The BCG Report

Making an Impact
Assessing Junior Achievement of Canada’s Value Creation

January, 2011
MAKING AN IMPACT

Key Communication Messages from The Boston Consulting Group Final Report
End to end research effort revealed staggering amount of impact delivered by Junior Achievement.
Achievement Value Creation levers

Total Program Impact

Financial Literacy
- Increased savings rate
- Lower evidence of high debt / bankruptcy
- Higher evidence of financial expertise

Work Readiness
- Develops higher skilled employees
- Produces better educated employees
- Accelerates career trajectories

Entrepreneurship
- Enables grads to build more companies
- Enables grads to build better companies
- Enables grads to generate jobs
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**
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

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

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
$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 form 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 gave 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 & 6 above. 7. Based on average payments of $500 per month average duration of benefits being 1 year – annualized by dividing by total years worked.

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

<table>
<thead>
<tr>
<th>LEVER</th>
<th>ACTIONS</th>
<th>IMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scale current program delivery</td>
<td>Grow school penetration</td>
<td>More students get current value</td>
</tr>
<tr>
<td></td>
<td>• Use data to gain school access</td>
<td>• More delivery of same value creating instructional units will directly scale overall value</td>
</tr>
<tr>
<td></td>
<td>• Secure value based funding</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Secure required mentors</td>
<td></td>
</tr>
<tr>
<td>Develop alumni relations program and database</td>
<td>Track, monitor and communicate</td>
<td>Create JA connection for life</td>
</tr>
<tr>
<td></td>
<td>• Develop alumni rolodex</td>
<td>• Formalized affiliation will drive virtuous fundraising and mentoring circles</td>
</tr>
<tr>
<td></td>
<td>• Develop portal and infrastructure</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Plan value add interactions</td>
<td></td>
</tr>
<tr>
<td>Deliver programs remotely</td>
<td>Build enabling infrastructure</td>
<td>More access, lower delivery cost</td>
</tr>
<tr>
<td></td>
<td>• Develop and test online offering</td>
<td>• Online delivery of programs will optimize the value delivery per unit of instruction</td>
</tr>
<tr>
<td></td>
<td>• Conduct targeted pilot</td>
<td></td>
</tr>
<tr>
<td>(Further) Penetrate underserved communities</td>
<td>Match delivery to areas of need</td>
<td>Value built where needed most</td>
</tr>
<tr>
<td></td>
<td>• Identify underserved targets</td>
<td>• Creates transformational program adding more value per user based on starting points</td>
</tr>
<tr>
<td></td>
<td>• Develop mentorship rolodex</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Pilot and scale roll out</td>
<td></td>
</tr>
</tbody>
</table>
Key Messages: Overview

- 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

Over 65% of participants indicate that Junior Achievement had a significant impact on staying in high school and enrolling in post-secondary education.

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.

Are you an Achiever? Share your story at facebook.com/JA.

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.

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.

Are you an Achiever? Share your story at facebook.com/JA.

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 secure financial decisions.

To learn more about Junior Achievement and its impact or to invest in Canada’s youth, please call 1 800 265-0699 or go to www.jacan.org.

Are you an Achiever? Share your story at facebook.com/JJA.

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.

Are you an Achiever? Share your story at facebook.com/JJA.

Work Readiness | Entrepreneurship | Financial Literacy
IMPACT Communication Tools

Communication Booklet

Making an impact

Key Communication Messages from The Boston Consulting Group final report