

The Business Case for Home Visiting

Smart Investments That Support Children, Parents, and a Growing Economy

American businesses need employees who are well prepared, but they are not getting them. State reports indicate that thousands of jobs remain unfilled because of gaps between the skills employers require and those workers possess.¹ For example, research shows that, as of 2004, 20 percent of U.S. workers were functionally illiterate.² Further, a 2009 study found that 75 percent of people ages 17 to 24 could not qualify for U.S. military service because they could not meet the physical, behavioral or educational standards³—standards similar to those many industries use in hiring.

Most strategies and reform initiatives to develop and improve the future workforce focus on the middle school or high school years, but achievement gaps are evident far earlier. Disadvantaged children can start kindergarten as much as 18 months behind their peers.⁴ The majority of fourth or eighth graders are not proficient in both math and reading in any state.⁵ Most children who read well below grade level at the end of third grade will not graduate from high school.⁶

This failing workforce pipeline can be repaired, but we have to start far earlier than middle or even elementary school. The foundation of many skills needed for 21st-century jobs is established in the first five years of life.⁷ Children born with low birthweight and with fewer parental resources have poorer health, are more likely to struggle in school, and have lower earnings as adults.⁸ Yet, just as the root of these challenges lies in the earliest years, so does the solution. Proven home visiting programs, which pair at-risk families with trained professionals who provide vital information and support, can help build the workforce our nation needs.



[Business leaders] are powerful allies in the effort to invest scarce public dollars in high-quality home visiting programs. We have seen compelling evidence that home visitation provides dramatic and cost-effective improvements in helping children enter kindergarten ready to learn. There is no better investment for our future than this.

—John Pepper, former Chief Executive Officer, Procter & Gamble

Home Visiting Promotes Learning and Success

Research shows that the most rapid brain development occurs before age five, when children's brains develop 700 synapses—neural connections that transmit information—every second. Early traumatic experiences can damage those connections. Conversely, evidence shows that when babies have stimulating and supportive interactions with caring adults, they develop healthier brains, better learning abilities, and more successful interpersonal relationships into adulthood and beyond.⁹

High-quality home visiting programs work with new and expectant parents during pregnancy and throughout the child's first years of life. To be effective, programs must be voluntary. Quality home visiting is proven to improve short- and long-term outcomes for participating children and families.

By reaching expectant mothers early, home visitation helps ensure they get regular prenatal care, quit smoking, and eat a

balanced diet. These behaviors dramatically increase their chances of having a healthy, full-term baby and promote the strong brain architecture associated with effective learning and positive outcomes.

After the baby's birth, home visitors help mothers and fathers understand and support their infant's healthy development; provide responsive, nurturing care; and ensure a safe, stimulating environment. Home visitors also promote parents' responsibility by working with them to improve their own education, find employment, and build stronger, more stable relationships with the people in their lives—all of which are proven to lead to better outcomes for children.

Home Visiting Matters for Business Leaders

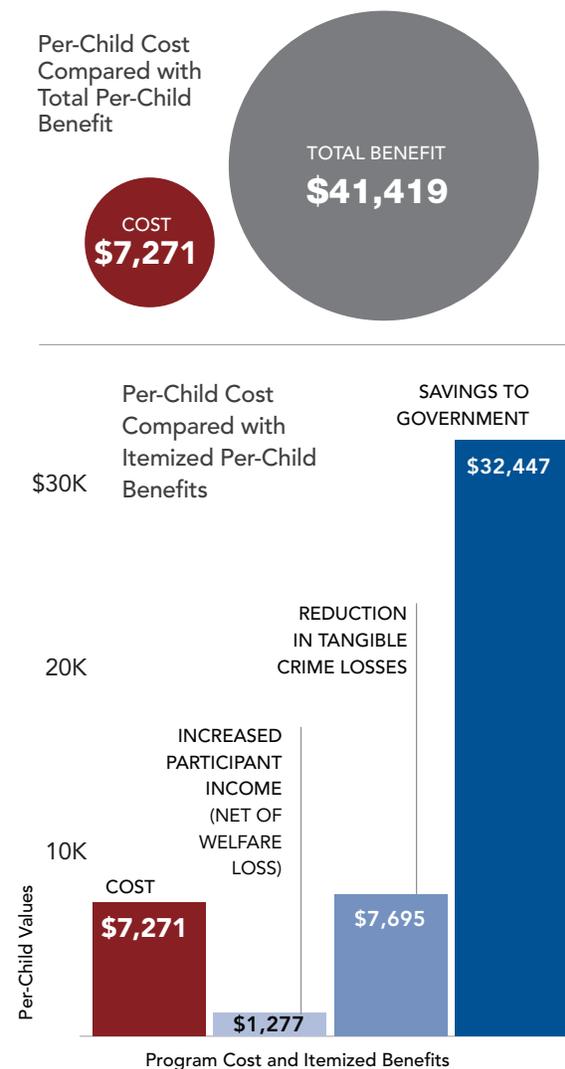
Home visiting programs help build the foundation for the healthy and productive workforce that businesses need. Decades of research have proven the potential of properly designed and implemented home visiting programs to

transform the lives of at-risk expectant and new parents and their babies and to generate significant returns on taxpayer investments. The many benefits of quality home visitation include:

- **School readiness and workforce preparation:** At-risk children who participated in one high-quality, voluntary nurse home visiting program had better cognitive and vocabulary scores by age six¹⁰ and higher third-grade scores in math and reading than the control group.¹¹ At-risk toddlers who participated in another voluntary home visitation program were 42.5 percent more likely to graduate from high school than their peers who did not participate.¹²
- **Current workforce:** Mothers who participated in the Nurse-Family Partnership program had a 30-month reduction in welfare use¹³ and an 82 percent increase in the number of months they were employed by their child's fourth birthday.¹⁴
- **Lower health costs:** The Healthy Families America program helped reduce the incidence of low birthweight,¹⁵ which is associated with costly short- and long-term health problems such as high blood pressure, cerebral palsy, and lung disease, as well as other poor outcomes for children.¹⁶

Economic Benefits of Quality Home Visiting to Society and Participants

The Nurse-Family Partnership, a high-quality nurse home visiting program, has been shown to have a positive benefit-cost ratio due to improved economic health of participating high-risk families, reduced crime and significant savings to taxpayers.



SOURCE: Karoly, L.A., Kilburn, M.R., and Cannon, J.S. "Early Childhood Interventions: Proven Results, Future Promise." (Arlington, VA: RAND Corporation, 2005). 98. http://www.rand.org/content/dam/rand/pubs/monographs/2005/RAND_MG341.pdf.

- **Better health outcomes:** One home visitation program has been shown to reduce abuse and neglect—two early indicators of long-term health problems—among children of low-income, high-risk mothers by 48 percent.¹⁷ Adults who experienced childhood abuse and neglect are more likely to suffer from a range of physical problems, including arthritis, asthma, and high blood pressure.¹⁸
- **Return on investment:** The highest-quality nurse home visiting programs, over time, yield returns of up to \$5.70 per taxpayer dollar spent, in reduced mental health and criminal justice costs, decreased dependence on welfare, and increased employment.¹⁹ These returns generate a total benefit to society of more than \$41,000 per family served.²⁰

Early Investments Address Business Challenges

A vast and growing body of research clearly shows that investing in early childhood is one of the best, most cost-effective choices states and communities can make to benefit

the economy and develop the workforce.²¹ Kids who start off right—with a stimulating, secure home environment—are far more likely to become productive members of society. Quality home visiting programs support families' efforts to help their children develop the characteristics today's business leaders consistently say they are seeking:

- Literacy and comprehension;
- Math skills;
- Soft skills (i.e., critical thinking, problem solving, communication, and creativity); and
- No barriers to employment (e.g., substance abuse or prior incarceration).

At the same time, home visitation reduces the incidence of expensive business problems, particularly costs associated with poor health among workers and new hires needing remedial training. Investing in our nation's youngest citizens cultivates the skills of tomorrow's workforce; helps reduce taxpayer expenses for special education, crime, and other problems; and leads to higher income and greater wellbeing for the most at-risk children and families.²²

The family plays a powerful role in shaping adult outcomes that is not fully recognized by current American policies. As programs are currently configured, interventions early in the lives of disadvantaged children have substantially higher economic returns than later interventions.

—James Heckman, Henry Schultz Distinguished Service Professor of Economics at the University of Chicago and 2000 Nobel Laureate in Economics

ENDNOTES

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The Pew Home Visiting Campaign partners with states to encourage investment in those programs that research has proven produce results for the child, family and taxpayer. Business leaders can play a vital role by talking to policy makers, writing media pieces, and securing endorsements for policy changes that make better use of public dollars.

The Partnership for America's Economic Success, a project of the Pew Center on the States, amplifies the voice of business leaders in support of early childhood policies that strengthen our economy and workforce.

The Pew Center on the States is a division of The Pew Charitable Trusts that identifies and advances effective solutions to critical issues facing states. Pew is a nonprofit organization that applies a rigorous, analytical approach to improve public policy, inform the public, and stimulate civic life.

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