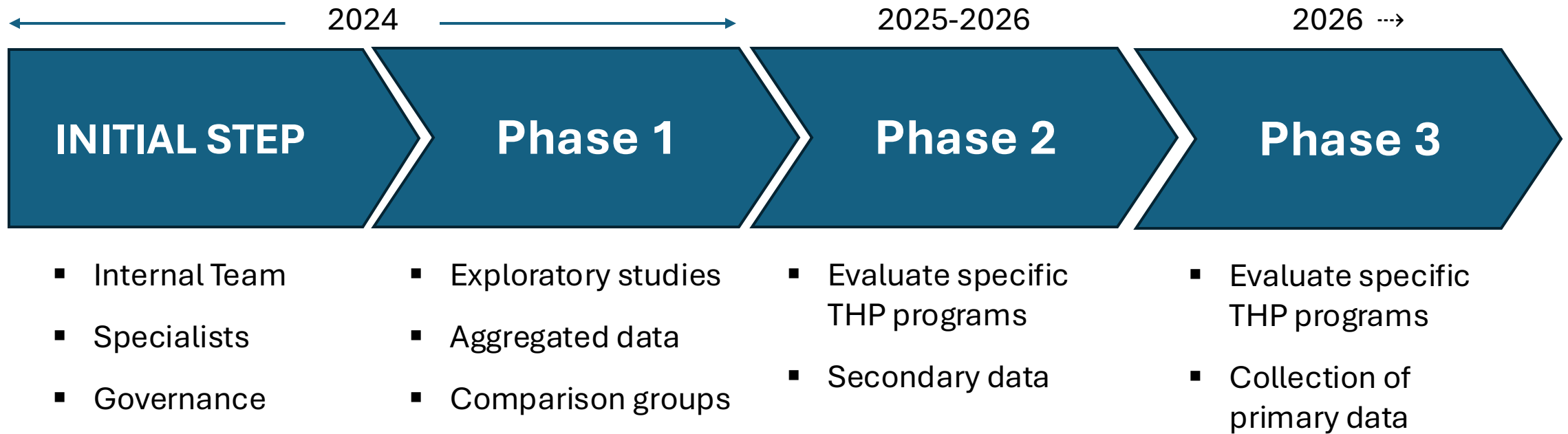Presentation to

THP NY CHAPTER

Initial analysis about The Human Project / SE – 2024

Developed by LEPES | LABORATÓRIO DE ESTUDOS E PESQUISAS EM EDUCAÇÃO E ECONOMIA SOCIAL

Executive summary

IMPACT ASSESSMENT INITIATIVE LAUNCHED IN 2024

← 2024 →	2025-2026	2026 ⋯→

INITIAL STEP	Phase 1	Phase 2	Phase 3

INITIAL STEP
- Internal Team
- Specialists
- Governance

Phase 1
- Exploratory studies
- Aggregated data
- Comparison groups

Phase 2
- Evaluate specific THP programs
- Secondary data

Phase 3
- Evaluate specific THP programs
- Collection of primary data

TEAM, SPECIALISTS AND GOVERNANCE

The Human Project	Research and Studies in Education and Social Economy Lab – USP	Impact Assessment Iniciative Steering Committee
Letícia Mattos Coordinator for monitoring and impact assessment	**Daniel Santos, PhD** Professor of Economics The University of São Paulo	**Ricardo Rolim Fontes** Chairman of THP NY Member of the Steering Committee
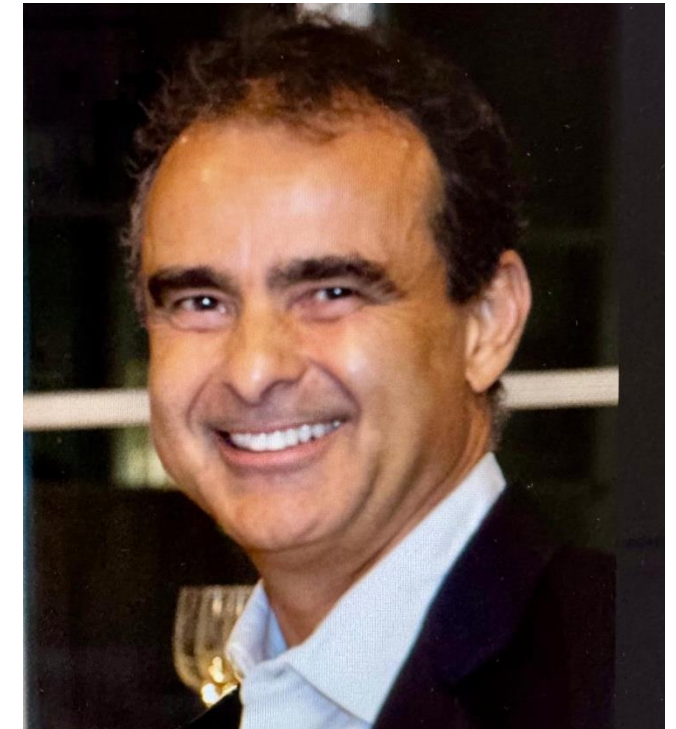
Note: LEPES: Laboratório de Estudos e Pesquisas em Educação e Economia Social

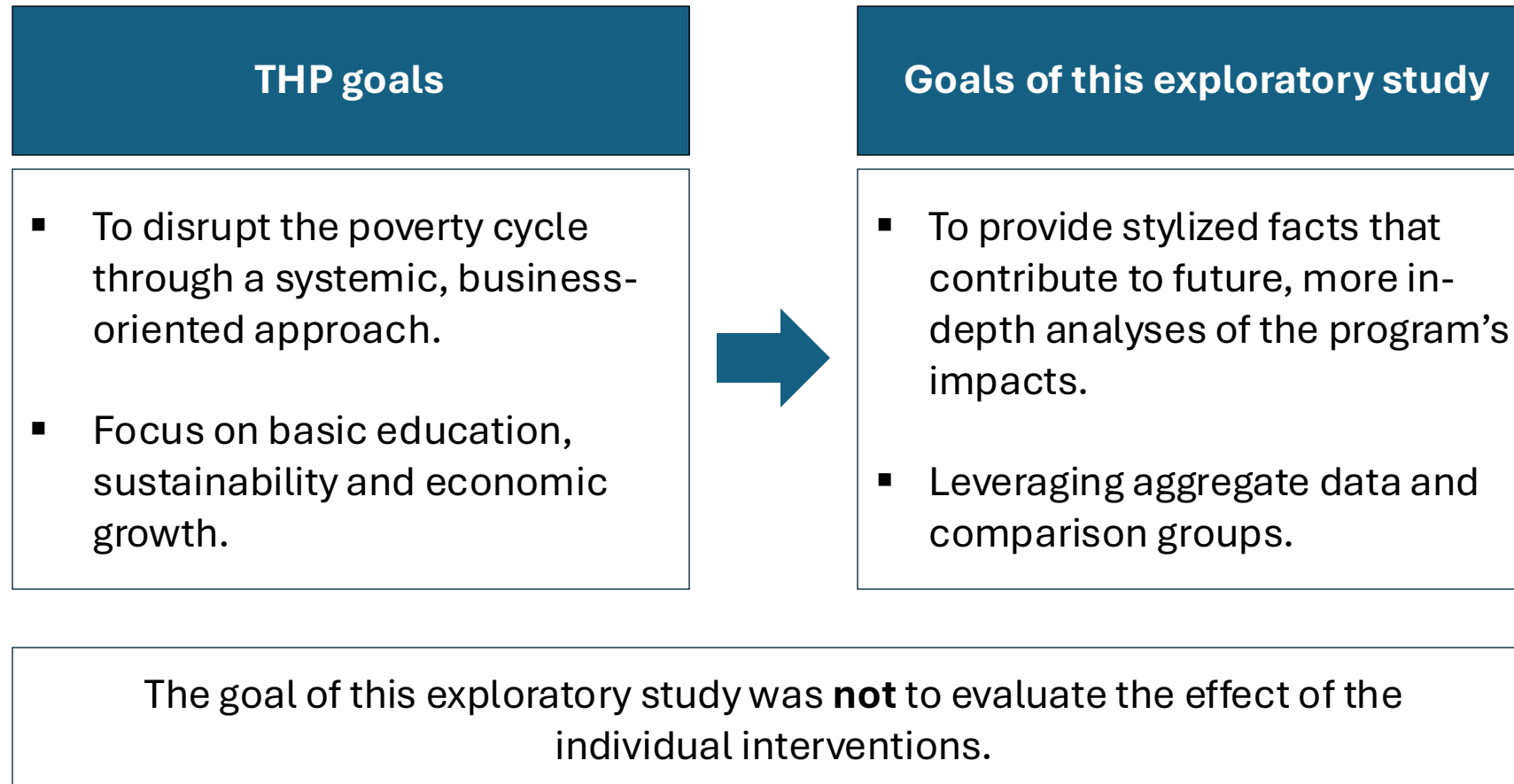# COMPLEXITY IS CHALLENGING TO MEASURE
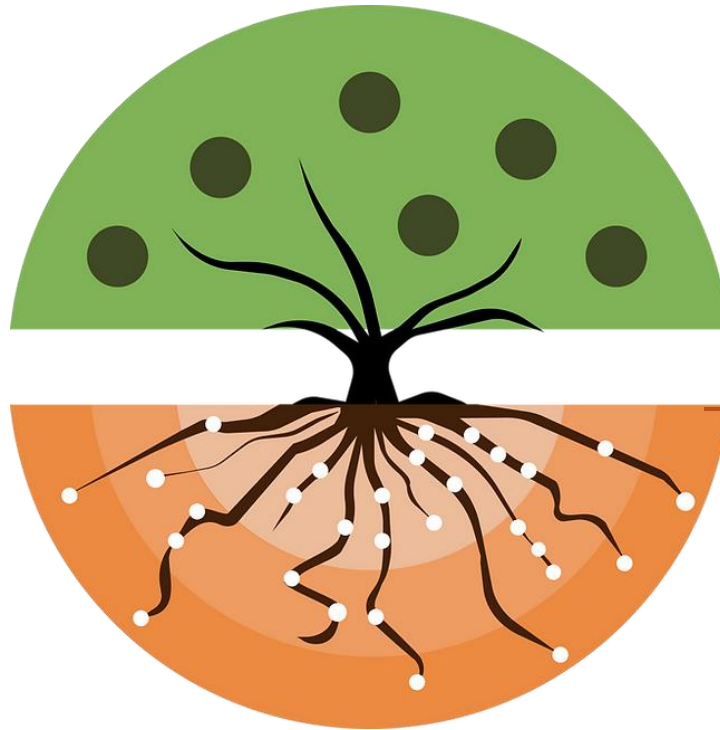
Santa Luzia do Itanhy - SE

- Multiple initiatives and social innovations since 2010
- Systemic nature and organic replication
- Applied to a single specific geographic scope

Source: LEPES - USP | Initial analysis about The Human Project / SE – 2024

PHASE 1 OF THE IMPACT ASSESSMENT INITIATIVE
Exploratory study

THP goals	Goals of this exploratory study
▪ To disrupt the poverty cycle through a systemic, business-oriented approach. ▪ Focus on basic education, sustainability and economic growth.	▪ To provide stylized facts that contribute to future, more in-depth analyses of the program's impacts. ▪ Leveraging aggregate data and comparison groups.

The goal of this exploratory study was **not** to evaluate the effect of the individual interventions.

KEY QUESTIONS TO EXPLORE IN MUNICIPALITY-LEVEL AGGREGATE DATA

Municipality-level aggregate data

1 How have **demographics** been changing?
- Household census data
- Human Development Index
- Living conditions
- Family development

2 How **vulnerable** is the population?
- Registry of cash transfers to families in extreme poverty
- Income generation capacity
- Public healthcare databases

3 How is the **educational** system performing?
- Enrollment statistics
- Teachers' turnover
- Daycare availability
- Full-time School programs

4 How is the **labor** market developing?
- Income, formal jobs, employment tenure
- Exposure to automation
- Entrepreneurship, number of companies
- Survival rate and innovative sectors

Note: Goverment databases used in the Project: Household Census (IBGE), Unified Registry (MDS), DataSUS (Healthcare), RAIS/CAGED (MTE), Education Census (INEP), Federal Company Registry (Cadastro CNPJ).

Source: LEPES - USP | Initial analysis about The Human Project / SE – 2024

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COMPARISON GROUPS TO CONTROL FOR DIFFERENT CHARACTERISTICS

GROUP 1 Santa Luzia do Itanhy	GROUP 2 HDI 16 Municipalities NE	GROUP 3 Demographics 16 Municipalities NE	GROUP 4 THP Municipalities 11 Municipalities NE+N
▪ 20,000 inhabitants	☑	☑	-
▪ Low HDI (Human Development Index)	☑	-	-
▪ High percentage of black residents	-	☑	-
▪ High percentage of rural population	-	☑	-
▪ No industrialized neighbor municipalities	-	-	☑

Source: LEPES - USP | Initial analysis about The Human Project / SE – 2024

COMPARISON GROUPS CHARACTERISTICS

ANO = 2010	Santa Luzia do Itanhy	GROUP 2 HDI	GROUP 3 Demographic	GROUP 4 THP Municipalities
HDIm	0,545	0,545	0,567	0,602
Population	12.969	13.228	12.878	6.716
Illiteracy rate	33,03%	30,52%	28,74%	28,08%
Years of Schooling (Average)	8,54	8,43	8,12	9,59
Life expectation at birth (Years)	70,82	68,57	70,12	70,47
Per capita Income (R$/month)	R$ 194,24	R$ 218,54	R$ 254,32	R$ 260,19

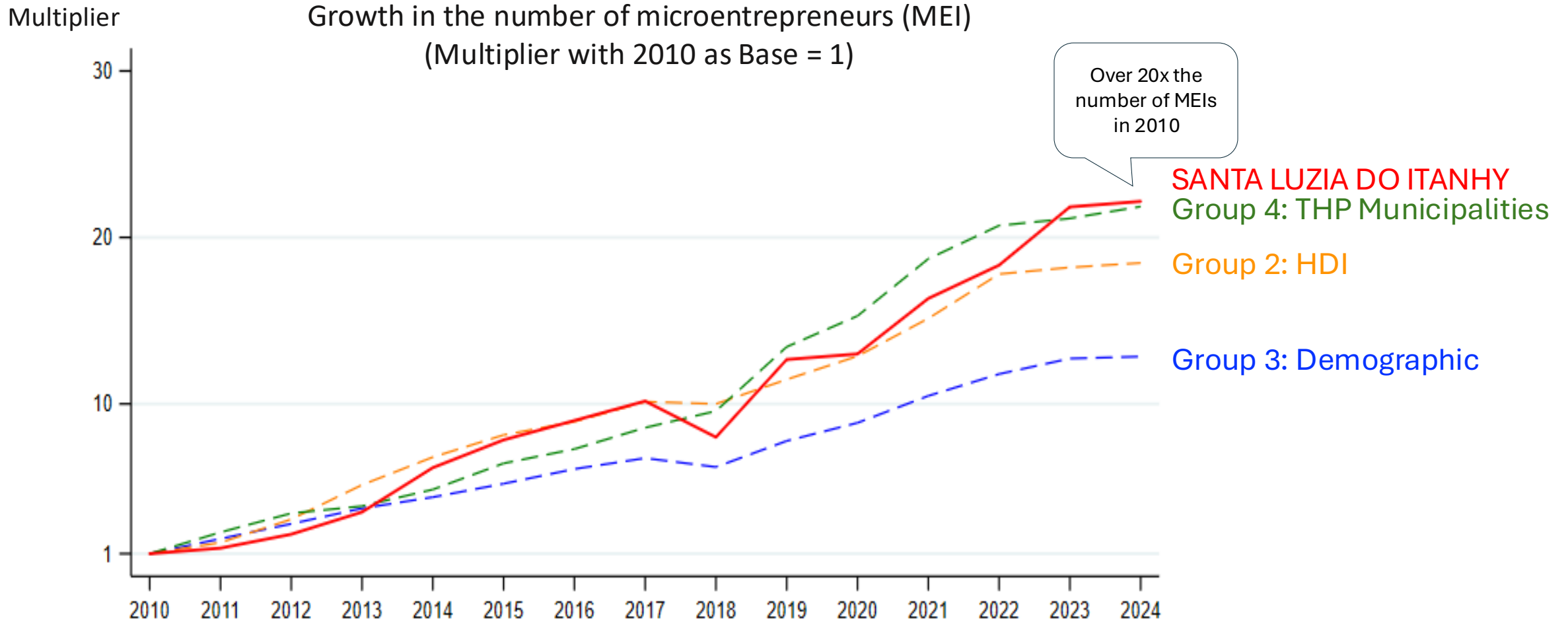# PRELIMINARY FINDINGS POINT TOWARD THP IMPACT ON ENTREPRENEURSHIP

Performance analysis of Santa Luzia do Itanhy relative to peer municipalities:

Entrepreneurship	Wages	Education
• Entrepreneurship in Santa Luzia was driven by more technology-intensive activities, compared to other groups • But businesses displayed shorter lifespans	• Santa Luzia shows subtle signs of migration of the workforce to higher-quality and higher-wage salaries • Formal employment income is higher in Santa Luzia in the period	• Higher enrollment in infant education services • Indication of higher participation of parents in the labor market? • Indication of a new generation with higher potential and better perspectives?

GROWTH OF MICROENTREPRENEURS
Similar growth to municipalities with THP charateristics (Group 4)

Multiplier

Growth in the number of microentrepreneurs (MEI)
(Multiplier with 2010 as Base = 1)

Over 20x the number of MEIs in 2010

SANTA LUZIA DO ITANHY
Group 4: THP Municipalities

Group 2: HDI

Group 3: Demographic

Source: LEPES - USP | Initial analysis about The Human Project / SE – 2024

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GROWTH OF MICROENTREPRENEURS
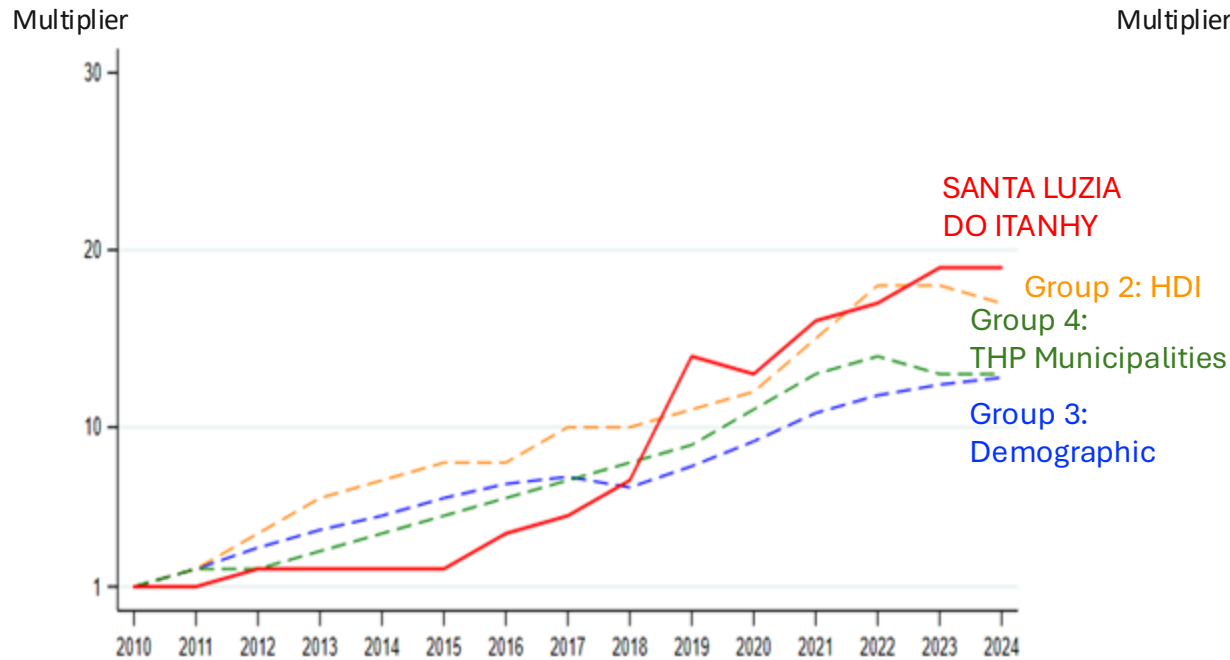
Santa Luzia has stood out in technical and creative sectors despite underperfoming in retail, industry and construction

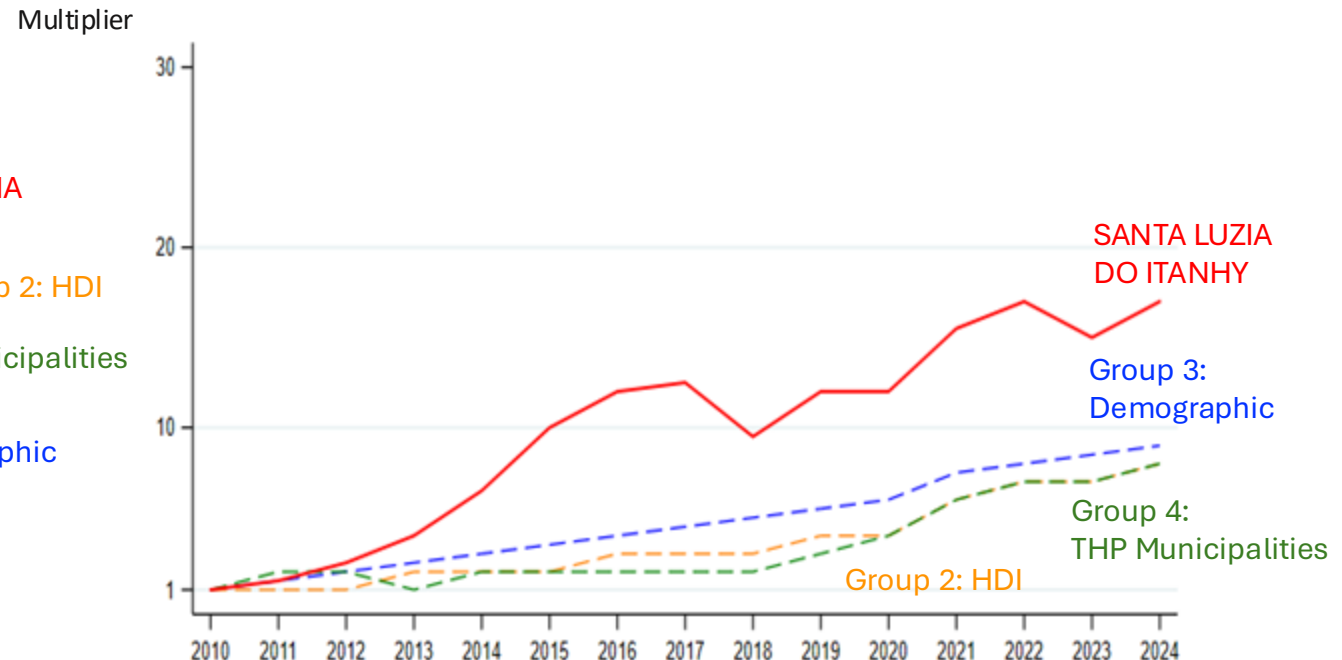Growth in the number of microentrepreneurs (MEI)
(Multiplier with 2010 as Base = 1)

INFORMATION AND COMMUNICATION MEI

Multiplier

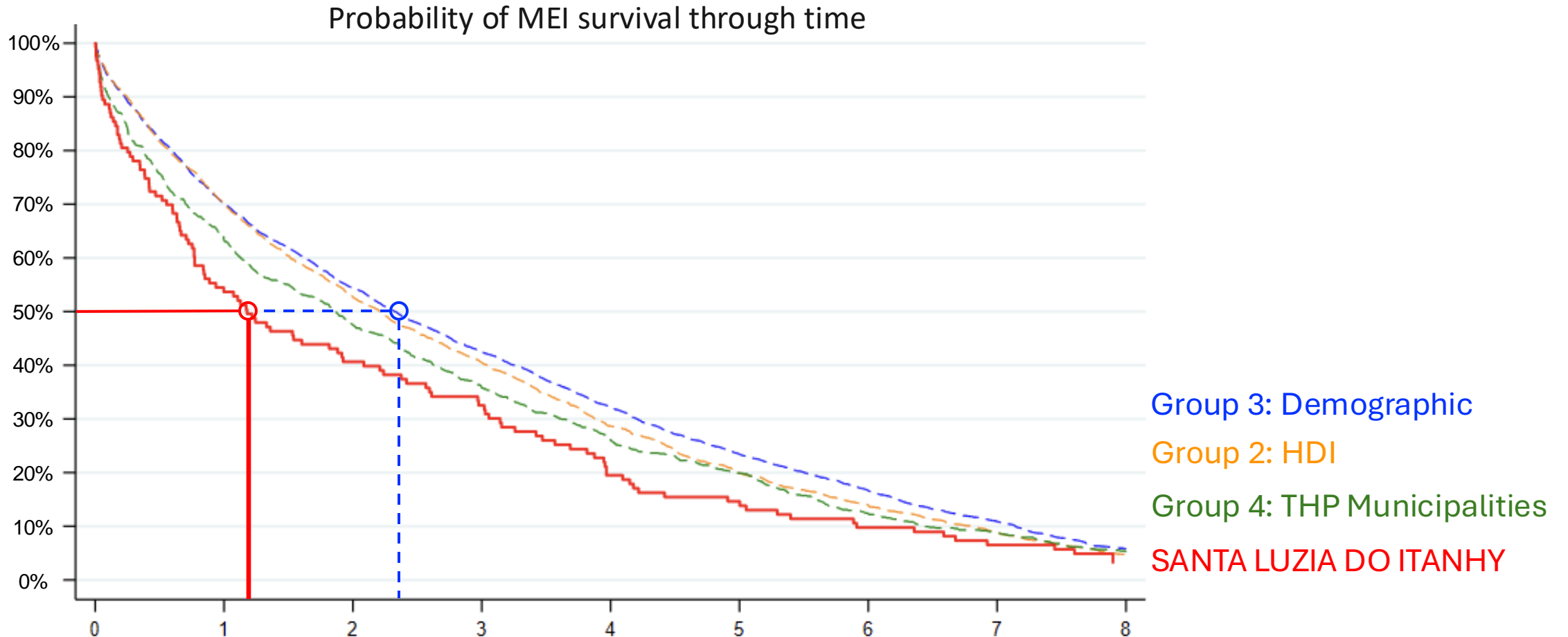SANTA LUZIA DO ITANHY
Group 2: HDI
Group 4: THP Municipalities
Group 3: Demographic

TECHNICAL, FINANCIAL AND ADVERTISING ACTIVITIES MEI

Multiplier

SANTA LUZIA DO ITANHY
Group 3: Demographic
Group 4: THP Municipalities
Group 2: HDI

Source: LEPES - USP | Initial analysis about The Human Project / SE – 2024

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LIFESPAN OF MICRO-BUSINESSES

Santa Luzia's MEIs have lower survival rate in the short-term, but is in line with its comparison groups in the long-term
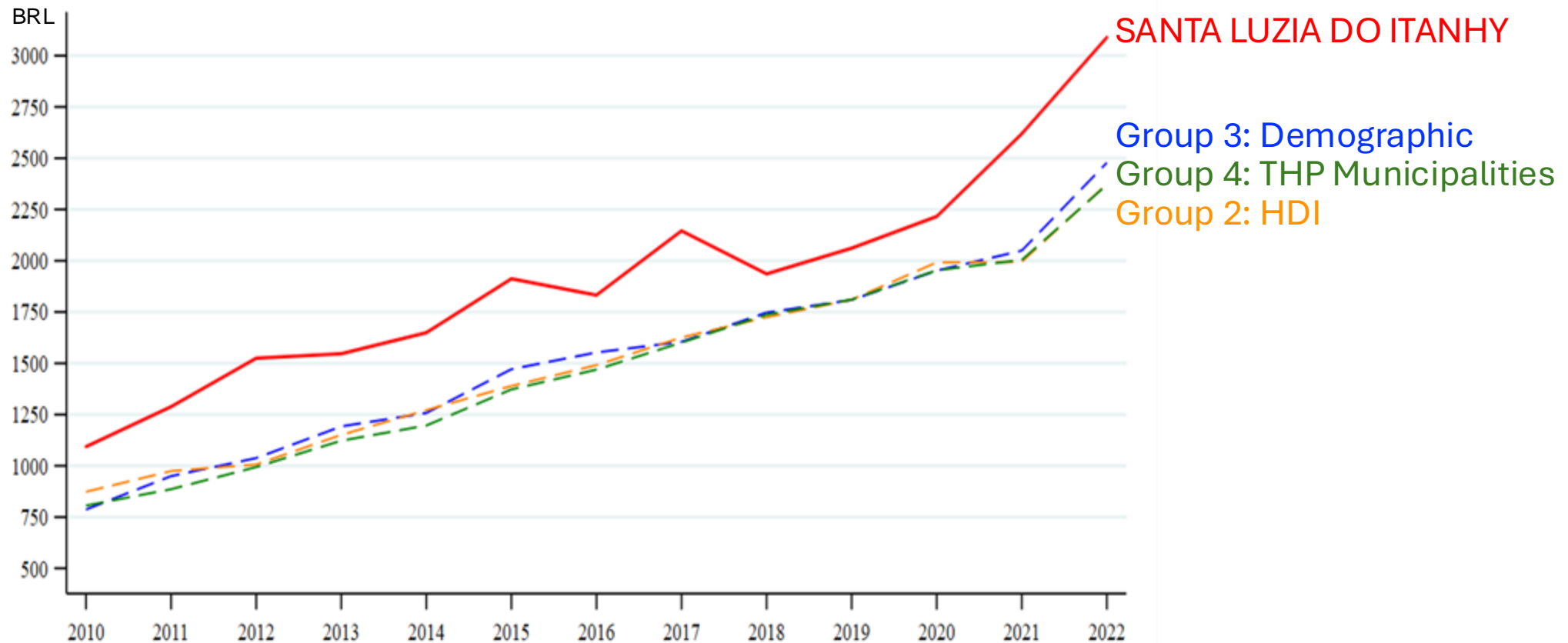
Probability of MEI survival through time

Group 3: Demographic

Group 2: HDI

Group 4: THP Municipalities

SANTA LUZIA DO ITANHY

FORMAL EMPLOYMENT INCOME
Has always been higher in Santa Luzia do Itanhy

Average income of people employed in the formal sector

BRL

SANTA LUZIA DO ITANHY

Group 3: Demographic
Group 4: THP Municipalities
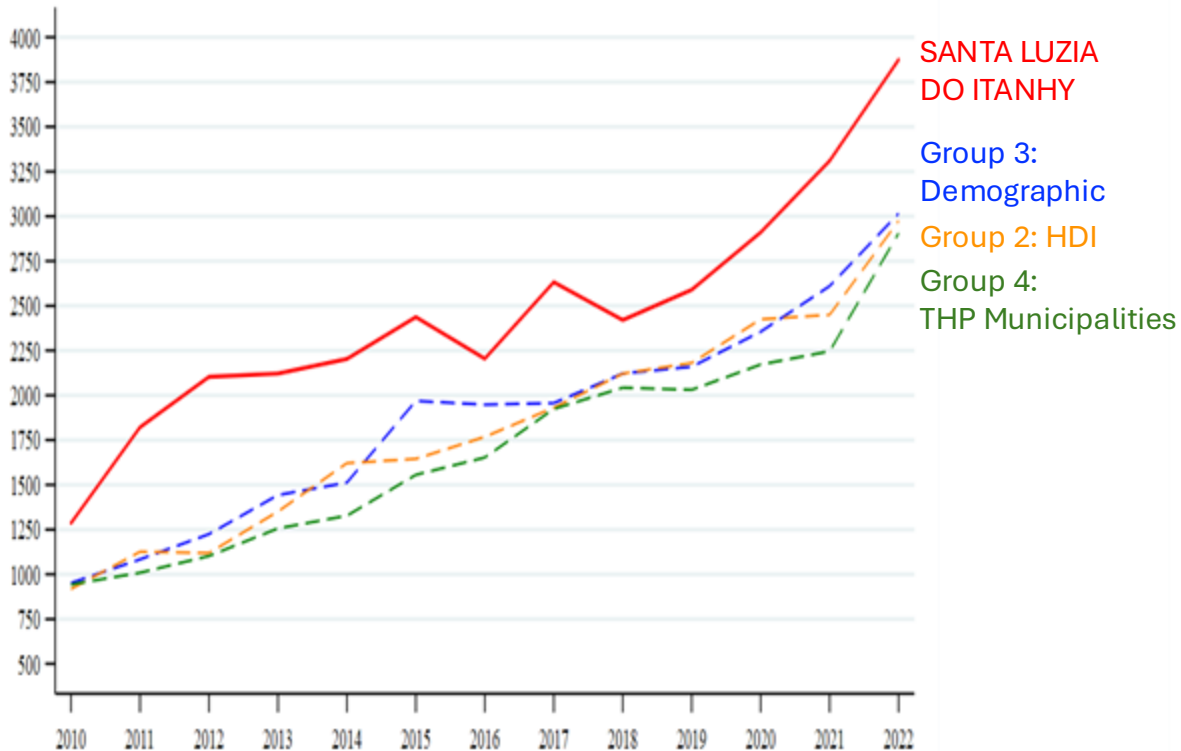Group 2: HDI

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FORMAL EMPLOYMENT INCOME

Santa Luzia's income for occupations with lower propensity to be automated has been consistently higher
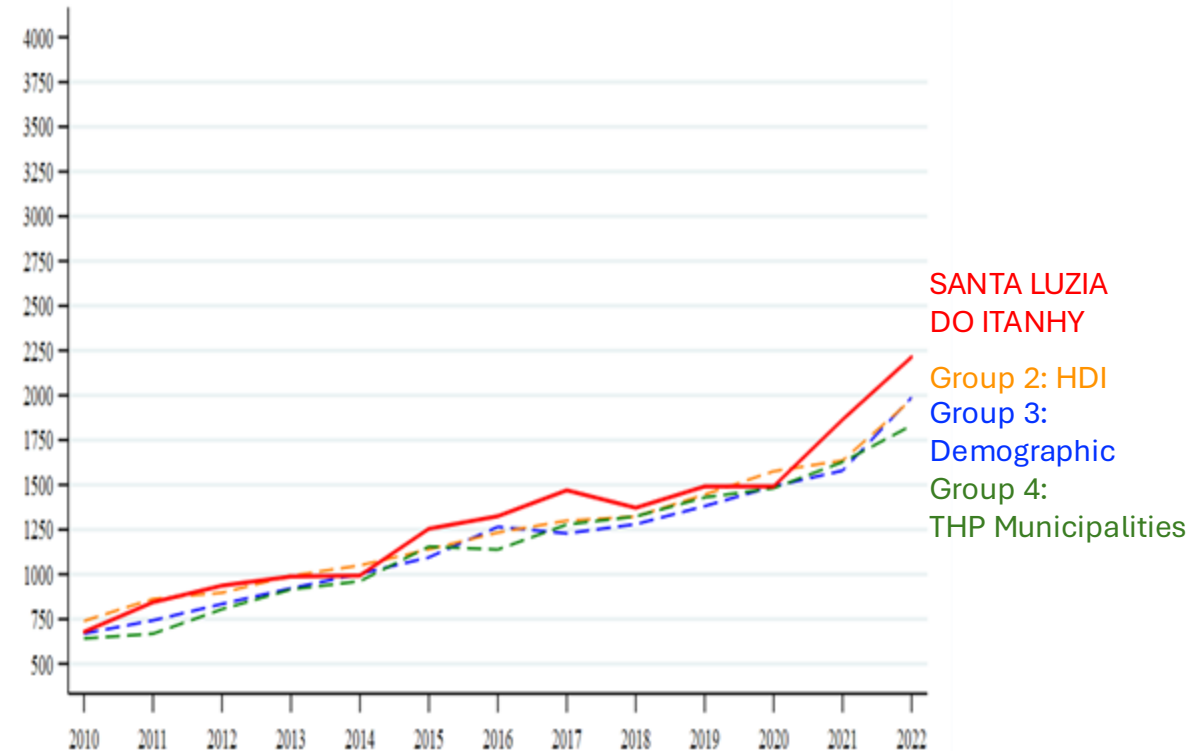
Average income of people employed in the formal sector

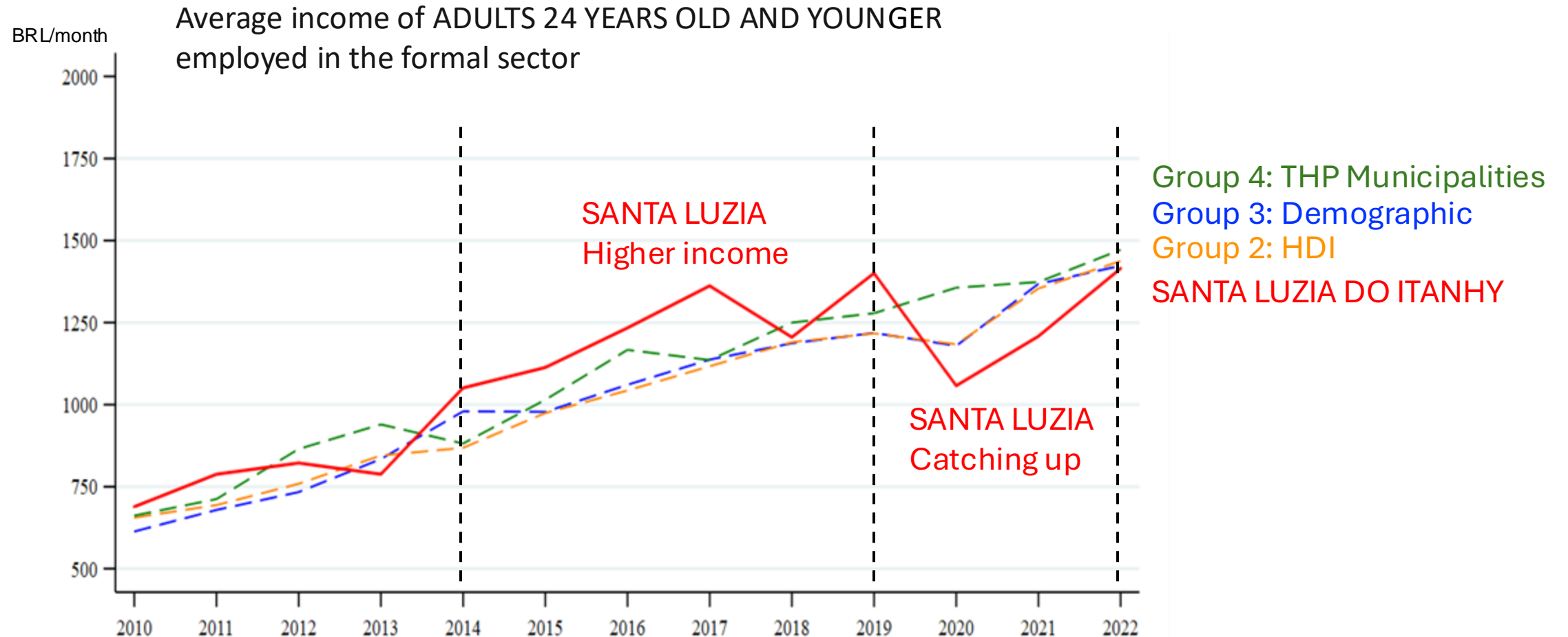Occupations with lower propensity to be automated

Occupations with high propensity to be automated

SANTA LUZIA DO ITANHY

Group 3: Demographic

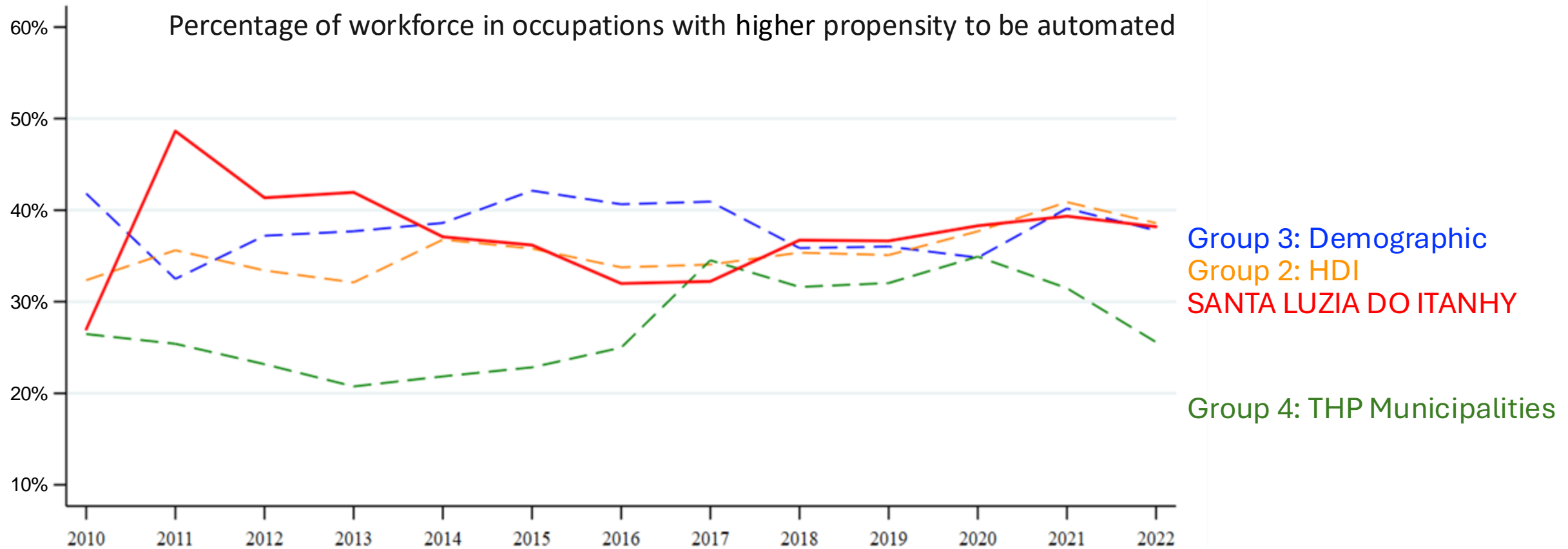Group 2: HDI

Group 4: THP Municipalities

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FORMAL EMPLOYMENT INCOME

Santa Luzia do Itanhy's Young adults had higher income than in comparison groups before 2014-2019, dropped in 2020 and is catching up now

Average income of ADULTS 24 YEARS OLD AND YOUNGER employed in the formal sector

BRL/month

SANTA LUZIA
Higher income

SANTA LUZIA
Catching up

Group 4: THP Municipalities
Group 3: Demographic
Group 2: HDI
SANTA LUZIA DO ITANHY
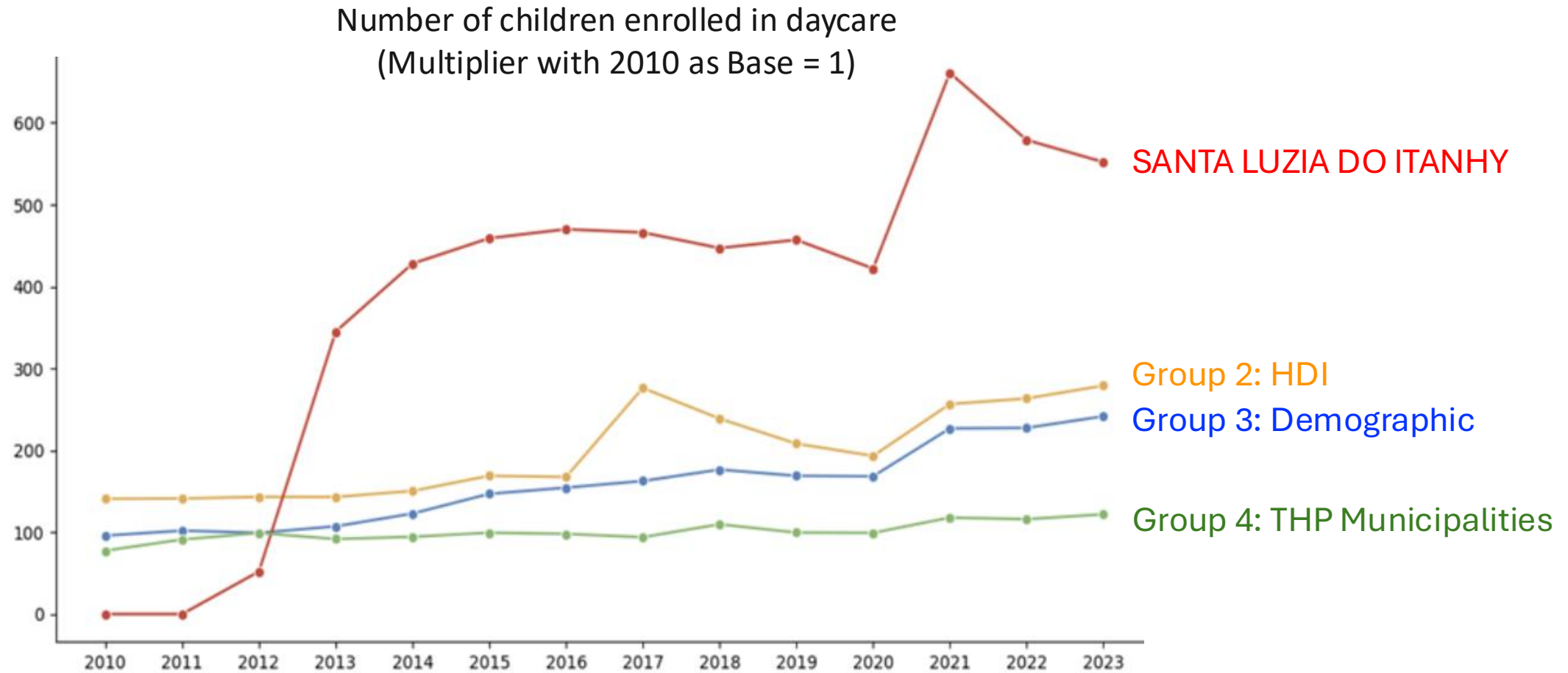
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PERCENTAGE OF NON-ROUTINE JOBS

Santa Luzia started below 30% in 2010 and reached almost 40% 2022
while Municipalities in comparison groups are below or at the same level as of 2010

Percentage of workforce in occupations with higher propensity to be automated

Group 3: Demographic
Group 2: HDI
SANTA LUZIA DO ITANHY

Group 4: THP Municipalities

Source: LEPES - USP | Initial analysis about The Human Project / SE – 2024

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DAYCARE ENROLLMENT
Sharp increase relative to comparison groups

Number of children enrolled in daycare
(Multiplier with 2010 as Base = 1)

SANTA LUZIA DO ITANHY

Group 2: HDI

Group 3: Demographic

Group 4: THP Municipalities

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PERFORMANCE IN MATH
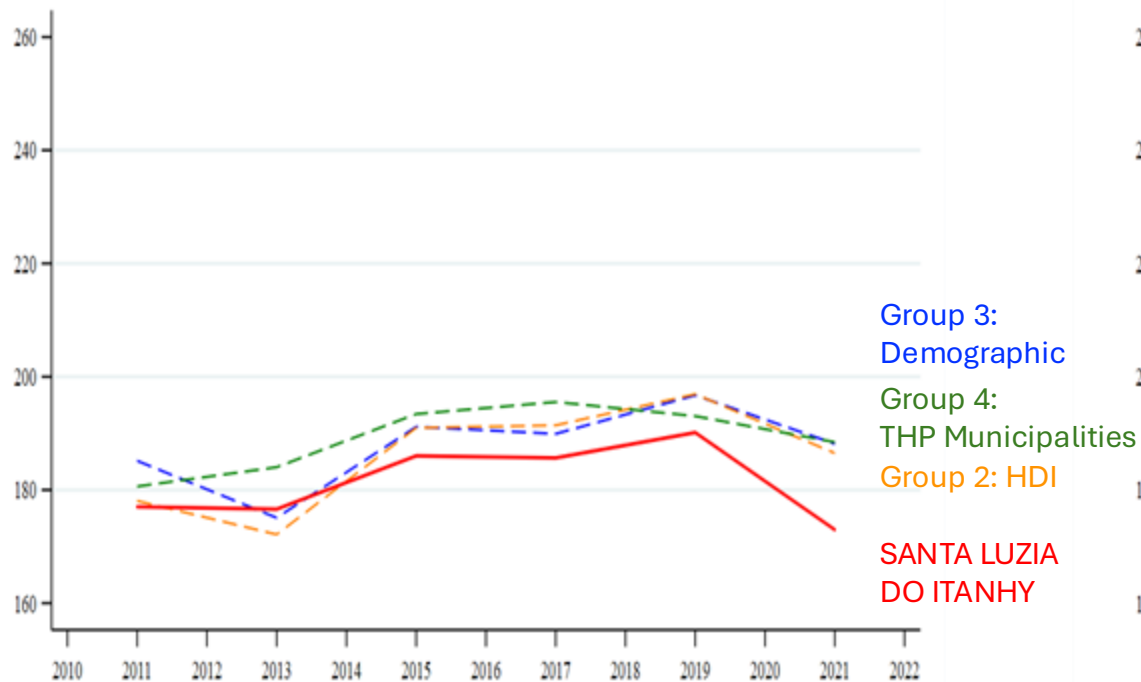
The consistent underperformance in Math are among the topics to be investigated in the next phases of the impact assessment initiative
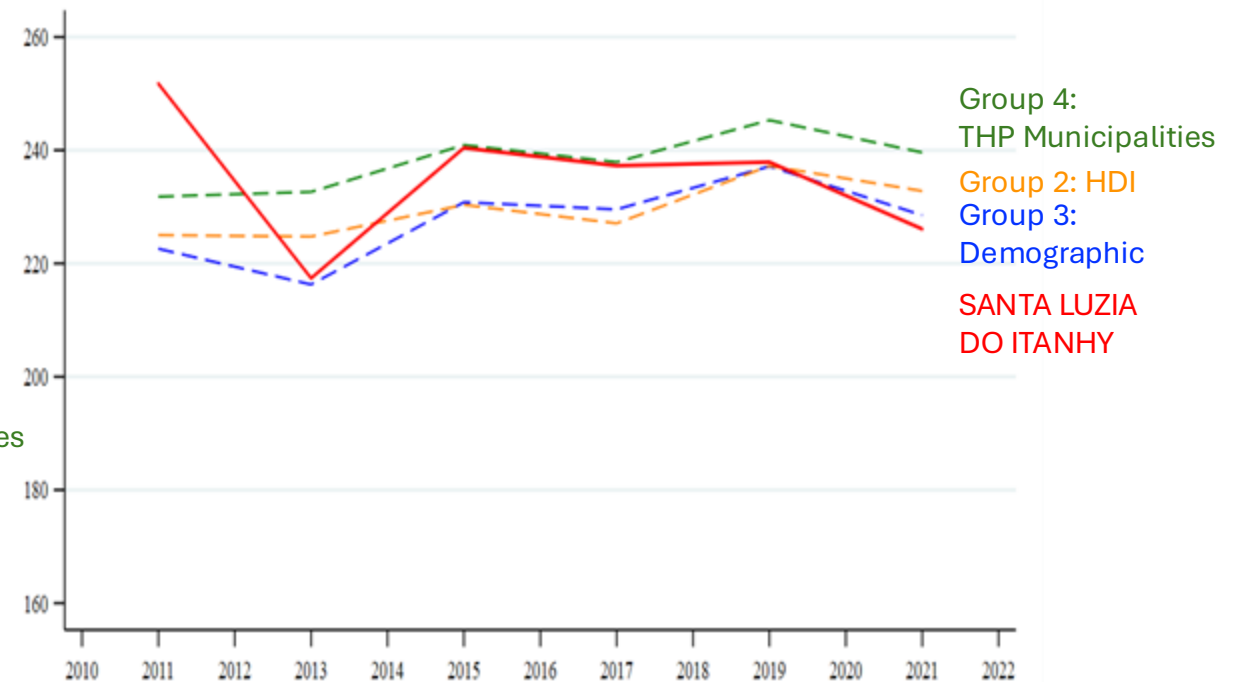
Grades on SAEB (Math)

5th Grade

Group 3:
Demographic

Group 4:
THP Municipalities

Group 2: HDI

SANTA LUZIA
DO ITANHY

9th Grade

Group 4:
THP Municipalities

Group 2: HDI

Group 3:
Demographic

SANTA LUZIA
DO ITANHY

Source: LEPES - USP | Initial analysis about The Human Project / SE – 2024

NEXT STEPS
Limitations of Phase 1 Exploratory Study

2024 — Phase 1 — 2025-2026 — 2026

| INITIAL STEP | Phase 1 | Phase 2 | Phase 3 |

Limitations	Reasons	Next steps
Aggregate data may not have fully captured the initial effects of the programs.	Social innovations may not have matured enough to cause structural changes in macro social aspects of Santa Luzia.	Application of a qualitative instrument to evaluate the impact of THP programs on a sample of individual participants.

NEXT STEPS

Evaluation domain of the qualitative instrument

Surroundings perception	Entrepreneurial skills	Interpersonal skills	Mixed skills	Beliefs and perspectives
Investigate how individuals perceive themselves, their strengths, weaknesses, motivations and potential nowadays and before participating in a THP program.	Self-assessment of their entrepreneurial abilities. It seeks to understand how young people view the possibility of entrepreneurship.	Self-assessment of their abilities to relate to other individuals and the contexts between them.	Self-assessment of skills such as assertive and responsible decision-making and the ability to solve problems in an innovative way are skills.	Beliefs cultivated throughout life and how THP and related experiences helped individuals to emancipate themselves from a cycle of vulnerability.

Guided Interviews
- 40 to 60 minutes
- Young program participants

Actions Required
- Train team to conduct interviews
- Define sample and conduct interviews

THANK YOU!

Presentation to

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