



Chapter 8:

THE BUSINESS APPROACH

For Advocacy On Behalf of Early Education

Business leaders and corporations are vital partners to early childhood education because they command important economic resources and influence. Early education advocates must learn to speak to business leaders in their own language, one that uses an economic and business model. A business approach often reframes the argument for early education investments from the individual benefits to children and families to the greater benefits to the community and the nation.

For example, research has shown that investing in early education makes good economic sense and has a proven rate of return. For every \$1 spent in early education, the nation saves \$1.70 in juvenile justice, teen pregnancy, public assistance, and other costs.

James Heckman, Nobel Prize winning professor of economics at the University of Chicago, has made the case for investing in early education for all children. Dr. Heckman shows that early education will result in a future American workforce that is competitive in the global marketplace.

The “Heckman Equation⁵” states:

- + **INVEST** (*Invest in educational and development resources for disadvantaged families to provide equal access to successful early human development.*)
- + **DEVELOP** (*Nurture early development of cognitive and social skills in children from birth to age five.*)
- + **SUSTAIN** (*Sustain early development with effective education through to adulthood.*)
- = **GAIN** (*Gain a more capable, productive, and valuable workforce that pays dividends to America for generations to come.*)

⁵ Explanation of The Heckman Equation can be found at <http://www.heckmanequation.org>

Check these links for additional resources regarding business involvement in early education:

[The Heckman Equation](#)

[Business Toolkit](#). Preschool California.

[Research Shows: The Benefits of High-Quality Early Learning Fact Sheet](#). Preschool California.

[What Business Leaders Can Do](#). Partnership for America's Economic Success.

[Business Case for Early Education](#). Manufacturing Institute and Partnership for America's Economic Success.