

Social Return on Investment of IYF's Passport to Success™ in Mexico



Summary

In 2021, the International Youth Foundation (IYF) partnered with the George Washington University (GWU) to assess the impact and identify the monetary value of its signature life skills curriculum, Passport to Success™ (PTS). Using Social Return on Investment (SROI) methodology the GWU research team assessed the value of PTS to national, regional, and global stakeholders and described PTS' impact beyond the direct effects of young people reached. The analysis showed that PTS produces positive benefits for students, schools, and communities; **for every \$1.00 invested in PTS, there is a \$7.17 gain in benefits to stakeholders** in five years. In other words, **PTS generates more than seven times the value invested.**

Background

Life skills are foundational behaviors and attitudes that are positively linked to important life outcomes for youth including academic achievement, employment, and civic responsibility. The International Youth Foundation (IYF) is a non-profit organization dedicated to helping youth shape their futures through recognized evidence-based approaches, including programs to increase life skills. [Passport to Success™](#) (PTS) is one such approach, which includes a life skills curriculum and training methodologies designed to foster students' academic performance and equip them with the social and emotional skills essential for their employability. IYF uses curricula like PTS in partnership with established TVETs to create system-level changes—such as improved curricula and pedagogical approaches—that will last, affecting students long after projects end. One such partnership was with the *Colegio Nacional de Educación Profesional (CONALEP)* in Mexico to upgrade students' technical skills, integrating 30 PTS life skills lessons into the CONALEP curricula taught in TVET schools. The goal of the partnership was to improve the alignment of the schools' curricula with the labor market needs of leading sectors in Mexico, thereby reducing the skills gap and improving the employability of high school graduates (Torres & Szenker, 2016).

Through a pro bono consulting project, a research team from George Washington University (GWU) used the Social Return on Investment (SROI) methodology to articulate the value of PTS programs

to regional, national, and global stakeholders, and describe the long-term effect of PTS programs. The result is a predictive model that extrapolates current and future impact of PTS programs on stakeholders based on the school-based implementation in Mexico. (See [full report here.](#))

The research team sought to answer these questions:

- 1. What is the monetary impact of the PTS program in Mexico to students, schools, and communities?**
- 2. What is the future impact of the program in Mexico after five years?**

Method

The research team used the SROI methodology to create the model by assessing the impact and identifying the monetary value of the outcomes and then comparing this with the cost incurred within the program. As Nicholls et al. (2009) explain, "Social Return on Investment (SROI) is a framework for measuring and accounting for this much broader concept of value; it seeks to reduce inequality and environmental degradation and improve wellbeing by incorporating social, environmental, and economic costs and benefits." SROI uses monetary values to represent social, economic, and environmental outcomes. (Nicholls, 2017).

SROI analysis is comprised of 6 stages, summarized here:

- 1** **Establishing Scope and Identifying Stakeholders.** Scope was limited to the PTS school-based curriculum implemented in upper secondary public schools in Mexico, especially in TVET institutions. Stakeholders included students, schools, and the community. Researchers selected convenience samples of representatives from each stakeholder group to participate in the assessment.
- 2** **Mapping Outcomes.** Researchers analyzed how the PTS program used resources (inputs) to deliver activities (outputs), resulting in outcomes for stakeholders. Researchers collected data through key informant interviews with IYF staff and through a quantitative survey distributed to all three stakeholder groups to calculate a dollar value for outcomes.
- 3** **Evidencing Outcomes & Giving them a Value.** Researchers assigned values to each of the outcomes using SROI methodology and assigned values to specific outcomes based on literature and previous SROI work. For example, SROI literature typically assesses the value of personal growth, such as leadership skills, communication skills, and confidence.
- 4** **Establishing Impact.** Researchers calculated deadweight, attribution, displacement, and drop off¹ to guard against overestimating the program's value. For example, deadweight is a measure of the amount of outcome that would have happened even if the activity had not taken place.

¹ These calculations are described in greater detail in the appendix and in [the full report.](#)

- 5
Calculating SROI. After establishing the program's final impact, researchers aggregated all valued outcomes, comparing them in a ratio to the total spent on the program, and provided some sensitivity analysis for key inputs. (For more detailed explanation, see [full report](#)).
- 6
Reporting. Finally, researchers reported evaluation findings, including a narrative from the analysis and key informant interviews.

Key Findings

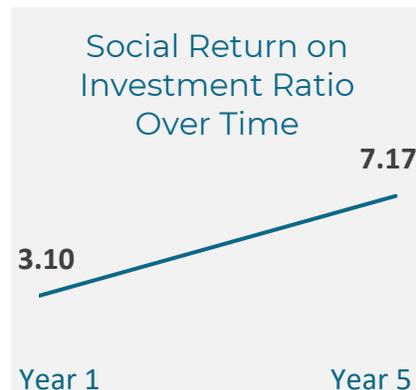
To get to the SROI ratio, researchers divided the Total Present Value by the value of inputs.

$$\text{SROI} = \frac{\text{Total present value}}{\text{Value of Inputs}}$$

The SROI ratios calculated for year 1 is 3.10:1. This means every Mex\$1 investment in the PTS program in year 1 creates a social value² of Mex\$3.10.

Taking the ripple effects of the benefits generated five years into the future by training teachers and students in year 1 increases the social return ratio to 7.17:1. That is, for every Mex\$1 invested in the PTS program in year 1, a Mex\$7.17 of social value is created by year 5.

To ensure the robustness of the SROI analysis, researchers performed sensitivity checks, altering assumptions to consider alternative scenarios and seeing which assumptions have the most significant effect on the SROI ratio. While the SROI ratio was not particularly sensitive to changing proxy values, filters, or discount rates, it was more sensitive to significant drop-off time changes. However, in every iteration of the sensitivity analysis, the program generated between \$3 and \$14 in benefits to stakeholders per \$1 invested.



Limitations

The survey used a convenience sample, with associated limitations for representativeness and generalizability. These responses could skew the results more positively than a random sample of these groups. Second, though established financial proxies were used³ to assess monetary value of the outcomes--for example the cost of enrolling in a similar life skills course at a university was used as a proxy for course cost--some financial proxies were subjective. Other research teams might decide on different proxies, depending on the study context.

Conclusions

Findings from the SROI analysis showed that PTS produces positive benefits for students, schools, and communities in Mexico. The research answered these two questions:

² "Social value" can be thought of as the significance stakeholders place on identified project results.

³ See Appendix F in the [full report](#) for a complete list of financial proxies and related sources.

1. What is the monetary impact of the Passport to Success program in Mexico?

By implementing the six stages of SROI, researchers determined that **the Passport to Success program in Mexico generates a value \$3.10 in Year 1 of the implementation**. The final ratio was established by assigning financial proxies to the outcomes identified by stakeholders and comparing the program's overall value to the costs identified by IYF.

2. What is the future impact of the program in Mexico after five years?

To address this question, researchers used a drop-off filter—a calculation of how long the outcomes will last—to determine the outcomes of the PTS program that might last after the program is complete. Using previous SROI studies⁴ for reference to estimate the extent to which the program's effects would wane after students exit the program, researchers applied a 25-percent drop-off rate, which diminished the program's effects each subsequent year after one year. Incorporating the drop-off rate into the final SROI ratio, showed that **for every \$1 invested in the PTS program in Mexico, there is a \$7.17 gain in benefits to stakeholders over five years**.

Findings from the SROI analysis showed that the PTS program produces benefits that are highly valued by students, schools, and communities in Mexico, and the value of those benefits far exceeds program costs. In four similar studies on youth programs, SROI values ranged from 0.83:1 to 10:1, with all but one falling below the 7.17:1 found in this study⁵. Understanding the short- and long-term SROI helps those considering investing in life skills programs weigh the costs in relation to other possible investments.

This research enables IYF to present the PTS program results as quantified social impacts, communicate them to funders, other stakeholders in Mexico and other countries where PTS is operational. Furthermore, the results allow IYF to better articulate the program's benefits clearly to the Mexican government and communities. Lastly, IYF can use the SROI analysis and model to improve the future social value of Passport to Success.

Acknowledgements

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For more information, please reach out to Linda Fogarty, Director of Measurement, Evaluation, Research and Learning at l.fogarty@iyfglobal.org.

⁴ See, for example, Solorzano, et al, 2019, <https://www.mdpi.com/2071-1050/11/2/386/htm>

⁵ See, for example, Value of Business Involvement in Youth Development. <https://socialvalueuk.org/wp-content/uploads/2016/03/Merchants%20SROI%20Report%20Accreditation%20Final.pdf>; Social Return on Investment Analysis: A Case Study of a Job and Skills Training Program Offered by a Social Enterprise. <https://scholarworks.iupui.edu/handle/1805/10545>

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Appendix: Data Sources and Establishing Impact

Data Sources

Researchers used two sources of data. First, they conducted qualitative key informant interviews (KII) with IYF staff based in the United States (n=3) and Mexico (n=5) to understand their perspectives on the activity's value. Second, a questionnaire based on the benefits and unintended consequences identified in the KIIs was released in Spanish to convenience samples of IYF Mexico staff, teachers in the TVET school system, and students to better understand their perspectives on the activity. Respondents included 3 IYF Mexico staff; 7 TVET Teachers; 30 PTS students.

Using these data, the research team assessed the impact and identified the monetary value of the outcomes and then compared this with the cost incurred within the program, estimating the value created for every dollar invested in the PTS program.

Discounting Gain in Value Over Time

Researchers summed the impact values for each year across all outcomes and discounted the future impact values of years 2, 3, 4 and 5 by applying a discount rate of 3.5%, as commonly recommended. Summing across all five present values, researchers arrived at the Total Present Value of the program outcomes over the five years.

Calculations to Establish Impact

To ensure the SROI analysis did not overclaim the benefits, researchers assessed whether the outcomes above were the results of the PTS program only or due to other activities. Researchers used four precautionary filters: deadweight, displacement, attribution, and drop-off.

Deadweight refers to the proportion of observed change stakeholders would experience over the study period regardless of taking part in the PTS program. To calculate, researchers assumed a benchmark of 100% where the respondents would be regardless of PTS. For example, they could attain the outcomes through their regular classes or by engaging in some other similar activities. Respondents who replied with a "not applicable/prefer not to say" or "strongly disagree," or "disagree" or "neither agree nor disagree" were assumed to remain at the benchmark. If they chose "agree" or "strongly agree," researchers assumed that they moved 50% and 100%, respectively, above the benchmark due to PTS. Using these percentages as weights, researchers calculated, on average, how much respondents moved above the benchmark. For example, if they moved 140%, researchers calculated the percentage of benchmark out of this total change to get to the deadweight percentage (i.e., $100\%/140\%=71\%$ as deadweight).

Attribution recognizes how organizations or people outside of the PTS program contributed to the outcomes. While deadweight is a proportion of an outcome that might have happened without any intervention, attribution takes into account any external factors, or the contribution of others that may have played a part in the changes identified. Likert-scale questions were included in the questionnaires for respondents to estimate the attribution percentages for each outcome. For example, researchers asked students if their life skills improved due to taking part in the PTS program. If they chose "not applicable/prefer not to say" or "strongly disagree," researchers applied a 100% attribution percentage, designating that other activities caused the outcome. If

students chose "disagree," 75% was applied. If they chose "neither disagree nor agree," 50% was applied. If they chose "agree," 25% was applied. Researchers aggregated and used average responses for stakeholder group analysis.

Displacement refers to whether the PTS program displaced other outcomes, e.g., a gain of students under PTS is at the expense of those not receiving PTS. For the PTS program, researchers did not find any outcome that caused displacement; displacement was 0% for all program outcomes.

Drop-off refers to a diminution of the outcomes of the PTS program, which might continue to last for many years, at lower or similar levels, influenced by other factors. Even if the outcomes' effect lasts as long as designed, researchers assumed effects would decline compared to when the students were in the program. Researchers used past relevant SROI studies for reference and applied the effect diminished by 25% each subsequent year after Year 1.