

Why JA? And Why Now?

A Response to the Uncertainty and Inequity Facing Gen Z

Growing Up in a Time of Uncertainty

The economic fallout from the COVID-19 crisis has impacted everyone. But it has been particularly challenging for women,¹ African-Americans and Hispanics,² those lacking education beyond high school,³ and, most notably, the young.⁴



Generation Z, including the class of 2020, has been dubbed the “Pandemic Generation,”⁵ and the “Lockdown Generation.”⁶ This is due to the sudden and dramatic decline of economic opportunity for those graduating high school and college amidst a historic pandemic.

Confronting Inequity

A 2020 study by the Brookings Institution shows that the median net worth of white families in America is ten times greater than that of black families.⁷ Other research shows that the overall wealth gap more than doubled between America’s richest and poorest families between 1989 and 2016.⁸

Undoubtedly, there are substantial systemic changes that need to happen that are beyond the mission of an organization like Junior Achievement. The hope is these changes will once and for all eliminate structural barriers to progress for everyone aspiring to reach their potential in this country. Knowledge is power, and Junior Achievement’s proven approach will give Generation Z that power in the form of financial capability, career and work readiness, and entrepreneurship. These skills will not only improve their lives but will bolster their families, their communities, and our nation.



Junior Achievement of Chicago’s outreach in recent years into schools with a 51% or higher low-to-moderate income (LMI) population, as well as our reach into schools with diverse (Non-White) populations shows our commitment to bring these skills to all students. On a yearly basis, our impact (on a percentage basis) has exceeded the overall percentage of LMI (45%) and diverse (58%) students in our 12-county franchise area.

	FY14	FY15	FY16	FY17	FY18	FY19	FY20 ⁹
Total JA of Chicago Students Reached	484,239	538,984	554,742	572,167	600,222	606,412	294,222
Estimated % of JAC students reached in schools with a 51% or higher low-to-moderate income population	69%	70%	69%	69%	71%	69%	69%
Estimated % of JAC students reached in schools with a 51% or higher population of diverse (Non-White) students	77%	78%	79%	79%	81%	78%	74%

¹ Women suffering steeper job losses in COVID-19 economy, The Hill, May 25, 2020
² African Americans bear the brunt of Covid-19’s economic impact, The Guardian, April 28, 2020
³ Fed warns more cash is needed as US figures reveal widening inequality, The Guardian, May 13, 2020
⁴ Pew Research Center, June 2020
⁵ The National Center for Disaster Preparedness, Earth Institute, Columbia University, May 12, 2020
⁶ UN News, May 27, 2020
⁷ Examining the Black-white Wealth Gap, Brookings Institution, February 27, 2020
⁸ Pew Research Center, February 7, 2020
⁹ Estimated data based on IL State Board of Education and JAC database, June 19, 2020

Why It's Critical to Act Now

The question might arise, "Why focus on young people when adults are struggling today?" This is not an "either/or" situation, but an "and/+" one. As a nation, we need to provide relief to individuals and families adversely impacted by current circumstances. But we also need to take time today to prepare for a better tomorrow. Many of the challenges we are facing today are generational issues that have been ignored or pushed down the road over decades. Additionally, recent history demonstrates the price of not adequately engaging an emerging generation in times of crisis.

Besides, the optimal time to teach life concepts like working with money, making the connection between education and careers, and entrepreneurship is when learners are young. Not teaching these concepts to young people now is a failed opportunity that will have a societal cost down the road.

The JA Pathways Approach

Junior Achievement (JA) employs a pathways approach when delivering our programs that focus on financial literacy, work and career readiness, and entrepreneurship. By "pathways," we mean that JA programs are designed to engage students on a subject over multiple grades, from a student's first day in Kindergarten and throughout their K-12 years, preparing them for the transition to post-secondary education, work, and adulthood.

Applying the JA Pathways Approach to Work and Career Readiness

Junior Achievement uses a pathways approach because in many states, career and work readiness programs do not occur until high school grades. This later focus may come too late for students who begin to evaluate their potential career paths in earlier grades.

Proof of Impact

Our approach gives students the tools they need to increase their chances of achieving career and work success. According to a [recent survey](#) by Ipsos, **4-in-5** JA Alumni credit Junior Achievement for:¹⁰

- Influencing their decisions about further education
- Impacting their professional and personal development
- Affecting their self-confidence and belief-in-self



Applying the JA Pathways Approach to Financial Literacy

The JA Pathways approach helps ensure students are exposed to financial literacy concepts over multiple grades, increasing their financial capability before they begin making major life decisions, such as how to pay for college.

Proof of Impact

Our approach is demonstrated to give students the tools they need to increase their chances of achieving economic security as adults. Research results include:

- **45 percent** say JA influenced the way they manage money, based on a [2020 JA Alumni survey](#) by Ipsos¹¹
- In the Ipsos survey, **85 percent** of alumni say Junior Achievement played an important role in fostering a belief they could achieve their goals

Applying the JA Pathways Approach to Entrepreneurship

Junior Achievement takes this approach because, in many states, entrepreneurship is an entirely elective option, and in most cases, is available only as an extra-curricular activity for no school credit. Given that most of us will work for a small business at some time, and all of us interact with small businesses, we at Junior Achievement believe it's important to offer programs that cover entrepreneurship and small business across multiple grade levels.

Proof of Impact

Our approach is demonstrated to give students the tools they need to increase their chances of successfully pursuing entrepreneurship as adults. According to a [recent survey](#) by Ipsos:¹²

- **45 percent** of JA Alumni businesses employ more than **20 people**, compared to **12 percent** of U.S. small businesses (U.S. Census Bureau)
- **72 percent** of JA Alumni who have been involved in starting a business say it is **still operational today**

¹⁰ Ipsos/JA Alumni Report, May 2020

¹¹ Ipsos JA Alumni Report, May 2020

¹² Ipsos JA Alumni Report, May 2020