## 2023 IOWA CHILD CARE WORKFORCE STUDY

### **Brief 4: Overview of Retention**

#### **Child Care Turnover is a Costly Problem**

Recruiting and retaining a high-quality workforce is one of the greatest challenges facing lowa's child care system. When providers leave their jobs, it costs time and money to recruit, hire, and train new staff – time and money that young children can't afford to have taken away. Recommendations from the Workforce Study to address this issue include a critical need to increase compensation and benefits and the promotion of education to enhance workforce stability. Additionally, it's crucial that members of the workforce have a good work environment, and that they are informed about their access to programs and supports designed to help them stay in their jobs.



#### **Findings at a Glance**

**62%** of child care providers plan to stay in the field as long as they are able.

**52%** of providers who have left the field say they would have stayed, but compensation and benefits are not enough.

### **Over 20%** of providers

say they are unsure if they want to stay in child care, or that they will stay until another event occurs (e.g., better job, become parent, children reach school-age).

If you lose the good assistants, then <u>all of the work is on the</u> <u>leads, and then they burn out,</u> <u>and then they leave.</u> I have two amazing assistants that I would literally die without... I was so excited that they're finally getting paid more. Please make them not quit. ??

[Center-based provider, Focus group 0930]

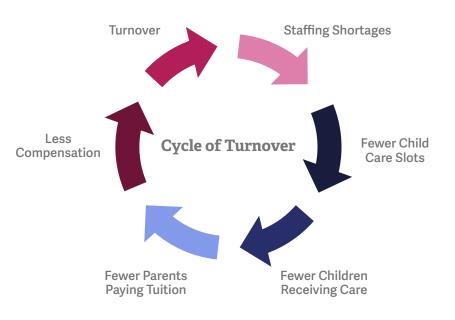


# Estimating the Cost of Turnover

The revolving door of workforce turnover costs not only money, but also time, energy, and relationships. Children's development suffers when caregiver relationships are severed. Directors and staff must invest time in posting new jobs, screening candidates, interviewing, hiring, and onboarding. After a hire is made, there is time spent training before staff can fully engage in day-to-day operations, which is time spent away from children. The financial hit that turnover causes in program budgets further exacerbates compensation challenges, creating a vicious cycle.

I'm in Davenport, and we have a waiting list of over 400 children who are looking for care, and I have 1, 2, 3, 4, 5 of my classrooms that are not full because I don't have staff to be in ratio.

[Administrator 102]



#### Scenario

- National studies estimate the annual turnover rate for child care ranges from 26% to 40%.
- The 2023 Iowa Childcare Workforce Study identifies the median assistant teacher hourly wage at a child care center to be \$12.50.
- Iowa's requirements for pre-service training include approximately 40+ hours for new staff.
- \$12.50 for each of the 40+ hours of required training results in upwards of \$500 spent per new staff member.
- If turnover averages 30% at a center of 10 employees, that is three new employees per year for a total of \$1500 in training costs

This doesn't include costs like classroom coverage, job posting, interviews, reference checks, fingerprinting, or any other miscellaneous administrative costs related to staff turnover.



