

DEVELOPING CHILDREN'S HUMAN CAPITAL THROUGH NON-PROFIT ORGANISATIONS: ESTIMATIONS AND OPPORTUNITIES

Anna Bagirova – Irina Shmarova

Abstract

Due to the negative demographic dynamic in Russia, there were established programmes aimed at supporting the birth rate and parenting, developing children's human capital, and these programmes are being actively introduced. We carried out a study aimed at exploring the importance of children's supplementary education and identifying today's role of Russian non-profit organisations in the development of children's human capital. The stages of the study included the following stages: 1) exploring the importance of children's developmental classes for parents; 2) identifying to which degree Russian non-profit organisations are oriented at working with parents and children. The major results are the following: 1) Russian parents are aware that it is important to develop children's human capital; 2) the most popular directions of developing classes for children at any age include classes in music, singing, dancing, sports; 3) the study of non-profit organisations showed that almost 40% of organisations registered in the Ural region focus on working with parents and children. We believe that the contribution of non-profit organisations to providing services related to children's development may have a positive impact on addressing demographic problems in Russia.

Key words: support of parenthood, non-profit organizations, human capital, demographic policy

JEL Code: JEL 11, JEL 13

Introduction

In 2016-2020, Russia continued to experience negative demographic trends: 1) the natural population decline was more than 1.38 million people (Natural Population Movement, 2022); 2) the birth rate decreased by more than 24% and the total fertility rate decreased from 1.76 to 1.5 (Natural Population Movement, 2022); 3) life expectancy remained below the average Russian figure of 74.51 years in more than 70% of Russian regions in 2020 (Life expectancy

at birth, 2022), etc. It proves that there are significant threats to the demographic security of the country. It is obvious that the country needs measures not only aimed at supporting the birth rate and parenthood, but also at developing children's human capital. To address the issues of human capital formation and development at the state level, there were introduced the so-called "national projects"- state programmes in education, healthcare, demography, and other spheres. It is by implementing these national projects that Russia provides places in pre-school educational institutions, ensures that children receive mandatory education free of charge, and so on. At the same time, Russian scientists emphasise the need to organise and develop a supplementary education system (Kovazhenkov et al., 2022). The development of this system can take different directions, including the involvement of non-profit organisations (NPOs) to participate in the implementation of such educational programmes and the development of children's human capital.

The activities of NPOs aimed at social work with the population are studied by both Russian and foreign scholars. Sellnow-Richmond, Novak, and Seeger (2020) highlight the particular relevance of the non-profit sector, exploring their role in making reproductive health services accessible to those in difficult straits. Atici (2022) explores the way NPOs in Japan are helping to deliver addiction treatment programmes and to expand health and social care services. Abiddin, Ibrahim, and Aziz (2022) analyse the role and impact of NPOs on the sustainable development of society and identify some of the challenges they face in their operations (e.g., ineffective management and communication within an organisation, etc.). In addition, they examine the effectiveness of NPOs (Herman & Renz, 2008), the financial challenges they face in their operations that hinder the successful implementation of social projects (Sibisi & Makka, 2021), and so on.

Russian researchers are also concerned with examining the activities of NPOs. They consider the legal framework of NPOs in Russia and the specificities of their operations (Dzyubak, 2018), study the role of socially-oriented NPOs in the social sphere (Stepanova, 2018), evaluate their activities and identify promising areas for improvement (Zakharova, 2020, Popov, 2020), and such like.

In our study, we aim to analyse the indicators that allow us to estimate how important children's supplementary education is to Russian parents, as well as to identify the existing role of Russian NPOs in developing children's human capital.

1 Data and Methods

1. To study the importance of children's supplementary education to Russian parents, we used data from the Sample Survey of The Quality and Accessibility of Services in Education, Health and Social Services, Employment Promotion carried out by the Federal State Statistics Service in 2021. We chose this time period because it provided the necessary information on the resource used. We examined the following indicators to estimate how important children's developmental activities and their types are to parents, depending on the child's age:

- percentage of children attending extracurricular activities aged 3-7;
- percentage of children attending extracurricular activities aged 7-18;
- types of extracurricular activities attended by children aged 3-7 and 7-18
- types of educational institutions which provide extracurricular activities for children aged 3-7 and 7-18.

2. To determine the extent to which NPOs registered in the Ural Federal District (one of Russia's major regions) are focused on working with parents and children and to identify the percentage of organisations that directly provide services to develop children's human capital, we used data from the Ministry of Justice of the Russian Federation. Studying the role of Russian NPOs in the development of children's human capital included the following steps:

- we selected organisations from the total number of registered NPOs, which focused on working with parents and children and on providing them with assistance and support on various issues;
- we examined NPOs' areas of activity in the Ural Federal District aimed at working with parents and children, and also identified the percentage of organisations that directly provide services to develop children's human capital.

2 Results

The results of our research are the following:

1. Russian parents realise that developing children's human capital is important. The percentage of children who attended extracurricular classes in 2020-2021 depending on the child's age was distributed as follows (Table 1).

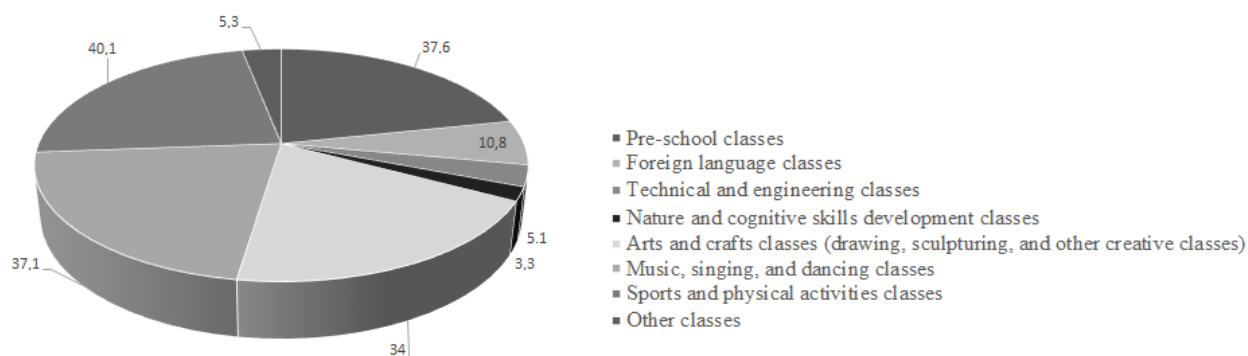
2. The most popular directions of developing classes for children at any age include classes in music, singing, dancing, sports, and physical activities (Figure 1 and Figure 2).

Tab. 1: Percentage of Russian children who attended extracurricular classes in 2020-2021 depending on their age

	Percentage of children aged 3-7, %	Percentage of children aged 7-18, %
Children who attend classes to develop their abilities	42.8	61.6
Children who did not attend classes to develop their abilities	57.2	38.4

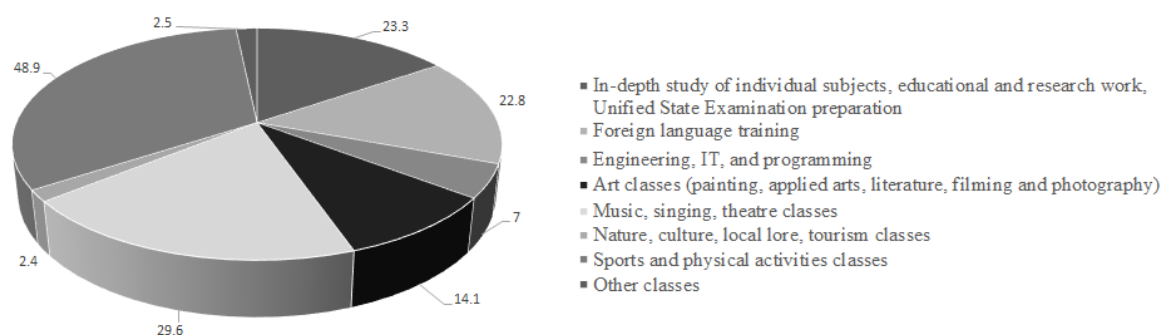
Source: Selective monitoring, 2021

Fig. 1: Distribution of children aged 3-7 based on the kinds of extracurricular activities attended in the 2020/2021 academic year



Source: Selective monitoring, 2021

Fig. 2: Distribution of children aged 3-7 based on the kinds of extracurricular activities attended in the academic year of 2020/2021



Source: Selective monitoring, 2021

3. More than 50% of Russian children attend extracurricular developing classes outside their state educational institutions (Table 2).

Tab. 2: Attendance of extracurricular classes by Russian children based on types of educational institutions

Extracurricular classes location	Percentage of children aged 3-7, %	Percentage of children aged 7-18, %
Within their educational institution (a hobby club, a studio, a workshop, a group, online classes)	47.7	41.1
Within other educational institutions (in hobby clubs, in studios, in workshops, in groups)	58.7	57.4
Privately, without contract (with a private teacher)	12.0	24.1
Not identified	0.2	0.0

Source: Selective monitoring, 2021

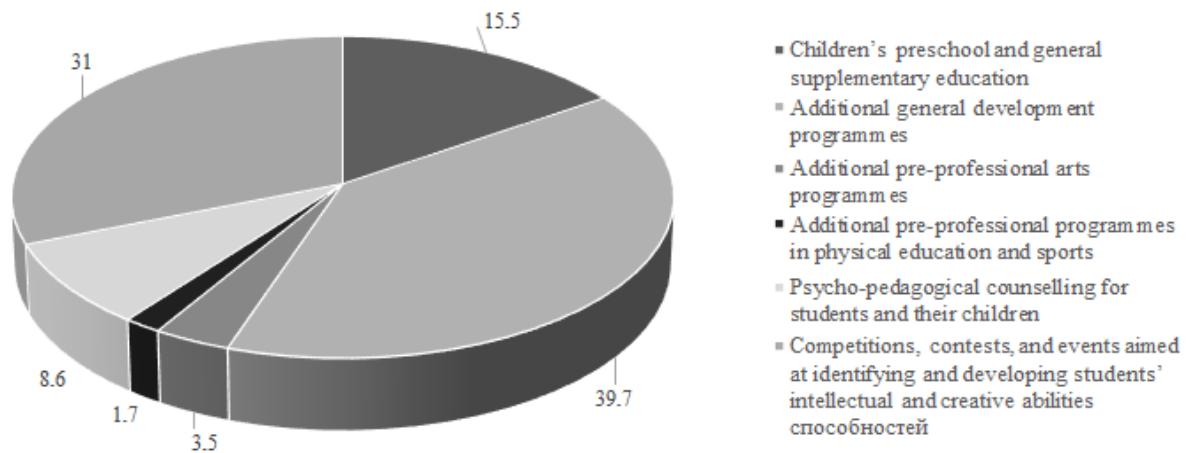
4. There are 296 active NPOs registered in the Ural Federal District (Register of non-profit organizations, 2022); among them, 63.9% of organisations focus on working with parents and children, providing them with assistance and support on various issues. Table 3 presents data on the focus areas of socially oriented NPOs. As a single NPO may simultaneously provide services in different areas, the total is greater than 100%. At the same time, more than 50% of NPOs oriented towards working with parents and children provide services directly related to child development (hobby clubs, athletic classes, patriotic education, etc.) (Figure 3).

Tab. 3: Focus areas of socially oriented NPOs

Focus areas	Percentage of total number of organisations, %
Assisting youth in employment, social rehabilitation, employment of those under age	5.6
Providing services in rehabilitation and social adaptation for persons with disabilities, social support for families raising children with disabilities	7.5
Assisting in providing goods to low-income families	5.6
Providing medical, social, and psycho-pedagogical assistance to children in dire straits	1.9
Engaging in preventing child neglect and juvenile delinquency	13.1
Helping the family to raise their children	68.2
Providing rest and recuperation services for children	20.6
Providing pre-school and general and supplementary education services for children	57
Psycho-pedagogical counselling, medical and social services for students	5.6
Organising and conducting physical education, fitness and health recreation events	23.4

Source: authors' calculations

Fig. 3: Focus areas of organisations implementing supplementary education for children



Source: authors' calculations

3 Discussions

We obtained results which suggest that parents indirectly understand the importance of children's human capital development. At the same time, the proportion of children attending additional classes after the age of 7 is significantly higher than at younger ages. In our opinion, this may be due, on the one hand, to children's maturing - they become more aware of their interests, and, on the other hand, to greater independence of children after the age of 7, including their ability to get to hobby clubs by themselves. At the same time, the study revealed that although there is a demand for developmental activities for children of all ages (music, singing, dancing, sports and fitness activities, etc.), we can observe a change in children's needs for some types of activities.

Moreover, the results of our study suggest that child development services offered by state institutions do not always seem to satisfy their parents, and that there is an urgent need to improve the area of supplementary education. For example, more than 38% of children do not attend extracurricular activities at all; more than 50% of children receive extracurricular education outside their educational institution.

The development of the supplementary education system can take different directions, including the involvement of NPOs in implementing supplementary education programmes and the development of children's human capital. The advantages of NPOs over governmental ones include direct contact with the target group; lower bureaucracy; responsiveness; flexibility; and others (Abiddin, Ibrahim & Aziz, 2025). To date, there are NPOs in the Ural Federal District that provide services in all the main demanded areas of developmental

activities for children. However, the number of such organisations is very limited. In addition, socially oriented organisations often lack financial, informational, human, and legal resources to ensure effective activities (Popov, 2020); therefore, measures need to be taken at the governmental level to, on the one hand, develop the non-profit sector and, on the other hand, integrate NPOs in addressing demographic issues and the issues related to forming and developing the human capital of Russian children.

Conclusion

The following conclusions can be drawn from the results obtained. Firstly, most Russian parents understand the importance and significance of supplementary education for children. They actively take their children to classes in music, singing, dancing, sports and recreational activities, and others. At the same time, there is a change in the need for extracurricular classes in some areas depending on the age of children.

Secondly, the child development services offered by state institutions do not always satisfy their parents. Consequently, there is an opportunity for greater involvement of NPOs in providing additional education and development for children, which may have a positive impact on tackling Russia's demographic issues.

Acknowledgment

The study was conducted as part of the project “Russian Pro-Natalist Policy Support Institutions: Potential and Prospects for Influencing Birth Rate Growth” supported by the Council for Grants of the President of the Russian Federation for State Support to Leading Scientific Schools of the Russian Federation. (SS-1327.2022.2).

References

- Abiddin, N. Z., Ibrahim, I., & Abdul Aziz, S. A. (2022). Non-governmental organisations (ngos) and their part towards Sustainable Community Development. *Sustainability*, *14*(8), 4386. <https://doi.org/10.3390/su14084386>
- Atici, S. G. (2022). The Spaces Between Fault/Lines: Collaborative Politics of addiction in Japan. *Contemporary Drug Problems*, *49*(3), 299–318. <https://doi.org/10.1177/00914509221084383>

- Dzyubak, I.S. (2018). Theoretical and regulatory framework for the activities of non-profit organizations in the system of social services for citizens. *Eurasian Union of Scientists*, 7 (52), 30-36.
- Herman, R. D., & Renz, D. O. (2008). Advancing nonprofit organizational effectiveness research and theory: Nine theses. *Nonprofit Management and Leadership*, 18(4), 399–415. <https://doi.org/10.1002/nml.195>
- Kovazhenkov, M.A., Gavrilova, O.A., Gorbunova, A.V., Maksimova, O.N., Dmitriev, A.S., Pekarsky, N.V., & Arzamasov, Z.A. (2022). Additional professional education as a tool for the development of human capital to ensure the implementation of the sustainable development strategy. *Financial business*, 3 (225), 39-43.
- Life expectancy at birth*. Federal State Statistics Service (2022). Retrieved from <https://www.fedstat.ru/organizations/>
- Natural Population Movement*. Federal State Statistics Service (2022). Retrieved from <https://rosstat.gov.ru/folder/12781>
- Popov, Yu.A. (2020). Perspective directions for improving the activities of non-profit organizations. *Diary of Science*, 5 (41), 63.
- Register of non-profit organizations performing socially useful services*. The Ministry of Justice of the Russian Federation (2022). Retrieved from <http://unro.minjust.ru/NKOPerfServ.aspx>
- Sadabadi, A. A., & Rahimi Rad, Z. (2021). How can cross-sector partnership promote Social Innovation? *Systemic Practice and Action Research*, 35(4), 471–490. <https://doi.org/10.1007/s11213-021-09581-w>
- Selective monitoring of the quality and accessibility of services in the fields of education, health and social services, employment promotion*. Federal State Statistics Service (2021). Retrieved from https://gks.ru/free_doc/new_site/GKS_KDU_2021/index.html
- Sellnow-Richmond, D. D., Novak, J. M., & Seeger, M. W. (2020). The communicative relationship between the socioeconomically disadvantaged stakeholders and the reproductive healthcare nonprofit organization. *Health Communication*, 36(13), 1634–1645. <https://doi.org/10.1080/10410236.2020.1785374>
- Sibisi, N., & Makka, A. (2021). Financial challenges experienced by South African non-profit organisations regarding CSR implementation. *Social Responsibility Journal*, 18(6), 1089–1105. <https://doi.org/10.1108/srj-12-2019-0397>

Stepanova, E.V. (2018). The role of socially oriented non-profit organizations in the social sphere. *Engineering personnel - the future of the innovative economy of Russia*, 7, 105-107.

Zakharova, O.S. (2020). Evaluation of the effectiveness of non-profit organizations: regional rating and development directions. *Kant*, 4 (37), 81-86.

Contacts

Anna Bagirova

Ural Federal University

620002, 19 Mira street, Ekaterinburg, Russia

a.p.bagirova@urfu.ru

Irina Shmarova

Ural Federal University

620002, 19 Mira street, Ekaterinburg, Russia

i.v.shmarova@urfu.ru