

# Research-in-Brief

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## Building a Stronger Child Care Workforce

### A Review of Studies of the Effectiveness of Public Compensation

This Research-in-Brief summarizes *Building a Stronger Child Care Workforce*, a report by the Institute for Women's Policy Research. The report discusses the outcomes of seven programs to improve child care worker wages, education, and retention. Outcomes were assessed by reviewing findings from program evaluations. This review suggests that on the whole child care practitioners who participated in these programs saw improved income, education, and retention levels. There is also evidence that the programs increased participants' morale and feelings of professionalism.

#### Introduction

In 2001, 56 percent of children ages three through five were in a preschool or early education setting (Federal Interagency Forum on Child and Family Statistics 2002). Given the large number of children served in these programs there has been a growing concern about the quality of the early care and education services that they provide. Research conducted over the past twenty years has consistently shown that the quality of children's early care and education is related to their cognitive and social development and may affect their math and language skills, relationships with peers, and academic success later in life (Campbell, Ramey, Pungello, Sparling, and Miller-Johnson 2002; Cost, Quality and Outcomes Study Team 1999). Among the primary factors associated with quality early education are the compensation, education, and retention of teachers (Helburn 1995; Howes, Smith, and Galinsky 1995; Whitebook, Howes, and Phillips 1998; Phillips, Mekos, Scarr, McCartney, and Abbott-Shim 2001). Well-paid and trained teachers maintain nurturing and consistent relationships with the children in their classrooms and guide them through successful transitions into elementary school.

In spite of their important role, early care and education practitioners, especially those working in child care centers and private homes, are among the lowest paid workers in the United States, which

contributes to high turnover in the field and affects the quality of care (Whitebook, Howes, and Phillips 1998). Inadequate compensation leads many of the best providers to leave the field for higher paying jobs (Whitebook, Howes, and Phillips 1998). In addition to its effects on quality, high turnover in the child care field can decrease the overall supply of services. Since maternal employment remains consistently high across the country, and low-income mothers of young children have been moving into the job market in growing numbers, demand is growing for high-quality, affordable early care and education. This growing need, and awareness of the link between quality and retention, has prompted policymakers and other stakeholders to create programs that provide increased compensation and other financial incentives for teachers who stay in the field and continue their professional development. This Research-in-Brief summarizes findings on the implementation and early effects of publicly supported compensation initiatives on the child care workforce.

#### Compensation Programs Included in the Study

To gauge the effectiveness of compensation programs that reward child care practitioners for attaining additional education and staying with their jobs, the Institute for Women's Policy Research (IWPR)

reviewed a set of evaluations of federal, state, and local efforts that offered such programs. To select programs for the review IWPR staff interviewed a set of experts in the field to ask which programs they consider as models in the field. IWPR included only programs that targeted practitioners working with children under age five and had: a professional development component linked to bonuses or a salary supplement; a formal or informal evaluation component; a specified data collection methodology; at least 12 months of data; reported results; and national recognition. IWPR gathered written program descriptions and any available evaluation materials and reports for each program selected for the study.

Seven programs were included in the report. The program characteristics varied, with some programs, for example, offering base salary increases for educational achievement and others providing scholarships to offset tuition and other participation expenses. Other programs provided wage supplements or bonuses to teachers who reached specified educational or other job-related milestones. Following is a list of the seven programs included in the report and a general description of their characteristics:

**1) Alameda Child Development Corps (California CARES<sup>1</sup>)**

Started in 2001, CARES provides participants with stipends based on their education level and as rewards for receiving additional training. To be eligible, participants must have received at least 12 college credits in early childhood education and must continue training to stay in the program. In 2002 stipends ranged from \$500-\$6,000.

**2) U.S. Department of Defense Caregiver Pay Program**

Started in 1989, the U.S. Department of Defense (DoD) program requires all Child Development staff to complete 13 training modules, and 24 hours of additional training annually. Training is tied to promotions and pay increases.

**3) Georgia Early Learning Initiative (GELI)**

Started in 1999, GELI has several components. Incentive\$ provides salary supplements to workers who have a degree or credential in child

development or early childhood education, and who stay at their jobs for at least 12 months. As of 2002 subsidies ranged from \$200-\$1,000 per year depending on education level. The T.E.A.C.H. Early Childhood Project subsidizes the cost of additional education and training for caregivers.

**4) T.E.A.C.H.<sup>2</sup> Early Childhood Project (North Carolina)**

The T.E.A.C.H. Early Childhood Project provides scholarships, through seven different programs, to workers in licensed centers or family child care homes, working toward a credential, Associates degree, or Bachelor's degree in early education. Monetary bonuses are provided as credits are completed and are contingent upon workers' agreement to remain on their jobs for one year.

**5) Child Care WAGES (North Carolina)**

The Child Care WAGES program provides wage supplements for every six months that workers remain on the job. The supplements range from \$200-\$4,000 depending on education, experience and job position, with an average supplement of \$392 in 2002. Workers may increase their supplements by pursuing additional education.

**6) Washington Early Childhood Education Career Development Ladder**

The Washington Early Childhood Education Career Development Ladder program helps participating child care centers pay their staff higher wages based on a career ladder, with rates set according to education level, tenure and job responsibility.

**7) Wisconsin Child Care Mentor Project**

The Wisconsin Child Care Mentor Project provides training to experienced and new practitioners through seminar series, college classes, and on-site training. Experienced practitioners, or "mentors," must have completed a minimum of 60 college credits related to early childhood education and have at least two years' experience. The mentors receive a stipend of \$300-\$500 for their participation. New

practitioners, or “protégés,” receive scholarships through the T.E.A.C.H. Early Childhood Project, and are expected to remain with their employer for at least one year after their participation.

IWPR reviewed program evaluation findings on whether child care providers were aware of the program opportunities, how the programs were monitored, and the documented effects on child care workers’ incomes, levels of education, and rates of turnover. Worker morale and feelings of professionalism were also examined when possible.

## Study Findings

This review suggests that on the whole child care practitioners who participated in these programs saw improved income, education, and retention levels. There is also evidence that the programs increased participants’ morale and feelings of professionalism.

### Improved Education Levels:

Since all programs reviewed had a professional development component it is certain that those who completed those components increased their education levels. Not all of the evaluations, however, provided data on post-program education levels compared with pre-program levels.

- Eighty percent of North Carolina’s WAGES\$ participants reported that wage supplements influenced them to pursue additional education beyond the minimum required for the program (Child Care Services Association 2001a).
- In Wisconsin’s Child Care Mentor Project, nearly half of participating protégés received their first college credit or child development training as a result of the project. Thirty percent of the program’s mentors were pursuing a degree in child development or a related subject by the end of the evaluation (Burton and Whitebook 2000).

### Improved Retention:

- In the Department of Defense Caregiver Child Development Program turnover rates decreased across all military branches after passage of the Military Child Care Act (MCCA) in 1989, from a mean turnover rate of 47.7 percent to a post-MCCA mean turnover rate of 23.6 percent in 1993 (Zellman and Johansen 1998).
- Using data collected from 1990-2001 by the T.E.A.C.H. Early Childhood Project, the project administrators reported that turnover among participants was considerably less than the 2001 state average (Child Care Services Association 2001b).
- Evaluators of the North Carolina Child Care WAGES\$ program reported that participant turnover was 18 percent during 2000/2001 compared with a statewide average of 31 percent during the same time period. Qualitative data indicated that many participants felt that the WAGES\$ program helped them remain in their jobs (Child Care Services Association 2001a).

### Higher Wages:

Although specific wage data were not available in all of the evaluations, several programs reported increases in wages associated with program participation.

- The Washington Early Childhood Education Career Development Ladder program appeared to have an effect on staff wages during the evaluation period. Staff employed at participating centers had higher wages and better benefits than comparison group staff. Wages among pilot center staff (an average of \$8.94) were higher across all positions than in the comparison group (an average of \$8.41), and these differences were statistically significant (Boyd and Wandschneider 2002).
- Wages for the Department of Defense Caregiver Pay Program participants increased by approximately \$2 per hour between 1989 and 1993 ( Zellman and Johansen 1998) or by \$1.17 per hour when adjusted for inflation (IWPR calculation).

- Evaluators of North Carolina’s T.E.A.C.H. Early Childhood Project reported that participants’ wages increased during the study period more than the program rules required (Child Care Services Association 2001b).

### **Professionalism:**

- In the Child Care WAGES program, participants reported increased feelings of professionalism. Seventy-one percent of survey respondents indicated that they felt more appreciated and recognized for their work. Program directors reported increased staff morale and satisfaction as a result of participation in the program. Directors also said that they believed the increased staff continuity directly benefited the children in their programs (Child Care Services Association 2001a).
- Program Directors participating in the Washington Career Ladder program reported that their staff showed increased professional skills and more positive interactions with children; improved leadership and advocacy skills with parents and policy makers; and increased perceptions that their work provided a living wage and benefits and required specialized knowledge (Boyd and Wandschneider 2002).

### **Policy and Program Recommendations**

Based on evaluation findings, IWPR makes the following recommendations:

*\* Link professional development to financial gain.* Program participants are more likely to stay with their jobs and further their education when they receive even nominal financial support in the form of scholarships, stipends, or salary increases.

*\* Increase starting salaries for early care and education providers.* Higher starting salaries draw more qualified workers, who provide higher quality services.

*\* Establish minimum worker requirements.* Defining minimum requirements for early care and education professionals helps to stabilize the workforce and raise the bar on quality.

*\* Reach all potential participants.* To maximize programs’ success and impact, maximize marketing and outreach to the entire child care community.

*\* Support participants.* To offset the financial and time costs to program participants, programs must offer job flexibility in addition to educational opportunities.

### **The Importance of Evaluation**

The findings presented here must be viewed as preliminary, given the challenges faced by many program evaluators, such as inadequate funding and short timelines for monitoring. As policy makers consider numerous strategies to increase the quality of child care, they rely on evaluation data to determine where they should target future public funding. To determine the success of a compensation initiative, program planners should allocate adequate funds for program evaluation before they begin its implementation, and researchers must take great care to monitor program implementation and outcomes. Researchers should develop realistic evaluation plans that track workers’ salary and education levels, turnover rates, and how participants have applied their education to their jobs over time. Finally, states and communities should utilize these evaluations to develop their own initiatives to boost the quality of care available to their children.

<sup>1</sup> The acronym “CARES” stands for “Compensation and Recognition Enhances Stability.”

<sup>2</sup> The acronym “T.E.A.C.H.” stand for “Teacher Education and Compensation Helps.”

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