



## HIGH SCHOOL | UNIT 5 Paying Yourself First

# Title

## Saving Made Easy

### LEARNING OBJECTIVE(S)

Students will:

- **identify** their personal savings habits.
- **evaluate** apps designed to help people save money more easily.

### Topic

Finding Money to Save

### Overview

*How do you find money to save? How much money should you set aside for the future?* After sharing how likely they would be to save any money they receive, students work in groups to research technology services that claim to help people save money more easily. Groups present their findings to the class and make comparisons between the services described.

### Financial Literacy Theme

Saving

### 21st-Century Skill(s)

Collaboration, Communication, Critical Thinking

### Key Terms

Savings, savings goals

### Materials

- **Savings App Research Student Capture Sheet**—at least one copy per group of students (2–3 students per group)
- **Internet access**—at least one device with internet access per group of 2–3 students
- **Signs**—three signs, each with one of the following written on it: \$0, \$150, \$300

### Interactive Student Capture Sheet

The Unit 5 Interactive Student Capture Sheets include a version of the Savings App Research Student Capture sheet from this activity (slide 21).

## Connect

### How does this connect to the student?

Many students don't make savings a habit. Technology can make saving money easier through the use of specific apps that help us set goals and make frequent deposits into a savings account.

### How does this connect to careers?

**App Developer:** Many companies are developing technologies that help people better understand and interact with their finances. Students with an interest in technology might consider a role developing apps for companies in the “FinTech” sector.

### How does this connect to the world?

Over time, responsibility for retirement savings in the United States has shifted from employers to individuals. Most of today's students will need to take personal responsibility for their financial security in later life, yet the rate at which families are saving is still very low.

## Prepare

**Background:** Many people find it challenging to save money. They often worry that they don't have enough money to save or that saving money is hard to do. Yet technology has made saving easier than ever before. Automatic deposits to savings accounts can be made each time someone is paid or receives a large amount of money such as a tax refund. There are also apps that help people save. The features of each are different; some track progress toward a savings goal, others round up purchases and save or invest the difference, and still others help identify money that could be saved based on one's budget.

## Engage

**Note:** Before class, hang the signs along a wall in the classroom with \$0 at one end, \$150 in the middle, and \$300 at the other end.

- Ask students to imagine that they just won first place in a contest and received \$300 in cash. How much of that \$300 would they spend right away and how much would they save for later? Invite students to write down each amount—how much they would spend now and how much they would save for later. Direct students to focus on the amount they would put in their **savings** and stand along the wall in the position representing that amount.
- Discuss student responses. Did any students say they would save all of the money they received? Do they usually save most of their money? What got them into the habit of doing that? Did any students stand at the \$0 sign? If so, do they usually spend all of their money and not save any? What are the benefits and tradeoffs of this choice? Ask all students if it is easy or hard to save money. Why? Does having a specific goal toward which they are saving (a **savings goal**) make it easier to save?

## Teach

1. Ask students if they know any examples of how technology is making it easier for people to save money—especially those who may be reluctant savers.
2. Tell students they will be working in small groups to research apps that claim to help people save money. Challenge students to identify apps using online summaries and reviews such as Bankrate, Investopedia, or NerdWallet.

## Pathway to Financial Success

In Schools

3. Let students know how much time they will have to conduct their research and the format you expect them to use when presenting back to the class (informal discussion, slides, etc.). Distribute the **Savings App Research Capture Sheet** to each group. The questions on the handout will help guide students in their research.
4. Allow each group time to present what it learned about the app it researched. Encourage other students to ask questions of the presenting groups.
5. Debrief the presentations with a discussion of the similarities and differences between the various apps. Which would students use or recommend, and why? Would their recommendations vary by age or any other factors? Challenge students to come up with additional features that could help them better save. **Note:** Remind students that it is important to do research before downloading any app or sharing personal financial information with any company. Guide students to discuss any app with a family member or trusted adult before using. Financial apps should be given even more consideration than games, for example, since some require the person signing up to be over age 18, have a checking or savings account, belong to a specific financial institution, or require the sharing of sensitive financial information.

### Extend

- **Action:** Invite students to consider using one of the apps to help them save. Encourage those who do to report back to the class on their experience. Did it change their behavior? Did they save more money than usual?
- **Family:** Encourage students to share information about the apps discussed in class with family and friends. Would one of them help their family put more money into savings?

### Standards Correlation

The following standards are addressed in this activity.

[National Standards for Personal Financial Education](#) from the Council for Economic Education and Jump\$tart Coalition for Personal Financial Literacy

- III. Saving 12-9 There are many strategies that can help people manage psychological, emotional, and external obstacles to saving, including automated saving plans, employer matches, and avoiding personal triggers.
- IV. Investing 12-10 Financial technology can counterbalance negative behavioral factors when making investment decisions.

[National Standards for Business Education](#) from the National Business Education Association

- Personal Finance IV.1.1 Describe motivations for saving and the means by which they save.
- Personal Finance IV.1.5 Describe the advantages and disadvantages of various savings and investing plans.

# Savings App Research

**Directions:** Complete the information below.

**App Name:** \_\_\_\_\_

**Website:** \_\_\_\_\_

1. How does the app work?
2. What services does the app provide?
3. Who could benefit from using this app?
4. Are there any fees to use the app (sign up and/or ongoing)? If so, what are they?
5. What do you need to do to use the app?
6. Is the service associated with a specific bank or credit union or can you use your own?
7. Does the app seem like it would be easy to use?
8. Are there any reviews of the app? If so, are they positive or negative?
9. Would you use this app? Why or why not?
10. What is one thing that could improve this app?