



The Seeds of Success: Investing in Early Childhood Workforce

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BACKGROUND

North Carolina’s Division of Child Development and Early Education (NCDCDEE) received multiple federal Preschool Development Grants Birth Through Five (PDG B-5) to develop and coordinate comprehensive, mixed-delivery early care and learning systems for all children and families to achieve equitable access to high-quality early care and education. As part of this work, a comprehensive needs assessment was conducted in 2022 that included a review of multiple data sources, including administrative data and literature, as well as focus groups and interviews with early care and education (ECE) providers, stakeholders, and parents in North Carolina. Findings from focus groups were a key part of creating recommendations to inform strategic planning as families and providers are most impacted and often best positioned to offer diverse perspectives.

This brief synthesizes the main ideas with respect to workforce issues that were mentioned by the more than 250 parents and providers who participated in the focus groups. The key takeaways were centered around: 1) low wages and lack of benefits driving workforce shortages, 2) concerns about staff shortages and the impacts on quality of care, and 3) staffing shortages reducing access to care for families. These findings are discussed with examples of the comments and ideas shared as well as recommendations for ongoing strategic planning.

Science has consistently demonstrated that the earliest years of life create the foundations on which a child’s future learning, behavior, and health depend. Young children need safe, stable, nurturing environments and relationships to thrive and reach their full potential. Children are learning and developing from the moment they are born, and when children do not have safe, secure, enriching environments and relationships, they lag behind their peers developmentally. The environments in which children spend their earliest years dramatically influence their long-term success in school and life.

Despite the crucial role that high-quality early care and education (ECE) plays in children’s development, its necessity for parents to maintain employment, and its ultimate impact on the state’s economic well-being, ECE consistently grapples with chronic underfunding and significant workforce challenges. It is difficult to disentangle access to quality care and the workforce because they are interdependent—a supported, well compensated, and well-trained workforce is a necessary ingredient in achieving improved access to high-quality ECE. However, the ECE workforce is in the midst of a crisis. Turnover and workforce shortages have plagued this industry and were made significantly worse by the COVID-19 pandemic.



LOW WAGES AND FEW BENEFITS DRIVING ECE WORKFORCE SHORTAGES

Nationally, 113,000 (11 percent) of child care jobs were lost between February 2020 and February 2022, with North Carolina losing 7 percent of staff working within licensed programs. North Carolina worked quickly to distribute COVID-related stabilization grants to child care providers using federal American Rescue Plan (ARP) funding.^a These grants ultimately helped to increase the number of workers, but they have yet to rebound to pre-pandemic levels. These workforce challenges have created persistent [access issues](#) for families seeking care. With the end of ARP funding in late 2023, it is estimated more than 1,700 child care programs in North Carolina may close.^a

The pandemic has placed increased attention on the concerning realities of the nation's early child care workforce, which is a workforce comprised almost exclusively of women and, primarily, women of color. These women are paid poverty-level wages, often have no access to health insurance, and lack other employment-related benefits. Child care providers are seven times more likely to live in poverty compared to public school kindergarten teachers and often report food insecurity, housing instability, and difficulties paying for household expenses—they will frequently hold an additional job to meet their basic needs. From 2016 to 2019, 39 percent of child care teachers and 16 percent of family child care home providers in North Carolina received some sort of public assistance (e.g., Medicaid, Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, child care subsidy, etc.).

“*I work here full time, I work a part-time job, and I do another side job. I work three jobs, I work seven days a week, so imagine my mental health.*”

— Urban Head Start Provider

“*When you are recruiting employees and they get the job and they see the numbers and they say ‘no—I think that I can do better elsewhere.’*”

— Urban Head Start Provider

“*If you can go to a department store like Walmart and other places here in town and make almost double an hour than what we're able to pay and you don't have to deal with all of the little bodies and the natural germs that come along with preschool, it just kind of makes it hard to sell.*”

— Rural NC PreK Provider

^aThe American Rescue Plan Act of 2021, also called the COVID-19 Stimulus Package or American Rescue Plan, was a US\$1.9 trillion economic stimulus bill that included \$24 billion for child care stabilization.



Providers and parents alike noted that they believe the key driver of ECE workforce shortages, both before and since the pandemic, is low wages and a lack of employer-sponsored benefits (i.e., health insurance, sick/vacation leave, and retirement). The ECE workforce is among the lowest paid in the nation, with an average annual salary in 2020 of \$25,460—less than half of the average salary for all occupations combined—\$56,310. This equates to less than \$13.00 per hour, which is a lower hourly wage than that offered by many major retail chains such as Walmart or Target. Further, just 15 percent of ECE workers receive employer-sponsored health insurance, compared to nearly 50 percent for other occupations, and only 10 percent have a retirement or pension plan.¹ In 2021, the average salary for a child care worker in North Carolina was \$24,820 (or \$11.93 per hour), making it difficult to recruit and retain child care professionals.



“*In my experience, what seems to be happening is that they can’t attract or retain high-quality teachers because they can’t pay those teachers what they are worth. For a high-quality educator in my county the average starting pay is like \$10 per hour.*”

— Private Center-based Urban/Suburban Parent

“*We did have staffing issues with COVID, but I am a nurse and I am the first to tell you that there are staffing issues everywhere. You are asking these people to have a \$40,000 education and you are paying them \$8 an hour and riding them hard because they can’t check all your boxes. It is important that we are mindful of that.*”

— Private Center-based Urban/Suburban Parent

Staffing shortages would likely be much worse, however, without the use of federal ARP resources to help stabilize the ECE workforce. The use of these funds to increase wages during the pandemic highlights the potential impacts that sustained investments in the early care and education field—particularly the workforce—could have for North Carolina. Without this large public investment, many more child care providers likely would have closed their doors.

STAFFING CHALLENGES IMPACT QUALITY OF CARE

Providers and parents offered key insights into the workforce challenges facing the state; most notably, the staffing shortage driven by a lack of qualified candidates and low levels of compensation. Providers framed these issues as severely limiting their ability to 1) serve children in high-quality environments, 2) serve all the children in need of care, and 3) ensure positive work environments for staff. Providers shared that some staff shortages were pandemic related or associated with required quarantines but most focused their comments on longer-term issues. These issues included a lack of qualified candidates who are passionate about working in ECE, given the low compensation levels, as well as a lack of people in the pipeline engaged in education or training to fill the positions of the future.

“*...if the heart is not there, then the quality is not there, because they are warm bodies and not really truly invested in the work that we are called to do in early childhood.*”

— Rural NC PreK Provider

“*The staff that we are hiring are not qualified, but we don't really have a choice at this point. Some of them have no experience working in an early childhood classroom. So that's another challenge because the training that we normally provide is just not enough to really place them in those classrooms and get the quality services that we want to provide.*”

— Rural Head Start Provider

“*It is just so much money, and I don't feel like a lot of the teachers are even qualified. I guess our child care loses a star because of the education piece and I get fixated on that piece. I know they are not doing lesson plans for 2-year-olds, but at the same time I generally like to see somebody who has early childhood education or something like it.*”

— Center-based Urban/Suburban Parent

“*I think it is mostly because of the pandemic, but the turnover at our daycare has been so high. They are constantly sending emails saying here is a new teacher, and there are times that I show up with my kids and don't recognize any of the adults.*”

— Private Center-based Rural Parent

The critical role early childhood educators play in child development makes a strong training pipeline essential for those preparing to enter the field. As a result of focused efforts on the part of the state to increase the quality of care, education levels of providers have been steadily increasing over the past 20 years. In 2001, only 20 percent of teachers had at least an associate degree in early childhood education or a bachelor's degree in another field. By 2019, 59 percent of teachers had either a degree in early childhood education or a bachelor's degree or more in another field and early childhood coursework. In addition to institutions granting four-year bachelor's degrees, entry points into the early childhood field include high school career technical education programs, the North Carolina Community College System, and apprenticeship programs either developed locally or through state initiatives. While these pathways to a career in ECE are robust, some education leaders are reluctant to promote early childhood coursework due to the lack of a living wage, limiting those likely to enter the profession.³

“*When you look to our community colleges, in regard to the number of students in the pool that are getting ready to graduate with early childhood certifications, they're not there. And I think a big part of that is because we are not able to be as competitive in regard to payment.*”

— Rural NC PreK Provider



STAFFING SHORTAGES REDUCE ACCESS TO CARE

Providers and parents also acknowledged challenges associated with staffing shortages, particularly those with children in center-based care settings. While reduced hours were mostly an issue during the pandemic, access to licensed child care in North Carolina has decreased over the past four years. In North Carolina in February 2022, 5,596 licensed early care and learning programs served 214,664 children, reflecting a loss of 180 sites (3 percent) and 30,785 slots (12.5 percent) since February 2020. Parents described complete closures or reduced hours of operation due to inadequate staffing levels and the associated impacts on their ability to work. Others expressed concern about the constant turnover of staff and worry over the continuity of care their children were receiving as a result.

“*With the staffing, it's kind of hard because, like many of you I'm sure, we have a long waitlist. We have the need, but we don't have a staff to meet that need.*”

— Center-based Urban/Suburban Provider

“*There is not a need at all for students because there is a waitlist for every class, especially the toddler age. So, if anything, our greatest need is staff.*”

— Center-based Rural Provider

“*Our preschool closed certain classrooms indefinitely because teachers just quit or they didn't like the protocols, or vaccine requirements or were older and decided to retire.*”

— Private Center-based Urban/Suburban Parent

“*I am on a waitlist at three places because I have a 5-month-old and now I am going crazy because I can't find child care. The situation is really hard at the moment.*”

— Spanish-speaking Parent

“*I took a new job and the daycares have basically said it will be two years before they might have an opening. Daycare has been a complete nightmare for our family.*”

— Center-based Rural Parent

SUMMARY AND RECOMMENDATIONS FOR STRATEGIC PLANNING

The early care and education workforce issues in North Carolina are long standing and were only further exacerbated during the pandemic. In particular, workforce shortages and staff turnover were pronounced beginning in February 2020 due to low wages, lack of benefits, and increased stress associated with the COVID-19 pandemic. In response, the state successfully implemented ARP stabilization grants to reduce some of the burdens faced by providers and aimed at reducing staff turnover and increasing hiring. In addition, North Carolina prioritizes early childhood educators through innovative strategies that offer ECE providers increased compensation tied to professional development. Strategies include offering direct wage supplements (e.g., WAGE\$ and AWARD\$ Plus) for early childhood educators who achieve particular educational benchmarks, such as attaining a degree or completing a certain number of credits and scholarships (e.g., T.E.A.C.H.) with compensation incentives. However, staffing numbers remain below pre-pandemic levels. Despite these efforts, statewide funding is not available to provide compensation supports for all eligible staff in all counties and the level of incentive may be inadequate to engage more providers. Additional economic investments are necessary to provide appropriate compensation to all professionals working with young children if we are to improve recruitment and retention now and in the future.

STRATEGIES THAT COULD REDUCE THE ECE WORKFORCE CHALLENGES INCLUDE:

- 1 Explore long-term strategies, including public investment, to address low wages and benefits of early childhood professionals.
- 2 Continue evaluating current supplement programs (e.g., WAGE\$, Infant-Toddler Educator AWARD\$ Plus) and explore opportunities to increase enrollment and decrease administrative burden, ensuring programs are available for all who are eligible statewide.
- 3 Employ new approaches for recruitment and retention bonuses, increased compensation including benefits, and wage parity with K-12 educators.
- 4 Build, expand, and make viable a primary set of pathways into the field, including certificate/credential programs leveraging apprenticeships and career and technical education programs, as well as associate and bachelor's degree programs to prepare early childhood educators to provide high-quality early care.



REFERENCES

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This research brief is part of a four part series to enhance qualitative analysis of parent and provider feedback collected for the 2022 update of NC DHHS DCDEE Needs Assessment and Action Plan.

All four are available online at <https://childandfamilypolicy.duke.edu/research-item/nc-preschool-development-grant/>

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