



# **How Classroom SILC Helps Young People Succeed**

©2024 Catholic Relief Services. All Rights Reserved. 24OS-1365414

This document is protected by copyright and cannot be completely or partially reproduced in whole without authorization. Please contact [benjamin.allen@crs.org](mailto:benjamin.allen@crs.org) for authorization. Any “fair use” under US rights law must contain the appropriate reference to Catholic Relief Services.

# How Classroom SILC Helps Young People Succeed

CRS staff in Central America developed the classroom Savings and Internal Lending Communities (SILC) approach to help children and adolescents learn how to use money responsibly and develop organizational and leadership skills in a safe school environment, guided by their teachers and parents.

## Background

In July 2008, CRS introduced SILC in Central America through a pilot project in El Salvador, Honduras, Guatemala and Nicaragua. In El Salvador, women who were in savings groups said they wanted their children to save, as well. CRS met this demand by creating a financial education coloring book in 2009, to help children learn in an engaging manner. In 2010, CRS El Salvador collaborated with the SEEP Network under a Peer Learning Program on youth savings to begin adapting and promoting SILC among youth 15-26 years old. The focus on youth SILC extended to the classroom beginning in 2014, when an implementing partner in El Salvador requested CRS' support to train 25 SILC promoter, including schoolteachers. These promoter facilitated the first classroom SILC groups. CRS built on the experience in El Salvador to include classroom SILC in McGovern-Dole Food for Education projects in Guatemala and Honduras beginning in 2016.

The classroom SILC approach is currently being implemented in McGovern-Dole Food for Education projects in Guatemala, El Salvador and Honduras and the Mary and James Perry-funded "Commitment to Youth" project in El Salvador and Honduras.

In 2023, CRS [assessed](#) the classroom SILC intervention's effectiveness and found that participation helps students save money regularly, set financial goals, participate in their households' financial planning and prepare for their futures. In the classroom, participation in SILC reinforces key values and skills useful to students' lives, including responsibility, discipline, leadership and empathy; and improves their performance in key academic subjects, principally Spanish and mathematics.



A classroom SILC management committee in Honduras (Edis Cuestas / CRS Honduras)

## The classroom SILC approach

Classroom SILC resembles adult SILC: the groups hold weekly meetings, write a constitution, elect a management committee, and keep records. Students save money in the main fund and contribute to a social fund. Loans, however, are promoted only where the students have reached the age of majority and thus can legally borrow and repay.

Teachers facilitate the groups and sometimes join as ordinary members, but students serve on the management committees and run the meetings. At the end of the school year, groups may choose to share out their savings in part or in full or keep the savings in the classroom SILC to carry over more money in the next school year.

## How the approach was evaluated

The classroom SILC approach was evaluated in El Salvador, Guatemala and Honduras by surveying schoolteachers who facilitate SILC in the classroom, as well as middle and high school students who participate in classroom SILC and their parents; and facilitating focus group discussions with elementary school students who participate in classroom SILC. The study employed a quota sampling strategy to ensure representation of participants from multiple schools in each country-project.

## Classroom SILC Evaluation Findings

### Cultivates students' financial skills

The classroom SILC study found that most students learned to save regularly. Over 86% of students surveyed reported saving in all or most of their weekly SILC meetings. Students who were in their second year of classroom SILC generally saved more than they had the previous year. Furthermore, students set positive goals for the use of their accumulated savings, including to pay future school fees, buy uniforms and notebooks, and accrue cash to help their parents or relatives.



A classroom SILC management committee in Guatemala counts the group's deposits  
(Nancy Ruiz / CRS Guatemala)

### Fosters students' leadership and social cohesion in the classroom

Participation in classroom SILC imparted or reinforced several values and skills useful to students' lives. When teachers were presented a list of values and skills that their students would be expected to acquire through participation in classroom SILC, 94.1% selected responsibility, 75.3% respect, 63.5% leadership, and 51.8% empathy. Most students interviewed individually selected saving, financial responsibility, discipline and (especially in El Salvador) teamwork.

Ninety-three percent (41) of the 44 focus group discussions included at least one student who had served on his or her classroom SILC's management committee. These students reported feeling involved, motivated and content to be useful in serving their groups.





A classroom SILC group meets in Honduras (Edis Cuestas / CRS Honduras)

### Improves students' academic performance in school

In addition to imparting or reinforcing values and skills, classroom SILC can help to improve students' academic performance. Of the 83 teachers who responded to the questions about performance in math and Spanish, 97.6% observed that classroom SILC had helped their students improve their performance in math. Fifty-three percent (44) observed improvements in students' verbal skills in Spanish, 24.1% (20) each in Spanish reading and writing, and 4.8% in Spanish vocabulary.

### Enables students to participate in family financial planning

Most students surveyed reported that classroom SILC had taught them the skills needed to communicate with their families about money matters and thus increase their participation in family financial planning. Rates of increase varied by country: In El Salvador 85.2% and in Honduras 68.1% of students surveyed reported speaking more with their family about money matters, while 70.4% in El Salvador and 34.7% in Honduras reported increased participation in their families' financial planning.

Furthermore, participation in classroom SILC appears to help students become more productive in their families' businesses: Of the 74 parents interviewed whose households had family businesses, 95.9% (70) thought that their children's participation in classroom SILC had helped them participate more productively in the family business than before.



Students save money during a classroom SILC meeting in El Salvador  
(Fernando Gomez / CRS El Salvador)

### Prepares students for income-generating activities

Beyond engaging with their families' financial matters and businesses, students surveyed thought that their participation in classroom SILC prepared them to earn and manage money in the future. All students in El Salvador and Honduras said they thought that SILC prepares them to use their money better in the future. Most thought classroom SILC would prepare them to manage their own businesses (95.5% in El Salvador and 93.1% in Honduras) and enter the labor market after graduation (92.6% in El Salvador and 86.1% in Honduras), as well.

### Encourages parents' involvement

Parents get involved with their children's classroom SILC groups in various ways. Most give their children money to save each week: Almost all – 97% (96) – students surveyed reported that they received the money they saved in SILC from their parents. Parents interviewed confirmed that they were a key source of money for their children to save in classroom SILC, and several reported attending their children's classroom SILC meetings.

## Classroom SILC can add value to youth and education programming

Classroom SILC can be a valuable intervention in youth and educational programming that seeks to empower young people economically by helping them manage money and prepare for their own income-generating activities.

Classroom SILC provides the following benefits to young people in school:

1. Teaches young people to save regularly and set financial goals
2. Affords them opportunities to practice their skills during regular meetings
3. Gives young people the confidence they need to participate productively in family financial planning
4. Provides them with practice in leadership skills that will be useful in the future
5. Imparts and reinforces skills related to social cohesion, teamwork and financial management
6. Motivates young people to improve their academic performance, as well as finish the school year and stay in school the following year
7. Helps prepare young people for their own income-generating activities or to enter the labor market after graduating

If you would like to learn more about classroom SILC or are interested in implementing it in your program please contact Mabel Guevara

([Mabel.Guevara@crs.org](mailto:Mabel.Guevara@crs.org)) or Ben Allen ([benjamin.allen@crs.org](mailto:benjamin.allen@crs.org)).



A classroom SILC group in Guatemala (Maricela Zapeta / PRODESSA)





Catholic Relief Services | 228 W. Lexington Street, Baltimore, MD 21201, USA | [crs.org](https://crs.org) | [crsespanol.org](https://crsespanol.org)  
Regional Office (Country) | Address  
For more information, contact [email@crs.org](mailto:email@crs.org).