

PRIVATE SECTOR INVESTMENT IN ECD IN LATIN AMERICA

SIMPOSIO DESARROLLO INFANTIL TEMPRANO

NOVEMBER 2017

Jessica Mason, Founder & CEO
[@JessxDesign](#)



THE
SOCIAL
IMPACT
STUDIO

OBJECTIVE

To better understand private social investment in Latin America, particularly investment as it relates to early childhood development



CORE QUESTIONS

- In what areas does the private sector currently invest?
- What factors influence corporate social investment decisions?
- How knowledgeable are business leaders about early childhood development?
- What is the current state of corporate social investment in early childhood development?

THE STUDY

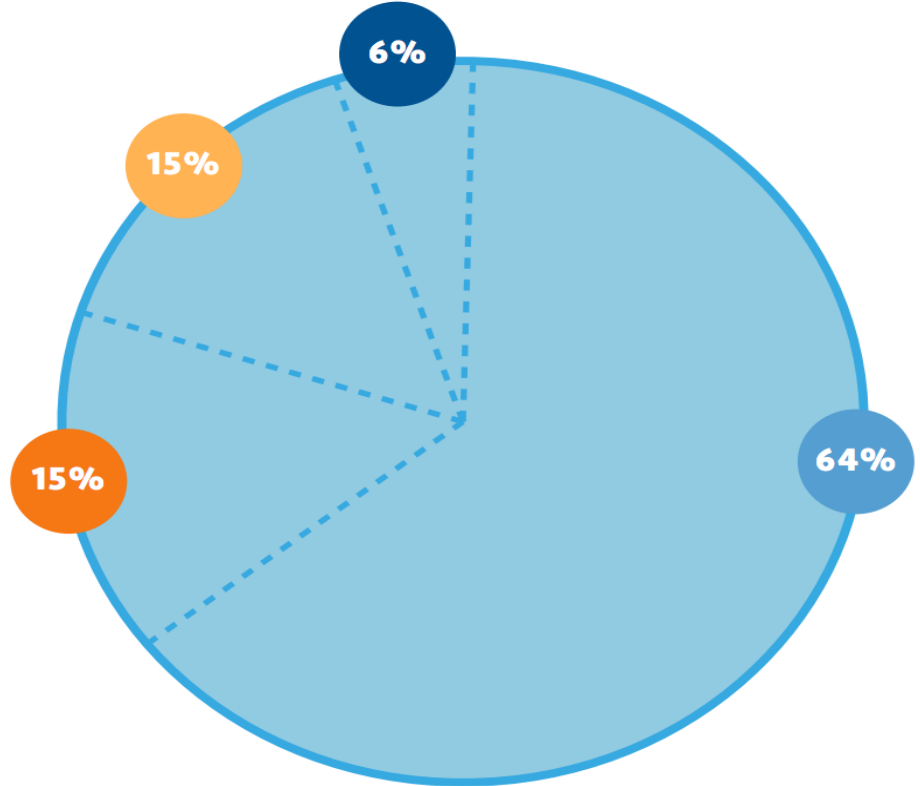
- Online survey: 136 companies
- In-depth interviews: 16 companies



THE COMPANIES

TIPO DE EMPRESA

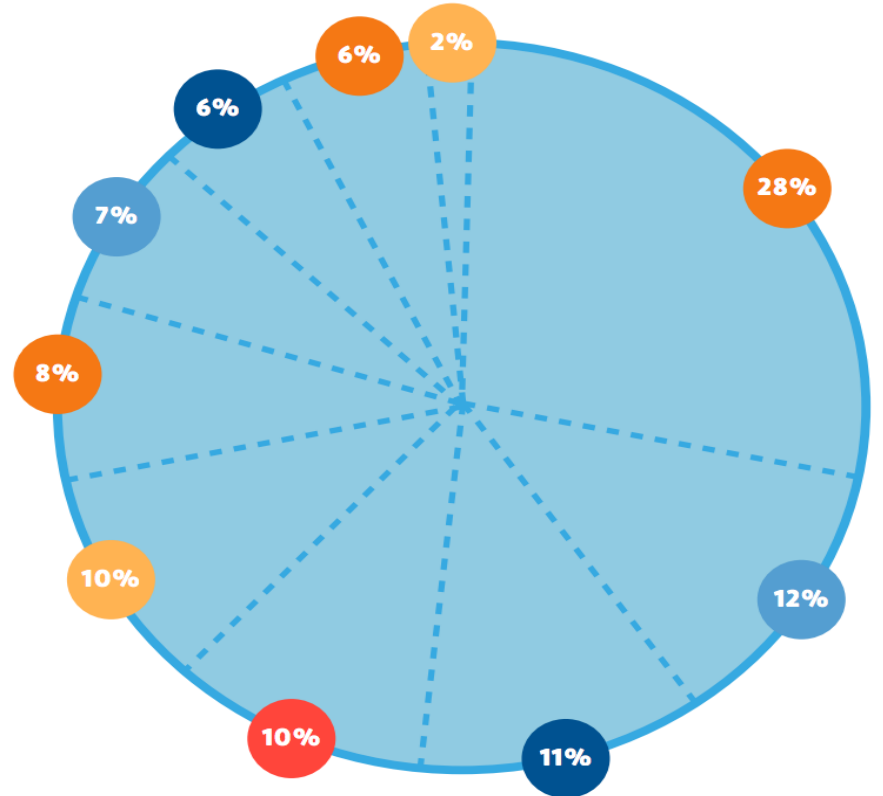
- 64% Grupo empresarial
- 6% Familiar
- 15% Público-privada
- 15% Independiente



THE COMPANIES

SECTOR EMPRESARIAL

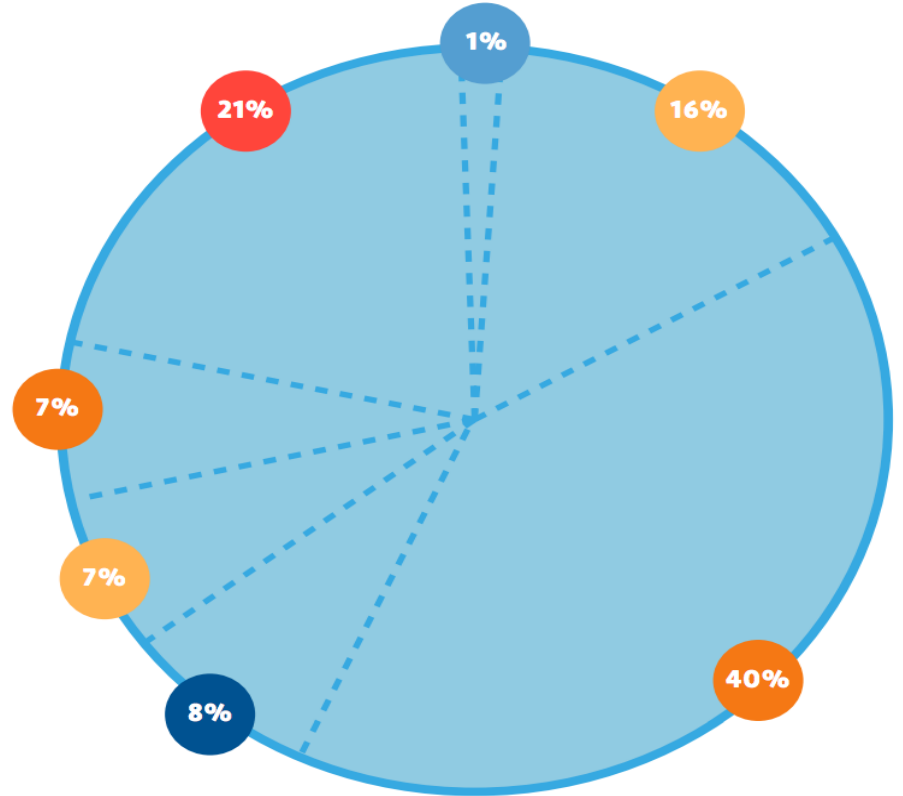
- 28% Manufactura
- 12% Industria alimentaria
- 11% Servicios
- 10% Comercio
- 10% Energía
- 8% Telecomunicación e informática
- 7% Finanzas, seguros y AFP
- 6% Construcción
- 6% Salud
- 2% Educación



THE COMPANIES

CAPITAL

- 1% \$1 mill a \$2.5 mill
- 16% \$2.5 mill a \$5 mill
- 40% \$5 mill a \$1 bn
- 8% \$1bn a \$2.5bn
- 7% \$2.5bn a \$5bn
- 7% \$5bn a \$10bn
- 21% >\$10bn



PRIVATE SECTOR SOCIAL INVESTMENT

- Highly valued for generating shareholder value *and* contributing to a more sustainable world
- Median investment is US\$250,000
- Predominant focus on programs that benefit children and teens in the areas of education and community development

PRIVATE SECTOR SOCIAL INVESTMENT

- Tendency towards thematic and geographic areas of priority for the business
- Influenced by trade associations and public policy
- Implementation is generally outsourced
- Very low rates of impact evaluation (perceived as overly complicated and costly)

PRIVATE SECTOR KNOWLEDGE OF ECD

- High overall knowledge of ECD, especially the negative impact of adverse early experience and positive, long-term impacts of play
- Strong perception that ECD programs are beneficial to society
- Less confidence about our capacity to do what's needed to support optimal child development

PRIVATE SECTOR KNOWLEDGE OF ECD

“es sumamente importante invertir en los primeros años de vida, pues es una inversión que se torna exponencial”

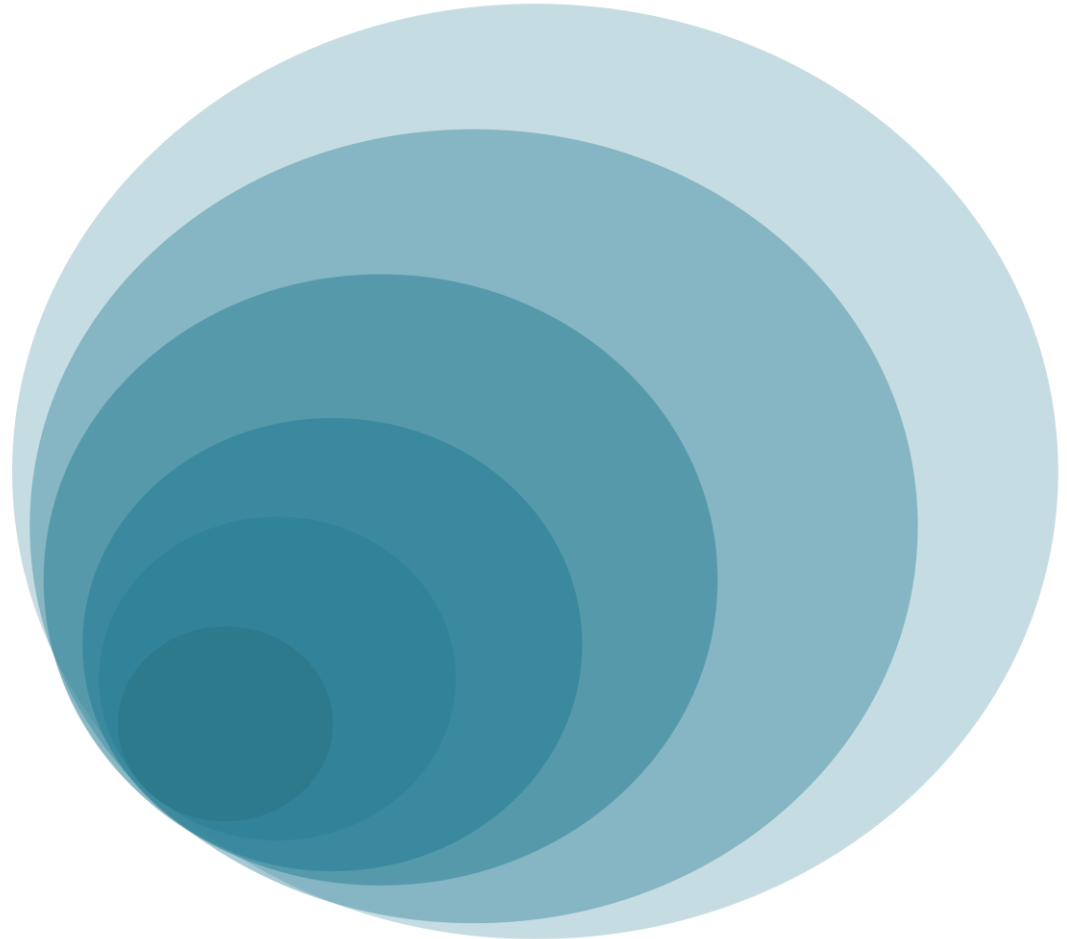
“es un poco complicado invertir en primera infancia, porque no hay resultados a corto o mediano plazo, lo que buscan las empresas es la inmediatez.”



CONCEPTUAL FRAMEWORK

Spheres of influence:

- Employees and their families
- Communities where the business operates
- Value chain
- Unaffiliated communities
- Public policy
- Awareness-raising and public campaigns



PRIVATE SECTOR INVESTMENT IN ECD

- Tendency towards investments in ECD in the inner circles
- 2/3 of companies have policies that favor ECD
- High rates of corporate volunteerism (e.g. service days) to benefit children 0 to 6
- Within ECD, there is a dominant focus on education (vs. health, nutrition, or social protection)

EXAMPLE

Employees and their families

1. Flexibilidad laboral para favorecer el equilibrio trabajo-familia (horarios) (67%)
2. Programas de bienestar y calidad de vida dirigida a padres y familias de niños (67%)
3. Disposición de espacios empresariales para la lactancia materna (lactarios) (62%)
4. Campañas de sensibilización, comunicación o mercadeo sobre DIT (56%)
5. Subsidio o apoyo económico para cubrir costos de guarderías y preescolares (46%)
6. Licencia de maternidad extendida por encima del mínimo legal (33%)
7. Licencia de paternidad extendida por encima del mínimo legal (31%)
8. Servicios de salud (incluyendo pediatría) exclusivos para colaboradores (31%)
9. Guarderías o preescolares exclusivos para hijos e hijas de colaboradores (8%)

PRIVATE SECTOR INVESTMENT IN ECD

- High level of investment in birth to 3yrs
- Fairly high levels of investment in parents, caregivers, and teachers
- Over half of the companies' efforts benefit fewer than 1000 people
- 8% of companies' efforts benefit more than 100,000 people

MOVING FORWARD

*Leverage business
leaders' high levels of
knowledge of ECD*

- Expand efforts to increase knowledge + buy-in across the spheres of influence
- Invest in programs that improve the quality of early experiences, with a greater focus on the role of parents and caregivers
- Measure coverage, take-up, and impact

A NEW APPROACH

*Shift the frame
so that efforts are
seen as strategic
investments*

- Determine shape and scope of programs based on the intersection of corporate priorities, corporate capabilities, and “market gaps”
- Set clear goals and develop a rigorous theory of change
- Design evidence-based *and* innovative programs
- Evaluate and make targeted adaptations to continually increase the return on investment



“En realidad, esta inversión en primera infancia a va a a permitir que el país crezca, y que el mercado crezca, y que sigamos teniendo relaciones con el mercado”

“Es sumamente importante invertir en los primeros años de vida, pues es una inversión que se torna exponencial”

FULL REPORT

www.fondounido.org.mx/EstudioEmpresarial

Jessica Mason, Founder & CEO

jessica@socialimpact.studio

[@JessxDesign](#)



THE
SOCIAL
IMPACT
STUDIO