

## **UNFINISHED BUSINESS:**

Continued Investment in Child Care  
and Early Education is Critical  
to Business and America's Future



**A Statement by the Policy and Impact Committee  
of The Committee for Economic Development**

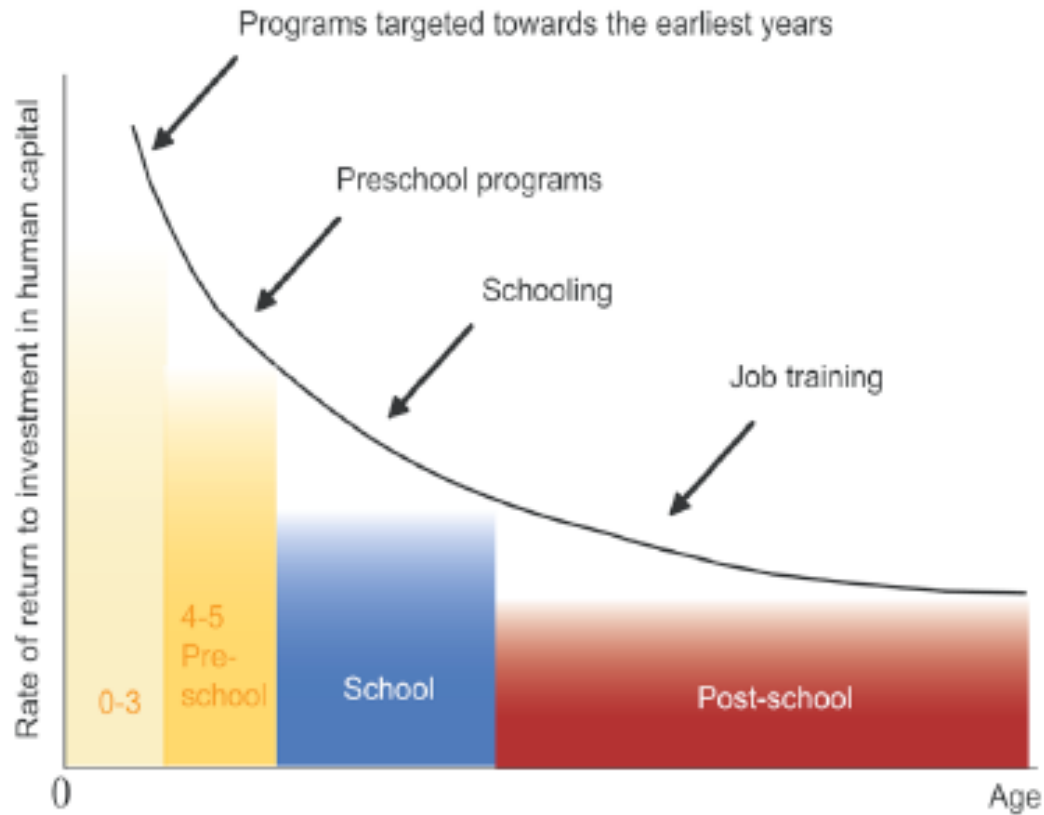


CED is a non-profit, non-partisan business-led public policy organization that conducts research on major economic and social issues and actively informs and engages the business community in an effort to achieve policy reform for the good of the nation.



The Committee for Economic Development (CED) has a decades-old commitment to quality early-childhood education. CED Trustees have always been in the forefront of the effort to promote early learning and development for all children.

Figure 2. Human capital investment:  
returns to a unit dollar invested



Source: The Heckman Equation, [www.heckmanequation.org](http://www.heckmanequation.org)



In the 1980's CED Trustees Owen (Brad) Butler, Chairman of Proctor & Gamble, and James Renier, CEO of Honeywell, used their positions as corporate leaders to marshal a new era of business involvement in education.



## *Unfinished Business* is groundbreaking in many respects:

- Frames investments in early learning is an economic imperative. CED views investments in young children as a key strategy toward future economic growth
- Says that Fiscal Prudence should not come at the expense of early learning programs for young children



- Recommends that business contribute 1% of corporate profits to public/private partnerships
- States that under-investments in children undermines our country's standing in the world from a global competitiveness standpoint



Started by Netscape founder Jim Barksdale, Mississippi Building Blocks (MBB) is a research initiative designed to serve as a model for how Mississippi can work within existing child care centers to improve children's early learning and school readiness.





Corporate supporters helped raise \$7 million over the last seven years to enable MBB to help child care and early education programs serving low-income children improve their quality ratings, and to evaluate their results.

Additionally, Mississippi Economic Council (MEC) has provided tremendous help in informing business leaders of the importance of early childhood education.



Committee for Economic Development

*The Best of Business Thinking*

North Carolina established the innovative Smart Start public/private partnership in 1993 to improve school readiness through three main strategies:

- Improving access to high-quality child care and early education
- Providing parents tools to help them raise healthy, happy, and successful children
- Ensuring access to preventative health care



Locally run Smart Start Partnerships for Children made up of public and private organizations grew in all 100 North Carolina Counties

- The percentage of children attending high-quality child care more than doubled
- All but 2% of children residing in Smart Start counties now receive appropriate developmental screenings
- Children scored higher on 4<sup>th</sup> grade math and reading tests in Smart Start counties that received higher funding
- Placement in special education by grade 3 fell 10%
- Positive impacts were highest for children at risk of academic failure



The PNC Financial Services Group founded PNC Grow Up Great and PNC Crezca con Éxito to help prepare children – particularly underserved children – from birth to age 5 for success in school in life

PNC plans to provide \$250M over 10 years to continue supporting families, educators and community partners through Grow Up Great, and to provide innovative opportunities that enhance learning and development in a child's early years



## Grow Up Great has:

- Awarded grants totaling at least \$43M to early education programs to enhance math, science, art, and financial education
- Encouraged volunteerism by providing employees with 40 hours of paid leave to volunteer in early education programs serving lower-income volunteering
- Raised public awareness by partnering with Sesame Street to communicate the importance of school readiness
- Leveraged corporate influence with business and policy leaders to bring attention to early learning and development



## HOW TO TALK WITH BUSINESS:

- Talent, talent, and talent
- New Research
  - Jim Heckman Data
  - Jack Shonkoff Science
- In a 2000 American business collaborative report, 63% of employees reported improved productivity while using quality dependent care
  - Correlation between breakdowns in the child care system and tardiness, absenteeism and reduced concentration at work
  - Child care breakdowns leading to absences cost companies 1B dollars annually

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