



## **Acknowledgements**

**Council for a Strong America** is a national, bipartisan nonprofit that unites five organizations comprised of law enforcement leaders, retired admirals and generals, business executives, pastors, and prominent coaches and athletes who promote solutions that ensure our next generation of Americans will be citizen-ready.

#### ReadyNation: Business. Kids. Workforce.

Business executives building a skilled workforce by promoting solutions that prepare children to succeed in education, work, and life.

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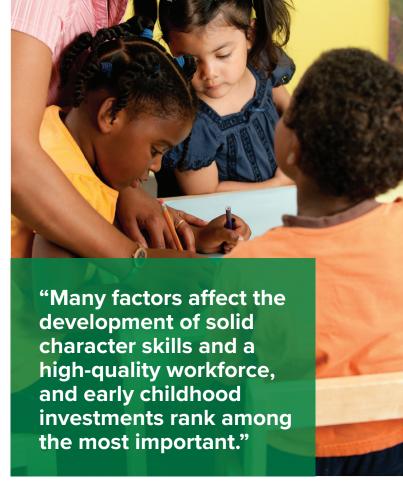


Across Illinois and throughout the nation, employers increasingly consider business success to hinge on the "character skills" of employees as much as on technical skills. From punctuality and problemsolving to perseverance in overcoming challenges, these social-emotional qualities are critical to a productive, high-quality workforce. Unfortunately, managers are also increasingly frustrated by what they see as a troubling lack of these skills among their hires.

In a new national survey of business leaders, conducted by Zogby Analytics, three out of five respondents say it's more difficult to land job candidates with adequate "soft skills" than those with technical expertise. They also know these qualities are tougher to teach to adults, on the job, than the more technical skills. And they realize their bottom line suffers for such deficiencies.

Often, managers can spot such problems during a new employee's first days on the job: Is he consistently late for work? Does she have trouble taking initiative, or collaborating with colleagues? It's reminiscent of the first day of school, when a kindergarten teacher can quickly tell which children might struggle the most with the basics—for example, those who demonstrate the least impulse control or capacity for flexibility.

This analogy doesn't come by accident. Character skills are largely established long



before people enter the workforce. More than 90 percent of business decision-makers polled by Zogby agreed that experiences during kids' first five years of life affect the development of their social-emotional skills as adults. That reflects business leaders' growing understanding of the science that shows the majority of brain architecture is developed by the time children even arrive at that first day of kindergarten.

Many factors affect the development of solid character skills and a high-quality workforce, and early childhood investments rank among the most important, yet most easily overlooked. Research tells us that greater attention to young children's learning and development, both inside and outside the home, can produce significant benefits. Business leaders' experience echoes this. As a state and as a country, we can reflect the character skills of initiative and problemsolving if we act accordingly—for the good of our workforce and economy.

# Businesses are not getting workers with the "character skills" they need

Zogby's survey highlights the importance of character skills for the current and future workforce, and the difficulty businesses are having in hiring workers with these essential attributes. More than 60 percent of the nationally representative sample of 300 business decision-maker respondents reported that they have more difficulty finding job candidates with adequate character skills than candidates with adequate technical capabilities (e.g., reading, math, substantive knowledge). That's bad for profits—in fact, more than half of the businesses surveyed are spending more to recruit employees with these skills than they did in the past.

Equally significant, 88 percent of respondents believe there will be an increasing need for these skills among employees/job applicants in the future. And almost two-thirds (64 percent) know someone who has lost a

# What are "social-emotional skills"?

These behaviors and attributes are known by various names, including soft skills, character skills and employability skills. We use these terms interchangeably in this report, referring to the ability to, for example:

- Manage emotions and impulses
- Solve problems
- Take initiative
- · Be flexible
- Communicate with and work well in teams
- Persevere and be resilient
- Demonstrate empathy

promotion or job due more to poor socialemotional skills than to poor technical skills.

These results mirror other reports from business leaders. In a *Wall Street Journal* survey of 900 business executives, 93 percent said that character skills were as important or more important than technical abilities, and 89 percent reported difficulties in finding employees with these skills.<sup>2</sup> Moreover, as more elementary tasks become automated, the remaining jobs will frequently require workers with character attributes that cannot be duplicated by computers.

# The foundation of adult character skills is built in early childhood

We know from research that character skills formed in early childhood are associated with outcomes impacting the workforce. For example, a 20-year study examined the character skills of 800 kindergarteners and followed them until age 25. For every one-point increase in children's character skills scores in kindergarten, they were:

- 54 percent more likely to earn a high school diploma
- Twice as likely to attain a college degree
- **46 percent more likely** to have a full-time job at age 25<sup>3</sup>

On the other hand, for every one-point decrease in children's character scores in kindergarten, was associated with a:

- 64 percent higher chance of spending time in juvenile detention
- **67 percent higher** chance of being arrested by early adulthood
- 82 percent higher chance of being in or joining a waiting list for public housing<sup>4</sup>

Other studies have found connections between character capacities in early childhood and children's shorter-term academic outcomes, including school

performance, standardized test scores, being held back in school, receipt of special education and being suspended or expelled from school.5



## JONI DUNCAN

**SENIOR VICE PRESIDENT & CHIEF HUMAN RESOURCES** OFFICER, ANN & ROBERT H. LURIE CHILDREN'S HOSPITAL, CHICAGO, IL

I always tell our CEO, "We should be looking for people who have not only the skills we need right now, but the skills we'll need down the road." What we seek is adaptability, creativity and innovation, and the

capacity to challenge the organization to think differently.

Having initiative and the ability to speak up when necessary are qualities that should be encouraged and developed in kids from their youngest ages—for example, asking questions, if they don't know something. It's all about engagement with others, and learning how to truly network with people—not just something you can do on Snapchat or Facebook. These are the kinds of "soft skills" that are just as important as technical know-how.

We once hired an executive who we saw as clearly being successful in a technical role. But when it came to engaging with staff—for example, bringing them along with us on decisions and developing a real coalition within the department—those were skills that we gradually found this person just didn't have. Within a year, we were asking him to leave.

On the other hand, several years ago, we hired someone to work within our HR department who had worked at a small non-profit as kind of an operations manager. She didn't know

recruiting or employee relations, but she understood systems and planning, and appeared able to grow into the content areas that she'd need. We took her on, and it's gone very well; she's very entrepreneurial.

Employers have a responsibility to partner with others to help develop the future workforce, making clear what's expected of them and what they'll need to succeed. It's important to work with young people and to reach out, to high-schoolers, middleschoolers, and, even younger kids. That's where it all begins.

"We should be looking for people who have not only the skills we need right now, but the skills we'll need down the road."

### Many young children face substantial challenges with long-term effects

Data from the National Survey of Children's Health show that many young Americans experience Adverse Childhood Experiences (ACEs).<sup>6</sup> In Illinois, 23.5 percent of young children (birth to age 5) have already

experienced one ACE and nearly 8 percent have had two or more ACEs.<sup>7</sup> In some states, up to one-half of young children have already experienced these very serious negative life events.

Research shows people who have experienced multiple ACEs are at higher risk of a variety of negative adult outcomes,

# Negative Experiences Impact Children in Every State

Percentage and number of children, ages 0-5, who have experienced at least two adverse childhood events





IL has the 11th highest number of children experiencing at least 2 adverse childhood events

# These very serious negative life events include:

- Poverty
- Parental divorce/separation
- Parental death
- Parent served time in jail
- Witness to domestic violence
- Victim of neighborhood violence
- Lived with someone mentally ill or suicidal
- Lived with someone with alcohol or drug problem
- Treated unfairly due to race/ethnicity<sup>8</sup>

Source: National Survey of Children's Health

including health problems (e.g. coronary heart disease, diabetes and depression) and issues that affect the workforce (e.g. lower educational attainment, unemployment, and lower income).<sup>9</sup>

By age 5, too many young American children are already on a negative life course that can significantly hinder their later success in the workforce. These

findings are shocking for anyone who wants to protect and nurture children, and who understands the connection between well-educated, well-adjusted children and the workforce that will drive our economy forward. However, children are resilient, and there are ways to provide them with high-quality early childhood experiences that can assist them in getting on a path toward greater success.



## **DAVID SABATHNE**

PRESIDENT/CEO, WESTERN DUPAGE CHAMBER OF COMMERCE, WARRENVILLE-WEST CHICAGO-WINFIELD, IL

Clear communications are definitely among the most substantial, non-technical skills that any employee can have. When we talk about "employability" challenges, that's one of the first things that pops up. Full words and professional communications are very important. (For

example, "you are" is not spelled "U R"!)

If job applicants don't exhibit a grasp of the most basic communications skills, those responsible for hiring might never even get to the point of assessing their "hard" skills.

You can be a great welder, but if communication problems prevent the interview from approaching your actual welding skills, it doesn't really matter.

Employers are looking for workers who are able to articulate the challenge at hand, the process to follow, the solution, and how to replicate it. If workers can do these things—if they can simply communicate well—it opens so many doors. Development of these skills takes root early in kids' lives, and can be well-nurtured with proper support. We used to talk about the importance of the birth-to-5

"Good early childhood programs help children learn to collaborate and work in teams."

period of development, and now we're focusing increasingly on birth to age 3; those first few years are really critical for developing children's communication skills.

Good early childhood programs help children learn to collaborate and work in teams. That's an invaluable skill for the future – both in school and employment. There are very few jobs where you can just be an automaton, simply going off on your own and doing your own thing.

When we survey companies, if I ask what they need, the answer across the board, is, "Give me somebody who'll show up for work 40 hours a week and is trainable." "Trainable" is what we're talking about when it comes to early childhood programs. It essentially comes down to learning how to learn.

# High-quality early care and education support the development of character skills

Nobel Prize-winning economist James Heckman analyzed data from the classic Perry Preschool program. He discovered that improvements in character skills, particularly related to motivation and behavior problems, explained a large proportion of the positive adult outcomes found (e.g., higher educational attainment, reduced crime, less risky health behavior, etc.).<sup>10</sup>

Other studies of early childhood care and education programs have found additional impacts on character capabilities. For example, Pennsylvania's Pre-K Counts Public Private Partnership program cut—to 4 percent, from 22 percent —the portion of



## **KAYLA EDWARDS**

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Job attendance—going to work, every day, five days a week—has become a hot topic with every customer I serve. And it's not just a problem in entry-level positions. I've been in job-placement services for nearly 23 years, and without question, absenteeism is worse

today than it was 20 years ago.

Being on time, arriving on the job mentally and emotionally ready to go to work are such fundamental issues. It's very difficult for many workers to leave outside issues at the door, to have the focus that's needed to concentrate on their duties. It's having enough grit and emotional strength to say, "OK, let me give my complete focus to my employer, during work hours."

We had one woman going to work for a large manufacturer and performing at an admirable, high level. Her son was also assigned to work there. Then, he was called on poor attendance. Unfortunately, it turned into two job endings, because his mother, who had been doing wonderfully, threw a temper tantrum on the site of this client.

The assignment for another temporary associate didn't end well, either. He wasn't performing to satisfaction, and wasn't able to handle the disappointing news. Lacking self-control—a crucial workplace skill—he went on social media to air his complaints. We won't be working with him again.

"It's vital to develop good, healthy communications with your teammates and the people you report to, as opposed to letting it build, and then explode."

It's vital to develop good, healthy communications with your teammates and the people you report to, as opposed to letting it build, and then explode. These are skills we should be helping children acquire very early in life. We need to help them learn to take ownership and responsibility. We have to help them handle occasional failures with grace, and to learn from failure, and to understand that if something doesn't work, you can go to Plan B or C.

children at risk for problematic social and self-control behavior.<sup>11</sup> Another recent study focused on Educare centers in four communities, including Chicago. It found that 2- and 3-year-old children who were randomly selected to attend this high-quality early care and education program displayed fewer behavior problems, as rated by parents, than children who were left out.<sup>12</sup>

# What are the characteristics of "high-quality" early education?

High-quality early care and education initiatives include evidence-based curricula that shape pre-reading and pre-math skills and essential character capacities as well.

It's taught by educators who are welltrained in early childhood development and pedagogy, through small classes with child-to-teacher ratios that allow the development of positive teacher-child relationships, such as Illinois' state-supported pre-K program, which primarily serves youth at risk of academic failure. This is especially important for disadvantaged children who experience adverse childhood experiences, and who are likely to require more support for their developing skills. For example, some specialized programs particularly support children who experience serious challenges and their teachers, and have been shown to improve behavior.

### **Conclusion**

Business leaders understand the vital link between experiences in early childhood and the later character skills that their employees will need. As one survey respondent commented, "Character is built in the first years of life and it is absolutely necessary for life success."

Equally important, 72 percent of respondents in the Zogby survey believe that young children who experience serious challenges (poverty, abuse, violence, etc.) are less likely to have strong social-emotional skills when they enter the workforce. Nine out of 10 say it's more difficult to develop character attributes among adults than it is to nurture them during childhood. Thus, it's no surprise that the vast majority of respondents (88 percent) would support public investments in early education and early childhood programs as a way to help children acquire character skills.

Simply put, providing high-quality early care and education to young children, particularly those from disadvantaged backgrounds, is a critical first step toward building the strong workforce that will drive America's economy forward in the years to come.

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Notes	

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