

How Child Care Affects Business

In Lawrence County

How Child Care Affects Us All

Family-First Workforce Formula Developed by Transform Consulting Group

Who We Are

Transform Consulting Group (TCG) is a woman-owned, strategic, and data-informed consulting firm. We provide solutions that help our clients to facilitate, build, and mobilize.



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Who We Help



Lilly Endowment Inc. A Private Philanthropic Foundation













Background

- 1. Introductions
- 2. Lawrence County Strategic Plan Process
- 3. Business Outreach & Engagement on how child care is impacting the community



Overview

- 1. What is the Economic Impact?
- 2. The Child Care Need
- 3. How to Focus on Early Care and Education (ECE)
- 4. Family-First Workforce Formula
- 5. Case Studies
- 6. Action Steps for Businesses



Do you have problems recruiting and retaining employees?

Are your employees unable to focus on their work?

Do your employees want to work more hours, but can't?

Is child care an answer?

The Economic Impact

Local, State, National

Local Economic Impact

Lawrence County employers are losing an estimated \$12 million annually due to child care related costs.



Local Economic Impact

- 1. 12,132 total employed in Lawrence County
- 2. 10,871 live in Lawrence County, employed outside the county
- 3. 6,690 employed and live in Lawrence County
- 4. 5,442 employed in Lawrence County, live outside the county
- 5. Unemployment rate: 2.8%
- 6. Population: 27% ages 45-64, and 21% over the age of 65



Indiana Economic Impact

Annual Economic Impact of Lack of Access to Child Care in Indiana:

- \$1.8 billion in direct cost to employers
- \$1.1 billion lost in economic activity every year
- \$118.8 million lost in tax revenue



National Economic Impact

ROI:

Economists have found that high quality early childhood education offers one of the highest returns of any public investment – **at least** \$4 for every dollar spent.



Economic Impact

New Research Shows States Lose Billions in Annual Economic Opportunity Due to Childcare Gaps

I Center for Education and Workforce 🕺 November 30, 2021

The U.S. Chamber of Commerce Foundation studies found that state economies lost between \$100 million and \$10 billion this year because of childcare issues.

#EARLY CHILDHOOD EDUCATION



READYNATION JULY 6, 2021

Business Leaders Supporting Child Care

Business leaders explain the importance of child care

Video

Indiana Chamber's top legislative priorities for 2022 include child care, vaccine requirements

Community

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Support

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By Samantha Horton, IPB News | Published on November 18, 2021 in Business, Family Issues, Government, Politics

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The Child Care Need

Lawrence County

Meet the Lawrence Family





Meet the Lawrence Family



Monthly Income	\$5,080
Expenses:	
Mortgage	\$741
Child Care	\$1,064
Cars	\$1,132
College Loans	\$393
Utility costs	\$370
Food	\$823
Total Expenses	\$4,523
Total Income - Expenses	\$557



Meet Ms. Bedford





Meet Ms. Bedford



Monthly Income	\$2,179
Expenses:	
Rent	\$650
Child Care	\$141
Cars	\$280
College Loans	\$0
Utility costs	\$240
Food	\$779
Total Expenses	\$2,090
Total Income - Expenses	\$88



The Child Care Need

- 1. 3,060 Young children, ages 0-5
- 2. 1,932 (63%) need care because all parents are working
- 3. 328 (17%) enrolled in a known program that is licensed or registered with the state.
- 4. 122 enrolled in a high-quality rated program
- 5. Cost of care per child: \$6,157/year



Discussion

What information stuck out to you?

Is the information new to you, or does it reaffirm what you already knew?

What do you want for Lawrence County?

How to Focus on Early Care and Education



How Child Care Affects Us All











COLLABORATE

- Check-in with employees informally
- Check-in with your community. Are there efforts underway?
 - In Lawrence County, the Community Foundation Partnership and Economic Development Growth Council are working on the ECE issue





You're hearing ECE is a pain point:

- Complete an employee survey, formal interviews, or focus groups
 - What do employees need?
- What are you already offering?
- What could you offer?





 Work with your employees and community to come up with a plan that meets your company's individual needs

FACILITATE





 Put your plan into action, and be sure to consistently communicate what you are doing







A small, family-owned manufacturing company's tuition assistance program yields an undeniable return on investment.

Indiana Stamp & Indiana Signworks, a small manufacturing company of around 60, in Fort Wayne offers an infant care tuition assistance program. The company pays for high-quality care for their employees babies, up to 12 months of age. "The average tenure at their company is 15 years - a decade more than the highest median tenure for the manufacturing industry," and the president credits this program as a factor in the longevity. The program now includes tuition assistance for up to age five. The president said they paid \$1,900 to last employee who used the tuition assistance, while onboarding a new employee costs at least \$4,000.



BORSHOFF

Creative firm Borshoff's longstanding "Bring Your Baby to Work" program continues to be a big hit with workers and clients.

Borshoff, an advertising and public relations agency in Indianapolis makes special arrangements for parents to bring babies 6 weeks to 6 months old to the office with them. The program had no hard costs associated with it, and has increased productivity and retention.





One of Indiana's largest healthcare providers is moving away from rigid schedules and one-size-fits-all benefits for its thousands of workers.

Parkview Health held employee focus groups to listen to employees needs, and it led to flexible paid time off, work-from-home options, and phased-in work hours for parents returning after having a baby. They also offer flexible spending accounts, and offers care near to their site.





Fronius Kinderland - Our company kindergarten for the next generation.

At Fronius KinderLand, we provide child care for our employees all year round, giving parents increased flexibility. The company kindergarten features open play areas and child-friendly playrooms, and prepares children for starting school.







Coalition encourages local businesses to invest in early childhood.

Instrumental Machine and Development (IMD) is blazing the trail in Kosciusko County for employer sponsored child care. They have a workforce of around 80 employees and the staff survey that they conducted showed a need for about 10 children (ages 0-5) who are in need of care. They will use this as a recruiting tool for additional staff they need to hire





Patagonia has offered subsidized child care to their employees for more than 30 years.

CEO Rose Marcario estimates they are able to recoup 91% of the costs to run the centers through tuition fees, tax breaks, and employee engagement and retention. Program tuition is determined by area market rates and subsidized by Patagonia based on household income.





A key takeaway from a study Home Depot did on Employer-Supported Child Care found, "Childcare benefits should be seen as an investment in your workforce and bottom line, not a cost."

The Home Depot benefits team believed that taking a look at the spectrum of care solutions was a no-brainer. Not only did the idea follow the vision of its founders, but the team also saw this as key to investing in the future of the company and as a mechanism to attract the very best and brightest talent.



Action Steps for Businesses

Call to Action

- Apply the Family-First Workforce Formula in your organization
 - Start talking with your employees
 - Reach out to your community
- 2. Review the Employer Toolkit



Review the Employer Toolkit



Indiana Employer Toolkit

Boost Your Business by Supporting Employees with Young Children

2019



Download now!



Create Your Action Plan

Thank you!

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