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The Effectiveness of Using Creative Recycled Savings in Improving Financial Literacy of Early Childhood

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ABSTRACT

Early childhood financial literacy education is important for developing thrifty behavior. However, students at Biro state elementary school are still consumptive and lack understanding of the concept of saving. This community service aims to improve financial literacy through the creation of recycled savings from used bottles. The method used is Participatory Learning, including socialization, piggy bank-making training, and evaluation. Results show a significant increase in students' understanding from 35% (pre-test) to 90% (post-test). This program is effective in building disciplined character and environmental awareness, as well as providing alternative creative learning media for schools.

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INTRODUCTION

Socialization is a way of informing others about values, knowledge, norms, and skills so that they understand, accept, and can use them in daily life (Haryanti et al., 2020). Financial socialization to children from an early age is very important because it becomes the foundation in shaping how children view and use money in the future. Children who are introduced to financial concepts from an early age will find it easier to distinguish between needs and wants, understand the importance of saving, and learn how to use money wisely. In addition, habits and behavioral patterns formed during childhood tend to persist into adulthood (Riza et al., 2022). However, at Biro state elementary school, specifically in the North Birobuli sub-district of Palu city, several obstacles are still encountered that prevent saving activities from being implemented optimally. Some students do not yet have adequate understanding of the importance of saving, so their pocket money is mostly used for consumptive spending. On the other hand, the absence of special programs and the unavailability of structured facilities to support saving activities means that this habit has not been realized as a culture in the school environment. Therefore, financial socialization helps children develop disciplined, responsible character and self-control in managing finances.

Information media is a method or tool used to convey messages, knowledge, or values from one person to another so that the information can be understood, remembered, and change the attitudes or actions of the recipient. In education, information media serves as a learning tool that helps students understand material more clearly, attractively, and appropriately for their age. Using appropriate information media can make students more interested in learning, understand concepts better, and more easily accept the values being taught (Setiawan et al., 2024). At Biro state elementary school, in the Thematic Community Service activities specifically for 6th grade elementary school students, children use information media in the form of creative practical activities. This media consists of training on recycling waste into savings. This media not only supports the learning process but also provides direct experience to students in understanding the concept of financial literacy with a skill that sharpens children's memory (Palupi et al., 2020). Savings made from used bottles function as symbols and concrete tools for teaching the importance of saving, managing pocket money, and distinguishing between needs and wants. With learning media like this, messages about financial literacy are conveyed simply, in accordance with the context and lives of children. Students not only listen to explanations but are also actively involved in making saving media from used materials. This helps them feel ownership and responsibility for the media they create. This approach aligns with the concept of early childhood financial literacy education, which emphasizes positive habits such as saving and wise money management, to be formed in children's habits. Thus, this community service demonstrates that learning and socialization about financial literacy from an early age can significantly increase children's financial understanding and awareness, making them better prepared to face various economic challenges in the future.

Beyond economic urgency, financial literacy also has a strong foundation in the religious values held by the local community. From an Islamic perspective, financial literacy from an early age is part of instilling values of responsibility, honesty, and wisdom in managing wealth that Allah SWT has entrusted to mankind. Islam teaches that wealth is not merely to be spent but must be managed well, used for beneficial purposes, and set aside for the future. This is in line with the words of Allah SWT in the Quran, Surah Yusuf verses 47-48 (QS. Yusuf, [12]: 47-48):

قَالَ تَزْرَعُونَ سَبْعَ سِنِينَ دَأَبًا فَمَا حَصَدتُّمْ فَذَرُوهُ فِي سُنۢبُلِهِۦٓ إِلَّا قَلِيلًا مِّمَّا تَأْكُلُونَ ﴿٤٧﴾
ثُمَّ يَأْتِي مِنۢ بَعْدِ ذَٰلِكَ سَبْعٌ شِدَادٌ يَأْكُلْنَ مَا قَدَّمْتُمْ لَهُنَّ إِلَّا قَلِيلًا مِّمَّا تُحْصِنُونَ ﴿٤٨﴾

"Plant for seven years consecutively; and what you harvest leave in its spikes, except a little from which you will eat (47). Then will come after that seven difficult years which will consume what you saved for them, except a little from which you will store (48)."

This verse provides a moral foundation that children must be taught that not all money they have should be used immediately, but some can be saved for future needs. The habit of saving demonstrates discipline, patience, and self-control, as shown in the story of Prophet Yusuf a.s. By familiarizing children with saving from an early age, they will become accustomed to thinking long-term and be better prepared to face unexpected situations in the future. Therefore, QS. Yusuf verses 47-48 can be used as a religious value foundation in forming good financial attitudes in children, especially in familiarizing them with regular and responsible saving.

With the financial literacy socialization activity through information media in the form of practical piggy bank creation from recycled materials carried out by Thematic Community Service students, it is hoped that students at Biro state elementary school can improve their understanding of the importance of saving, managing pocket money wisely, and distinguishing between needs and wants. This creative and applicable learning media helps students learn directly and cultivates a sense of responsibility toward saving habits built from an early age. On the other hand, the school obtains alternative learning methods that are simple yet effective in supporting the formation of a saving culture in the school environment. Ultimately, this activity is expected to provide positive impact in building disciplined, responsible, and future-oriented character in students, making them better prepared to face economic challenges in the future.

METHODS

The method used in this community service activity is a participatory and educational approach, where students are required to be active and directly involved in the financial literacy learning process. This activity was carried out at SD Negeri Biro, North Birobuli sub-district, Palu city, with the focus on elementary school students, specifically grade 6 (six). This approach aims to provide initial understanding of financial literacy from an early age through practical learning experiences relevant to daily life and appropriate to children's abilities (Yulistiani et al., 2025).
The implementation of this activity consists of several stages:

1. School Observation: At this stage, observations were made in the school environment to understand student conditions, how they manage pocket money, and existing facilities and programs related to saving.
2. Material Preparation: Based on observation results, financial literacy materials were created, covering basic understanding of finance, the importance of saving, differences between needs and wants, and ways to manage pocket money wisely.
3. Material and Equipment Preparation: At this stage, preparations were made for materials and tools to be used in the practical creation of savings. Materials used were used bottles and other materials.
4. Material Presentation: Materials were presented interactively with simple explanations, examples close to students' lives, and two-way communication so students could more easily understand the concepts provided.
5. Recycled Savings Processing: This stage is the core activity, namely the practical creation of savings from used bottles.
6. Quiz Session: Provided as a form of evaluation to measure the level of students' understanding of the financial literacy material that had been presented. The quiz was conducted in a relaxed and enjoyable manner, so students remained enthusiastic in participating in the activity.
7. Documentation: All activities were documented as a form of activity report and evidence of the implementation of the financial literacy socialization program in the school environment...

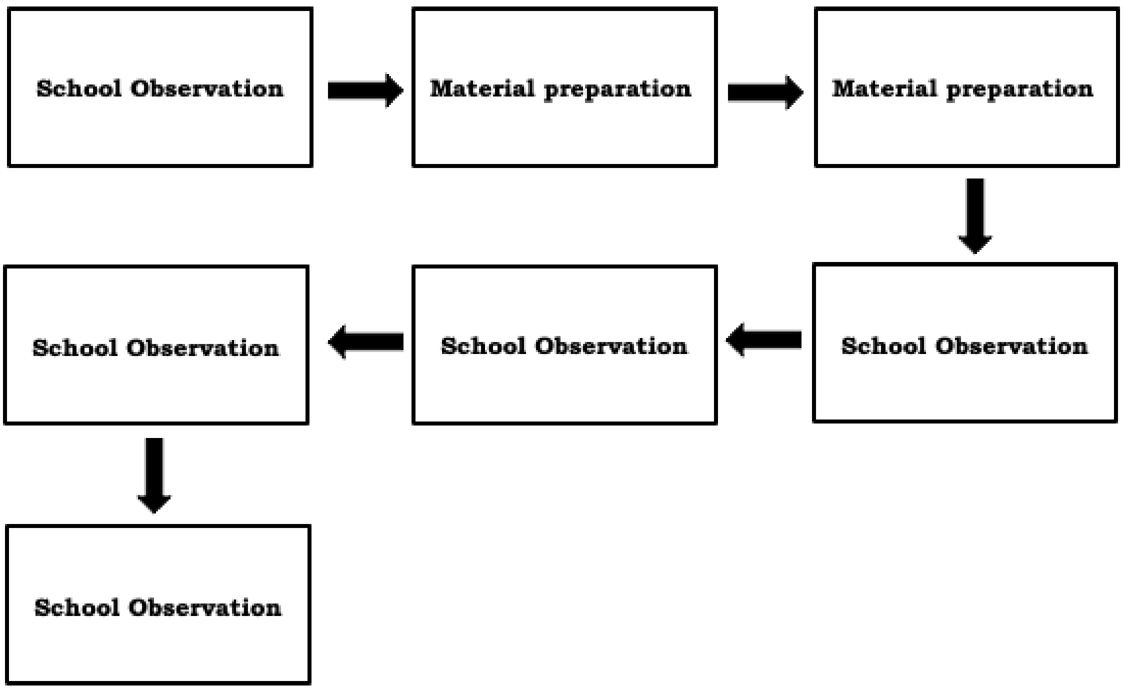

Figure 1. Community Service Activity Stages

Through these stages, it is hoped that this activity can improve students' understanding and awareness of financial literacy from an early age, and encourage the formation of sustainable saving habits in the school environment.

RESULTS AND DISCUSSION

The financial literacy socialization activity through recycled savings creation at Biro state elementary school was implemented involving 6th grade students as the main participants. This activity was designed systematically through several mutually supporting stages, starting from initial observation to final evaluation. At the observation stage, Thematic Community Service students identified that most students did not yet have adequate understanding of the importance of saving and tended to use pocket money for consumptive purposes. This condition was reinforced by the absence of special programs or structured facilities at school that support saving habits among students. Based on these findings, Thematic Community Service students prepared financial literacy materials adapted to the understanding level of elementary school-age children. Materials covered basic understanding of money, the importance of saving, differences between needs and wants, and ways to manage pocket money wisely. Material delivery was conducted interactively using simple language and examples close to students' daily lives, such as buying snacks at school or setting aside pocket money to buy stationery. Through this communicative and educational approach, students not only listened passively but also understood and were able to apply the concepts taught in their real lives(Rahmi et al., 2024).

Figure 2. Providing Material on Saving from an Early Age

The next stage was the practical activity of creating savings from recycled materials, specifically used bottles. This activity was the core of the socialization program, where students were directly involved in the process of creating their own saving media. With guidance from the North

Birobuli sub-district Thematic Community Service student team, students decorated and designed piggy banks according to their individual creativity. This process not only taught technical skills but also provided meaningful learning experiences. Students felt ownership and responsibility toward the savings they had created, thus hopefully cultivating intrinsic motivation to start saving regularly. In addition, the use of recycled materials also taught additional values about environmental care and productive use of used goods.

Figure 3. Recycled Savings Processing

After the practical activity was completed, a quiz session was held as a form of evaluation to measure the level of students' understanding of the material that had been presented. The quiz was designed with a relaxed and enjoyable atmosphere so students did not feel pressured but could still demonstrate the extent to which they understood financial literacy concepts. Questions in the quiz covered topics such as reasons for the importance of saving, how to distinguish needs and wants, and simple steps in managing pocket money. Students' enthusiasm in answering questions showed that the applied learning approach was quite effective in attracting attention and increasing their involvement.

Evaluation results showed a significant increase in students' understanding of financial literacy concepts. Based on pre-test results conducted before the activity began, Biro state elementary school students only mastered an average of 35% of the tested material. This reflected the low level of students' initial understanding of the importance of saving, how to manage money, and differences between needs and wants. Most students had never received formal knowledge about financial literacy, so these basic concepts still felt foreign to them. However, after participating in a series of socialization activities covering material presentation, piggy bank-making practice, and interactive discussions, post-test results showed very encouraging improvement. Students' average material mastery increased to 90%, meaning there was an increase of 55 percentage points. This increase shows that the applied learning method - a combination of theory and direct practice - was able to provide real positive impact on students' understanding. Students not only memorized concepts but also understood the meaning and benefits of saving and wise financial management. This increase in understanding can be explained through Experiential Learning Theory proposed by David Kolb as cited in research (Nugroho et al., 2025). According to this theory, learning will be more effective if learners are actively involved in a learning experience cycle consisting of four stages: concrete experience, reflective observation, abstract conceptualization, and active experimentation. In the context of this activity, students not only listened to explanations passively but also directly experienced the process of creating savings as a concrete experience. They then reflected on this experience through discussions and question-answer sessions, understood new concepts about financial literacy abstractly, and were finally expected to apply this knowledge in daily life by starting to use savings for saving.

Figure 4. Material Evaluation and Quiz Administration

This financial literacy socialization activity through recycled savings creation is also expected to provide long-term impact on the formation of a saving culture in the SD Negeri Biro environment. Previously, the school did not have a special program supporting saving habits among students, so this activity became an important first step in building collective awareness about the importance of financial literacy. With the savings that students have created themselves, it is hoped they will be motivated to start saving regularly, both at home and at school. The school also benefits from this activity, namely obtaining alternative learning methods that are simple yet effective in supporting the formation of a saving culture. Teachers and educators can continue this program by providing monitoring and support to students so that the saving habits that have been initiated can be sustainable. For example, schools can create a periodic piggy bank checking program or provide appreciation to students who consistently save. These steps will strengthen students' commitment to continue saving and make financial literacy part of their daily lives. Furthermore, the saving culture formed at school is expected to extend to family and community environments. Students who have understood the importance of saving can become agents of change in their homes, by inviting other family members to save and manage finances more wisely. Thus, the positive impact of this activity is not only limited to individual students but can also contribute to increasing financial literacy awareness at a broader level.

CONCLUSIONS

The community service activity with the theme "The Effectiveness of Using Creative Recycled Savings in Improving Financial Literacy of Early Childhood" has been successfully implemented and received positive responses from participants, especially 6th grade students at Biro state elementary school. Using a participatory-educational approach, this activity not only conveyed knowledge but also encouraged students' active involvement in understanding the importance of financial literacy from an early age. The series of activities, from initial observation, material preparation, interactive material presentation, recycled savings creation practice, to quiz evaluation sessions, proved effective in improving students' understanding and skills. They became more aware of the importance of saving, distinguishing between needs and wants, and managing pocket money wisely.

Evaluation results showed a very significant increase, where students' understanding increased from an average of 35% on the pre-test to 90% on the post-test. This increase of 55 percentage points proves that experience-based learning methods (experiential learning) that combine theory and practice can provide real impact on understanding financial literacy concepts. Students not only memorized material but also understood the meaning and benefits of saving habits and responsible financial management.

Overall, this activity provides real impact in strengthening students' financial literacy to have more disciplined, responsible character and be able to control themselves in managing finances from an early age. Recycled savings media created by students themselves not only function as saving tools but also as symbols of their commitment to start sustainable positive habits. On the other hand, the school obtains alternative learning methods that are simple yet effective in supporting the formation of a saving culture in the school environment. It is hoped that similar activities can be implemented sustainably with consistent monitoring and support, so that SD Negeri Biro students will be increasingly ready to face future economic challenges with strong financial literacy understanding and be able to become agents of change in increasing financial literacy awareness in family and community environments.

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