



“Having academic and technical skills will get you on track to a profession, but if you really want to go the distance you need to be a good listener, manage your emotions and work well on a team. Employers can’t instill these skills overnight—they’re part of the brain power machinery that’s developed in kids’ earliest years.”

—Wilbert W. James, President,
Toyota Motor Manufacturing, Kentucky, Inc.

Social-Emotional Skills in Early Childhood Support Workforce Success

Why business executives want employees who play well with others

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 the country, employers are frustrated that too many workers lack the “character skills” necessary to ensure their success on the job. In fact a new national survey conducted by Zogby Analytics shows more than 60 percent of business decision-makers say it’s more difficult to find job candidates with adequate social-emotional skills than candidates with adequate technical skills. Too often, that means employees can’t communicate well with coworkers or customers, can’t collaborate to solve problems, and can’t persevere to overcome challenges. This isn’t just about employers being annoyed their workers “can’t get along.” In many cases, the damage goes right to the bottom line.

Employers know that they cannot solve these problems by giving their employees a brief talking-to about how to get along with others. That’s because many behaviors are already well-established by the time people enter the workforce. *As in long before.* It’s during the first five years of life, in fact, that much of the architecture of the brain is developed, which directly impacts the development of the social and emotional capabilities that support long-term success in school and the workforce. Business leaders recognize this—in the aforementioned Zogby survey 92 percent agreed that children’s experiences in the first five years of life affect the development of their social-emotional skills later in life.



92%
of business leaders surveyed agree that children’s experiences in the first five years of life affect the development of their social-emotional skills as adults.

While we wouldn’t equate in literal terms the success of an American business and the development of a child’s brain, certain parallels can’t be ignored. Business leaders know dividends in productivity and profits are often directly related to earlier wise investments. So people shouldn’t be surprised to see business leaders recognizing that quality early childhood experiences—in and out of the home—have a proven impact on the character skills we need to succeed.

Yes, we must invest in our current workforce, but we’ll be more successful—and more profitable—if employees have essential character capacities from their first day on the job.

Businesses are not getting workers with the “character skills” they need

A new national survey (conducted by Zogby Analytics) 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.¹ 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 have 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

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

someone who has lost a promotion or job due more to poor social-emotional 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.² And 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 25³

On the other hand, for every one-point decrease in children’s character scores in kindergarten, they had 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 housing⁴

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



JACK BRENNAN

**CHAIRMAN EMERITUS, FORMER CEO,
AND SENIOR ADVISOR, VANGUARD**

My father was a janitor's son who grew up to become the Chief Executive at Union Warren Savings Bank in Boston. Of course he worked hard but he didn't do it on his own—from the beginning he had early education experiences that ensured he was truly ready-to-learn when he started school.

Did my dad deserve this opportunity more than any other child? Our economy and our nation are at peril if we even think about answering “yes” to that question. The pipeline to a successful workforce depends on children of all backgrounds having the academic and social-emotional skills that are vital to this economy.

I'll tell you why those social-emotional skills matter to my business. Above all else, successful financial professionals must have a genuine sense of empathy that enables them to understand each client's individual needs and goals. They must also work well with all of the other people who are instrumental to meeting these goals—in fact at Vanguard, as a company we succeed not with “rock stars” but with people who work well in a team.

We also succeed through the constant individual growth of everyone in our workforce—our people have an appetite to learn. They're also resilient—because markets do what markets do, and if you can't pick yourself up after losses you can't stay on track for the wins.

If you've read the rest of this report you can see where I'm going with this. We can't instantly instill empathy, resilience, and the ability to work on a team among everyone who comes to work for us. These qualities are shaped by quality educational experiences early in life—and I'll be the first one to tell you they're absolutely vital to the kind of workforce that will lead our company and our nation forward.

“The pipeline to a successful workforce depends on children of all backgrounds having the academic and social-emotional skills that are vital to this economy.”

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).⁶ Nationwide, nearly one-quarter of young children (birth to age 5) have already

experienced one ACE and 12.5 percent have had two or more ACEs.⁷ In some states, up to one-half of young children have already experienced one of these very serious negative life events.

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

Negative Experiences Impact Children in Every State

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



Source: National Survey of Children's Health



**Children in U.S.
have experienced
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/ethnicity⁸

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

Children are resilient, and quality early childhood experiences can help them bounce back. But 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.



RICHARD ANDERSON

**EXECUTIVE CHAIRMAN OF THE BOARD,
CEO (RETIRED), DELTA AIR LINES**

Here's the thing with air travel: Most passengers fly on planes built by the same two companies and on routes served by multiple airlines. But if you think I'm about to say the Delta difference comes down to the person behind the ticket counter, that's only partly right.

The success of our entire business, in fact, depends on a complex chain of interactions among everyone from the people who fly our planes, to the people who service them, to the people who ensure you're belted into your seat. That's because social and emotional skills are vital for keeping our entire enterprise in the air.

This means being able to see yourself in someone else's shoes. And understanding that your success on the job depends on your ability to work well within the Delta team. And being able to listen and collaborate to solve the problems that make or break the success of our company.

If you're wondering what this has to do with early learning, you can turn to Art Rolnick, former Senior Vice President for the Federal Reserve Bank of Minneapolis, who has examined studies that demonstrate quality early education's impact. A study of children from one program found an 18 percent return on the public investment in that program, based on lower rates of special education, lower involvement in crime, and the value of having more people in the workforce.

But that's only part of the picture. Research highlighted in this ReadyNation report shows the social-emotional skills developed in early learning settings are a top priority for the nation's employers.

For these reasons and more, expanding participation in quality preschool was among our highest priorities on the Executive Committee of the Greater Twin Cities United Way in Minneapolis and St. Paul. It's also why I continue to champion its value as a member of ReadyNation. Simply put, there's no better investment for our future workforce than quality early education right now.

**"Simply put, there's
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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 found 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.).¹⁰

Other studies of early childhood care and education programs have found additional impacts on character capabilities. For example, Pennsylvania's Pre-K Counts



CHET CADIEUX

PRESIDENT & CEO, QUIKTRIP CORPORATION

If you've heard any recent buzz about what it's like to work at a QuikTrip convenience store, it probably revolves around the fact that we don't believe in the minimum wage. If you're lucky enough to be employed by us, you're going to make a lot more.

That's the good news if you're on the hunt for a great job. The not-so-good news is that you have to have an increasingly rare skill set to get hired. I'm talking about the ability to "Be a Hero," as we call it.

That's an apt way to describe what it's like to successfully listen to and respond to customers who want to get in and out quickly, and live up to your responsibility as a member of a team. In other words—while excellent reading, math and other technical skills will get you in the running for a QuikTrip career, you're going to need strong social-emotional skills to cross the finish line.

Our recruiters identify these skills through personality profiles, values testing and skills assessments. They know successful applicants must possess them right at the starting gate. As a member of ReadyNation, I know these skills are developed in the earliest years of a child's life, through experiences in the home and in early learning settings. I'm talking about the ability to manage impulses, work well in group settings, and empathize with other people.

Talk to virtually any kindergarten or first grade teacher, and they'll tell you they know right away which kids attended the kind of quality preschool that develops these social-emotional skills. I think many will also agree these skills are too often overlooked in education today. We can test the heck out of teens with SATs and ACTs, but that doesn't mean we can be sure they're prepared to be productive adults.

So believe me when I tell you that the social-emotional skills you develop as a young child prepare you to go the distance for a rewarding career with my team.

"While excellent reading, math and other technical skills will get you in the running for a QuikTrip career, you're going to need strong social-emotional skills to cross the finish line."

Public Private Partnership program cut—from 22 percent to 4 percent—the portion of children at risk for problematic social and self-control behavior.¹¹ A recent study of Educare found that children who were randomly selected to attend this high-quality early care and education program, from ages 2 to 3, had fewer behavior problems (as rated by parents) than children who were left out.¹²

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 well-trained in early childhood development and pedagogy, through small classes with child-to-teacher ratios that allow the development of positive teacher-child relationships. This is particularly 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 Analytics 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. Ninety percent 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 the first step toward building the strong workforce that will drive America’s economy forward in the years to come.

Endnotes

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