



How Quality Child Care in the Workplace Benefits Businesses

A look at how businesses can recruit and retain employees by offering high-quality and affordable employer-sponsored child care options.



Today’s parents are rethinking work so that they can be more available to their children. In addition, many employees are seeking opportunities that offset the rising costs of living while improving quality of life. For working parents, few benefits address these needs better than those related to stable child care — whether the employee works in-office, hybrid or in a remote work environment.



According to The Harris Poll and KinderCare 2023 Parent Confidence Report, child care benefits are second to health insurance in retaining employees.

The role child care plays in employment decisions can teach employers a lot about the needs of working parents. The child care crisis is tough on parents, which trickles down to hinder businesses that want to hire employees and reduce absenteeism and prevent turnover. The good news is there are clear steps employers can take to support parents, secure talent, improve their bottom line and increase employees’ loyalty.

Child Care Options Built Into Benefits Infrastructure

Child care is not solely a family issue, it is also a business issue. It affects how, when, where and why people work. [The Harris Poll and KinderCare’s 2023 Parent Confidence Report](#) found that:



74% of parents have either taken a new job or would consider a new job to become more available for their child (or children).

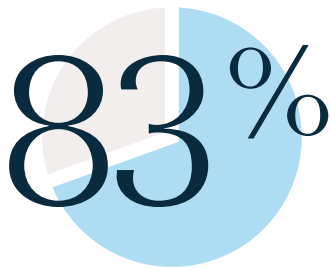


62% of working parents say they would even take a cut in pay to work for a business that offered its employees high-quality child care.

This is one reason why child care is now driving the future of the workforce — and businesses should take note.

Here are four ways employers can address the child care needs of their employees:

1. Consider Offering Child Care Subsidies



of millennials would leave their jobs for one with more family friendly benefits according to Early Matters Greater Austin.

As employers strive to recruit and retain employees, one option is to provide child care tuition benefits to employees, subsidizing a portion of the cost employees pay at designated child care centers.

Dan Figurski, President of KinderCare Learning Companies For Employers and Champions, explains that working parents are looking for substantive child care benefits much like they look for medical benefits.

Child care subsidies offer flexibility to employers, as the business itself determines the employer contribution rate, and employees are able to choose when and where their children go for care.

When speaking about the need for providing working parents with child care options, such as subsidies, Kathy Wall, chief human resources officer for Mary Washington Healthcare in Virginia, said: *“Employers need to be more holistic in their approach. They need to be where the associate is in their life, and with their family in order to best support their employees.”*

2. Provide an On-Site Child Care Center

16,000

child care providers closed permanently in the past two years.

This leaves working parents in a bind, often forcing one parent to quit their job to stay home to care for the children. One approach employers can take is offering an on-site child care center at the workplace.

“We chose to use KinderCare for on-site child care because it was an opportunity for us to ensure that we have best-in-class curriculum, management practices and a terrific place for our families,” Wall said.

She added, *“How reassuring it is for parents that they can check on their child if they’re having a bad day. If they have one less thing to worry about, it makes them have a better day. On-site child care shows employees that their employer cares about them.”*

On-site child care is a performance asset for all employees, allowing extra peace of mind and affordability.

3. Offer Employees' Backup Child Care Support Solutions

[Studies show](#) that 4.9 million people missed work in February 2023 because they were caring for children not in daycare.

When employers commit to providing working parents backup care, it adds another layer of family support to retain employees. Backup child care means if the family's regular child care falls through for any reason — the babysitter cancels, school closes, etc. — working parents won't find themselves in a bind and panic, then be forced to take a sick day.

"The pandemic was the accelerant that made people wake up and realize that they don't want to return to work the way they used to, and that their employers should help support them," Figurski said.



4. Allow Flexible Work Arrangements

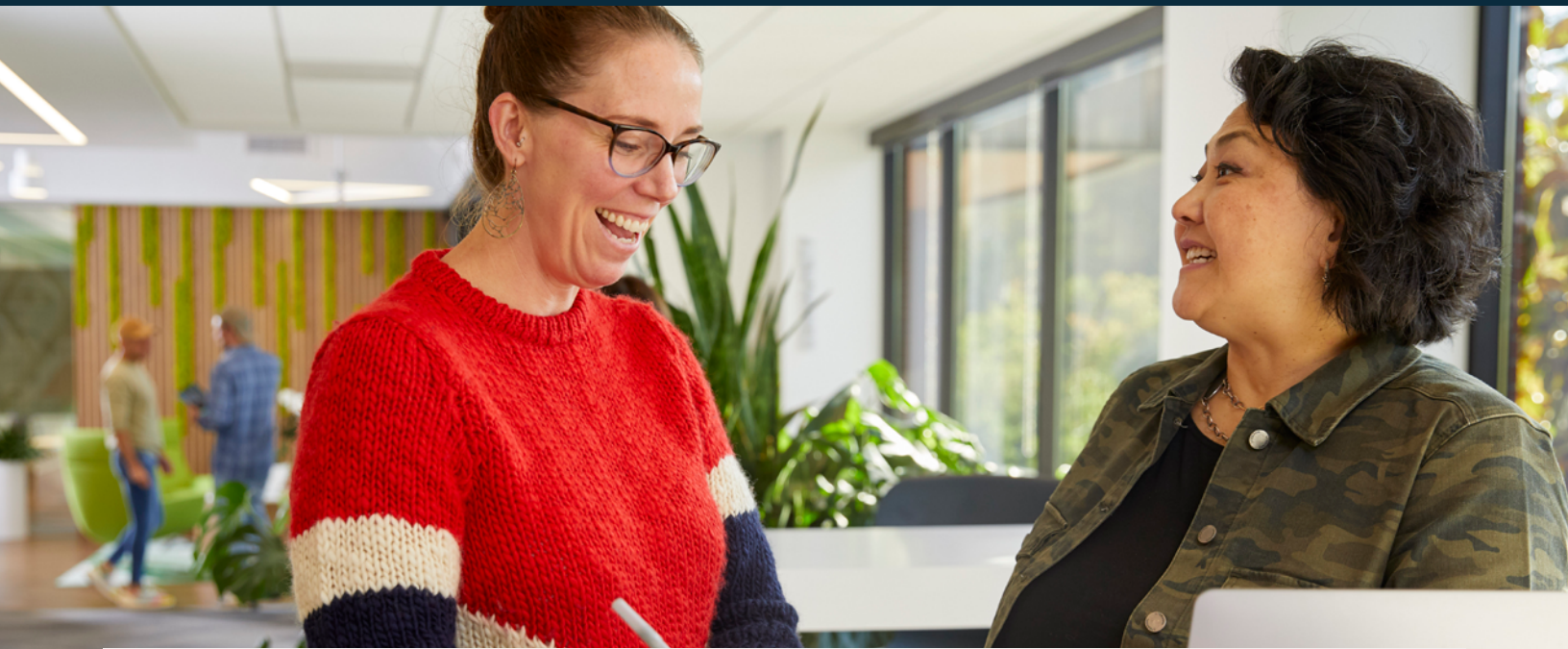
"Employers from across the country, both Fortune 500 companies and the hardware store down the street, are struggling to retain and recruit talented employees. And one of the No. 1 reasons we hear from employers in this struggle is child care," Figurski said.

"People either cannot come to work or cannot return to work, because they have child care needs that are being unmet. Child care is very expensive and hard to find," Figurski added.

Employees with flexible work schedules may not have to commute to the office daily,

saving money on gas and other commuting expenses such as purchasing lunch, and more. Further, research shows that flexible work arrangements offer employees a better work- life balance and increased productivity and job satisfaction.

"Right now is a time when every employer is thinking about how creative they can be to attract talent to their organization. Being flexible and adaptable to everyone's needs no matter where they are in their life or life cycle is important as a key differentiator for employers of the future," Wall said.



Could On-Site Child Care Bring More Parents Back To The Workplace?

The past few years have highlighted the issues related to child care for working families. As work and personal time become more intertwined, employers should acknowledge transitions in the lives of their employees, such as welcoming a new baby or caring for an ill child. More employers want to give employees stability, and an onsite child care center is a viable option.

Kathy Wall, CHRO for Mary Washington Healthcare in Virginia, said, “I think anything we can do to creatively attract that talent is important. Employers need to provide flexibility and be aware of the needs of both people at work and at home. That’s what makes child care so important.”

One result of having on-site child care is increased productivity as parents are stripped of the stress surrounding, finding and paying for outside child care. [Research by Freddie Mac](#) found the price of child care, adjusted for inflation, has increased by more than 49% over 0-the past 25 years.

On-site child care offers a way to support your working families. On-site child care makes benefit packages more appealing and often winds up being a very lucrative investment — A [University of North Carolina study](#) found that companies with on-site child care centers get back 50% to 200% on the cost of operations through reduced absenteeism and turnover.

“Every business owner knows they have to be competitive in pay, but there has to be a differentiator, and on-site child care is an incredible benefit to families,” Wall said.



What's Next For Employers?

Employers need to prioritize finding ways to attract and retain talent. While there are various [ways to support working parents](#), offering affordable and high-quality child care options is one to address now. When employers support their employees with quality child care solutions, it gives employees confidence in their professional and personal decisions and a better work attitude, which leads to a more loyal and productive workforce.

So what can companies do? Here are three quick steps:

1. Engage your employees to hear what they have to say.
2. Find a partner to help you [build a solution that meets your employees where they are](#).
3. Check in with employees to make sure you're remaining nimble to those changing needs.



About KinderCare

By partnering with over 600 employers nationwide, KinderCare Learning Companies For Employers provides customized family care benefits, including care for young children on or near the site where their parents work, as well as tuition benefits, and backup care wherever your distributed workforce may be.

Here's how we can help you