

# EUROPEAN BUSINESS LEADER FORUM ON EARLY CHILDHOOD

27-28 OCTOBER 2016

## POST-CONFERENCE EXECUTIVE SUMMARY

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## POST-CONFERENCE EXECUTIVE SUMMARY

The first European Business Leader Forum on Early Childhood took place at Castle Marbach outside Zurich on 27-28 October 2016. The event convened business leaders from across Europe to explore early childhood education and care (ECEC) issues as they relate to the private sector and the economy. Initiated by the Jacobs Foundation, the forum was the culmination of efforts of a consortium of hosts including the Bernard van Leer Foundation, Aga Khan Foundation, Compagnia di San Paolo and King Baudouin Foundation. Approximately 60 participants, including business delegates, from the following countries attended the event: Switzerland, Netherlands, Belgium, Italy, Portugal, Turkey, Romania, United Kingdom and the United States.

*\*Please note: presentation summaries below include paraphrased syntheses of plenary session remarks.*

### THE IMPORTANCE OF EARLY BRAIN DEVELOPMENT IN ADULT PRODUCTIVITY

Dr. Judy Cameron (USA) asked audience members to think like neuroscientists and consider why we should associate healthy brain development with future workforce development. A child's brain architecture is so important because the neural pathway connections formed and strengthened in the earliest years have permanent consequences. In fact, there is a direct correlation between good behaviors and processes learned and later success in adulthood. Because vital connections remain and other neural connections not used as much are lost forever, how and what children learn in the earliest years shape their future.

### WHAT IS EARLY CHILDHOOD AND WHY IT MATTERS

Rowena Phair (OECD) reviewed highlights from a research-backed evidence base spanning 35 countries over the past 10-15 years and showed the positive impacts of early childhood supports such as home visiting and high-quality pre-school programs on individuals, society as well as the workforce. She framed her talk in terms of economic and social outcomes. Employers need workers who demonstrate strong communication and self-regulation (i.e., executive functioning) skills. After all, such behaviors are not inherent, but learned early on in high-quality ECEC environments with certified teachers and practitioners. Those young children not exposed to positive behaviors are more likely to get on the wrong path in life and help bolster negative societal statistics (e.g., criminality). At the same time, not all ECEC programs and policies are equal and quality is the single most important component

affecting PISA scores and later life outcomes. The private sector can lobby governments as an effective and unique voice outside of the education space.

## **THE BUSINESS CASE FOR INVESTING IN EARLY CHILDHOOD**

Professor Ted Melhuish (Oxford University) reviewed UK-based data and demonstrated the value of high-quality pre-school. He cited three predictors of a child being placed on a favorable lifetime trajectory: (i) good home learning environment; (ii) good primary education; and (iii) high-quality pre-school. In order to initiate and sustain any population-level change, he noted how important it is to start with pre-school age children. In summary, long-term gains of starting young children on the right track are indisputable: higher education levels, better job outcomes, and higher earning potential over the course of a lifetime. On the other hand, low quality pre-school experiences can have negative consequences.

## **CORPORATE LEADERSHIP PANEL**

Author and journalist Pamela Druckerman facilitated a dialogue among executives who have demonstrated leadership on ECEC issues either individually or in a corporate capacity.

- According to Milan Prenosil, Chairman of Sprüngli, the family-owned confection company, early childhood is an important issue to his workers and also personally as a father of three. Many Sprüngli employees work part-time and a majority are female, so flexible policies to help negotiate complicated family schedules and meet competing demands are necessary.
- Valentin Vogt, Chairman of the Swiss Employers' Association, understands that executives generally remain focused on day-to-day business operations and market forces, but it is also important to ensure the next generation (particularly disadvantaged youth) benefits from early learning opportunities. Although it is ultimately a company-by-company issue, the private sector does have a voice. Vogt stressed the importance of flexible working hours, maternity leave, and making sure women are able to fully participate in the labor market. He remarked that "conferences like this today" help people understand ECEC as a business issue.
- Christiane Malcorps with Solvay talked about a continuing shift in mentality on the relevance of the early years, not just for current workers but also for future workforce development. Although Solvay provides many benefits to working parents, including breastfeeding rooms, etc., it has focused in the past on science and math for children over age 12. Malcorps discussed the relevance of the UN Sustainable Development Goals and the need for increased social innovation.
- Randy Laszewski described his personal efforts and KPMG's commitment to early childhood. From its Families for Literacy initiative providing books and reading to underprivileged youth to lobbying policymakers at state and federal

levels in the United States, KPMG remains involved. Today's millennial generation look for a value proposition at the office and want to experience a healthy work-life balance. Furthermore, employers care about where their company appears in national rankings that shape public perceptions about the best places to work. A company's focus on family-friendly policies help such rankings. In his closing remarks, Laszewski reminded the audience that investments in early childhood are like planting a tree and just how important it is to start early.

## **MODELS OF CORPORATE ENGAGEMENT**

Sara Watson (ReadyNation) discussed the business case for supporting early childhood, private sector actions across Europe and the world, models of business activism and possible next steps. Watson explained lessons learned from 10 years of a successful business network advocating for ECEC across the United States as well as two years operating internationally. Bottom line: business leaders cannot do it on their own and require a menu of options and strategic support to be effective voices on ECEC. Whether lobbying a legislator or implementing a company-wide family-friendly policy, executives need to frame the ECEC message as a business issue evidenced by brain science and economics. Countries must create their own economic, moral and social case for ECEC. The six primary categories of action for business leaders include: (i) build political will to influence public policies; (ii) educate key audiences (e.g., media); (iii) social innovation; (iv) inform customers; (v) support and educate employees; and (vi) benefit the community. Individual country networks are the next step to raise the ECEC issue profile and meaningfully impact a national dialogue.

## **EXAMPLES FROM COMPANY REPRESENTATIVES**

Sophie Naudeau (World Bank) offered a brief presentation before leading a discussion among business leaders who shared their personal stories and unique company examples. Naudeau reinforced the economic case for ECEC in both the short- and long-term with world data substantiating positive outcomes. She described investing in ECEC as “one of the very few investments in the world that has no trade off between equity and efficiency.” In the short-term, there is a direct impact on motivation, retention and loyalty of current employees. In the long-term, there is a direct impact on children who will be more likely to enter school at a certain age and successfully transition to the labor market. World Bank President Jim Kim views ECEC and human capital as a business issue and has made it a priority. In fact, Mr. Kim views high-quality early childhood as “investing in the grey matter of infrastructure in the 21<sup>st</sup> century.”

- Marta Luca with Luxottica (a company of approximately 80,000 employees) discussed how her company provides a range of innovative and family-friendly services, from community outreach and daycare to psychological support. She also talked about Luxottica's commitment to recognizing brain development and the connection to healthy vision. The biggest challenge for the company has been providing quality daycare and related services to the most remote villages.
- Michael Zaugg with ABB Schweiz outlined the genesis of one of the biggest childcare networks in Switzerland. He was adamant about the need to invest in the future workforce and, as a human resources executive, understands that an increasingly hi-tech environment will require new approaches to attract and retain talent.
- Miguel Ribeirinho with Delta Cafes offered moving remarks about a family-owned company in Portugal that has grown into new markets, but has managed to maintain the same "community-centric" philosophy espoused in the initial learning center built for its employees. The center, bearing the company founder family name, has become the focal point of the community.
- Ayla Goksel described how the Ozyegins, a prominent Turkish family, have been investing in ECEC for years through social innovation and other measures. They have worked with the private sector (e.g., Vodafone, etc.) to support employees with quality programs. According to Goksel, the real challenge is to consolidate ECEC messaging. There are many voices from the ECEC space and there is a definite need to articulate the "what," "why," and "how" for business to take up the issue in a meaningful way.

## **RAISING THE ECEC PROFILE IN NATIONAL BUSINESS ORGANIZATIONS**

Prof. Kees van Paridon (University of Rotterdam) led a discussion among national business organization leaders from various countries.

- Julia Cleverdon explained her leadership role with Business in the Community (covering 850 companies in the UK), Teach First and the National Literacy Trust. She was instrumental in placing 180 graduate students in the early education field to help cultivate a generation focused on future workforce development. Cleverdon feels the six categories of action that Dr. Watson described in her talk offer important steps for executives to take. Furthermore, proof that "the future is entirely dependent on the quality of the early years" is evidenced by the example of pop-up shops in Petersborough where barbers offered free haircuts to kids who read aloud.
- Louise Gunning-Schepers, Crown Member of the Netherlands' Social Economic Council, focused on a report referencing the value of early childhood. She stressed the need for universal preschool for children under 4 so that services could be provided to families without a working parent that otherwise could not afford it on their own. The SER Chair who presented the report described how he himself started out teaching in a disadvantaged community and why early childhood matters to businesses and the economy. These personal stories really resonate with executives.

- According to Michele Claus, the situation in Belgium is a bit different. That country already has universal childcare and the 3% who don't send their child to preschool represent foreign families who need it most. Refugees must not be left out of the system. Gunning-Schepers also echoed this sentiment and mentioned that Moroccan and Turkish immigrants (even of 3<sup>rd</sup> generation) find it hard take advantage of ECEC programs in the Netherlands and enter primary school lagging behind. An inclusive approach is ideal.
- Radu Enache provided a unique perspective as a former executive with Hewlett Packard Romania and the Chair of the American Chamber of Commerce in Romania. Enache remarked how some foreign companies in Romania offered internships while others established kindergartens (e.g., HP). Startlingly, Bucharest has 400,000 inhabitants and only two nurseries – such statistics personal motivated Enache to take action. Accordingly, the private sector has a responsibility to advocate before the government – including the local government and city mayors – in order to impact the current and future workforce.

#### LESSONS LEARNED:

- Conferences like this are an important first step to raising the profile of the issue, creating a meaningful dialogue, and inspiring action.
- The brain science and economics messaging resonated with business leaders at the forum and it always helps to hear encouraging and inspiring stories from their peers and colleagues.
- Of the 31/58 attendees who completed the post-forum survey, two-thirds (about half of whom were business leaders) ranked the overall forum experience to be excellent or near excellent. Other impressions are included below:
  - On average, 70% or more of those surveyed rated speakers and panels as very helpful (4-5) in raising interest and awareness about ECEC and the role of the private sector.
  - 74% of those surveyed expressed interest in taking some action as a result of the conference that include: sharing information with other business leaders, organizing follow-up actions in their respective countries, and meeting or sharing information with policymakers.
  - 64% of those surveyed would be interested in a follow-up event in a year or so.
- *\*Please Note:* All PowerPoint presentations from the conference are available at this [link](#).

#### HOW DO BUSINESSES BENEFIT FROM ECEC:

- Improves productivity of the current workforce
- Helps children grow to be successful adults (employees, customers, neighbors)
- Reduces wasteful public expenditures
- Supports the local economy

- Improves societal equity and well-being
- Enhances a company's image
- Encourages the attraction and retention of talented employees
- Improves employee morale

#### **NEXT STEPS TO CONSIDER:**

- Build political will to influence policies at the local, national or international levels
  - Meet with and educate policymakers as to why ECEC is a priority for businesses and the country
- Educate key audiences, including the media
  - Author an op-ed; write a letter to the editor; participate in an interview
- Social innovation – produce products or services that also contribute to social goals
- Inform customers about the importance of ECEC
  - Include on your products facts about the brain science of early childhood or important parenting actions/tips
- Support and educate employees
  - Talk to your Human Resources department to implement company-wide policies that support children and families
- Benefit the community by providing funds, volunteers, expertise or other resources to local programs
- Join ReadyNation International (a free, virtual network) to get more help, information and examples. See [www.ReadyNationInternational.org](http://www.ReadyNationInternational.org).