

INCLUSIVE INNOVATIONS

Educating Children and Adults at the Bottom of the Pyramid through Learning Centers

Networks of low-cost facilities—run in collaboration with underserved communities—offer informal learning and livelihood opportunities

HIGHLIGHTS

- Learning centers provide new spaces and modes of learning for children and adults, including new types of education, such as pre-school or computer literacy classes.
- Self-directed, computer-assisted, and peer-to-peer learning approaches for older children and adults keep labor costs down.
- Centers keep costs low by working out of rented or donated facilities and recruiting and training community members to teach.



Summary

Learning centers extend education to the margins by providing new spaces and modes of learning for children and adults. Some substitute for or supplement traditional schools, and others introduce new types of education, such as pre-school or computer literacy classes. Embedded in communities at the bottom of the pyramid, they train local people to deliver their structured, high-intensity programs and leverage scale, standardization, information and communications technology (ICT), interactive pedagogies, and local partnerships to keep costs low.

Development Challenge

More than half of the children in developing countries lack access to pre-school (UNESCO 2013b), leaving millions of them ill-equipped to learn when they enter primary school (World Bank 2014a). More often than not, these children also come from families where adults have low literacy, particularly the women. Adult illiteracy, along with a number of factors like lack of livelihoods, unemployment, gender-disparity and agricultural distress compound poverty at the BoP, which in turn means that education for children is relegated to a lower priority. Schools, in such contexts, are set up and operated because they are required to as per Government stipulation, but they lack larger community ownership and engagement.

Business Model

Learning centers extend education to the bottom of the pyramid by providing new spaces and modes of learning for children and adults. Some substitute for or supplement traditional schools; others introduce new types of education, such as pre-school or computer literacy classes. Most learning center providers target remote and marginalized communities, such as villages in Afghanistan (the Afghan Institute of Learning [AIL]), favelas in Brazil (the Centers for Digital Inclusion [CDI]), and illiterate women in rural India (TARA Akshar).

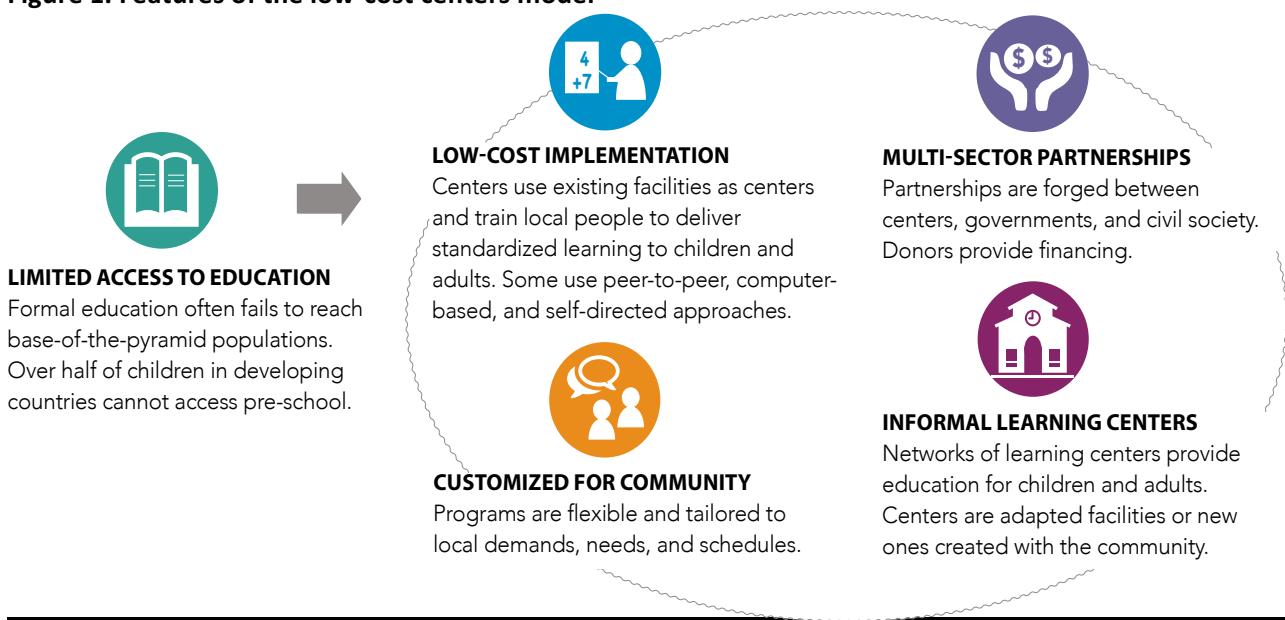
Components of the Model

Learning centers keep costs low by offering educational programs taught by para-teachers—people recruited from the community who are trained to teach standardized educational programs with little supervision. End-users sometimes contribute to course fees, in cash or in kind. Some models intertwine education and community development, teaching marketable skills and supporting microenterprises or social initiatives.

Learning centers differ from low-cost chain schools in several ways (see Figure 1):

- Rather than build their own premises, they rent facilities or partner with community organizations to create new ones.
- They often form formal partnerships with local communities, to which they devolve many responsibilities (from identifying potential students and premises to raising funds). In some cases, partners take over ownership of the center.
- Centers are not limited to children's education.
- Centers are mainly nonprofit enterprises supported by donor funding.

Figure 1. Features of the low-cost centers model



Models for learning centers take several forms:

- *Public-private partnerships*: Some centers act as outsourced education providers, receiving per-student subsidies from the government. In India, state governments reimburse Gyan Shala for teaching out-of-school children. Enova receives grant money based on the number of learners at its digital learning centers. Agastya operates science labs and mobile labs for public schools that the state funds. Donors cover capital and some operational expenditure; students pay nominal fees at most.
- *Joint ventures with communities*: Providers partner with community organizations to establish and operate centers. Several models (CDI, BRAC Community Learning Centers, and the Dhaka Ahsania Mission [DAM] centers) are designed so that the centers evolve into community-owned, self-sustaining enterprises.
- *Donor-funded models*: The longest-established and largest-scale center providers, such as AII, BRAC, and DAM, are supported by donors and development agencies, although several target operational sustainability through community or government contributions.
- *Market-based models*: For-profit enterprises charge end-user fees designed to cover the operating expenses of individual centers. Investors and donors fund capital expenditures and group-level operating expenses. Avanti operates a hybrid model for its exam preparation centers. It charges no fees for the program it delivers in public schools; its for-profit arm runs stand-alone centers, which charge fees. Hippocampus is a pure market player, pioneering fee-paying pre-school education in rural India and franchising its program to other private schools.

Cost Factors

To minimize capital expenditure, center providers use existing facilities or share them with community partners. Some locate their centers in public schools. Rather than use qualified teachers, providers recruit and train community members as para-teachers, who deliver standardized learning programs with minimal supervision. Highly structured intensive programs enable centers to operate condensed schedules, allowing them to hire part-time rather than full-time teachers. Savings also accrue from using student-centered methods, such as computer-based learning, and peer-to-peer learning, which reduce teaching costs.

Revenue Streams

Learning centers rely heavily on external funding from development agencies, private foundations, charities, and other donors. Government support is also critical in public-private partnership models (such as Agastya, Enova, or Gyan Shala). Investors have taken stakes in for-profit ventures (such as Avanti or Hippocampus).

In-kind community contributions are important to joint ventures. Communities cover 30–50 percent of AIL’s set-up costs, including buildings and land. CDI uses spaces provided by grassroots organizations. BRAC centers are registered as trusts and become self-financing after one year. DAM operates a similar model over a five-year period. Little information is available on the costs of establishing and operating learning centers. Hippocampus reports spending USD 1,500 to set up a pre-school center and another USD 2,500 on operational costs over one to two years before breaking even. To break even, a center with three teachers must enroll at least 50 children.

Table 1. Revenue sources and scale of selected learning center models

Model	Core programs	Revenue sources	Number of learners and teachers	Locations
For-profit				
Hippocampus Learning Centers	Pre-school education in rural communities	<ul style="list-style-type: none"> Private investors End-users pay USD 80–160 per year depending on size of community 	<ul style="list-style-type: none"> 10,300 learners (in 2015/16) 510 teachers 	220 centers in India
Hybrid				
Afghan Institute of Learning	Pre-school to secondary classes, vocational and health training, public school teacher training	<ul style="list-style-type: none"> Private donors, development agencies, community organizations In-kind contributions from end-users 	<ul style="list-style-type: none"> 400,000 learners 21,000 teachers 	11 provinces of Afghanistan
Agastya International Foundation	Science centers and mobile labs serving rural public schools	<ul style="list-style-type: none"> Private donors, state governments Free for end-users 	<ul style="list-style-type: none"> More than 5 million learners 200,000 teachers 	12 states in India
Avanti Learning Centers	Science- and math-focused training to prepare low-income youth for college entrance examinations	<ul style="list-style-type: none"> Private donors and investors End-users pay USD 20 per month Free for some public school users 	<ul style="list-style-type: none"> More than 1,000 students 12 stand-alone and 8 public school centers 	5 cities in India
BRAC Community Learning Centers	Library and mobile library services, IT and vocational training in rural areas	<ul style="list-style-type: none"> Private donors and development agencies; community raises set-up funds End-users pay membership fees 	<ul style="list-style-type: none"> More than 12 million library members 2,800 centers, more than 2,200 of them self-financing trusts More than 100,000 youth skill-development trainees 	Throughout Bangladesh

Model	Core programs	Revenue sources	Number of learners and teachers	Locations
Non-profit				
Center for Digital Inclusion	ICT and citizenship courses for marginalized communities, Internet access, support for ICT-based microenterprises	<ul style="list-style-type: none"> Private donors, development agencies, community organizations End-users pay USD 10 a month 	<ul style="list-style-type: none"> 88,000 graduates 820 centers 	13 countries
Dhaka Ahsania Mission	Basic education, adult literacy, and vocational training in rural and urban communities	<ul style="list-style-type: none"> Private donors, development agencies, local governments; community donates land and premises End-users pay membership fees 	<ul style="list-style-type: none"> 77,000 learners (as of 2013/14) 3,280 centers (as of 2013/14), 880 of them self-sustaining 	Throughout Bangladesh
Enova	E-learning courses, computer literacy, ICT access for out-of-school children and illiterate adults in deprived communities	<ul style="list-style-type: none"> 85 percent government, 10 percent end-users, 5 percent private donors End-users pay USD 1–15 a month 	<ul style="list-style-type: none"> 478,000 users (as of December 2013) 140,000 graduates 70 centers 	34 municipalities across Mexico
Gyan Shala	Primary education for out-of-school children in urban slums	<ul style="list-style-type: none"> 75 percent donors, 25 percent state governments End-users pay nominal fee of up to USD 0.50 per month 	<ul style="list-style-type: none"> 42,000 learners (in 2015) More than 1,500 teachers 	Four states in India
TARA Akshar	Interactive Hindi literacy program for small groups of women in rural India using laptop computers	<ul style="list-style-type: none"> NGO donors, development agencies, state governments Free for end-users 	<ul style="list-style-type: none"> 134,000 women made literate since 2007 95 percent success rate 	618 active centers in 8 states in India in 2015

Partnerships

Learning center providers design learning programs; negotiate donor, public, and private sector partnerships; survey and select center locations (in consultation with communities); secure premises; recruit and train para-teachers; and monitor and evaluate outcomes. Management and design teams drive innovation, ensuring the proposition is acceptable, affordable, and readily available. They adapt and expand programs to meet community demand and in some cases support learners' microenterprises.

Local community members are involved as para-teachers, as landlords of premises used for center facilities, and as learners. Community organizations participate as advisors, advocates, and contributors of in-kind and financial support. They also play a key role raising awareness. They help identify potential students and center staff and help direct and promote the center's learning goals in consultation with center providers.

The private sector has provided free technology licenses (Enova), technical assistance, and in-kind donations (such as LEGO sets for Hippocampus pre-schools and computers for CDI's centers). Avanti has secured subsidized places at elite coaching institutes for its students.

Donors and investors provide capital for expansion of the network and ongoing development of programs, materials, management, and monitoring processes, including ICT infrastructure. Most learning centers depend on external financing with government support also being prominent.

Financial Viability

Although most centers are funded by donors, several have transitioned to self-sustaining status. More than 2,200 BRAC centers have become self-financing trusts since 1995 (Ahmad and Ferdousi 2013), and more than 800 DAM centers have been transferred to communities since 1992. Hippocampus reports that after four years of operations, its centers are collectively operationally sustainable, contributing a 20 percent surplus to company funds. However, the company remained in deficit on annual turnover of about USD 350,000 in 2014/15. Enova reports that its centers reach breakeven after one year and that it has recouped most of its capital costs. It brought in USD 16.5 million in revenues in 2013 (Hystra 2014).

Implementation: Delivering Value to the Poor

Awareness

Word-of-mouth advocacy is the prime driver, facilitated by high community engagement. IIMPACT enlists women's self-help groups to promote its centers for girls. In India, the Barefoot College convenes community committees to identify out-of-school children and potential teachers for its night schools. Hippocampus conducts demonstration classes and hosts festival-day events. Several centers engage directly with public schools. Agastya and Avanti teach public school students, AII and Gyan Shala train public school teachers, and Enova promotes its computer centers in schools. Enova and CDI rely on advocacy by early adopters. CDI's outreach extends to requiring students to apply their learning to local social improvement and advocacy projects.

Acceptance

Centers are embedded within the communities they serve. Providers typically partner or consult with local organizations and employ local people. DAM conducts needs assessments and household surveys before establishing its centers. AII starts up centers only by community request. Each Enova center adapts its course schedule to local demand. Several providers offer out-of-school children a route back to school, a key community concern. Providers focus on making learning attractive, relevant, and productive, tailoring programs to community needs and adapting their offerings as needs change.

Accessibility

Learning centers' low costs and partnerships enable them to scale up in their target communities. Gyan Shala operates 500 one-room centers that are located within the low-income areas that they serve. CDI trains its customers to become center managers. Building community capacity also extends potential availability.

Hippocampus franchises its program to private schools. Enova and CDI leverage broadband to distribute content that would otherwise be unavailable. TARA Akshar uses computers to deliver a unique Hindi literacy program for women in 112 hours over 56 days.

Unlike formal schools, centers tailor their schedules to suit target communities. Examples include evening classes for pastoralist children; short days for students, to reduce opportunity costs for parents; and mobile services such as Agastya's science labs in vans and BRAC's mobile libraries.

Affordability

Learning centers keep capital and operational expenditures low by using existing facilities, hiring para-teachers, and obtaining contributions from partners. They leverage small, centralized design and management teams to create programs that realize economies of scale. Centers reduce teaching time while expanding self-directed or technology-enabled learning. Enova estimates that its e-learning courses cost 70 percent less than paper-based alternatives.

Some providers tailor fees to circumstances. Hippocampus uses a sliding scale based on the size of the community and the income of the household; it estimates that 80 percent of families in target communities can afford to use its centers. Enova sets its charges based on age. Centers established through community joint ventures determine fees together with community representatives.

Results and Cost-Effectiveness

Scale and Reach

Several programs have achieved large scale, with some (AIL, BRAC, DAM) adopted nationally. Agastya has 5 million students and 200,000 teachers. BRAC's 2,800 centers have more than one million members. CDI operates in 15 countries, where 88,000 students have completed its ICT courses. Recently established providers have also scaled rapidly. About half a million people used Enova's centers between 2009 and 2013 (Hystra 2014). Hippocampus expanded from seven pre-school centers in 2010 to 220 centers serving more than 10,000 children in 2015/16.

Improving Outcomes

Several centers claim to have achieved impressive results. Gyan Shala reports that its students outperform peers in public (DFID 2013) and private (Educational Initiatives 2015) schools. Only 5 percent of its students dropped out between 2006/07 and 2010/11 (Bangay and Latham 2013), compared with average dropout rates of up to 42 percent in public primary schools (Child Rights and You 2013). External assessment of Hippocampus centers shows consistent improvement in all classes (Evaldesign 2015). Avanti reports that its students performed better than their more affluent peers, with more than 90 percent passing the Indian Institutes of Technology Joint Entrance Examination in 2013/14.

Less information is available on adult education. The TARA Akshar program achieved around 95 percent success rate across eight Indian states, making 130,000 women literate. A 2003 study of DAM members showed that two-thirds achieved basic literacy levels (Rahman 2003).

Centers have been of particular benefit to women and girls, either by targeting female education or by employing large numbers of women as para-teachers, a defining feature of many providers. Enova reports that attending its centers increases women's employment chances by a factor of almost four.

According to Enova, its centers helped more than 9,000 people find jobs, with every USD 1 invested generating USD 1.74 in output. Its facilitators earn on average USD 685 more a year than they earned in previous jobs (Hystra 2014). According to CDI, an external impact evaluation showed that 47 percent of its learners found new jobs, with 34 percent increasing their income and 12 percent opening their own business. International Institute of Rural Reconstruction reports that more than 2,800 girls in its programs had started microenterprises by end-2013. An evaluation of DAM centers showed monthly income gains of 60 percent for regular users, many of whom had taken livelihood training in horticulture, livestock rearing, or sewing (Rahman 2003).

Cost-Effectiveness

Centers appear to be providing good value for money compared with mainstream schools, mainly as a result of their low costs. Gyan Shala's para-teachers cost at least 80 percent less than equivalent public school teachers, according to an independent study (Bangay and Latham 2013). Its lower costs allow Gyan Shala to employ extra teachers to cover for absent teachers, to ensure that all classes are staffed. Its annual operating costs of USD 50–60 per child are far lower than the median per-student expenditure at public primary schools in India (USD 225 in 2011/12) (Dongre, Kapur, and Tewary 2014). Hippocampus reports that it pays staff USD 50–90 a month, compared with the USD 100 the government pays pre-school caregivers, who do far less teaching. Avanti reports that peer-to-peer instruction costs a fraction of private coaching institutes (USD 20 a month compared with as much as USD 300) (Avanti 2012). TARA Akshar estimates its computer-assisted adult literacy program costs just USD 110 per learner.

Scaling Up Challenges

Three main challenges hold back the widespread growth of this model:

- *Dependence on donor and government financing:* Many models rely heavily on donor or government funding, a potentially risky strategy. A survey of Indian impact investors revealed limited interest from private sector investors, because learning centers are low-fee, low-return models (DFID 2013).
- *Systemic resistance to non-formal education:* Learning centers lack the legitimacy of formal institutions. Public education authorities may view them as a competitive threat; potential learners may perceive them as a second-best or unnecessary alternative to formal schools. Hippocampus finds that many parents in rural India are unconvinced of the need for pre-schooling. Lack of adequate enrollment has forced it to close some centers. Research showing the effects of non-formal education on learning and labor market outcomes could address these concerns.
- *Inadequate community resources:* Communities often lack appropriate and affordable premises. It is also often difficult to find suitably skilled and motivated community members and organizations. Hippocampus identifies its greatest challenge as finding para-teachers with the right skill sets. Enova notes that it loses 35 percent of its center facilitators every year; it is making efforts to reduce turnover by offering more attractive salary packages. DAM reports some difficulties securing cooperation from local communities.

Role of Government and Public Policy

In India, the absence of pre-school education from the national education framework means that models such as Hippocampus lack recognition and support. However, it also means that centers are not subject to the Right to Education Act (RTE), enabling them to operate relatively freely.

Gyan Shala is more constrained because it serves school-age children. Per-student reimbursements are subject to fluctuating interpretations of the RTE, which creates financial insecurity. Gyan Shala also faces charges of illegally diverting students from public schools to centers that do not conform to RTE regulations (Ritu 2014). Barefoot College's night schools have seen numbers drop because of the RTE stipulation that all children be in school during the day.

The Indian National Curriculum Framework promotes moving away from rote methods and connecting knowledge to life outside school. This framework aligns well with learning center pedagogies. Both Agastya and Gyan Shala train public school teachers in creative, interactive learning.

Government financing underpins some models. Gyan Shala's model depends on per-student government reimbursements. Agastya's science centers and mobile science labs are supported by Sarva Shiksha Abhiyan, the Indian government's flagship program for making primary education universal. Agastya also has partnerships with the governments of Haryana and Karnataka. Enova has leveraged the state of Mexico's digital libraries development plan to secure grants for its students. These models are akin to government contracting or outsourcing (the government is funder and regulator, providing a curriculum framework within which the contractor has autonomy to manage and design learning processes). This type of public-private partnership model shows potential to leverage efficiency and equity (World Bank 2014b). Other possibilities include making gap financing or loan guarantees available to center providers, providing parents with vouchers for learning centers, and giving cash transfers to families that they can spend on education (DFID 2013).

Several governments have adopted or replicated center models and methods. AIL's pre-school program is now the model for Afghanistan. AIL has trained more than 21,000 teachers, reaching 3.5 million students (Skoll Foundation 2015). The Colombian government adopted Escuela Nueva's learning circles program, which educates displaced children who are officially enrolled in public schools, as national policy. Avanti has partnered with the city of Chennai to provide its program to public school students. The state of Rajasthan replicated the Barefoot College's night school model (although it discontinued it because of the RTE).

Legitimacy and equivalency are potential policy levers. Many center providers prepare or reintegrate children into mainstream education. Establishing their legitimacy and the equivalency of their programs with formal systems is critical. The government of Bangladesh is establishing accreditation and equivalency for non-formal learning with formal qualifications (UNESCO 2013a). Such policies could help integrate the private and public, formal and non-formal sectors. They could also enhance learning centers' credibility and potentially smooth learners' progress to further education and the labor market. Governments could also create a regulatory regime in which innovation could flourish.

Table 2. Selected providers of low-cost learning centers

Company/Country	Countries	Description
Afghan Institute of Learning (AIL)	Afghanistan	Provides community-based pre-school to secondary school education; literacy, sewing, and computer classes; and health education. Also teaches literacy through texting on mobile phones. Trains local people as para-teachers; also trains public school teachers.
Agastya International Foundation	India	Science centers and mobile science labs in vans provide hands-on science education for disadvantaged children at rural public schools. Also trains public school teachers in creative, interactive methods, distributing lab-in-a-box science models/experiments to teachers.
Avanti Learning Centers	India	Provides science- and math-focused training to help low-income students gain admission to top Indian universities and Indian Institutes of Technology. Uses volunteer mentors, peer-learning, and self-study tools to deliver both courses.
Barefoot College	India	Serves children in rural areas who are unable to attend formal school during the day because of work or domestic duties. Teaches traditional knowledge, practical skills, and democracy through activity-based learning and a children's parliament.
BRAC Community Learning Centers	Bangladesh	Multipurpose centers established with communities provide paying members with library resources for adults and children as well as IT and other training in a range of trades in collaboration with the Department of Youth Development. Also provides mobile libraries for women. Centers evolve into self-financing trusts after one year.
Dhaka Ahsania Mission	Bangladesh	Provides non-formal education in literacy, livelihood skills, health, and the environment for out-of-school children, youth and adults living in marginalized rural and urban slum communities. Designed to become self-sustaining over time.
Enova	Mexico	Offers technology access and affordable e-learning courses for people of all ages with personalized support at digital centers and digital libraries located in bottom of the pyramid communities. Aim is to create network of community centers that trigger social change.
Escuela Nueva	Colombia, Brazil, Philippines, India and 15 other countries in Africa, Latin America and Caribbean and South East Asia	Characterized by self-paced learning and a flexible schedule, the learning model addresses the problem of multi-grade teaching and high drop-out rates. The program has been adapted for urban contexts, for displaced or out of school children, and for conflict-affected communities, and has been implemented into a national education policy in Colombia.

Company/Country	Website	Description
Gyan Shala	India	Provides high-quality primary education to out-of-school children in network of 400–500 single-room centers located in rented premises and staffed by community members trained as para-teachers.
Hippocampus Learning Centres	India	Fee-paying kindergarten program in rural areas provides activity-based learning in small rented centers housing three classes. Local women trained to deliver program.
IIMPACT	India	The model comprising learning centers, curriculum and teacher training, sets up schools and trains local teachers in highly disadvantaged areas to provide primary education to girl children between 6 and 14 years. Students are taught to read, write and calculate from Junior Kindergarten level to the 5th Standard level in achievable stages. Local NGO partners help with outreach and uptake.
International Institute of Rural Reconstruction (IIRR)	Global	Focuses on education of pastoralist communities, particularly helping the economic development of girls.
Centers for Digital Inclusion (CDI)	Brazil, Chile, Colombia, Mexico, Venezuela, United States, and six European countries	Partners with community groups and public institutions to establish informal centers equipped with donated computer equipment. Provides computer access and skills training for people of all ages, as well as civic education and entrepreneurial skills. Over time, centers become autonomous self-financing community enterprises.
TARA Akshar	India	Uses laptops to provide interactive Hindi literacy program in 112 hours over 56 days. Program delivered by certified instructor, usually recruited from near the learning center. Once literate, women are offered learning modules in life skills, vocational skills, and enterprise development.

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This series on Inclusive Innovations explores business models that improve the lives of those living in extreme poverty. Editors are Elaine Tinsley and Natalia Agapitova. Researched and developed by Endeavor with additional contributions by Niharika Hanglem.

PROFILE: Gyan Shala

Providing ultra-low cost education to out-of-school children using community members as para-skilled teachers



Challenge

In India, as many as 100 million children completed primary school in the last decade without attaining basic literacy and numeracy (Financial Times 2015). Many children officially enrolled in public schools are out of school, attend classes sporadically, or fail to complete primary school. Dropout rates are as high as 42 percent (Child Rights and You 2013).



Innovation

The non-profit Gyan Shala (www.gyanshala.org) provides high-quality early primary school education for grades 1–3 within slum communities at low cost—approximately USD 50–60 per year. Parents pay nothing or a nominal fee of USD 0.50 per month. Large-scale donors, such as the government of Qatar and the Dell Foundation, contribute approximately three-quarters of funding. The remainder comes from government subsidies with an insignificant portion provided by user fees. Gyan Shala features four key innovations:

- 1) **Single-room, single-teacher centers that teach a single grade**, which eliminates the need for a school principal, thereby cutting costs.
- 2) **Local people trained as para-skilled teachers** by Gyan Shala to deliver its learning program and maintain its single-room centers. Almost all are women and come from the same background as the children, minimizing the social distance between teacher and student.
- 3) **Interactive teaching** in a centrally designed program, with group work and discussions.
- 4) **Network-scale deployment**, with centers rolled out 400–500 centers simultaneously as a network. Each network covers an addressable population of about 10,000 children. A network provides six tiers of student support, from the teachers through senior teachers to curriculum designers.

Impact

Gyan Shala has an extremely low average dropout rate of 5 percent compared to up to 42 percent in public schools. Teacher absenteeism is not significant, according to Gyan Shala's management, while the teacher turnover rate of 22 percent is considerably lower. The relatively short working hours and the close proximity of classes to teachers' homes are contributing factors. Independent external evaluations have repeatedly shown Gyan Shala students outperforming their peers in both government and low-cost private schools.

Scaling Up

In 2015, Gyan Shala was teaching 42,000 children (nearly 50 percent girls) in 1,500 centers in four states. The company faces three main challenges: uncertain funding, with Gyan Shala management expecting overseas donations (90 percent of total donor funds) to dwindle while government subsidies depend on interpretation of regulations; vulnerability to negative interpretations of the Indian Right to Education Act; and inconsistent tenancy agreements. Key drivers for success include the demand for good quality, accessible, cost-effective learning and a scalable low-cost model.

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PROFILE: Hippocampus Learning Centers

Improving school readiness among three- to six-year-olds through activity-based learning in private, non-formal pre-school programs



Challenge

Pre-school education is increasingly associated with improved school performance, but it is not mandated in India, and few pre-schools are available in rural areas. The challenge is to raise awareness of the importance of early learning and provide affordable options for poor people in villages.



Innovation

Hippocampus Learning Centres (HLC) (www.hlc.hippocampus.in/hlc) offers pre-school programs in rural communities in Karnataka, India. The company operates in villages with populations of at least 5,000 and average annual household earnings of at least USD 1,000. It features several innovations:

- **Training for female village residents** over 21 to deliver a standardized, activity-based learning program, handle admissions, collect fees, etc., paying them USD 50–90 a month.
- **Rented premises** that create three-room centers offering pre-kindergarten, lower kindergarten, and upper kindergarten classes.
- **A location-specific fee and wage structures**; fees run USD 80–160 a year for tuition, a uniform, materials, and a bag. The goal is for each center to be financially sustainable within two years.
- **Monthly learning outcomes** designed for students based on the company's proprietary STEP method. Teachers report results to field managers and a central quality control team recommends interventions. The company plans to automate STEP using Internet-connected tablets.

Impact

HLC opened its first seven centers in 2010 and is India's second largest pre-school network, also known as kindergartens. It has more than 300 centers, with 650 teachers and 11,000 pre-schoolers. The company plans to expand the pre-school network to 700 centers this year using existing resources. Attendance rates average 85 percent, and the dropout rate was just 5 percent. Earlier assessments indicated that nearly 9 out of 10 children finishing HLC's program could read and do simple addition (Lok Capital 2014; Unitus Seed Fund 2014).

Scaling Up

Several factors bode well for HLC's model of education: poor learning outcomes in government schools are leading parents to seek private sector alternatives; HLC is not subject to regulations that govern formal private schools; and rather than purchasing land and buildings, HLC rents its facilities. The company has franchised its program to Grameen Koota microfinance and is currently expanding its franchising program to private schools. The greatest constraints are the lack of potential teachers and retention; the lack of mandated pre-school education and awareness of its importance; and gaining acceptance of new methods for education.

References

Lok Capital. 2014. *Social Performance Management Report 2013-14*. Delhi.

Unitus Seed Fund, 2014. *Hippocampus Raises USD 2.4 million to Serve Market of 80 Million Rural Children in India*. <http://usf.vc/updates/hippocampus-raises-2-4-million-to-serve-market-of-80-million-rural-children-in-india/>