

Louisiana: A Case Study on Business Advocates for Childcare

There are over 418,000 children under age six in Louisiana, 67% of whom have working parents. Yet, as in many states, the number of affordable, high-quality childcare options does not meet this demand, forcing many Louisiana families to choose between leaving the workforce or placing their children in unregulated care.

Across the state, chambers of commerce, business alliances, companies, and nonprofits have recognized this problem and now view high-quality childcare as a two-generation solution to solving some of the state's most pressing challenges: school readiness and the skills gap. Together, these groups have played a critical role in catalyzing improvements to the childcare system, garnering increased public attention and investment.

With a childcare challenge that threatens the strength and productivity of the workforce of today and tomorrow, the stakes for finding solutions are high. This case study looks at how business leaders became advocates and joined forces with policymakers, educators, and others in the community to improve the childcare system.

LOUISIANA: THE STATE OF PLAY

Businesses and companies across the country understand that breakdowns in childcare affect the bottom line. Breakdowns in care occur for a number of reasons, including when a child is sick and cannot attend school or a care facility, when an employee has a nanny who is taking vacation or sick time, when an employee must travel for work and have childcare, or when there are school closures (e.g. inclement weather or holidays). In Louisiana, the costs of these breakdowns have been quantified. According to the 2017 report *Losing Ground*, employers stand to lose \$816 million each year owing to these breakdowns.¹

¹ Louisiana Policy Institute for Children 'Losing Ground Report: How Child Care Impacts Louisiana's Workforce Productivity and the State Economy', May 2017.



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But it's not just the bottom line that concerns business leaders; it's the long-term implications for their workforce. Children who don't participate in high-quality childcare programs have lower cognitive and language skills, as well as poorer social and emotional skills and self-regulation. As a result, these children may be held back a grade or fail to graduate. When accounting for these consequences, the lack of access to high-quality childcare costs Louisiana's economy \$1.1 billion annually.

Expanding access to high-quality childcare is critical—it supports employees today while laying a strong foundation for children to succeed in school and eventually the workforce. Investments in high-quality early education also yield a high public return. In fact, the return on public investment can be as high as \$16 for every dollar spent in the form of improved personal and public health, less crime, and more educated, skilled workers.²

POLICY CONTEXT

In 2012, Louisiana recognized the importance of high-quality early education and care by passing the Early Childhood Education Act (Act 3). Act 3 legislation brings together the publicly funded early learning programs from birth to five years under the Department of Education and the Board of Elementary and Secondary Education to better align standards and improve accountability and quality by implementing more rigorous requirements. The passage of this legislation provided a strong policy framework for the business community to align itself with and catalyze its engagement.

BUSINESSES: POWERFUL VOICES IN ADVOCACY

Business leaders have the power to champion high-quality childcare and make it top of mind for policymakers and the public, potentially changing the trajectory of our workforce and our country through their advocacy and action. There are a number of organizations throughout the U.S., including local chambers of commerce, working to advance solutions to the childcare crisis.



To learn what is going on in your community, check out these resources:

- 1) Childcare Aware or your local childcare resource and referral agency
- 2) Your local chamber and its education or workforce initiatives

Key Takeaway:

You don't have to forge the path alone. Become a champion for existing efforts. Influencing childcare in your community can be as simple as lending your voice to efforts already underway.

The following examples look at the essential roles of business leaders and chambers of commerce in advocating for much-needed improvements in the childcare system.

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Louisiana Policy Institute for Children 'Losing Ground Report: How Child Care Impacts Louisiana's Workforce Productivity and the State Economy', May 2017.



THE NATCHITOCHEES COMMUNITY ALLIANCE: BUSINESS ADVOCATES AT THE LOCAL LEVEL

In Natchitoches, Louisiana, a growing number of children were entering school at a disadvantage and behind their peers. This resulted in significant achievement gaps for those entering middle school, gaps that were widening at alarming rates. Interventions for closing these gaps were costly and difficult. In 2011, the Natchitoches Area Chamber of Commerce changed course and turned toward preventing the achievement gap from evolving.

The chamber identified a potential solution in early education, specifically from birth to three years. It found that by focusing on the start of the education pipeline, it was able to reduce the achievement gap along the entire K-12 pipeline.

The chamber led the movement to increase awareness of high-quality childcare and generated momentum in the community, identifying the issue as critical for both the current and future workforce.

With such strong community interest, the chamber capitalized on the opportunity to join forces with a number of local organizations, including the City of Natchitoches, the Natchitoches Parish School Board, the Northwestern State University Child and Family Network (which serves as the local Resource and Referral Agency), local CPA firms, and the Northwestern State University Foundation. Through this network, plans were made

and funded to address childcare challenges and find potential solutions for the Natchitoches community.

Led by the chamber, this group worked together to understand where its influence could best be leveraged. Within the framework of Act 3, and having analyzed the landscape, the chamber set its sights on improving the quality of several local childcare providers. It launched a pilot program, understanding that in order to meet their goal, they would need to help implement the more rigorous requirements laid out in Act 3.

The chamber worked with childcare directors, teachers, students, and the school board to ensure that children from birth to age five would be kindergarten ready. At the beginning, the group faced a number of challenges in supporting childcare providers; these challenges included different levels of preparation from center to center, divergent access to professional training, and varying levels of compensation among teachers. In response, the chamber raised funds through the state's refundable school readiness tax credit and provided technical assistance, scholarships for teachers to attend professional development training, and materials (e.g. curriculum, toys, or books). It also made the providers members of the chamber to connect them to additional resources and raise their profiles in the community.



Since 2012, the Alliance has worked across 22 sites to ensure that childcare providers are improving against quality metrics. The outcomes have been positive, and in 2017, using the CLASS observations (on a scale of 1—7), Natchitoches scored 5.77 overall across three domains (emotional support, classroom organization and instructional support) and all childcare centers—a 7% improvement over the previous year. The pilot has been an overwhelming success resulting in a stronger workforce and an improved quality of life in Natchitoches. It has benefited the community through lower crime rates, more children ready to enter kindergarten, budgetary savings, and greater economic well-being.

Key Takeaways:

- No one sector could have leveraged this solution alone. **Collaboration is key.**
- While local solutions have great impact, comprehensive state policies should also be a goal of any collective. Without **positive and comprehensive policies**, there is no long-term strategic solution.
- Be open to change. Advocating for childcare requires confidence, a willingness to work to gain trust among partners, and **a dedication to changing the status quo.**
- If you don't like the choices before you, **don't settle.** Collaboration, research, and sharing lessons learned will open doors to the best solution for you and your community.

LOUISIANA POLICY INSTITUTE FOR CHILDREN: BUSINESS ADVOCATES AT THE STATE LEVEL

Historically, state education reform has focused on the K-12 space. However, recent research has begun to point to the importance of preventing education gaps before they appear. The Louisiana Policy Institute for Children (PIC) recognized the connection between childcare and the barriers experienced by families who seek it. Because of this connection, PIC started looking for ways to engage the Louisiana business community on childcare. It found its first business champion in Entergy, a national energy company based in Louisiana. With an initial investment from Entergy, PIC launched a business roundtable on early childhood education. Having an early business champion enabled it to pilot the roundtable, travel around the state sharing information on the importance of closing educational gaps for children from birth to three years, and inform business leaders about the impact of early childhood education on current employees and the future workforce.

While PIC was pleased with the results of the pilot program, it quickly recognized the need to speak with more employers. PIC approached the Committee of 100, a statewide economic development group, to become a partner. This partnership proved to be effective for gaining more face time with business leaders. The Committee of 100 has an impressive membership, and its personal interest in the subject matter gave PIC the connections it needed to identify champions around the state.

Through its work, PIC received funding to look at the economic impact of childcare on the state. This research has given PIC the platform to bring more business leaders into the childcare conversation, shedding light on the significance of childcare and shifting the focus to an economic issue.

Businesses that joined the policy institute’s roundtable acted as champions for childcare in Louisiana and ultimately went on to ensure that state funds were allocated toward this critical developmental period—a big win to address gaps in the education pipeline from the start.

Key Takeaways:

Businesses are needed to champion high-quality childcare as an economic driver. While it may not be initially intuitive, businesses can have great impact on public policy, and in return, comprehensive policy will offer a positive return on investment.

- Business leaders have the power to **make childcare a top priority** and insist on comprehensive solutions.
- Be an advocate in your community— preventing gaps early on not only removes stress from your **current workforce** but ensures a strong talent pool for **your company’s future**.
- Talk about the importance of childcare. If you belong to a business organization **add this topic to your agenda**.
- **Join with groups in your city or state** that are doing this work: Be the champion they are looking for.

“ Business leaders have the power to make childcare a top priority. ”



LOUISIANA ASSOCIATION OF BUSINESS AND INDUSTRY: GENERATING PRIVATE INVESTMENT TO PILOT SOLUTIONS

In 2017, the Louisiana Association of Business and Industry (LABI) expanded its policy platform, making access to high-quality childcare a top policy priority. As the state's largest business organization, it was acutely aware of the consequences for the current and future workforce of a lack of access to high-quality care.

But like many states, Louisiana is facing challenges when it comes to increasing funding for high-quality early education and childcare. Cognizant of both the state funding challenges and the urgent need to increase access to care, LABI looked to find an alternative model that was not dependent on state funding and that could help meet the care needs of families today.

With a long history of leading coalitions and promoting education reform, LABI knew whom to count on for support. It looked to their partners at Stand for Children, the BlueCross BlueShield Foundation, the Policy Institute for Children, and other business groups and chambers to determine the best way forward.

One model that appealed to LABI was partnering with a private foundation to fund a pilot program to improve quality and increase the number of childcare places in high-need communities. The BlueCross BlueShield Foundation is in discussions to fund the pilot. The proposed model has three tiers:

- 1) Provide financial support to existing high-quality childcare centers to help expand the number of places offered.
- 2) Provide evidence-based resources, technical assistance and financial support to lower quality centers that serve a large number of children in a high need area.
- 3) Establish a new center in an area where there is high-demand and not enough existing childcare spaces to meet demand.

In running the pilot, LABI and its partners intend to undertake a rigorous study to map the longitudinal outcomes for children participating in the pilot. The study will follow the children through kindergarten, third grade, and eventually high school to establish an evidence base for the effects of high-quality childcare. In addition to the longitudinal study, the quality of the programs and the resources provided to centers will be examined during the pilot to ensure efficacy.

Key Takeaways:

Even when state funding is not available, there is an opportunity for business groups and foundations to partner and pilot solutions that meet the needs of their communities.

- **Your dollars count:** Putting philanthropic dollars toward local programs or groups can make a big difference.
- **Expand your coalition:** Think about influential voices in your state and community and engage them, even if they aren't your usual partners.

Now that funding has been secured, LABI and its partners intend to establish a working group, recruiting a broad range of members including faith-based groups, law enforcement officials, and other private funders to define the finer points of the pilot.

LABI hopes to launch the pilot in 2018.

Although Louisiana is still working to solve its childcare concerns, these examples highlight the power of business leaders as advocates and their ability to move the needle and implement policies and programs that benefit working parents and children.

LESSONS LEARNED:

- **Don't underestimate the power of your voice.** Business leaders have the power to take an under the radar issue and make it a public priority, garnering private sector investment and catalyzing public sector support and funding.
- **Incorporate advocacy for the issue where you can.** Even if you can't make childcare your top priority, you can be part of a broader coalition and lend your name as support. You can also raise the issue of childcare when you are advocating for a slew of other issues with policymakers.
- **Business engagement begets business engagement.** Effective coalitions are built when businesses are willing to reach out to other businesses to join a cause they care about. Use your relationships to help support childcare.
- **Don't go it alone.** The private sector was smart to partner with advocates for their expertise on issues around early childhood education and find a way for their work to dovetail into a public sector initiative, making it more sustainable in the long term.

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