

**American Business Leaders' Views
On Publicly-funded Pre-Kindergarten
and the Advantages to the Economy**

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I. Methodology and Sample Characteristics

Survey Methodology:

Committee for Economic Development, 11/28/05 through 12/07/05

This is a telephone survey of business leaders conducted by Zogby International. The target sample is 205 interviews with approximately 29 questions asked of Fortune 1000 companies and other companies with at least 1,000 employees, chosen at random from a list of Zogby-compiled business contacts nationwide. Zogby International surveys employ sampling strategies in which selection probabilities are proportional to population size within area codes and exchanges within those area codes. As many as 20 calls are made to reach a sampled phone number. Cooperation rates are calculated using one of AAPOR's approved methodologies¹ and are comparable to other professional public-opinion surveys conducted using similar sampling strategies.² The margin of error is +/- 7.0 percentage points. Margins of error are higher in sub-groups.

Zogby International's sampling and weighting procedures also have been validated through its political polling: more than 95% of the firm's polls have come within 1% of actual election-day outcomes.

Sample Characteristics	Frequency	Valid Percent*
Sample size	205	100
Finance	28	14
Human resources	151	74
Management	14	7
Other title	12	6
Male	71	35
Female	134	65

* Numbers have been rounded to the nearest percent and might not total 100.

¹ See COOP4 (p.38) in *Standard Definitions: Final Dispositions of Case Codes and Outcome Rates of Surveys*. The American Association for Public Opinion Research, (2000).

² *Cooperation Tracking Study: April 2003 Update*, Jane M. Sheppard and Shelly Haas. The Council for Marketing & Opinion Research (CMOR). Cincinnati, Ohio (2003).

II. Executive Summary

American business leaders overwhelmingly favor publicly-supported pre-kindergarten programs, with more than four-in-five agreeing with all of the following statements:

- ❖ Investments in effective preschool programs for children are important if the U.S. is to remain competitive in the global economy
- ❖ Investments in effective preschool programs for children are important for the long-term success of the U.S. economy
- ❖ Voluntary pre-kindergarten for all children would improve the workforce
- ❖ Public funding of voluntary pre-K for all children would improve America's workforce

Significantly, 83% favor an approach that would provide publicly-funded pre-kindergarten with choice—that is, where parents were empowered to choose the pre-K program that is right for them and their child.

In fact, not only do these business leaders favor this approach, but more than three-in-five business leaders (63%) favor active support for such universal programs from the business sector.

Business leaders clearly tie their support to studies that showed significant economic advantages to providing pre-school to all children. More than four-in-five say they are more likely to support universal pre-school because of studies that showed disadvantaged children provided with pre-K educations earned higher incomes and were better able to support themselves and their families as adults, as well as a gender-specific study that found that female pre-K participants were more likely to graduate from high school and avoid costly lifestyle choices like out-of-wedlock birth and receiving public assistance.

Business leaders universally embrace the notion that pre-kindergarten participants are more likely to start school better prepared and to perform better throughout their educational experience. Beyond that, three-quarters of business leaders agree that universal access to pre-kindergarten would improve the workforce—and that public funding of such would also improve the workforce.

Ultimately, unease about the American workforce, and the U.S.'s ability to compete in the global economy without a solid investment in education beginning in early childhood seems a potent rationale for business leaders to support investing in universal pre-school for all who want it.

III. Narrative Analysis

I'd like to ask you a few questions about the U.S. workforce and workers for your company.

2. On a scale of 1 to 5, with 1 being very low, and 5 being very high, please rate the importance of a skilled workforce to the future success of your company.

1 Very low	--%
2	1
3	7
4	19
5 Very high	74

Three-quarters (74%) of business leaders nationwide view a skilled workforce as being of the highest import to the future success of their company, while an additional one-in-five (19%) see it in nearly as important terms. By comparison, virtually no employers rate a skilled workforce in the lowest terms.

Female business leaders are 5% more likely to rate a skilled workforce as highly important as are males.

3. Do you think the level of quality workers has increased or decreased over the last ten years?

Increased	42%
Decreased	49
Not sure	10

Half (49%) of U.S. business leaders perceive a decrease in the quality of the workforce over the past decade, while a lower 42% believe the quality of the labor force has improved. One-in-ten (10%) are not certain on the issue.

Men have a more negative perception than women, with 52% of men perceiving a decrease, versus 47% of women—while the two genders perceive an increase in quality in similar percentages.

Anecdotally, human resources leaders are more positive on the direction of workforce quality than are other groups, while those in managerial roles seem more inclined to hold a negative perception.

4. *Do you expect your company will have difficulty finding educated and skilled workers to fill jobs in the future?*

Yes	54%
No	43
Not sure	2

The majority of business leaders (54%) anticipate difficulty for their company in finding enough educated and skilled workers to fill jobs in the future.

This substantially exceeds the percentage that do not anticipate such difficulties (43%).

Men, in particular, hold a negative outlook on this question, with three-in-five male business leaders (59%) projecting such difficulties.

It is also noteworthy that a three-fifths majority (58%) of human resources professionals believe their company will have difficulty in filling its ranks with educated and skilled workers.

5. *Under legally sanctioned programs, has your company ever recruited candidates from outside the United States to fill U.S. jobs requiring special skills or education?*

Has recruited outside the U.S.	34%
Has not recruited outside the U.S.	61
Not sure	5

More than one-third of large U.S. companies (34%) have recruited candidates from outside the U.S. to fill U.S. jobs requiring special skills or education.

6. *Do you expect it will be necessary to fill vacancies for skilled or educated workers from outside the United States in the future?*

Yes	36%
No	58
Not sure	6

More than one-third of business leaders (36%) believe it will be necessary to fill American jobs with foreign workers in the future. This climbs to nearly two-in-five among male business leaders (38%) and human resources professionals (40%).

7. On a scale of 1 to 5, with 1 being very low, and 5 being very high, please rate the importance of a skilled workforce to the future success of the American economy.

8. On a scale of 1 to 5, with 1 being very low, and 5 being very high, please rate the importance of a skilled workforce to remain globally competitive.

Table 1. Importance of a Skilled Workforce

	5 Very high	4	3	2	1 Very low
To the future success of the American economy	76	22	2	--	--
To remain globally competitive	83	15	2	--	--

Business leaders say that a skilled workforce is of the highest importance to both the U.S. economy and to remaining globally active (76% and 83%, respectively, rated a skilled workforce a “5” on a five-point scale, indicating it is of the highest import in accomplishing the stated goal).

Women are much more intense on these two questions than men, although both groups overwhelmingly view a skilled workforce as of the highest importance to both goals. On the importance to the U.S. economy, women are 11 points more likely than men to rate a skilled workforce as a “5”, while the gap expands to 15 points on the question of remaining globally competitive.

Significantly, on both questions, human resources professionals are more intense than their peers elsewhere in company leadership.

9. Given the level of education of the American workforce, are American firms at a disadvantage or an advantage compared to foreign firms?

Disadvantage	38%
Advantage	37
Not sure	25

Business leaders are as likely to say that American firms are at a disadvantage as an advantage when compared to foreign firms based on the education of the American workforce.

Human resources leaders are more likely to perceive a disadvantage than an advantage, by a 40% to 33% margin.

Women are much more negative on the question than men, with 43% of women saying that U.S. businesses are at a disadvantage versus 32% who perceive an advantage; among men, meanwhile, 45% see an advantage while 28% see a disadvantage.

10 – 17. Now, I would like to ask you a few questions about education, the number of children attending preschool or other early education programs and your beliefs on their impact on the workforce. For the following statements, please tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree.

Table 2. Views on Pre-School Education (ranked by % agree)

	Agree*	Disagree*	Not sure
Children who receive pre-kindergarten education are more likely to start school better prepared	94	4	2
Children who begin school better prepared are more likely to perform better throughout their educational experience	92	8	1
Investments in effective preschool programs for children are important to remain competitive in the global economy	83	14	3
Investments in effective preschool programs for children are important for the long-term success of the U.S. economy	80	17	3
Pre-kindergarten made available to all children would improve the workforce	75	19	7
Public funding that enabled all children to attend pre-K if their parents wanted it would improve America’s workforce	75	20	6
More highly educated workers are better workers	68	30	2
Workers who receive early childhood education like pre-kindergarten programs will be better workers	62	28	10

(*Agree and disagree each combines strongly and somewhat.)

There is a clear mandate from business leaders to increase access to pre-kindergarten education as an investment in the future of America’s workforce, with three-in-four (75%) of these leaders calling for public funding of universal pre-K.

Business leaders are near-universal in their view that children who receive pre-kindergarten education are more likely to start school better prepared, and that those children are more likely to perform better throughout their schooling.

Four-in-five business leaders agree that there is a need for investments in effective pre-kindergarten schooling programs both to remain competitive in the global economy

(83%) and for the long-term success of the U.S. economy (80%). And three-quarters (75%) believe that universal pre-kindergarten would improve the quality of the U.S. workforce.

18 – 22. Now, I am going to share the details of several studies with you. For each, please tell me if you are much more likely, somewhat more likely, somewhat less likely, or much less likely to support pre-school for all.

Table 3. Effects of Studies on Pre-School Support

	More likely*	Less likely*	No diff.	Not sure
A major study tracked disadvantaged children in a pre-K setting in the 1960s into adulthood. Compared to similar disadvantaged children who did not attend, children who attended the pre-K program earned higher incomes and were better able to support themselves and their families as adults.	87	4	5	3
Comparing just the girls who attended the pre-K program and those left out, the girls who attended were more than twice as likely to graduate from high school, less likely to have had a child out of wedlock and half as likely to have received government assistance.	84	10	3	3
A cost-benefit study found that preschool programs produce a public and private benefit-cost ratio of 7-to-1 with a 16% annual return on investment, adjusted for inflation.	79	10	5	7
The same study showed that compared to children who attended the pre-K program, children left out were five times more likely to be chronic criminal offenders with four or more arrests by age 27.	76	16	4	4
In almost every state, the cost of private pre-K programs exceeds the cost of tuition at a state college, making high quality pre-K programs unaffordable for the low-income families whose children are most at risk.	76	17	3	4

(*More likely and less likely each combines much and somewhat.)

Business leaders are clear in their belief that pre-K poses economic advantages, producing a workforce better able to fill high-wage jobs and less likely to make lifestyle decisions that are costly to taxpayers. More than four-fifths of survey participants say the results of studies that indicated pre-kindergarten-educated workers went on to higher wages, and that pre-kindergarten-educated women were less likely to have children out of wedlock and become reliant on welfare programs, make them more likely to support universal pre-school for all.

However, even the argument that gains the least currency—that the high cost of pre-K in most states makes it unaffordable to low-income families, and thus that it should be publicly funded.

23 – 26. For the following statements, please tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree, keeping the studies I’ve just told you about in mind.

Table 4. Further Views on Pre-School Education (ranked by % agree)

	Agree*	Disagree*	Not sure
Investments in effective preschool programs for children are important if the U.S. is to remain competitive in the global economy.	88	10	2
Investments in effective preschool programs for children are important for the long-term success of the U.S. economy.	87	10	3
Voluntary pre-kindergarten for all children would improve the workforce.	86	11	3
Public funding of voluntary pre-K for all children would improve America’s workforce.	81	16	3

(*Agree and Disagree each combines strongly and somewhat.)

American business leaders overwhelmingly agree in roughly-equal percentages that investing in pre-K for all children would improve the workforce, benefit the economy, and allow the U.S. to remain competitive in the global economy.

In all instances, women are more intense on the issues than men, with very substantial percentages—majorities or large pluralities—in strong agreement.

27. Do you strongly favor, somewhat favor, somewhat oppose, or strongly oppose pre-K where families get to choose the pre-K program that is right for them?

Strongly favor	49%		
Somewhat favor	34	Favor	83%
Somewhat oppose	8		
Strongly oppose	3	Oppose	11
Not sure	5		

There is support from more than four-in-five business leaders for universal pre-K with choice—that is, where families choose the appropriate pre-K program for their needs. In fact, half (49%) strongly favor such an approach.

As in the previous series of questions, women are more intense on the issue, with 55% strongly favoring such a model.

This is also exceedingly popular among human resources professionals, with 54% strongly in agreement.

28. *Do you agree or disagree that the business community should actively support pre-school for all children whose parents want it for them?*

Agree	63%
Disagree	30
Not sure	7

More than three-fifths of business leaders (63%) favor the business community actively supporting universal pre-school for all children whose parents want them in a program.

Men are more likely than women to favor such support, with two-thirds of the former (66%) and three-fifths of the latter (61%) calling for such active support.

Anecdotally, managerial professionals are more inclined than any other group to favor this approach.