



EDUCATE!

DEVELOPING YOUNG LEADERS & ENTREPRENEURS IN AFRICA

2014 Annual Performance Report

Educate! aims to transform secondary education in Africa to bring youth out of poverty and develop the leaders and entrepreneurs necessary to drive development.

The Educate! model:

- Improves Livelihoods
- Increases Business and Job Creation
- Improves Community Participation
- Improves 21st Century and Business/Employability Skills



Photo: Rebecca Richards

Founder's Statement

Dear Friends,

One of my favorite quotes is from a book called Beyond the Summit, which is a story of the world's greatest mountain climber. He says:

"You are a product of your mountains. Each mountain you climb will change you, and the more challenging the mountain, the more you have to gain from the climb."

We took on a huge mountain in 2014. We set the ambitious goal of working in 200 schools and exceeded it, growing to 238 schools. We succeeded because we worked as a team. This includes not only the entire Educate! staff, but also generous NGOs who were willing to share best practices and lessons learned, advisors whose expertise fundamentally shaped our growth plan and of course, donors whose generous support enabled this massive growth. Thank you for everything you have contributed during this pivotal time in our growth. I hope you will take a moment to share in the pride of what we accomplished in 2014.

- **Growth:** We exceeded our own expectations and scaled like never before from 54 schools in 2013 to 238 in 2014. That's more than 4X growth! This means that in 2014 Educate!'s model impacted over 80,000 youth in Uganda, with over 9,000 of them receiving our intensive program.
- **Government Engagement Progress:** Educate! signed a Memorandum of Understanding with Uganda's Ministry of Education, representing a huge milestone in our government engagement strategy.
- **Innovative Data Collection Tools:** We implemented innovative M&E tools utilizing smartphone technology to greatly improve our ability to operate across great distances.
- **Impact:** The midline results of our randomized controlled trial found that Educate! Graduates are 64% more likely to own their own businesses and 123% more likely to lead projects that benefit their community than their peers.

- **Outsized impact on girls** - Compared to a control group, Educate!'s female Scholars were 152% more likely to own their own businesses and were 208% more likely to have launched community projects.

We've made amazing progress, but we're not done yet. According to The Economist, by the turn of the century 50% of the world's children will be African, as will be 40% of the entire global population. A continued explosion of the youth bulge without a solution to youth unemployment could have catastrophic global consequences. In response, our goal is to transform education in Africa so that all African youth have the skills to end poverty and to create jobs in the 21st century economy.

Thanks to your support, we will expand to reach over 87,000 youth in 2015 and lay the groundwork for launching in a second African country in 2017. Our Ten Year Vision is to work with one million students annually across 10 countries in Africa, and with your help we are well en route.

I'm proud of our successes this year, and I know that we will use this pride as momentum to accomplish even more in the year to come. The mountain we climbed fundamentally shaped us, and everything that we've learned will prepare us for the mountains we have yet to climb. With the help of our supporters and friends, I know that we will continue to exceed our own expectations. Thank you so much for supporting us as we work to transform education in Africa to teach youth to solve poverty.

All the best,

Boris Bulayev
Co-founder and Executive Director, Educate!

Exceeding Expectations in 2014

Due to overwhelming demand for the program, Educate! surpassed its own goals, scaling 4X from 54 schools in 2013 to 238 schools and over 80,000 youth in 2014!



Positioning Educate! For Massive Scale

Educate! is focused on developing a replicable business model that is built on research of best scale practices and continued self-evaluation. Educate!'s 10 Year Vision is to reach one million students annually across 10 countries in Sub-Saharan Africa.



The Educate! Model

The Educate! model reaches 350 students* per partner school with 40 of those students receiving the intensive training program. This includes:

Leadership, Entrepreneurship and Workforce Readiness Training

An Educate!-trained Mentor provides world-class leadership, entrepreneurship and workforce readiness training to 40 upper secondary students (Educate! "Scholars") at each partner school during the course of a year and a half. The Educate! curriculum includes 80-minute lessons delivered weekly and is designed to build 21st century and business/employability skills.

In the last term, students prepare for the annual National Student Business Club Competition, organized by Educate!, which enables them to build on skills like report writing, public speaking and record keeping.

Mentorship

Scholars are mentored through the challenges they face in starting enterprises and community initiatives. Each Scholar is also encouraged to mentor at least three lower secondary students, creating impact throughout the school and helping Scholars develop communication and management skills.

Experience Starting a Business

Educate!'s 40 Scholars recruit other students (an average of 60) to join them in forming a Student Business Club. With support from the Educate! Mentor and an Educate!-trained teacher, students start one or more enterprises in a team setting.

Teacher Engagement through Experience Associations

Educate!'s Experience Associations are groups of teachers selected to learn how to use interactive teaching methods, facilitate group mentorship sessions, guide students through the practical experience of starting an enterprise and build support structures in their schools. At least two teachers and one administrator from each school participate.

Christine Lumkuse, an Educate! Experience Association Teacher, found that her students were struggling to understand complex topics, such as 'equilibrium price.' Trained by Educate! in experiential learning and innovative teaching methods, Christine devised a teaching method to have her students physically act out the concept to the class. She found that her students more quickly grasped concepts when they were applied to their daily lives. As a result of her ingenuity, her approach was selected by STiR Education to be shared with teachers across Uganda.

*Monitoring data from 2014 showed that in addition to the 40 Scholars who directly receive the program, at least 310 additional students per school benefit from working with Experience Association teachers and other school-wide activities such as Student Business Clubs, required peer mentorship by Scholars and Community Days.

Augustine Wamalwa: Social Entrepreneur and Changemaker

Born in Kenya, Augustine moved to Uganda at the beginning of high school and was put in the custody of his grandparents. However, three years later his grandfather passed away. Without a guardian to pay his school fees, Augustine nearly had to leave school. “I should have dropped out.... but a kind-hearted relative took up the responsibility to pay my school fees.”

Augustine met Educate! Mentor Otim on his very first day of high school. He was immediately impressed and admired Otim for his kindness, composure and ability to relate to the students. “When he spoke, there was a vibrancy in his voice,” said Augustine.

Feeling a deep sense of gratitude for the opportunity to continue his education, Augustine joined the Educate! Experience facilitated by Otim, and soon he became the president of the Student Business Club at his school. Augustine had found his passion and calling in inspiring young people to reach their full potential.

Augustine is a changemaker and leader in his community. After his graduation from high school, Augustine founded a community organization called Economic Youth Empowerment. E.Y.E. envisions communities where youth are at the forefront of transforming and developing their communities by creating sustainable enterprises to eradicate poverty. Augustine has employed lessons from the

Educate! curriculum to develop team-building activities and trainings on leadership and entrepreneurship that he uses to strengthen the capacity of the youth he works with.

- Augustine Wamalwa

Augustine has also remained deeply involved with Educate! since graduating. In 2014, he joined the Educate! team, working as a Youth Leader in Mbale. Augustine’s story is a reminder of the power of passion to incite positive change in a community.



Photo: African Hope Network



Building 21st Century Skills for Youth

Educate! created a model of education that could be tied to and directly accountable for life outcomes and its performance is measured aggressively.

Improved Livelihoods

- Total earnings
- Savings behavior
- Employment rates
- University enrollment rates

Increased Business and Job Creation

- # of small businesses started
- # of additional employees in those businesses

Improved Community Participation

- # of community initiatives started
- volunteering and leadership initiatives

Improved 21st Century and Business/Employability Skills

Soft Skills

- Grit
- Teamwork
- Public speaking
- Critical thinking / problem solving
- Social responsibility
- Confidence
- Creativity
- Networking / relationships

Hard Skills

- Savings
- Business planning
- Project management / goal setting
- Budgeting / bookkeeping
- Market research
- Sales and marketing
- Product making

Innovations in Monitoring and Evaluation

Building the most impactful, replicable, cost-effective model.

Secondary Skills Assessment Tool

Educate! designed the SSAT to evaluate improvement in 21st century and business/employability skills that students highlighted as important to their success. The tool is designed for rapid turnaround to provide data each trimester.

SMS and Smartphone Reporting System

With the goals of rapid turnaround and robust program management, in 2014 Educate! launched an SMS and smartphone reporting system that allows staff to gather information from remote parts of the country in a very cost-effective manner. The metrics that field staff provide through this system populate a web-based dashboard that updates in real time and allows Educate! to monitor performance at scale.

Build, Measure, Learn Loops

Educate! also prioritizes ongoing innovation and learning in the core program model. A key learning mechanism is Build-Measure-Learn (BML) loops, a Lean Startup methodology used widely by startups, as well as large and established companies. Through BML loops, Educate! tests programmatic and operational components of the model and makes rapid adjustments based on the results of each loop. For example, a recent BML tested the effectiveness of using visual support tools in lessons, and Educate! is currently designing a BML related to student graduation from the Leadership and Entrepreneurship Course.

Cross Cutting Designs

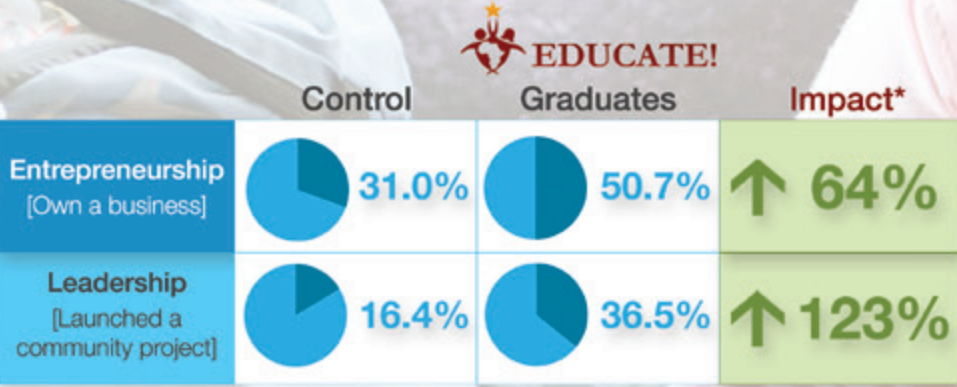
Educate! uses experiments to inform and improve program design and implementation. For example, in 2014 staff ran a cross-cutting design to test the effectiveness of group mentorship sessions, providing some Scholars with lessons only and others with additional group mentorship. The M&E team will analyze the data and report to the Programs and Design & Training teams with recommendations on the effectiveness of group mentoring.

Educate!’s Proven Impact

Randomized Controlled Trial

Educate! is conducting a Randomized Controlled Trial (RCT), the gold standard in impact evaluation, in partnership with Innovations for Poverty Action to help understand impact and to create a benchmark against which impact can be measured during expansion. The midline results from this trial show the following impact:

Impact on Entrepreneurship and Leadership



*The difference between treatment and control groups is statistically significant at a 99% level

Educate! Internal Impact Evaluation

Results from Educate!’s first two graduating classes found the following impacts:

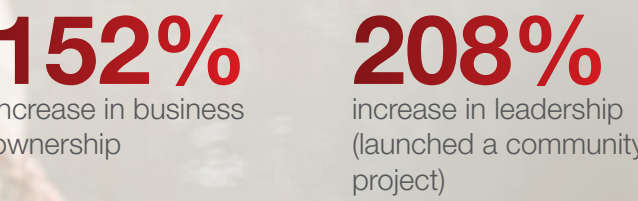


The Girl Effect

Giving girls the tools to invest in themselves.

Impact on Girls’ Entrepreneurship and Leadership

Educate!’s RCT found that the model has an even more profound impact on girls! Compared to a control group, the evaluation found a:



To tap the massive force for change represented by women and girls, Educate! addresses the shortfalls that are holding them back. Educate! directly promotes and empowers girls to actively transform and improve their circumstances by learning to take leadership initiative, start small businesses and improve their livelihoods.

Closing the skills gap through practical, experience-based education:

Educate! facilitates hands-on experience in a safe learning environment, so students have the opportunity to explore new businesses and make mistakes along the way.

Closing the employment gap by empowering female entrepreneurs and community leaders:

Educate! provides girls with the tools needed to develop economic resources and empowerment, allowing them to transform themselves and their communities.

Closing the asset gap through savings:

Educate! teaches students how to access capital, how to save, how to choose where to save, how to plan for the future, and more. Educate!’s Randomized Controlled Trial found that female Graduates scored 46% higher than the female control group on a scale measuring their savings behavior.

Closing the education gap through innovative curriculum:

Lessons include discussions on what gender is and how gender roles divide work in socially constructed ways that can sometimes empower and at other times disempower girls and boys. Educate! also provides leadership training specific to girls and pushes girls to fill roles that are typically deemed “male”.

Bootstrapping at Najjanankumbi Young Christian Secondary School

When Educate! began working with 2014's class of Scholars at Najjanankumbi Young Christian Secondary School in Kampala, many were intimidated by the idea of balancing a start-up enterprise with their schoolwork. Determined to step up to the challenge, the students formed a Student Business Club, identified needs in their community and launched two enterprises to meet these needs: a student bakery and a business making tools for stone paving.

Lacking startup capital, the students used the Educate! framework for bootstrapping their business and borrowed equipment from family and friends in the community to start their bakery. They baked a variety of snacks and sweet treats and sold them to other students at a fair price. Their classmates loved having more snack options, and the Student Business Club members were so successful that they earned enough profit in the first few months to buy their own oven. Now, they produce enough baked goods to sell to several grocery stores in their district, and the bakery's profits have continued to grow as its consumer base expands.

Seeing the need for their school to build a driveway, Najjanankumbi students next launched a business selling stone pavers. Students had to develop the technical skills required for designing and building these tools, but soon

mastered their craft and began advertising their services to private businesses and homes outside of the school. As a result, the Najjanankumbi Student Business Club now sells stone pavers to shopping centers and construction sites and reinvests the profit back into the club.

How do students fund their ventures?

Educate! frames its lessons around teaching students to overcome the challenge of limited or no startup capital. Educate! does this by maintaining a strong focus on savings, encouraging students to work in groups so they can pool resources and teaching youth to utilize existing resources.

Additionally, Educate! teaches simple skills like baking and soap making, which are easy to learn and always have a market. Although these products offer low returns, they provide a basis for initial savings and capital creation. Scholars have proven to be extraordinarily self-sufficient and creative in minimizing the amount of start-up capital needed.



Educate! Student Business Clubs in 2014

238
Business Clubs



24,990
Student Business
Club Members



94%
Had Profitable Business
Projects



Top Club Projects

Sanitation and
Reusable Resources



23.8%

Baking and Food
Selling



23.5%

Arts and Crafts



19.9%

Livestock and
Agriculture



16.5%

Small Business
Owner



6.3%

Financial Group



4.2%

Education and
Empowerment



3.1%

Manual Labor



2.6%





Government Engagement and Sustainability

Innovations today, impacting generations to come.

Educate!'s long-term vision is inherently sustainable. Educate! creates systemic change by working both at the policy level, to create incentives for more experience-based and 21st century skills-based education, and at the school level, to create capacity in schools to deliver the model.

Government Engagement Progress: Supporting Uganda's Ministry of Education

Educate! is thrilled to share that in 2014 the organization signed a Memorandum of Understanding with the Ugandan government, encouraging schools to work with Educate! and outlining that the Ministry of Education will look at evidence of Educate!'s impact and consider adoption of program components based on that evidence.

As Educate! aims to partner with governments to reform education on a systems level, this is an important step for Educate!'s sustainability.

Educate! continues to work with the Ugandan government to include new skills-based learning into secondary education by:

Promoting teacher training for skills-based education

Supporting the government's goal of student business creation through lower secondary education reform

Encouraging use of Educate!'s 21st century skills assessment tool



Entrepreneur and Educate! Mentor, Titus Chelimo

Growing up in Kapchorwa, Eastern Uganda, Titus worked alongside the rest of his family growing vegetables to put food on the table and bring in a modest income. When Titus was only nine years old, his father died suddenly leaving his mother to care for their five children alone. Titus and his siblings continued to plant matooke, beans and other local crops to pay school fees, but it was never quite enough, and the family ultimately had to sell some of their land to continue sending the children to school.

The hardships that Titus' family endured to support his continuing education inspired him to be an advocate so that other youth would have the same opportunities. He attended one of Educate!'s hands-on Experience Association teacher trainings and decided to reach out to Educate!'s Regional Program Officer to ask about how he could join in the movement.

His motivation and deep commitment to mentoring other youth was evident, and he was soon asked to join the Educate! team as a Youth Business Experience (YBE) Fellow and Mentor

in the Kapchorwa region.

Titus has seen his leadership skills and confidence grow immensely over the course of 2014. As a Mentor, he has learned to manage and motivate large groups and has developed tools to engage with different types of people using creativity, respect and friendship.

Through YBE, Titus has gained insights about starting a business and overcoming the challenges faced by start-up enterprises.

Since joining Educate!, Titus has helped his mother grow her milk production business exponentially, which has provided financial stability and peace of mind for their family. Titus also hopes to start a lending business in the near future. Through YBE he has received planning advice and guidance from a financial services company to help him achieve his goal. In these ways, Titus exemplifies the goal of the mentorship program by guiding and inspiring members of his community while continuing to build himself as a leader and entrepreneur.

“At Educate! you learn how to solve problems and that there is no problem that doesn't have a solution.”

- Titus Chelimo

94%

of Scholars wish all teachers were like their Educate! Mentors.

83%

of Scholars prefer Educate! over regular classes.



Photo: Rebecca Richards

Thank You to Our Supporters!

We would like to acknowledge the following individuals and entities, and extend a sincere thank you to all of our supporters, big and small, for fueling our mission during the 2014 calendar year.

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JONAH WALUSIMBI - Head Teacher, Greenhill Academy (Educate! partner school)





Financials

January 1, 2014 - December 31, 2014

Statement of Activities

Revenue	
Individual Contributions	266,997
Corporate Contributions	1,893
Foundation/Trust Grants	1,495,819
Special Events (net of expenses)	1,370
Program Fees	25,813
Investment Income	539
Total Revenue	\$1,792,431
Expenses	
Programs	1,121,032
Fundraising	152,491
Administrative	42,673
Total Expenses	\$1,316,196
Change in Net Assets	\$476,235
Net Assets at Beginning of Year	\$669,996
Net Assets at End of Year	\$1,146,231

Statement of Financial Position

Assets	
Total Current Assets	1,167,886
Total Fixed Assets	5,547
Total Other Assets	1,162
Total Assets	\$1,174,595
Liabilities and Net Assets	
Current Liabilities	28,364
Net Assets	1,146,231
Total Liabilities and Net Assets	\$1,174,595

Invest in an Educate! Scholar

Huge Impact, Low Cost

By delivering our model using existing infrastructure at partner schools, leveraging economies of scale, and implementing innovative technologies to cost-effectively manage and monitor our programs across great distances, Educate! creates huge impact at low cost.



By the turn of the century, 50% of the world's children will be African.
Your investment gives African youth the tools to solve poverty.

To support Educate! Scholars today, please visit
www.experienceeducate.org/investing

Educate!
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