

A Review of Efforts to Link Economic Development and Child Care Research and Best Practice Brief

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The Alliance for Early Childhood Finance, sponsored by Smart Start's National Technical Assistance Center and the Build Initiative, has convened the Early Childhood Finance Learning Community and is conducting a series of moderated conference calls on a variety of early childhood finance topics. *Using Child Care Economic Impact Studies to Support Change* was the topic of their December 7, 2004 conference call. With moderator, Louise Stoney, were guest speakers Ellen Pratt, Business Liaison for Windham Child Care Association in Vermont, and Marcia Meyer, Senior Consultant with Child Care Ventures in Santa Cruz, California. This research and best practice brief provides an overview of the national conference call discussion as well as the resource materials and papers that were gathered to support their discussion.

Developing a Plan

State leaders that have produced child care economic impact reports emphasize the importance of developing a plan that is unique to your state or locality and that includes specific outcomes. Identifying practices and strategies for short-term, intermediate, and long-term goals helps to ensure that there are early successes and steady progress toward desired outcomes. In some cases, it has been local entities that have developed a plan and utilized economic impact data to impact change. Planning at the state level has also been successful. Although the goal is to involve many individuals in disseminating the report, the most successful efforts have had leadership to ensure implementation of the plan, track results, and advance efforts.

The Berkeley Media Studies Group has developed a set of publications to facilitate media advocacy. The Group provides guidelines for developing strategies and offers a series of questions for community organizations to consider in shaping a plan to impact change.

Targeting Audiences

Part of developing a plan includes identifying what audiences to target. There are different types of audiences that have the power to affect change, and communication and message strategies may differ for each audience. Many efforts have included identification of a core message with specific messages targeting different groups, such as business leaders, policymakers, lending institutions, the child care sector, and community leaders. For each audience, there is a specific message and a desired outcome and targeted call to action. Leaders underscore the importance of crafting a message for the child care community. Individuals working in the field may view the focus on economic development as threatening to an educational focus.

Developing a Methodology

Resources are available to assist communities and states in the development of a methodology for conducting a child care economic impact study. The *Linking Economic Development and Child Care Project* at Cornell University has developed a web-based interactive methodology guide for how to conduct an economic impact study. It includes a searchable database of all state and local economic impact studies and a 50 state database of current and national comparative data (<http://government.cce.cornell.edu/doc/reports/childcare/50state.asp>).

Dr. Dana Friedman, currently the Senior Advisor Bright Horizons Family Solutions was the Co-Founder and former Co-President of the Families and Work Institute (FWI). In a paper prepared for the Early Childhood Funders' Collaborative, Dr. Friedman underscores the breadth of the argument for early childhood investments and encourages a broadening of methodology. She outlines various research strategies that are generating data on the economics of early care and education, including:

- ◆ Cost/benefit analysis;
- ◆ Macroeconomic studies on the impact on human capital;
- ◆ Microeconomic studies on the impact on human capital;
- ◆ Studies on the impact of fiscal policies on children; and
- ◆ Economic development studies.

She underscores the short-term, medium-term, and long-term effects such research is uncovering. Increased credibility and investment, better data collection, and new partnerships are among the benefits of economic development research.

Delivering the Message

Many different individuals can be successful at delivering the message if adequate training is provided. Most efforts have included voices outside of child care as primary spokespersons. Not seen as self-serving, these individuals have credibility. Incorporating spokespersons that have access to audiences that have power and resources is also important. Initiatives have also reached out to allies that were trying to reach similar audiences. For example, the work in Vermont included collaborations with a livable wage campaign and a group called Vermonters for a Fair Economy. Linking efforts often strengthens each separate endeavor.

Setting a Realistic Time Frame

State leaders have found that a year of planning and development is often necessary. Most recognize that their ultimate goal may be many years down the road. Time frames may also differ in different states and local communities based on the goal or community conditions. Many have found that successes have been realized because project leaders were able to recognize and capitalize on specific opportunities (e.g., new economic development money in a community, a strong ally on the city council).

Success Stories

The Local Investment in Child Care project (LINCC) in California, funded by the David and Lucile Packard Foundation through the National Economic Development and Law Center, began by developing a logic model for planning purposes. Focused on specific outcomes related to increased development of child care facilities at the local level, LINCC has been successful in:

- ◆ Partnering with the Small Business Development Center and a community development corporation to provide business acumen classes for family child care and center-based programs, resulting in provider access to a half million dollars in new loans;
- ◆ Using social math (i.e., a way to take large numbers and translate them into something meaningful for the audience you are addressing, making comparisons to familiar things) to convey data in meaningful ways;

- ◆ Inserting child care language in housing elements, resulting in the consideration of child care needs and impacts when looking at other environmental impacts of larger developments;
- ◆ Partnering with affordable housing developers, resulting in two new child care centers as well as family child care units being developed as part of affordable housing units;
- ◆ Finding non-traditional partners to talk about child care and use the economic impact report findings in presentations and speeches; and
- ◆ Increasing sustainability for child care businesses.

In Vermont, child care economic impact data have been:

- ◆ Used to convince legislators to require child care planning among the 13 goals that must be addressed in town plans;
- ◆ Successfully woven into a new statewide initiative, Building Bright Futures: Vermont's Alliance for Children (a system similar to North Carolina's Smart Start); and
- ◆ Used to successfully lobby the state economic development body to address child care in the state's economic development plan

There are also numerous efforts underway at the national level. Both the Committee for Economic Development (CED) and Pew Charitable Trusts are investing in efforts to build the economic case for investment in preschool. CED has developed a ten-year plan to shift priorities and resources to early care and education in the United States and has organized the Invest in Kids Working Group as one component of their plan.

Efforts in Florida

In 2003, the Florida Children's Forum published *The Economic Impact of Child Care in Florida*. The study, conducted by MGT of America, Inc., was designed to inform policymakers and the public as to the impact of the child care industry on Florida's economy. The Florida Children's Forum also incorporated the study's findings into their *Strong Voices for Young Children* campaign, an effort to encourage leaders from all sectors to join early childhood professionals in highlighting the importance of quality early care and education.

References and Resources

Cornell University. (2005). Linking economic development and child care project [Available on-line at <http://government.cce.cornell.edu/doc/reports/childcare/>]. Ithaca, NY: author.

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Friedman, D. (2004). *The new economics of preschool: New findings, methods, and strategies for increasing economic investments in early care and education* [Available on-line at www.earlychildhoodfinance.org]. The Early Childhood Funders' Collaborative.

Stoney, L. (Moderator). (2004). Using child care economic impact studies to support change (Conference Call of the Early Childhood Finance Learning Community) [Available on-line at www.earlychildhoodfinance.org]. Raleigh, NC: Alliance for Early Childhood Finance.

The following resources can be accessed as part of the Berkeley Media Studies Group website (<http://www.bmsg.org/>):

Book: News For A Change -- This includes Child Care Ventures economic impact study "social math" as an example.

Guide: Making the Case for Early Care and Education: A Message Development Guide

Issue Paper: Child Care Coverage in the Media

From Vermont:

The Economic Impact of Vermont's Child Care Industry study at: <http://www.windhamchildcare.org/>

PowerPoint® presentation on the findings of Vermont's study. *C:\EarlyChildhood\bandouts\Vermont EIRgeneralaudience.ppt*

The Vermont Economic Progress Council's 2002 Update to the state's economic plan (that includes a recommendation on child care) is available at: http://www.thinkvermont.com/vepc/vepc_range.cfm?id=2002

The Vermont Child Care Planning Guideline. This was developed to help municipal/regional planners address the new child care planning goal - added to Vermont State Statutes as part of the Governor's Jobs Bill in 2002
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From Santa Cruz, California (go to: <http://www.lincc-childcare.com/>):

Social Math Example: Provides a pictorial comparison of the # of child care workers in the county versus other industries. (*SantaCruz1.pdf*)

Theory of Change for the Local Investments in Child Care Project (LINCC). (*SantaCruz2.doc*)

Child Care in Our Communities – Article by David Foster of Santa Cruz for the National Planning Commissioners Journal, Summer 2004. (*C:\EarlyChildhood\bandouts\SantaCruz3.pdf*)

CREDITS

Convener: The Alliance for Early Childhood Finance (www.earlychildhoodfinance.org/)

Sponsor: Smart Start's National Technical Assistance Center (<http://www.ncsmartstart.org/national/main.htm>)

Sponsor: The Build Initiative (<http://www.buildinitiative.org/>)

Moderator: Louise Stoney, independent consultant and part-time staff member at the National Child Care Information Center (NCCIC). Her report, *Looking Into New Mirrors: Lessons for Early Childhood Finance and System-Building*, explores policy in four fields: housing, higher education, health care, and transportation, and identifies challenges and lessons for leaders and policy makers in early childhood.

Discussant: Ellen Pratt, Business Liaison for Windham Child Care Association in Vermont
(<http://www.windhamchildcare.org/impact.html>)

Discussant: Marcia Meyer, Senior Consultant with Child Care Ventures in Santa Cruz, California
(http://www.mainst.santacruz.ca.us/ed_services/childcare_ventures.pdf)

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