

# Why Business Cares About After School

## THE BUSINESS CASE

After school programs keep kids safe, increase academic success and help working families. So what does all that do for the business community? Plenty. Not only do businesses have to worry about current employees' productivity, satisfaction and skills, but they also have to worry about the development of the workforce of tomorrow. When current employees are absent because of child care issues and new employees need remedial training because of an inadequate education, businesses lose money. After school programs can address both of these problems. So businesses should ask themselves not what will it cost to invest in after school, but what will it cost not to?

## QUALITY AFTER SCHOOL PROGRAMS LIFT BURDENS.

- After school programs provide a safe, enriching environment for kids.
- After school program let working parents focus on work and ultimately improve family life.
- Parents say after school programs help them balance work and family life. Almost 60% in one program said they miss less work than before their child enrolled in the program.
- 75% of the parents in another program said they worried significantly less about their children's safety and had more energy in the evening since enrolling their children in the program. A clear majority also indicated that the program resulted in sizeable time savings.

## BUSINESSES NEED A 21ST CENTURY WORKFORCE

As manufacturing jobs dwindle in 21st century America, the next generation of workers will need far more education and advanced skills in order to succeed as productive members of the workforce. Unfortunately, too many graduates lack basic skills in reading, writing and math, much less more advanced skills in creative thinking, problem solving, teamwork, communication, self-direction and technology. If future workers come out the end of the "education pipeline" unable to meet these standards, businesses bear the cost of retraining them.

- In 1950, 80% of jobs were classified as "unskilled." Today, 80% of jobs are classified as "skilled," and employment growth is expected to be fastest for positions that require formal postsecondary education.
- Only 40% of adults in the workforce in 2000 had any postsecondary degree, and fewer than half of all high school graduates who go on to college obtain a degree.
- Only 32% of high school graduates are prepared for college coursework, meaning they require no remedial classes.
- Over 70% of college professors and employers said that recent high school graduates were unable to write clearly and had only poor or fair grammar and spelling skills.
- American business currently spends more than \$60 billion each year on training, much of that on remedial reading, writing, and mathematics.
- Remedial education costs Alabama colleges and businesses an estimated \$304 million annually.



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## DID YOU KNOW?

- Today, fewer than 1/4 of American families reflect the "traditional" image of one full-time caregiving parent at home while the other parent works.
- 77% of mothers with school-age children are employed.
- Average work hours per adult increased 7.9% between 1960 and 1998.
- The gap between work and school schedules amounts to as much as 25 hours per week.
- 87% of working mothers say the hours after school are when they are most concerned about their children's safety.
- Employee productivity drops and absenteeism cost businesses from \$496 to \$1,984 per employee, per year.
- Child care-related absences cost U.S. companies an estimated \$3 billion annually.



## PREPARING YOUNG PEOPLE FOR THE FUTURE.

- Of the middle-grade students participating in an after school program, 56% feel the program is giving them the leadership opportunities and life skills they need to become productive members of society. Half of the participants say the program exposes them to important new places, ideas, and activities and gives them a chance to master skills, and 62% report a high level of academic self-esteem.
- Teens who do not engage in after school activities are five times more likely to be “D” students than teens who do.
- The boys and girls randomly assigned to participate in one after school program were half as likely to drop out of high school and two and one half times more likely to go on to further education after high school.
- Most principals with after school programs at their schools say the programs boost school attendance and increase students’ interest in learning, and 90% say the benefits of hosting the program outweigh the costs.

## A SMART INVESTMENT FOR BUSINESS.

For 18 years, *Working Mother* magazine has published a list of “100 Best Companies for Working Mothers.” A slot on the list is a coveted designation — companies have to apply, and child care options, including after school care, are a significant factor. *Working Mother’s* ranking reflects companies’ view that afterschool programs are an investment. As the American Business Collaboration for Quality Dependent Care notes in its 10th Anniversary Report, “The companies view their investments in dependent care in the community not as charity, but as sound business practice.” The First Tennessee Bank echoed that sentiment in noting the benefits of its work/life programs: employee satisfaction impacts the service-profit chain by increasing employee satisfaction, increasing customer retention, and increasing profit.

## FOR MORE INFORMATION:

You can find more information about the business case for after school programs at Corporate Voices’ web site, [www.cvworkingfamilies.org](http://www.cvworkingfamilies.org). Resources available at the web site include Corporate Voices’ Business-to-Business and Business-to-Community Toolkits, full of case studies and tools designed to help businesses engage around after school policies and programs.



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Corporate Voices For Working Families is a non-partisan, non-profit corporate membership organization created to bring the private sector voice into the public dialogue on issues affecting working families.

Collectively our 52 partner companies employ more than 4 million individuals throughout all fifty states, with annual net revenues of over a trillion dollars.

Over 70% of our partner companies are listed in the Fortune 500, and all share leadership positions in developing family support policies for their own workforces.

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