COUNCIL for PROFESSIONAL RECOGNITION

Child Development Associate® CDA National Credentialing Program

NO CHILD CARE, *NO WORK:*

What the Surveys Say

Child care is a business issue, many people are convinced, including Michelle Kang, CEO of the National Association for the Education of Young Children (NAEYC). Last March, she noted that employer-sponsored child care has received "renewed focus since the start of the pandemic" and discussed ways for business to support working parents. "The arrangement could include setting up on-site or near-site child care, partnerships with existing community providers, paying funds directly to providers and subsidizing the cost of employees' child care."[1] They're solutions Kang knows well since she worked at Bright Horizons, a large provider of employer-sponsored care, for over 16 years before becoming NAEYC's CEO. The idea that child care should be a job-linked benefit is now making the news, but it's far from new. Public polls going back decades show that people think employers should give working families a break by investing in child care.

The Changing Face of the Workforce

In 1987, Americans were calling for child care, according to a survey from *Ms.* magazine. The survey showed that "an overwhelming majority of Americans want employer-sponsored child care programs, regardless of whether they have preschool children or are currently employed." Nationwide, 73 percent of adults thought that employer-sponsored child care enhanced parents' daily lives, and 80 percent wanted employers to offer child care referrals. In addition, 58 percent supported employer-sponsored child care near parents' workplaces or homes, and 70 percent believed employers should provide it on-site.[2]

But few respondents to the *Ms.* survey were getting the child care benefits they wanted from employers. Only 9 percent received child care referrals. A meager 5 percent had on-site child care. An even smaller 4 percent had employer-subsidized child care. And having these benefits, as respondents revealed, would make an impact on their decisions regarding work. Having on-site child care would have encouraged 39 percent to change jobs and having subsidized child care would have encouraged 34 percent to make the switch—findings that showed Americans wanted business to get involved in child care decades before the pandemic dawned.[3]

Ms. spoke out for many women as it called for business to make new investments in child care. By the mid-eighties, traditional notions of the workplace had led to a disconnect between the demand for employer-sponsored child care and what business was willing to provide. Business tended to cling to an image of the workforce dating back to the forties when family breadwinners were mainly men and just 8.6 percent of mothers with children under 18 were employed. By 1985, 62 percent of moms were working, including 54 percent of women with children under six. It was time for business "to respond to the "child care crisis brought on by the changing face of the workforce," as the *Florida State University Law Review* urged employers nationwide.[4]

Workplace Norms and Needs

Working mothers were struggling and feeling stressed out, like they do today, but employers were slow to make the investment needed to respond. And most working moms were also slow to speak out. The unspoken rule of the time was that business shouldn't be bothered with personal problems, so women were reluctant to mention their lack of child care to employers. Yet the standard benefits most companies offer have always been in response to the needs and demands of employees. Business provided benefits like insurance, pension plans and workmen's compensation to supplement the family contribution of men when they were the main ones to bring the bacon home[5].

But that had changed, as shown by a famous TV commercial of the time. In the ad for Enjoli perfume, a trio of women sang, "I can bring home the bacon, fry it up in the pan and never let you forget you're a man." But employers were forgetting about another major contribution that women made to the family: child care. It had to be addressed, as employers began to see. Evidence was emerging that providing child care benefits was not only good for children and parents. It was also good for business since child care benefits improved employers' ability to recruit new workers and retain the ones they had.

Big Macs and the Bottom Line

Data from the nineties made a strong case for business involvement in child care. In a 1993 survey, one in three working parents said they were willing to change employers or trade benefits for referral services to locate child care, child care centers on or near work, child care vouchers or flexible spending accounts to pay for child care. And some companies were getting the message that offering child care helped the bottom line. The Detroit, Michigan, office of Deloitte & Touche found that its family friendly benefits led to a drop in turnover from 40 percent to 10 percent, reducing the costs of onboarding and retraining. In Chicago, Illinois, Waste Management Inc.'s child care program allowed it to save $1,400 per employee through increased productivity and fewer absences from work. In Evansville, Indiana, 74 percent of parents whose children attended the Deaconess Hospital child care center responded to a survey by reporting that they had considered other employment but wouldn't leave the hospital because of the care their children received.[6]

Providing child care to staff members helped the Indiana hospital run. It was also a must if you were in the hamburger business, according to Greg Robinson, who ran a McDonald's franchise in the state with a staff of 60. Robinson said he often received calls from employees explaining that they couldn't come to work because their babysitter didn't show up or quit. "So, I am left hanging," Robinson groaned. "My business is left hanging. I need to find somebody to work that shift. Child care is a matter of big interest to me"—enough so that Robinson began working with a local community foundation to round up the resources to start a child care center.[7]

It was back in 1994 when Robinson saw that building a child care center would allow him to sell more Big Macs. But flash forward to shortly before the pandemic, and working families still weren't getting the child care they needed from business. In the fall of 2019, the U.S. Chamber of Commerce Foundation surveyed working parents in four states—Idaho, Iowa, Mississippi and Pennsylvania—to better understand how challenges in finding child care affected parents' participation in the workforce. A major finding was that parents were postponing school and training programs, declining promotions and sometimes leaving the workforce due to problems in accessing or affording child care. Employers in those states incurred direct losses due to employee turnover, transition, and drops in productivity that had broader repercussions. Child care issues resulted in anywhere from $479 million to $3.47 billion in annual losses for those state economies—and that was before the pandemic heightened the child care crisis.[8]

Finances and Fairness

By 2021, the lack of child care had forced nearly 20 percent of parents to quit their jobs or cut their hours, according to a

national survey of 2,500 working families by researchers at Northeastern University. And the impact of the child care shortage was especially strong on women. In the survey, 26 percent of women who became unemployed during the pandemic said it was due to lack of child care, a sample that helped explain a massive loss. More than 2.3 million women left the workforce in 2020, reducing the labor force participation rate to 57 percent. This was the lowest it had been since 1988, just a year after *Ms.* issued its call for child care.[9] Vice President Kamala Harris issued a similar call to action in the *Washington Post*. She argued that the economy could not fully recover unless women had the same opportunity to work as men. "Without affordable and accessible child care, working mothers are forced to make an unfair choice." But fairness aside, there was a financial basis for the vice president's plea. The data showed that America's gross domestic product would be 5 percent higher if women participated in the workforce at the same rate as men. Given this hard economic fact, why was child care still an employee issue and not a business issue?[10]

More than 2.3 million women left the workforce in 2020, reducing the labor force participation rate to 57 percent.

The Division in Views

In December 2022, the Bipartisan Policy Center (BPC) posed the question to parents and small business owners to understand the role child care played in their decision making. It turned out there was a division in views. BPC found that nearly 7 in 10 business owners did not think child care affected their ability to hire or retain staff. Meanwhile, over half of parents said that access to child care influenced their decisions about where to work. And the disconnect between parents and small business owners led to a gap between the child care benefits parents wanted and what small business owners were willing to provide. Benefits to pay for child care would be helpful, according to 85 percent of parents, but only 38 percent of small business owners said they were likely to offer this aid. Almost 80 percent of parents said on-site child care services would be helpful, but less than 30 percent of small business owners responded that they would offer this benefit to their staff.[11]

Employers might now feel that child care is less important with the rise of remote and hybrid work. Yet working parents still struggle, according to a June 2023 survey by Bright Horizons, where NAEYC CEO Michelle Kang worked for many years. Over 40 percent of employees were hiding their family responsibilities from co-workers, the survey found. As in the past, parents were reluctant to mention sick children or discuss child care concerns for fear that it would hurt their careers. Despite the revelations of a pandemic-era work environment, when children were popping up on screen, working parents had gone back to pre-pandemic ways of thinking.[12]

Whether employees work from home full-time, in an office full-time or in a hybrid schedule, working parents still need and want consistent, high-quality child care to focus on their jobs. The Bright Horizons survey showed that 77 percent of working parents felt that having the right child care made them more productive, but over 40 percent said they don't have the child care they needed because of its high cost. And nearly half wished their employer would do more to provide the consistent, competent child care that helps parents reach a work-life balance.[13]

Similar findings came from software platform Capterra when it released its yearly Child Care Survey last December. The survey revealed that child care closures in 2023 affected four million working parents. The closures led 56 percent of the parents to consider reducing their work hours and 26 percent to leave the workforce altogether to care for their children. Nearly half of parents in the survey felt the child care benefits at their job were poor since few employers gave them either backup care or child care stipends. Over 60 percent of parents wanted these benefits from their employers, but a slim 15 percent received the support they wanted so much.[14]

These findings revealed the urgency for change, according to Brian Westfall, principal HR analyst at Capterra. "With millions of parents impacted by day care closures," he said, "it's time for business to step up. Child care benefits were already lacking at a lot of businesses, and if they continue to stay that way, working parents will be forced to work less or leave their jobs." And there are a range of ways in which employers can help fill the void, Westfall explained. "Companies don't need to offer on-site day care to make a difference. Everything from child care stipends to backup care days to flexible schedules can give working parents options with child care to improve their availability at work." [15]

Still, a flexible work schedule won't help front line workers like nurses, cashiers, factory workers and early childhood teachers. Over a third of working parents in these fields felt so much stress in the past year that they seriously considered leaving their jobs, according to the research from Bright Horizons. In response, some factories and hospitals have supported their employees by providing on-site child care centers that work with their employees' varying schedules. This includes opening early to serve the first shift to staying open to accommodate overnight workers—support that builds loyalty to employers.[16]

Business Steps Up

In the quest to woo workers, some businesses are taking on the child care crisis themselves. Spam-maker Hormel is building a $5 million child care facility in Austin, Minnesota. Medical services company VGM Group is converting 8,000 square feet of office space into a day care in Waterloo, Iowa. And the country's largest private employer, Walmart, is putting the finishing touches on an early learning center in Bentonville, Arkansas, that will serve more than 500 children. In Humboldt, Tennessee, Tyson Foods' new child care center operates at all hours to serve a pressing business need, said Garrett Dolan, who works at the company in HR. "We have struggled to get

"The infrastructure is really what's broken. We need more people to work in child care and we need a career pipeline."

enough people to work with us and stay with us. We're in a child care desert. There's nothing available. We're going to have to build this thing ourselves." [17]

So is Micron Technology, a semiconductor company that is constructing an on-site child care center near an upcoming factory in central New York. But first, the company is investing $500,000 to train early childhood teachers in the area nearby. By the time the factory opens in three years, the company hopes to have enough qualified teachers on hand to provide child care for 9,000 employees—but staffing the center is a challenge. "The infrastructure is really what's broken. We need more people to work in child care and we need a career pipeline," said Marni McDowell, the company's senior director of global well-being. "People can't come to work if they don't have child care. And you can't have child care if there aren't workers. The problem just feeds itself." [18]

Quantity and Quality

And the quantity of early childhood teachers isn't the only concern, as the U.S. Chamber of Commerce Foundation pointed out. Families of young children must have access not just to child care, but to high-quality child care, the foundation stressed in a recent report. This means that providers must receive ongoing chances to hone their expertise and build new skills. But access to high-quality, professional development is limited for many teachers, as the foundation learned from discussions with providers. Many early childhood professionals said they would like to receive additional training, but the opportunities to do so tended to be confined to work hours and cost more than educators could afford. Granted some states and counties offer free webinars, but only on occasion. So, educators said it was hard to expand their skills in areas like technology, working with special needs children and teaching dual-language learners in our increasingly diverse classrooms nationwide.[19]

The lack of opportunities for training led to staffing issues, as providers told the Commerce Foundation. Hiring and retaining high-quality educators had long been hard, they explained. It had become even harder during the pandemic as educators weighed heightened health risks against the low wages and lack of growth opportunities in early childhood field. Providers who did manage to recruit and retain staff grappled with furloughs, closures and reduced hours that made the shortage of skilled teachers even worse.[20]

“Staffing has been a challenge as we face a national child care crisis,” said a Delaware provider. “When we had to hire eight new staff, it took a while to hire them all and we’re still looking for more. When we do find teachers, they often come to us without prior experience in child care.” And training new staff added to the financial burdens that child care providers already faced, said a business leader in Louisiana. “Child care centers are businesses themselves. They have a constant churn of employees since they can’t pay a whole lot. So, we work to try and make sure the centers can find the employees they need.” [21]

Technology, Training and the CDA®

One solution to the teaching shortage is the Child Development Associate® (CDA) Credential™, administered by the Council for Professional Recognition. The CDA® is an efficient and cost-effective way to produce more of the qualified early childhood teachers who businesses and working parents need. The CDA requires candidates to gain 480 hours of experience in the classroom, besides taking 120 hours of coursework either in person or online, so CDA holders have a strong foundation in the theory and the practice of early care and learning. And the Council recently did its own survey to measure how well CDA holders are meeting the demand for the highly qualified teachers that working parents and employers want.

CDA holders gain crucial skills and are more prepared for the classroom than their uncredentialed peers, as 79 percent of center owners and directors said in response to our survey last year. The top benefits of earning a CDA are increased knowledge of evidence-based practices, specialized knowledge of child development and readiness to handle difficult classroom situations, as the center owners and directors explained. “CDA holders appear to be better at interacting with children and communicating with parents,” one respondent pointed out. “They also stay on the job longer and seem more committed to their work,” another said. And technology has made taking the CDA courses more convenient since candidates can attend their classes either on-site, online or in a hybrid combination that provides working teachers with the opportunities they’ve lacked.[22]

Technology can help overcome the challenge of training more of the qualified teachers our working families and businesses need, as NAEYC CEO Michelle Kang said when she spoke at the Council's Early Educators Leadership Conference last year. "Technology is a tool to provide early childhood teachers with resources and information," Kang pointed out as she joined hundreds of early childhood leaders who are looking for ways to build their profession's future in the wake of the pandemic. Among them was Council CEO Dr. Calvin E. Moore Jr., who said, "We're leveraging technology to increase access to the CDA and streamline the online systems that CDA candidates use"—steps that will take the Council into the future and help meet the child care needs of tomorrow's parents.[23]

Mounting Pressure on Employers

Generation Z, whose members are now between 12 and 27, want child care benefits from employers, according to the 2023 Parent Confidence Report from KinderCare, a national provider of employer-sponsored care. As Gen Z ages into parenthood, they see child care as the most important job benefit, even above health insurance. And they're more willing than older generations to switch jobs, move or take a pay cut if it means finding affordable, quality care for their kids. Over half of Gen Z parents in the KinderCare poll said they would consider switching jobs for on-site child care, and a third said they would accept a job that paid less to have more access to child care.[24]

The older members of Gen Z are coming into a flexible workplace shaped by the pandemic, said KinderCare president Paul Thompson. "The quickly evolving world of work is affecting Gen Z in ways we've never seen before. The shift to remote and hybrid models of work has been nothing short of seismic, and it's affecting not only how, when and where Gen Z works, but also what they expect for the work they do." That includes child care, Thompson explained, and employers can meet the demand in different ways that include on-site, subsidized or backup care since one size doesn't fit all in today's fluid world of work.[25]

However companies choose to support working parents, they need to realize that child care is a business issue. Americans are calling for employer-sponsored child care like they did in 1987, when *Ms.* issued its survey showing wide support for it as a benefit at work. Now their calls are ringing louder because the pandemic has put the spotlight on the link between child care and the ability of parents to work. Many people are rethinking what they want from the workplace and seeking a better work-life balance. Workplace norms have changed as parents continue to speak out. Finding quality child care is no longer simply a personal problem. It's a business problem as employers look for the workforce they need. The pressure is now mounting on employers as more parents join their voices to an enduring cry: No child care, no work.

1 Sullivan, Emily Tate. March 21, 2023. "What Will It Take to Build a Sustainable Early Care and Education System in the U.S?" March 21,2023. *EdSurge*, https://www.edsurge.com/news/2023-03-21-what-will-it-take-to-build-a-sustainable-early-care-and-education-system-in-the-us.

2 Ms. Editors. May 24, 2023. "National Survey: Americans Call for Child Care (March 1987)." *Ms.*, https://msmagazine.com/2023/05/24/america-usa-childcare-poll-survey-congress-biden/.

3 Ibid.

4 Clark, Christine A. Winter 1987. "Corporate Employee Child Care: Encouraging Business to Respond to a Crisis." *Florida State University Law Review*, https://ir.law.fsu.edu/lr/vol15/iss4/8/.

5 Ibid.

6 Windecker-Nelson, Elizabeth and Kelley M. MacDermid. April 1998. "Child Care: It's Good for Business. The Indiana Tool-Kit for Employers and Community Planners." *Purdue University*, https://docs.lib.purdue.edu/cgi/viewcontent.cgi?article=1006&context=cffpub.

7 Ibid.

8 U.S. Chamber of Commerce Foundation. December 2020. "Piecing Together Solutions: The Importance of Child Care to U.S. Families and Businesses." *U.S. Chamber of Commerce Foundation*, https://chamber-foundation.files.svdcdn.com/production/documents/EarlyEd_Minis_Report6_121420_Final.pdf?dm=1694110499.

9 Modestino, Alicia Sasser, Jamie J. Ledge, Addie Swartz and Alissa Lincoln. April 29, 2021. "Child Care is a Business Issue." *Harvard Business Review*, https://hbr.org/2021/04/childcare-is-a-business-issue.

10 Ibid.

11 Smith, Linda K., Victoria Owens and Stephanie Haddad. March 24, 2023. "When Child Care Burdens Harm Business, Who Picks Up the Pieces?" *Bipartisan Policy Center*, https://bipartisanpolicy.org/blog/child-care-burdens-impact-business/.

12 Krishnan, Priya. June 7, 2023. "Increased Flexibility is Not the Panacea for Working Parents." *Forbes*, https://www.forbes.com/sites/forbesbusinessdevelopmentcouncil/2023/06/07/increased-flexibility-is-not-the-panacea-for-working-parents/?sh=7758f6c1974f.

13 Ibid.

14 Capterra. December 12, 2023. "45% of Working Parents Unhappy with Child Care Benefits, Survey Reveals Urgency for Change." *Businesswire*, https://www.businesswire.com/news/home/20231212784021/en/45-of-Working-Parents-Unhappy-with-Child-Care-Benefits-Survey-Reveals-Urgency-for-Change.

15 Ibid.

16 Krishnan, Priya. June 7, 2023.

17 Bhattarai, Abha. October 29, 2023. "Newest Way to Woo Workers: Child Care at Airports, Schools and Poultry Plants." *Washington Post*, https://www.washingtonpost.com/business/2023/10/29/childcare-workplace-onsite-employment/.

18 Ibid.

19 Gillespie, Carrie, Caitlin Codella, Aaron Merchen, Joseph David and Ashley Cappo. February 22, 2022. "Equity in Child Care is Everyone's Business." *The Education Trust*, https://edtrust.org/resource/equity-in-child-care-is-everyones-business/.

20 Ibid.

21 Ibid.

22 Council for Professional Recognition. 2023. "Data and Demand: The 2022 CDA® Credential Holders Survey." *Council for Professional Recognition*, https://www.cdacouncil.org/en/2022-cda-credential-holders-survey-data-and-demand/.

23 Council for Professional Recognition. October 2023. "Leadership in the Lone Star State: A Time to Inspire, Innovate and Impact." *Council for Professional Recognition*, https://www.cdacouncil.org/en/newsletter/leadership-in-the-lone-star-state-a-time-to-inspire-innovate-and-impact/.

24 KinderCare. August 8, 2023. "Gen Z Wants Child Care Benefits from Employers." *Businesswire*, https://www.businesswire.com/news/home/20230808751025/en/Gen-Z-Wants-Child-Care-Benefits-from-Employers.

25 Ibid.

COUNCIL for PROFESSIONAL RECOGNITION

Child Development Associate® CDA National Credentialing Program

Suggested Citation: Dr. Lisa Yarkony. *No Child Care No Work: What the Surveys Say.* Council for Professional Recognition. Washington, D.C. February 2024. Reprint with permission.