

# The BCG Report

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BCG

THE BOSTON CONSULTING GROUP

Making an Impact

*Assessing Junior Achievement of Canada's Value  
Creation*



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January, 2011



# MAKING AN IMPACT

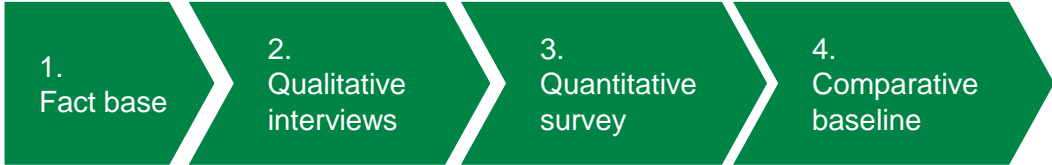
Key Communication Messages from  
The Boston Consulting Group Final Report

# BCG Exhibit 2

*Quantitative and qualitative research undertaken to ascertain impact and value creation*



Existing studies      50 stakeholders      500 Achievers      5,000 Canadians

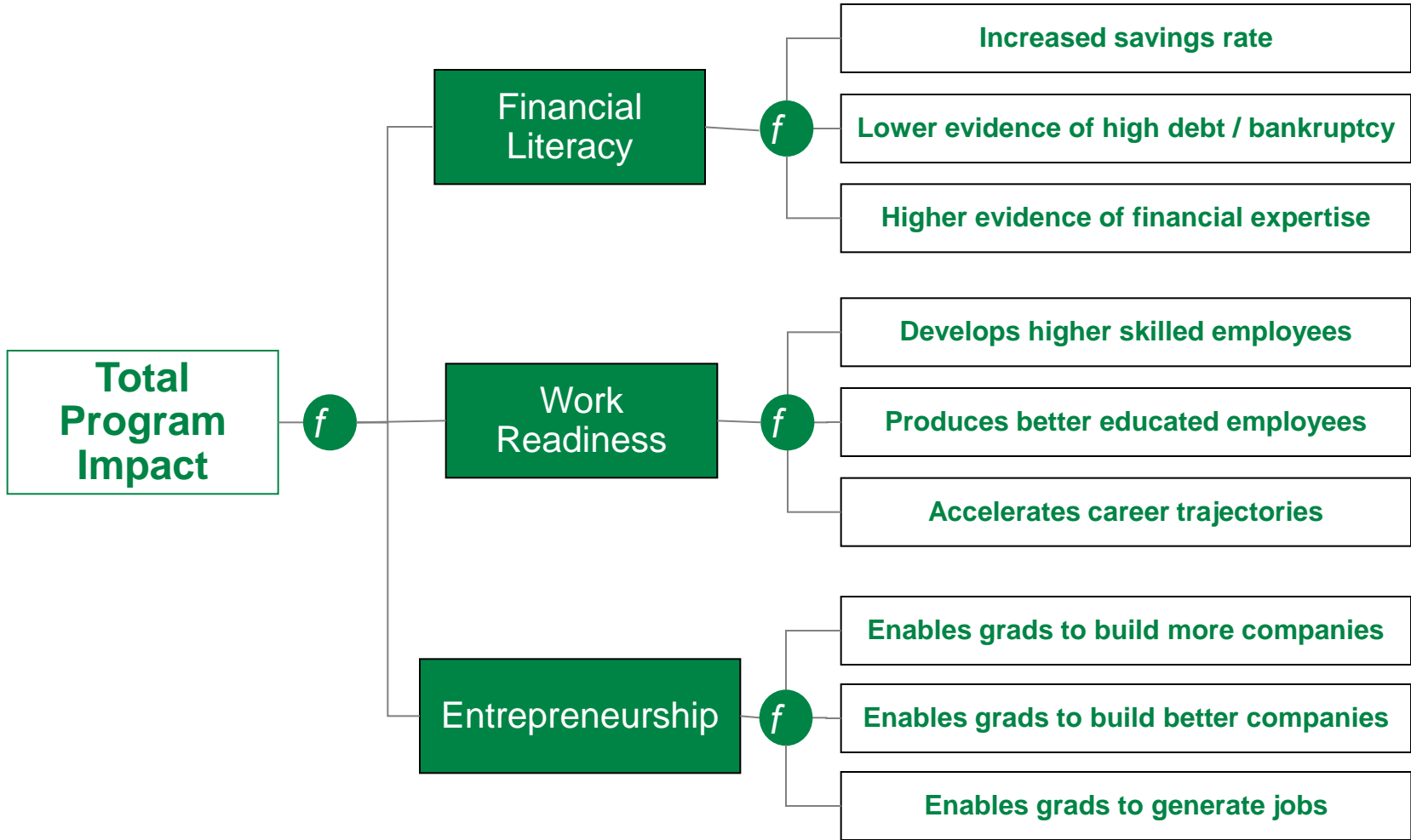


	Existing studies	50 stakeholders	500 Achievers	5,000 Canadians
Value to participant	Insight	Refined Insight	Correlated Impact	Causal Impact
Value to employers	Insight	Refined Insight	Correlated Impact	Correlated Impact
Value to society			Refined Insight	Causal Impact

**End to end research effort revealed staggering amount of impact delivered by Junior Achievement**

# BCG Exhibit 3

## Achievement Value Creation levers



# BCG Exhibit 4

## *JA delivers substantial impact & participant value*

### **JA is credited as a transformational event**

~70% of Achievers indicate JA had a significant impact on their desire to be an entrepreneur or open their own business

~65% of Achievers indicate that JA had a significant impact on staying in high school and enrolling in post secondary

~65% of Achievers indicate that JA had a significant impact on choice to study and pursue a career in business

### **JA provides core skills to alter trajectories**

Over 80% of Achievers cite JA as important in developing their analytical capabilities and business sense

Over 75% of Achievers cite JA as having a significant impact in developing financial literacy and decision making skills

Over 80% of Achievers cite JA as important in developing their leadership and problem solving skills

### **Achievers outcomes enhanced versus peers**

Achievers 50% more likely to open their own business

Achievers average income 50% higher than non alumni

Achievers 3x more likely to hold Senior and Middle management positions

Achievers 25% less likely to be unemployed

Achievers 3x less likely to spend more than they earn

Achievers 2x more likely to study and work in business and finance

**Over 75% of Achievers would retake the program and recommend it to their peers**

# BCG Exhibit 5

*JA substantial impact and creates value for employers*

## JA provides better employee intake

### More financially literate

- Over 70% credit JA with positive impact on:
  - Financial literacy skills
  - Budgeting

### Better communicators

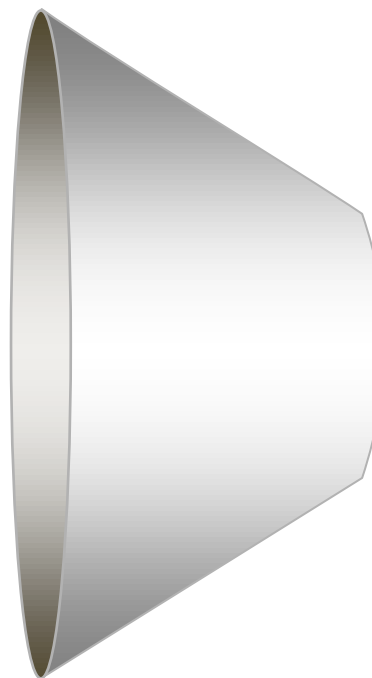
- Over 80% credit JA with positive impact on:
  - Communication skills
  - Self confidence
  - Decision making skills
  - Interpersonal skills

### Better problem solvers

- Over 80% credit JA with positive impact developing:
  - Analytical capabilities
  - Common business sense

**Who become future  
organizational leaders**

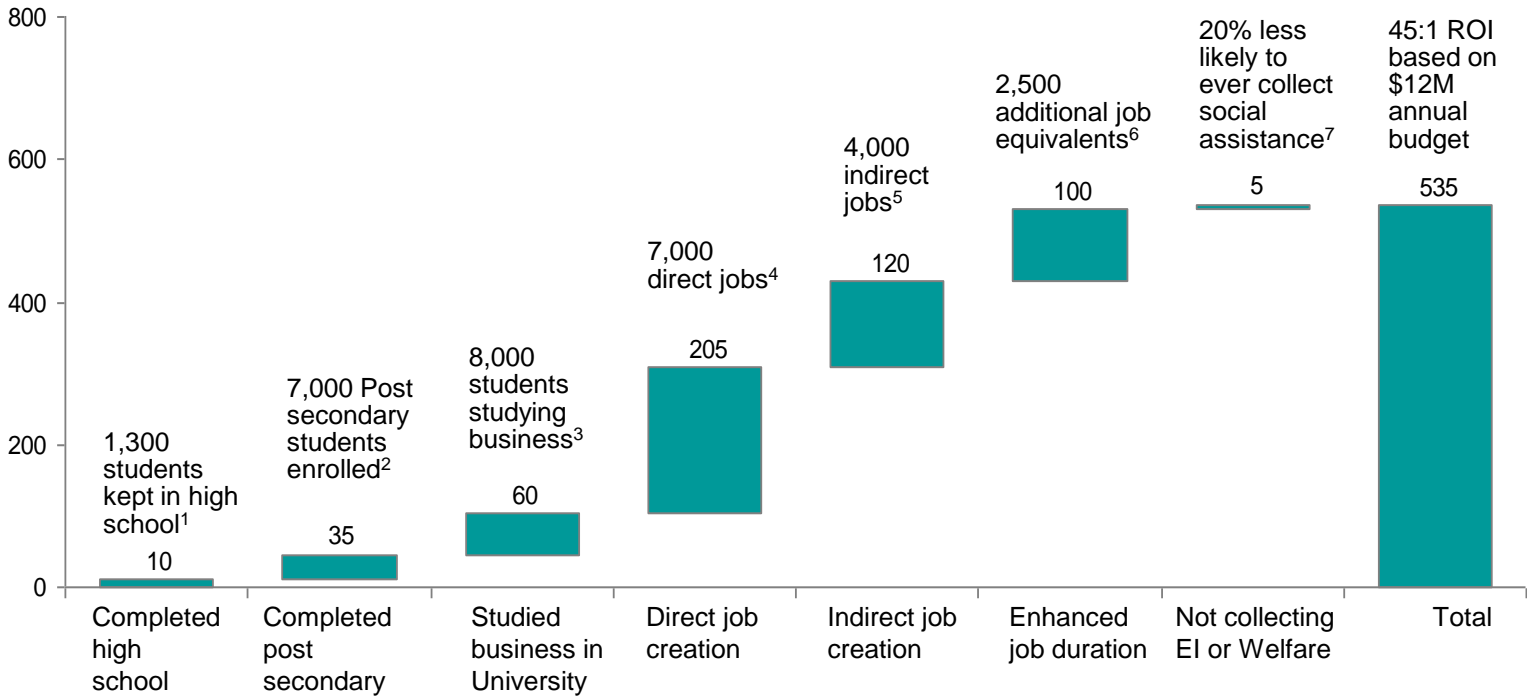
**Achievers are three times  
more likely to be a Senior  
or Middle Manager in their  
respective organizations  
versus the average  
employee**



JA programs provide better trained, more successful employees who can help close the productivity gap

# BCG Exhibit 6

*\$45 annual return created per JA program dollar*



1. Based on proportion of Achievers over 20 years of age with high school diploma versus average Canadian who credit JA with keeping them in high school, annual value of high school completion in isolation from other higher education assumed \$5,000. 2. Based on proportion of Achievers over 20 enrolled in or completed post secondary versus average Canadian who credit JA with enrolling in post secondary. Annual value of post secondary completion in isolation from other higher education assumed at additional \$5,125. 3. Based on proportion of Achievers over 20 enrolled in or completed University business degree versus average Canadian who credit JA with enrolling in business program. Annual value of business program completion in isolation from other higher education assumed at additional \$7,700. 4. JA grads launch ~6,500 businesses per year, 50% more than Canadian average, 70% of JA SME founders credit JA as the transformational event that gave them the confidence and skills to open their business, respondents report average number of jobs per company at 6 for a total of ~8,000 JA attributable jobs in any given year. Average salary is \$28,920. 5. Uses BEA indirect job multiplier of 1.57 for an additional 4,500 jobs and identical value assumptions as footnote 1 above. 6. JA companies last 30% longer than the average Canadian company resulting in the equivalent of an additional 2,500 jobs created – all other assumptions identical to footnotes 4 & 5 above. 7. Based on average payments of \$500 per month average duration of benefits being 1 year – annualized by dividing by total years worked.

Source: Regional Input-Output Modeling System (RIMS) II, U.S. Bureau of Economic Analysis (BEA), U.S. Department of Commerce. Statistics Canada, Economic Value of Business Education; Access Economics, Industry Canada, Business Development Bank of Canada, CGA Entrepreneurship report, Canada Revenue Agency, BCG Analysis

# BCG Exhibit 7

*Enhanced funding will allow JA to drive more impact and societal value*

## LEVER

## ACTIONS

## IMPACT

Scale current program delivery

**Grow school penetration**

- Use data to gain school access
- Secure value based funding
- Secure required mentors

**More students get current value**

- More delivery of same value creating instructional units will directly scale overall value

Develop alumni relations program and database

**Track, monitor and communicate**

- Develop alumni rolodex
- Develop portal and infrastructure
- Plan value add interactions

**Create JA connection for life**

- Formalized affiliation will drive virtuous fundraising and mentoring circles

Deliver programs remotely

**Build enabling infrastructure**

- Develop and test online offering
- Conduct targeted pilot
- Scale launch

**More access, lower delivery cost**

- Online delivery of programs will optimize the value delivery per unit of instruction

(Further) Penetrate underserved communities

**Match delivery to areas of need**

- Identify underserved targets
- Develop mentorship rolodex
- Pilot and scale roll out

**Value built where needed most**

- Creates transformational program adding more value per user based on starting points



# Key Messages: Overview

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- Communicating the BCG final report is key to building Junior Achievement's profile and promoting the role of JA programs
- The report by BCG provides clear measures of success, impact and returns on investment.
- In order to ensure relevant, compelling and consistent messages are delivered, these key messages must be used in all communication tools development and delivery

# Key Message #1

*Junior Achievement makes a substantial, positive annual impact on Canada's economy.*

- BCG calculates that Junior Achievement creates an annual return of \$45 for every one dollar spent, in terms of societal prosperity by helping youth stay in school; encouraging new businesses; and providing today's youth with valuable skills they will need to participate and succeed in a global economy.
- BCG determined an annual impact on Canada's economy – directly attributed to the work of Junior Achievement – of \$105 million.
- BCG attributes \$425 million per year in Canada to direct entrepreneurial activity by Junior Achievers.

# Key Message #2

*Junior Achievement programs are effective in instilling financial common sense and encouraging entrepreneurial aspirations among Canadians.*

- Graduates of JA programs are financially literate Canadians who save more, borrow less and do better financially than the average Canadian. As a result, they are more self-reliant, put a lower burden on the social safety net and they provide better for their own retirement.
- JA is building Canadians' financial literacy knowledge. Over 75 per cent of Achievers cite JA as having a significant impact in developing their financial literacy and decision making skills.
- JA graduates are more likely to become entrepreneurs, create jobs and power the Canadian economy. In fact, 70 per cent of Achievers indicate that JA had a significant impact on their desire to be an entrepreneur.

# Key Message #3

*Junior Achievement graduates perform significantly better than others who don't benefit from our programs.*

- Junior Achievers are 3x more likely to hold senior and middle management positions and many go on to become the future leaders of their employer businesses.
- Junior Achievers earn 50% more, on average, than non-participants.
- Junior Achievers are 3x more likely to spend less than they earn and are far less likely to be unemployed or rely on social assistance.
- Junior Achievers are 50% more likely to open their own business. Nurturing young entrepreneurs leads to innovative industries, new jobs and wealth creation.
- JA graduates are better prepared for the workforce, resulting in their getting ahead faster and also providing better results for their employers.

# Key Message #4

*Junior Achievement strengthens Canada's education system when it comes to financial literacy and encouraging entrepreneurship.*

- JA helps youth stay in school. Over 65 per cent of Achievers indicate that Junior Achievement had a significant impact on staying in high school and enrolling in post-secondary education.
- JA provides today's youth with valuable skills they will need to participate and succeed in a global economy. Over 75 per cent of Achievers say that Junior Achievement was a critical driver of their work success.
- We have demonstrated that we can fill the gap in Canada's financial literacy education – but we need more help from financial supporters and government to do it.

# IMPACT Communication Tools

## Posters/Ads



**Impact** future generations today.

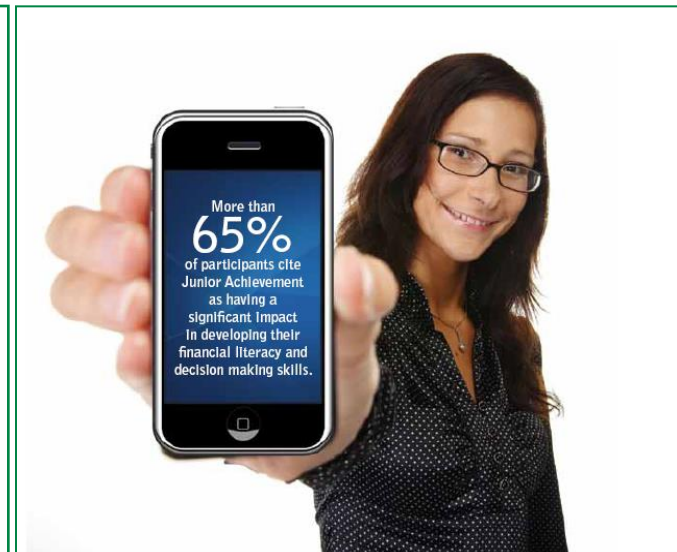
Junior Achievement strengthens Canada's education system when it comes to financial literacy and encouraging entrepreneurship. According to the Boston Consulting Group, more than 65% of participants indicate that Junior Achievement has a significant impact on encouraging them to stay in school and enroll in post-secondary programs.

To learn more about Junior Achievement's impact or to invest in Canada's youth, please call 1 800 265-0699 or go to [www.jacan.org](http://www.jacan.org).

Are you an Achiever? Share your story at [facebook.com/JA](https://www.facebook.com/JA).



Work Readiness | Entrepreneurship | Financial Literacy



**Impact** future generations today.

Junior Achievement programs instill financial common sense and encourage entrepreneurial spirit in young Canadians. According to the Boston Consulting Group, more than 65% of participants indicate that Junior Achievement has a significant impact on developing financial literacy and decision-making skills.

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Work Readiness | Entrepreneurship | Financial Literacy

# IMPACT Communication Tools

## Posters/Ads

For every \$1 invested  
in Junior Achievement,  
**\$45**  
is returned to society.

**Impact** future generations today.

Junior Achievement has a tangible, positive effect on Canada. The Boston Consulting Group calculates that Junior Achievement creates an annual return of \$45 for every one dollar spent, in terms of societal prosperity by helping youth stay in school, create new companies, define personal success and ensure better financial decisions.

To learn more about Junior Achievement's impact or to invest in Canada's youth, please call **1 800 265-0699** or go to [www.jacan.org](http://www.jacan.org).

Are you an Achiever? Share your story at [facebook.com/JA](https://facebook.com/JA).



Work Readiness | Entrepreneurship | Financial Literacy

Junior Achievers are  
**50% more**  
likely to open their  
own business.

**Impact** future generations today.

Nurturing young entrepreneurs through Junior Achievement programs leads to innovative individuals, new jobs and an increase in Canada's prosperity. The Boston Consulting Group has determined that Junior Achievers are 50% more likely to open their own business. The impact is real and substantial.

To learn more about Junior Achievement's impact or to invest in Canada's youth, please call **1 800 265-0699** or go to [www.jacan.org](http://www.jacan.org).

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Work Readiness | Entrepreneurship | Financial Literacy

