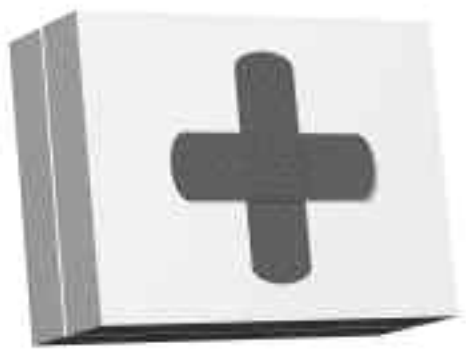



## Pictures of Objects and Tools Associated with Occupations (continued)

	
<b>DOCTOR</b>	<b>POLICE OFFICER</b>
	
<b>POSTAL WORKER</b>	<b>DRIVER</b>
	
<b>BICYCLE MECHANIC</b>	<b>CAR MECHANIC</b>




## Pictures of Objects and Tools Associated with Occupations (continued)

	
<p><b>WELDER</b></p>	<p><b>BANKER</b></p>
	
<p><b>PHARMACIST</b></p>	<p><b>COOK</b></p>
	
<p><b>TAILOR</b></p>	<p><b>HAIRDRESSER</b></p>

## Pictures of Objects and Tools Associated with Occupations (continued)

	
<b>SECRETARY</b>	<b>TEACHER</b>
	
<b>NURSE</b>	<b>JANITOR/MAID</b>
	
<b>CHILDCARE WORKER</b>	<b>MARKET VENDOR</b>

## Pictures of Objects and Tools Associated with Occupations (continued)

	
<b>TEXTILE WORKER</b>	<b>WEAVER</b>
	
<b>FARMER/FIELD WORKER</b>	

## SESSION 6

## OBJECTIVES

BY THE END OF THE LEARNING SESSION, PARTICIPANTS WILL HAVE:

1. Discussed ways to learn more about occupations that interest them
2. Identified possibilities for networking
3. Developed an action plan to learn more about occupations

## PREPARATIONS/MATERIALS

- FLIP CHARTS FOR USE IN THE FOLLOWING STEPS:

Step 1:

- Job Shadowing
- Training Resources
- Apprenticeship

Step 2:

- Networking
- Practice Networking!

- HANDOUT FOR USE IN THE FOLLOWING STEP:

Step 3:

- Handout 4.6.1: Action Planning Chart

- MARKERS

- WHISTLE OR LOUD BELL

- SHEETS OF PAPER

- PENCILS

## TIME

60 MINUTES

## STEPS

1. How to learn more about an occupation  
20 MINUTES
2. Learn to network!  
20 MINUTES
3. Develop a plan of action  
20 MINUTES

## How Do I Learn More?

## STEP 1

## How to Learn More About an Occupation

20 MINUTES

*Say:*

We have talked about many kinds of work. You have matched your own personal strengths and skills with possible occupations. You understand the differences between having a job with a wage and being self-employed. Now, what is the next step? How can you learn more about the occupations that you are interested in pursuing?

Let's look at some options.

*Post the following options, one per flip chart, and review each one.*

## **JOB SHADOWING**

Spend a day with someone who does a type of work that interests you. Observe what they do; follow them where they go; listen to their conversations with customers.

## **TRAINING RESOURCES**

Visit a vocational training institute where students can learn a specific trade such as carpentry, auto mechanics or tailoring. Find out what courses are offered, how long the course of study is, what the entrance requirements are and how much it costs.

## **APPRENTICESHIPS**

Find opportunities for apprenticeships. An apprentice works for free with an established craftsman or entrepreneur to learn the trade. The period of his or her work with the teacher is called an apprenticeship.

*Ask participants to select one of these options and designate a place in the room where each self-selected group can gather. Give them 10 minutes to discuss how to answer the following questions:*

- **Why did you choose this option?**
- **Do you know anyone who has had experience with this option? What was their experience?**
- **What is one thing you can do to pursue this option?**
- **What questions do you have about this option?**



## STEP 2

### Learn to Network!

20 MINUTES

*Explain:*

It can seem impossible to take the next step. You might not know anyone who has a job that you would like to shadow. Or you might be wondering how to identify opportunities for an apprenticeship. You can begin by **networking**.

*Ask:*

➤ **What is networking?**

*Discuss their ideas. Then post and read the definition of networking on a flip chart.*

#### NETWORKING

Networking is the informal process of contacting the people you know who might be able to give you some information about the topic you are interested in. Even if that person knows nothing about your topic, she might be able to put you in contact with someone who does. Slowly, you build a web or net of connections.

*Explain that they will practice one aspect of networking. Ask participants to stay in the groups they formed in step 1. Give each person a sheet of paper and pencil to write their own notes. Give the group a flip chart divided into 2 columns labeled "Groups We Know" and "Jobs We Know."*

GROUPS WE KNOW	JOBS WE KNOW

*Post the instructions below written on flip chart and read them aloud.*

## **PRACTICE NETWORKING!**

- Each of you should make a list of groups you are associated with. These can be schools, clubs, sports teams, churches, youth groups, etc. Assign a secretary to write these groups in the column labeled “Groups We Know.”
- Make a list of all the occupations done by people whom you know—family, friends, neighbors, etc. Write these in the other column.
- Taking turns, each of you will state an occupation that you want to learn more about.
- Using the lists of jobs you have made and the groups of people you are connected to, your fellow group members will respond by identifying people who might be able to provide some useful information concerning the job you want to learn about. Anyone who can make a suggestion from some other source should do so.

**Note to trainer:** *If a group cannot make 1 suggestion to the person taking her turn, you might consider stopping action and bringing her chosen job to the rest of the participants. Use a whistle to call everyone’s attention to the person in need of an idea and ask if any of the other participants can suggest someone to contact.*

*Ask:*

➤ **What were some of the ideas offered in your groups?**

*Allow 2–3 minutes for discussion.*

## **STEP 3**

### **Develop a Plan of Action**

**20 MINUTES**

*Give each participant an Action Planning Chart (Handout 4.6.1) to complete.*

*Explain:*

List 3 occupations in order of preference. For each job you choose, write down the questions you have about it. Finally, think of 1 thing you can do to learn more and answer your questions. When you are done, exchange your form with your neighbor. Take 2 minutes to read each other’s plans and give each other feedback.

**ACTION PLANNING CHART**

<i><b>My Occupations</b></i>	<i><b>My Questions About this Occupation</b></i>	<i><b>What I Will Do to Answer These Questions and Learn More</b></i>
1.		
2.		
3.		

*Say:*

We have come to the end of our workshop on earning money. We have not given you any easy answers to how to do this; however, we hope you have a way to identify good choices and learn more about them.

*Ask:*

- **What will you share with your family about the Earning Money workshop?**

*Thank the participants for their hard work!*

# HANDOUT 4.6.1

## Action Planning Chart

<i><b>My Occupations</b></i>	<i><b>My Questions About this Occupation</b></i>	<i><b>What I Will Do to Answer These Questions and Learn More</b></i>
1.		
2.		
3.		

## YOUNG PEOPLE: YOUR FUTURE, YOUR MONEY

### Introduction

Knowledge, skills, and experience give young people the confidence to face new situations, and the more they understand about the situations they are in, the more they enjoy them. For example, if a young person watches a professional soccer game, she will appreciate the skill and moves of the players far more if she has played soccer before and knows the rules of the game. Likewise, if a young person has looked after his baby sister or brother, he will be better prepared to care for his own child later on.

It is the same with money. The more young people know about money—good ways to earn it, how to spend it wisely, and how to save it—the more power and control they will have over their lives. This module on financial education for young people emphasizes that you don't have to be an adult to learn about money, you don't have to be good at math and you don't need to have much money to improve how you manage it.

Financial education, the focus of this curriculum, prepares adolescents and young people for the financial roles they will assume as adults by:

- building an understanding of basic principles of good money management;
- promoting awareness of personal financial issues and choices;
- developing knowledge, skills and behaviors to manage day-to-day expenses, prepare for life cycle events, set financial goals, and develop strategies to achieve them;
- introducing the concepts of assets, capital formation and wealth creation; and
- overall, making young people more informed financial decision-makers as they move into adulthood.

Together with opportunities for education, supportive social networks, access to youth-oriented financial products and services, and links to market opportunities, financial education can be a strong catalyst in preparing young people for the social and economic roles they will play as adults.

The following content note provides background on topics covered in each of the four chapters in the module *Young People: Your Future, Your Money*. While it is a reference for trainers to review prior to facilitating the learning sessions in the module, the note is addressed to young adults so that it can be easily distributed as a supplementary learning material whenever appropriate. The note is divided into sections that correspond to the module's four chapters. *Managing Your Money* discusses three core elements of financial planning—setting financial goals, saving, and budgeting. *Financial Services* defines financial services, who provides them, and why they are important. It also includes a glossary of common terms used by financial service providers. *Financial Negotiation* discusses the role of negotiation skills in everyday life and how they can be applied to conversations about money. *Earning Money* suggests some things that young people can think about as they make decisions about work and earning for the first time: self-assessment of personal traits and interests; options for earning money and how they differ; and the challenges and risks associated with different types of work.

# MANAGING MONEY

Developing skills in personal financial planning will help you to manage your money and live within your income. Two important financial planning skills are saving and budgeting. Learning these skills will enable you to look towards the future and build the confidence that will enable you to plan for it.

## Saving

Savings are essential for good money management. People save by putting money aside when it comes in and spending less when it goes out. To save, you need to spend less than you earn. Savings can be kept in banks, credit unions, or piggy banks. Developing the discipline to save is one of the most important things that can be done to manage money.

People save to:

- *Meet financial goals.* Most of us have dreams or wishes about things we want to buy. In the short term, you might want to buy a cell phone; in the longer term, you might want to own a business. You can meet financial goals like these by saving money on a regular basis.
- *Deal with emergencies.* Unexpected emergencies such as an illness, theft, burglary or fire usually mean unexpected expenses that can cause financial hardship. Savings can help to deal with these expenses. Without them, you may have to borrow money and to work extra hard to pay back the loan. Your savings will help you respond to the emergency, allowing you to get back on your feet faster.
- *Take advantage of future opportunities.* When an opportunity arises—such as the chance to go to school, start a business or get a good deal on a purchase you want to make—you can use your savings to take advantage of it.

### Meet Financial Goals with a Savings Plan

Having a **financial goal** will motivate you to save. Each person's goal will be a little different. It is important to save for the things which are most important for you. A **savings plan** guides the way you manage your money so that you can meet your financial goals. The following steps will guide you in developing a savings plan.

1. Decide on a **financial goal**: something that you want to save for.

*Example: Imagine your goal is to attend a computer training program that will start 10 months from now. The course tuition is \$200. This is your financial goal.*

You can think of your personal financial goals as **short-term** or **long-term**. Short-term goals concern things you want or need immediately or in the next few weeks or months, like a new dress or a pair of jeans. Long-term goals involve things you want or need in a year or more. Examples could be taking a trip, getting your own place, or buying a motorcycle.

2. Calculate your **savings target**: the amount you need to save over a period of time to meet your savings goal.

*Example: The tuition for the training program is \$200 and you have 10 months to save that amount. You must save \$20 each month. This is your savings target.*

3. Make a **savings plan** to help you meet your savings target. Look at the amount of money you expect to get each month, including money you earn, allowance from your parents and gifts. Calculate the amount you could put aside towards saving for the course tuition.

There are two main ways to save: Increase your income or reduce your expenses. If you don't have enough money coming in to save \$20 each month, think of ways you could increase your income. Work additional hours or take on other odd jobs. Next, identify ways you might be able to cut back on expenses and put this money into your savings.

*Example: Spend less on video rentals, sodas, clothes and other non-essential items.*

If you realize that saving \$20 a month is too ambitious, adjust your savings target.

*Example: Make your savings target \$10 a month. It will now take you 20 months to save up for the computer training program.*

## Ways to Save

Do you really want to be able to manage your money well? Find the discipline to save, and make it a habit.

- **Save regularly.** Try to save something, even a small amount, every day or week. When you put money into your savings on a regular basis it will become more automatic. Even small amounts add up. Develop this habit when you are young and it will become easier as you get older.
- **Take stock of your savings plan.** Regularly check the amount you have saved and the amount you have to fall back on in an emergency and/or how close you are to your goal. This is the best way to see how the small amounts you put aside grow into larger savings. When you have saved enough to feel more secure or meet a financial goal, you will be motivated to keep saving!



- *Have patience.* Remember, it will take time to reach your financial goals. But when you do experience progress towards attaining a goal, you will realize that you have the power to control your spending and work towards achieving what you want.

### THE RULES OF SAVINGS

1. Decrease your expenses to find money to save.
2. Increase your income to have a little extra to save.
3. Save something every day or every week.

## Budgeting

A **budget** is a summary of estimated income and expenses, including savings, over a period of time (for example a week or month). It is a plan for spending and saving money. A budget helps you make decisions about how much money you can spend. A budget helps you take control of your money and serves as a guide to help you live within your income.

Creating a budget involves three basic steps:

1. Estimate your expected income over an average week or month including income you receive from work, allowances, gifts or other sources.
2. Estimate your expected expenses over the same period of time. Think about all the things that you spend money on and estimate the amount you spend on each item (on average) every week or month. You should include both necessities, such as rent, school fees, food, clothing and transportation, and non-essential items such as entertainment.
3. Estimate the amount you expect to save every week or month. Here is where your savings plan comes in—it will help you create your budget.

**FIGURE 1: SAMPLE BUDGET**

<i>Budget Items</i>	<i>Amount (estimated average per week or month)</i>
<b><i>Income</i></b>	
After school job	
Allowance	
<b><i>TOTAL INCOME</i></b>	
<b><i>Expenses</i></b>	
Necessary	
Food	
Transportation	
Health	
Education	
Discretionary	
Entertainment	
<b><i>Savings</i></b>	
<b><i>TOTAL EXPENSES</i></b>	
<b><i>TOTAL SURPLUS/DEFICIT</i></b>	

Your budget will tell you the amount you can spend and save each week or month to still stay within your budget. When you make a budget, you will compare your earnings to your regular expenses. Then you will know whether you have enough money to cover all of your expenses. If your earnings do not cover your expenses, your budget will make it easier for you to identify which expenses to cut back when all are listed together.

### **STAY WITHIN YOUR BUDGET TO MEET YOUR FINANCIAL GOALS!**

- Follow your budget. Don't spend more than the amount you have allocated to each expense, especially non-essential items. This is difficult!
- Review your budget regularly and adjust it as your income, spending, and savings change.

## FINANCIAL SERVICES

Good money management involves keeping a little money aside when it comes in, avoiding unnecessary expenditure, and finding a safe place to store what is left over.<sup>1</sup>

### What are Financial Services?

Financial services such as a formal bank or an informal Rotating Savings and Credit Association (ROSCA) can help you manage your money. They are particularly helpful when you want to get hold of a large sum of money, or lump sum. You may need a lump sum for a variety of reasons including a large purchase, an important life event (a wedding for example), an emergency, or an investment opportunity (Rutherford, 2000).

There are two ways to get a large sum of money: You can save it, or you can borrow it. In both cases, the process involves depositing small amounts of money on a regular basis with a financial service provider. When you save it, you make small regular deposits until you have accumulated the amount of money you need. When you borrow, you get the lump sum right away and make small regular payments on the loan. A financial service provider is useful in both cases.

Financial services can also help you to manage money by providing a way to transfer money from one person to another safely. **Money transfers** may be made through checks, wire transfers, phones, cell phones, internet, or automated teller machines (ATMs).

### Who Offers Financial Services?

Various groups and organizations offer savings and borrowing services. Banks are the best known formal financial service providers. Other institutions that operate like banks include post offices, credit unions, cooperative banks, and microfinance institutions. The main difference between these formal financial service providers is that they operate under different legal charters.

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<sup>1</sup> Rutherford, Stuart., *The Poor and their Money*, Oxford University Press, New Delhi, 2000.

**FIGURE 2: FORMAL AND INFORMAL FINANCIAL INSTITUTIONS**

<i>Formal Financial Institutions</i>	<i>Informal Financial Institutions</i>
Banks Post Offices Credit Unions Regulated MFIs	Savings clubs ROSCAs Village banks Local moneylenders Non-regulated MFIs

Informal financial services include savings clubs, self help groups, village banks, moneylenders and Rotating Savings and Credit Associations (ROSCAs, usually known by a local name wherever they are common, such as *merry-go-rounds* in Kenya or *tontines* in West Africa). All of these provide a place to save and/or borrow money. The main difference between formal and informal financial service providers is that the informal providers are not governed by banking laws; their rules are usually made and enforced by members, and they operate largely on the basis of trust between members.

You should find out what financial service options you have in your area and how their savings and loan products fit your needs. Some may require you to be at least 18 years old to open an account by yourself. Learn about bank products and their requirements by visiting banks, reading their brochures and other information, and talking to people. The more you know about financial institutions the better you will be able to choose the right one for you.

## Savings Services

Savings services, both formal and informal, can help you stick to a savings plan in three very concrete ways:

1. They keep your money out of your immediate reach, making it harder for you to spend.
2. They keep your money safe.
3. Some pay interest on the money in your account, and help your money grow.

You can choose how and where to save. Each savings option has its own advantages and disadvantages. You will have to decide which is best for you.

### Informal Savings Options

*Keeping money at home.* The most common place that people save their money is at home. Keeping money hidden under a mattress or in a jar buried in the ground is easy and convenient, but carries risks.

**FIGURE 3: SAVING MONEY AT HOME**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>■ Easy and convenient</li> <li>■ No bank charges or fees</li> <li>■ No minimum balance required</li> <li>■ No age limits</li> <li>■ Money is easily available for emergencies</li> </ul>	<ul style="list-style-type: none"> <li>■ Risk of theft</li> <li>■ Temptation to spend the money because it is so accessible. (You need strong discipline to avoid spending your savings yourself and to resist the pleas of other family members or friends.)</li> <li>■ Money saved at home does not earn any interest and might lose some of its value over time.</li> </ul>

*Other informal savings options.* These include savings clubs, rotating savings and credit associations (ROSCAs), accumulating credit and savings associations (ASCAs), reciprocal savings and lending with neighbors or relatives, and saving with money guards (friends or relatives willing to hold a saver's money for a period) or informal sector deposit collectors (people who charge a fee to hold a saver's money for a determined period).

**FIGURE 4:**  
**SAVING MONEY WITH OTHER INFORMAL FINANCIAL INSTITUTIONS**

<i>Advantages</i>	<i>Disadvantage</i>
<ul style="list-style-type: none"> <li>■ Informal savings devices are often highly convenient and easily accessible.</li> <li>■ Costs, in some cases, are lower than formal savings services.</li> <li>■ They may provide a chance to meet with friends or neighbors of other community members. (Through these relationships you may be able to build networks that can help you in your work or other aspects of community life.)</li> </ul>	<ul style="list-style-type: none"> <li>■ May be unreliable, insecure and/or illiquid. Informal savings devices are not protected legally and enforcement of the rules often depends on mutual trust of members.</li> </ul>

### Formal Savings Options

Banks and other formal financial service providers are usually the safest place to put your money. They offer different types of savings accounts to meet a variety of savings needs and goals. Increasingly, banks offer convenient automated teller machines (ATMs) that give you access to your account all the time. Banks are not only for rich people. While you generally do need a minimum amount of money to open an account, that amount may not be as high as you expect. However, banks may also charge fees for transactions that can add up to a lot of money. Find out everything you can about the bank's policies before opening an account.

**FIGURE 5:**  
**SAVING MONEY WITH FORMAL FINANCIAL SERVICE PROVIDERS**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>■ Safety. Most banks have secure premises and insurance to guard your savings.</li> <li>■ Privacy. Your account information is private.</li> <li>■ Account and product choices. Some savings accounts allow for frequent deposits and withdrawals while others promote long-term savings by holding the money you deposit for a fixed period and paying a higher rate of interest. Savers may have better access to the bank's loan products.</li> <li>■ Convenience. While the queues inside banks can be time-consuming, many banks now offer cash machines called Automated Teller Machines, or ATMs that enable clients to deposit and withdraw money 24 hours a day, 7 days a week.</li> </ul>	<ul style="list-style-type: none"> <li>■ Bank requirements might be difficult to meet. In many cases, one must be 18 years old to open an account. Banks also set minimum deposit amounts to open and/or maintain an account.</li> <li>■ Banks charge transaction fees for deposits and withdrawals. Making small and frequent deposits or withdrawals can be expensive.</li> <li>■ Limited banking hours may make it difficult for you to get your money in the case of an emergency.</li> <li>■ The location of the bank may be a disadvantage. If the bank is not near where you live or work, you will need time and money to get there.</li> </ul>

When you are deciding where you want to save your money, compare your options. Find out what the terms and conditions are at each institution.



## ASK THESE QUESTIONS TO HELP YOU DECIDE WHERE TO SAVE

1. How old do I have to be to open a bank account?
2. How much money do I need to open a savings account?
3. How can I avoid monthly fees on the account?
4. What are the charges for deposits and withdrawals?
5. What is the minimum amount I can deposit?
6. Can I withdraw my money at any time?
7. How do I keep track of my deposits, withdrawals and balance?
8. What rate of interest does the bank pay on this account?

## Lending Services

Lending money is another key financial service offered by banks and other financial institutions. A loan is money that is borrowed and is expected to be paid back within a defined period of time. It costs money to take a loan. Lenders typically charge both interest on the loans they make and fees to process the loan application. When you borrow money, you must repay the amount you borrowed, plus interest, usually calculated as a percentage of the loan.

A loan is useful in the following situations:

- You need money for an emergency (for example, a medical emergency in your family).
- You have an opportunity to make a good investment. A good investment would be one which brings in enough extra money to allow you to repay both the loan and the interest charges on the loan. For example, a loan to buy a motorcycle that you will use to make deliveries is a wise investment if it generates enough income to more than cover the cost of repaying the loan.

A loan is **not** useful in these situations:

- You spend it for an item that you do not need immediately, or an activity that does not earn income. Items for personal use should be purchased with savings to avoid the cost and responsibility of borrowing.

Borrowing may give you easy access to money, but it comes at a price.

**Borrowing costs money.** Borrowed money must be paid back. Banks and moneylenders typically require that you pay interest on the loan and that you repay on time. You may get into legal trouble if you don't meet these requirements.

Taking a loan always carries the risk that you might not be able to repay. You want to be confident that you will be earning enough money to honor your repayments without making important sacrifices in your daily life. You do not want to miss a payment or fail to live up to other requirements. The penalties might put you deeper into debt.

## BEFORE YOU TAKE OUT A LOAN

- Think carefully about why you want to borrow money.
- Know the terms and conditions associated with taking out a loan so that you understand exactly what your responsibilities are. Know the amount you must repay, when you must make your payments and what interest rate you are being charged.
- Remember that if you can use your own money instead of taking out a loan, you avoid paying interest and you don't have the pressure to repay on time.

### Information is a Key to Making Good Choices About the Use of Financial Services

Gather information. Banks and other financial institutions offer a wide variety of financial products and services. Each has its own policies. Find out what these are before selecting the bank you will use. Sometimes banks have printed information you can read and compare. You can ask the bank employees to tell you more about their services and to write down the details for you. In some cases you can get information on the internet about financial products and services at a particular institution. Take time to understand their terms and fees before you make a decision.

### Common Terms Used by Financial Service Providers

#### *Savings Services*

*Savings:* something, especially money, which is kept aside and stored up for future use.

*Deposit:* to put money into an account.

*Withdrawal:* to take money out of an account.

*Transaction fees:* fees charged for withdrawals from or deposits into a savings account.

*Minimum balance:* the amount of money needed to keep an account open.

*Informal savings:* savings held outside of a formal financial institution.

## CONSIDER THESE QUESTIONS WHEN SELECTING A LENDER

1. What is the interest rate on the loan I want?
2. How often must the loan principal and interest be paid?
3. What is the amount of each installment?
4. Do I have to have savings in my account to qualify for a loan? If so, how much do I have to keep in my account?
5. What fees must be paid to obtain a loan?
6. What penalties are charged for late payments?
7. Where are loan payments made? How far do I have to travel to make my payments?
8. If I borrow through a group, how often do group meetings take place? How long do the meetings last?

### ***Credit Services***

*Credit:* money that a financial institution provides a client on a temporary basis; the client borrows funds with the intent to repay them.

*Loan:* a sum of money that is borrowed and is expected to be paid back.

*Debt:* something, especially money, that is owed or due.

*Loan terms:* the conditions of a loan, including the amount that can be borrowed, interest rate, and length of time to repay.

*Principal:* the original sum of money lent; the lender charges interest on this amount.

*Interest:* a fee paid for the use of money. A borrower pays the bank interest on a loan. A bank usually pays interest to its savers for the use of their savings deposits.

*Interest rate:* the percentage of a sum of money that is charged for its use.

*Collateral:* an item of value that the borrower pledges to the lender in case he defaults on his loan (such as land, vehicle, savings, or guarantees from peers or co-signers).

*Assets:* cash or anything of value that can be converted to cash, such as personal property or a savings account.

*Guarantor:* a person who will back a borrower up in the case that he cannot repay a loan; this person may be required to co-sign the loan agreement with the lender.

*Repayment schedule:* the due dates for incremental payments to a lender.

*Default:* failure to pay a loan or otherwise meet the terms of a loan.

# FINANCIAL NEGOTIATIONS

The real winners in life are the people who look at every situation with an expectation that they can make it work or make it better.<sup>2</sup>

## Negotiation is Communication

Negotiation can be defined as communication with others for the purpose of reaching agreement.

Negotiation is a part of daily life. You probably negotiate something with someone every day. For example, you may negotiate with your parents about how late you can stay out or how much money you can borrow. You may negotiate with your friends about where to meet, about what music to listen to or what movie to see.

The better you become at negotiating, the smoother and easier your life will be. Negotiating is a skill that you can learn. The best negotiators are those who try to reach a friendly agreement, a compromise that gives everyone involved at least part of what they want.

Negotiations can result in different outcomes:

- The best outcome in any negotiation is a **win-win** outcome. This means that both sides in the negotiation feel pleased with the outcome and get something they want or need. Both will be willing to negotiate again. For example, you might negotiate with your parents about going out with your friends on Friday night and they might agree on condition that you stay home and look after your younger brother on Saturday. Both you and your parents get something you want. This is a win-win situation.
- Not all negotiations end with a win-win outcome. In a **win-lose** or **lose-win** situation one participant gets what she wants and the other gets nothing. When this happens, the loser is less likely to want to negotiate with the winner again.
- In a **lose-lose** situation the two parties cannot come to agreement and decide to end the negotiation with neither party getting anything.

<sup>2</sup> Stark, Peter B. and Jane Flaherty, *The Only Negotiating Guide You'll Ever Need: 101 Ways to Win Every Time in Any Situation*, Broadway Books, NY, 2003, quote from Barbara Pletcher, p.9.

## POSSIBLE NEGOTIATION OUTCOMES

Win-Win	Both participants in the negotiation get something they want or need, if not everything.
Lose-Lose	Nether person involved in the negotiation gets what she/he wants.
Win-Lose/Lose-Win	One participant gets what she or he wants and the other gets nothing.

## Financial Negotiations: Negotiations that Involve Money

Money is one of the most difficult topics to talk about with other people because it is a very private issue. People also get emotional about money which can make financial negotiations difficult. Yet, financial negotiations are a regular part of life. Asking your parents for money, bargaining for things at the market, or discussing with friends about who will pay for what are all examples of financial negotiations.

To improve your financial negotiation skills, consider these practical steps:

**1. Prepare** for the negotiation ahead of time. Being prepared will give you an advantage when you are actually negotiating. To prepare for a specific financial negotiation you expect to have, ask yourself these questions:

- What do I want and why?
- What are the interests and motivations of the other person?
- What are the possible agreements that will satisfy all those involved in the negotiation?
- What will I do if we cannot agree?
- What information or experience do I have to back up my position and ensure fairness?

**2. Decide what you want** from the negotiation.

- Collect information to help choose the outcome you will seek.
- Evaluate your options.
- Seek advice from someone who might know more about the situation.

**3. Communicate** your needs and desires clearly and with confidence.

- **Understand the interests of the other person.** This will help you to develop a proposal that offers benefits to both sides. Listen to what the other person is saying. Listening skills are crucial for good communication.
- Maintain eye contact.
- Acknowledge the other person's point of view—do not immediately reject his/her ideas.
- Try to look for a compromise that will satisfy everyone involved.

**4. Control your emotions** and do not allow conflict or anger to ruin the negotiation.

- Maintain a respectful dialogue with the other person. Do not be rude or insulting. People are more likely to accept your proposal if they have good feelings about you.
- Remember that you might want to negotiate with this person again in the future and you do not want to create a bad relationship.
- If you continually bear in mind that you are trying to work towards the end result of *win-win*, you are more likely to be able to remain calm and to complete the negotiation in a satisfactory manner.

**5. Stay focused on the issue.** You do not want to get side-tracked talking about something else, and never complete the negotiation.

**6. Be willing to compromise.** If you are flexible and do not lock yourself into one position, you are more likely to negotiate successfully and come to a solution which benefits both sides. Accomplishing some, if not all, of your goals, is better than walking away with nothing.

**7. Know what you will do if the negotiation fails.** If it is clear that a negotiation is not going to be successful, try to end the negotiation to avoid anger or misunderstanding. You might want to negotiate with this person again in the future.

**8. Allow yourself to feel a sense of accomplishment when you have successfully completed a negotiation.** Even walking away from an unsuccessful negotiation in a calm and pleasant way should be counted as a success.

The more we practice our negotiation skills, the better prepared we will be to become real winners in life, negotiating outcomes that provide win-win results to us, and to our friends, families and communities.

## EARNING MONEY

Work is an important part of life. At the most basic level, work means exerting energy to accomplish something. You can work for school, work at home, or work at a job. This section focuses on work to earn money.

As adolescents and young people, you are likely growing more aware of what economic independence means. You are probably beginning to make the link between education, work, and money. If you are thinking about the type of work you would like to do, you may be making the connection between different types of work and your abilities, interests, and experiences. You know that each occupation requires specific skills and that the earning potential of each type of job varies. These are the factors that are helping you to form your attitudes about work. Thinking positively about yourself is especially important for making career and occupational choices.

During this time parents, mentors, and other adult role models can have an important influence in shaping your values and expectations around income-earning activities.

Think ahead about the risks, challenges and benefits of earning money. Anticipating these issues will help ensure that you have a safe and productive entry into the work world. Making the right choices can make working a rewarding and empowering experience.

### Personal Qualities, Interests and Skills

Assess your personal qualities, interests, and skills. These features will help you shape your preferences, strategies, and choices about work.

Reflect on your **personal qualities**—your personality and temperament—to develop a vision of the type of work you would like to do. Certain types of work may fit some personality types better than others. For example, if you are friendly, outgoing and talkative, you may prefer to work in sales. If you like to pay attention to detail, you might be happy as a bookkeeper or a bank teller. If you are cheerful but tough, you might do well in a health clinic. Consider your personality traits and match them with the traits that are called for in certain jobs or occupations.

Take stock of your **interests, skills, and abilities** to help you make decisions about earning money. If you like to cook and bake, you might be suited to food processing and preparation. If you are good at fixing things, auto mechanics might be for you. If you interact effectively with children, teaching might be a good option.



## Self-Employment and Wage Employment

Consider whether you want to work for yourself (self-employed) or work for someone else in a job that pays you a wage.

Understanding the range of employment options and types of work—and how they differ—will also help you develop ideas for earning money. The two basic options are wage employment and self-employment. The skills required for each one don't always differ, but the terms of employment often do and your personality may fit one type better than the other.

You can earn money through **wage employment** by working for an employer who pays you a wage. You can be paid in different ways. If you have a salaried job, you will earn a specific amount every month and may also have benefits such as health insurance, sick leave, or a savings plan. If you have a wage job, you will have set hours and work in return for a specific amount per hour or day, with or without other benefits. If you earn money as a casual worker, you might work for one employer on one day, another employer the next day, and have no work the next day. You will not have any benefits and what you do and the amount you earn will probably vary.

You also can earn money through **self-employment** by working for yourself in your own business. As a business owner, you hope to earn a profit, but accept the risk of a loss. You are also your own boss; you can set your own hours and make your own decisions. While you will decide what to do with your profits, the amount you earn may be irregular. Sometimes you might lose money if no one buys what you are selling. You will be responsible for all aspects of the business.

## Make Safe Choices

Learn about the risks associated with each type of work you are considering in order to make safe choices concerning your job.

Consider the risks associated with different types of jobs. For example, a job that is located in a remote location or that requires you to use dangerous equipment may pay more, but can pose high risks. Some jobs pose serious risks to your health by exposing you to dangerous chemicals or life-threatening diseases. Many jobs lack legal protection and/or have employers who do not respect the rights of workers. You may find yourself seriously exploited and without security. If the work you do is illegal, you could end up in jail.

**If you are a young woman, you probably will face some unique challenges in earning money sometime during your life.**

Women are a critical part of the labor force throughout the world. They do both paid and unpaid work that is essential to the economy. In most countries, the majority of women participate in the labor force. However, gender stereotypes put women at a disadvantage in the workplace. Women often have access to a more narrow range of job possibilities than men. The lowest paying jobs often have a high proportion of women. Jobs and occupations dominated by women generally have lower average earnings than those dominated by men. Women who work in the same jobs as men often earn less. If you are a young woman entering the work world, this may affect your access to certain jobs or occupations and reduce your earnings.

Women often face more challenges than men in juggling work and family roles. Women generally spend more hours working in unpaid household activities such as child care, cooking, and cleaning than men do. This increases stress and reduces the amount of time they have for rest and leisure activities.

The risks of sexual harassment and coercion are greater for women. If you are a young woman, it is important that you learn to recognize what sexual harassment and coercion are, and that you talk to other women about how to deal with these issues. It is essential that you know how to establish boundaries with work colleagues and learn how to protect yourself from unwanted comments or advances.

## ASSESSING WORK OPTIONS CHECKLIST

- Decide what personal qualities, interests and skills you bring to the world of work.
- Identify the occupations that are good fit with your personal qualities and skills.
- Find out what education, experience and skills are needed for the occupations that you have identified and how you pursue them.
- Consider the advantages and disadvantages of self-employment and wage/salaried employment.
- Consider the earnings from different types of work.
- Identify the risks associated with the types of work that interest you.

## CONCLUSION

You have so much to think about as you plan your future! While you still face so many uncertainties, one thing is certain. Right now you can start to take the small steps towards managing your money. You can budget, spend carefully and save regularly. Developing these wise financial habits now will serve you well throughout your life. Taking control of your finances now will help you transform your future from dream to reality.

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