RESEARCH BRIEF

IMPROVING ACCESS TO CARE – PARTNERING WITH EMPLOYEES

Background: The financial burden of and access to quality child care in Montana limits the positive performance and workforce participation of employees. The state median cost of both center- and home-based child care exceeds 10% of household income, which the U.S. Department of Health and Human Services considers an affordable limit. Also, a steady decline in available child care across the state means some families have few or no options for child care so they can’t work. A national survey found nearly 10% of families had to change or quit their employment because of child-care related issues. By working to create innovative solutions to the cost and accessibility of child care, businesses will experience: Less employee turnover, higher productivity, less absenteeism, improved morale and employee loyalty, and greater recruiting power.

Affordable child care is essential, not only for families but for the economic prosperity of Montana. The Committee for Economic Development measured the spillover impacts of child care in Montana, determining that access to child care resulted in $93 million in positive economic impact to industries outside of child care, contributing $31.8 million in added earnings, and 1,178 jobs in 2016. With access to quality child care the future generation would be better prepared to enter the workforce, less likely to live in poverty or face incarceration as adults, and possess higher emotional and social skills.

Improving Access to Care

On-site child care: Working with Child Care Resource and Referral Agencies in the state, businesses can creatively offer child care at the work site. These child care options may take shape as home-based programs in mixed-use development or center-based care as a portion of the business space.

Strengthen Your Workforce

With low unemployment across the state, Montana businesses are going to great lengths to attract and retain qualified workers. Many individuals are not in the workforce because of difficulty finding quality, affordable child care. Child care capacity currently only meets approximately 41% of estimated demand.
Back-up child care assistance: Employers can partner with back-up child care providers in many ways – offering reduced rates for back-up care, partnering specifically with providers who care for kids too sick to go to regular care, or crafting innovative relationships in the community to connect seniors looking for part-time care with kids who need it with short notice.

Participating in a child care network: New organizations are focusing on linking child care providers with each other, and with businesses and families in need of care. This partnership supports entrepreneurs in their child care programs. When employers pay to participate in the network, they can help secure available and affordable care through reserved slots and discounted rates.

Best Practices

Large national companies like Patagonia, Intel, and Goldman Sachs provide on-site child care and back-up care for employees. These companies report not only improved employee morale and retention, but as much as 125% costs recouped for providing the service, including up to $150,000 tax credit for qualified child care centers.6

PrintingForLess.com in Livingston also provides on-site childcare. In addition, the business has incorporated a child care referral program for children who will soon “graduate” from their child care.7

Bozeman Family Care Network was founded because of the need for a creative, low-cost, high-quality child care option for employees in the area. A family care network coordinator works with home-based child care providers to meet the needs of employees in search of child care in the community.8

A new business venture in Montana, MyVillage, is rapidly capturing attention of child care providers, families in need of care, and businesses. The business model offers support to home-based providers and helps them overcome the hurdles of having an in-home child care: licensing, meal planning, finances and budgeting, and more. MyVillage is also looking to partner with businesses to connect employees with child care needs.9