BRAZIL’S FIRST SROI EVALUATION REVEALS TRUE IMPACT OF CHILDREN’S INITIATIVE

The Lucia and Pelerson Penido Foundation (FLUPP)

The client
The Lucia and Pelerson Penido Foundation (FLUPP) is a Brazilian non-profit working to transform the lives of children in Sao Paulo state. FLUPP is a family foundation, created with funds from a group of successful, family-owned businesses. It aims to build a fairer society by raising standards in education – empowering teachers and parents, improving infrastructure and building links between schools and communities.

The background
The Penido family set up FLUPP in 2009 with the help of IDIS – Charities Aid Foundation’s partner and representative in Brazil. Drawing on IDIS’ expertise in philanthropy, FLUPP was empowered to create programmes with real potential to improve children’s education and wellbeing.

IDIS played a key role in the early days of FLUPP, using their strategic insight to help the foundation set clear goals and plan the activities needed to achieve them. The Penido family also drew on IDIS’ expertise to develop FLUPP’s central programme, ‘VIM’ (Valorizando uma Infância Melhor, or ‘Enhancing Early Childhood’). VIM engages families, teachers, local communities and authorities to better meet children’s pre-school developmental needs and give them the best possible start to their school career.

IDIS identified and built partnerships with organisations that could bring FLUPP closer to achieving VIM’s aims. These included the education training providers Escola de Educadores (School of Educators) and various local community organisations such as Parent and Teacher Associations. IDIS has coordinated two key activities for VIM: the monitoring of local-community projects, and project management training for community leaders.

The challenge
After four years of operation, FLUPP was keen to demonstrate its value as a non-profit organisation and to establish the effectiveness of the VIM project – with the aim of applying this model to other municipalities. Bringing in CAF’s Impact expertise, the team identified Social Return on Investment (SROI) evaluation as the most efficient way to present strong evidence of VIM’s impact.

Project VIM
VIM is focused on education in very early childhood – from birth to five years. There is a growing awareness in Brazil of the dramatic difference investing in early years education can make, backed up by substantial evidence.

For example, the Brazilian Ministry of Children’s Education (MEC) has shown that children who start school at kindergarten (aged four and five) stay in the education system for an average of one year longer than those who go straight into elementary school (at age six). Kindergarten-educated children are also 32% more likely to finish high school.

Economists such as Lamb and Heckman (2003) and Cunha (2005) have found that early investments in an individual’s education have greater potential for positive impact – with the potential increasing the earlier in life the investment is made. In fact, the period from birth to five years is a critical window for the development of a child’s brain. A lack of stimulation during this time could compromise their ability to learn throughout their entire compulsory education.

With a firm belief in the transformative power of early years education, the Penido family’s vision for VIM is to help young children achieve more. A better standard of schooling enables children to grow into skilful adults, capable of generating more opportunities for society as a whole.
FLUPP working in partnership with IDIS carried out Brazil’s first ever SROI evaluation.

**SROI project aims**
- To understand the impact of VIM on children, their families and educators
- To demonstrate the value generated in return for the investment made
- To help future planning and decision-making

**Approach**
The evaluation focused on Roseira, one of four municipalities to host VIM. The team applied the SROI framework to:
- predict the effect of the programme on its ‘stakeholders’ (i.e. everyone who had changed as a result of the programme)
- identify measurable ‘indicators’ of the changes
- collect the data through focus groups and surveys
- assign a financial value to the programme outcomes
- calculate the total value of VIM’s benefits in Roseira

**Achievements**
The SROI evaluation indicated that for every R$1 of investment in VIM, R$4.08 of social value was being created. In other words, VIM was more than quadrupling the value invested. Assigning a financial value was done by using market values of paid-for services which achieve similar results to VIM’s activities.

The evaluation also confirmed that the programme was having a significant, positive impact on young children’s development. Two hundred and seventy-seven children demonstrated improvements in the agreed indicators of cognitive development, emotional state and/or sociability – an impact far greater than that of any other type of stakeholder benefitting from the programme.

**Project outcome**
FLUPP now have clear, data-based evidence that VIM is achieving its aim in having a significant, positive impact on young children’s development. IDIS’ SROI services have affirmed the relevance of FLUPP and given the foundation a strong case for continuing its valuable work into the future.

“We believed that the VIM Program had achieved its objectives, but the SROI showed us that these objectives had been surpassed. “The application of SROI methodology was meticulous and thorough: it examined every action with a magnifying glass and gave voice to every person involved.”

Eduarda Penido Dalla Vecchia, Director of FLUPP

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