



CROPP & Childcare

Needs Assessment and Feasibility Study

Overview

4/23/19





The 100 Best Places to Work in 2015

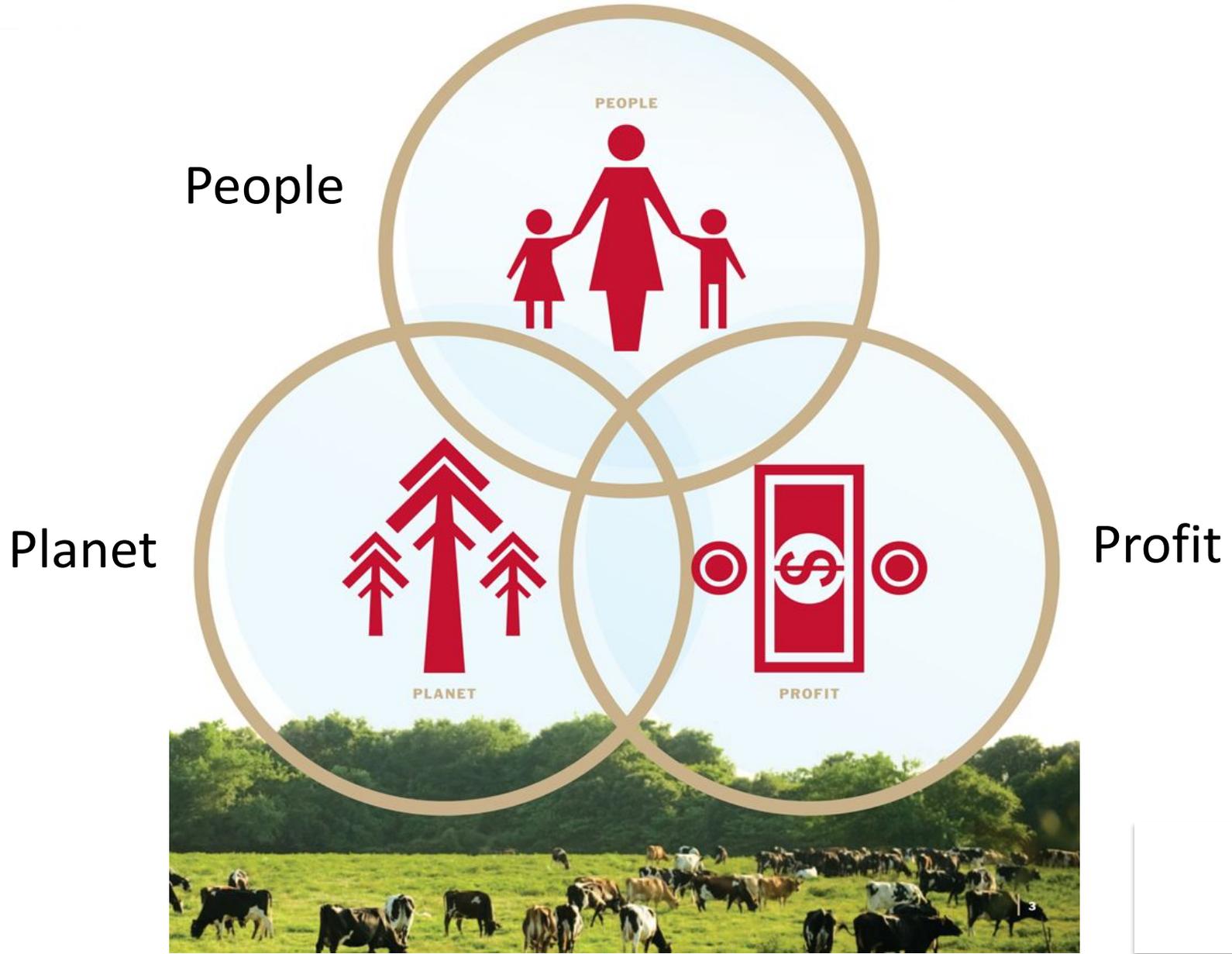


Illustration: Federica Bordonni

“LaFarge, Wisconsin–based Organic Valley is essentially a giant co-op that creates certified organic products sourced directly from its 1,800 farmer-owners across the country. The company features regular company dinners, an on-site gym, an employee garden, a mile-loop walking path, and bikes to check out and ride at lunch.”



Profit is not the only goal



CROPP history with childcare

- Funding and product support, 2014 employee survey, anecdotal, various proposals
- Rural setting – many traditional community amenities are absent, or lacking quality
- Wisconsin Dept. of Children & Families - YoungStar 5 star ranking system
 - Cashton, La Farge, Chaseburg – currently 0 participating*
- Childcare Needs Assessment and Feasibility Study – *Internal and Mills Consulting*
 - **304** - Employees took the survey
 - **34** – Employees participated in 4 focus groups sessions
 - **12** – Leadership interviews with Mteam or Directors
 - **8** – Interviews with national, regional & local service providers
 - **5** – Interviews with similar companies that currently offer childcare
 - **4** – Meetings with childcare consultants



Needs assessment workflow

6/15/2015

Needs Assessment

Demographic and Geographic Analysis

Feasibility

Employee Survey
Cashton & La Farge

Advisory Groups & Management meetings

Market study

Staff, Community

External: potential partner, stakeholders

Internal: Benefits, insurance, timeline, open to community?

7/1/2015

Usage Projections

Draft Requirements

Analyze Data

Usage Projections & Recommend Solution

Initiate Construction process

RFI

Ongoing OV participation

Operations Subsidy – upfront, ongoing

Facility cost – upfront, ongoing

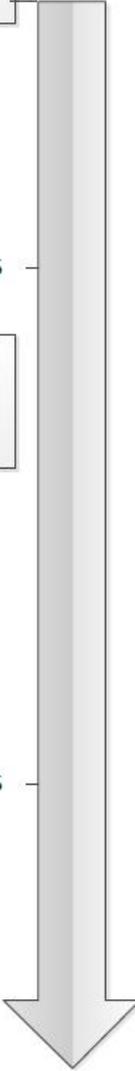
8/1/2015

RFP

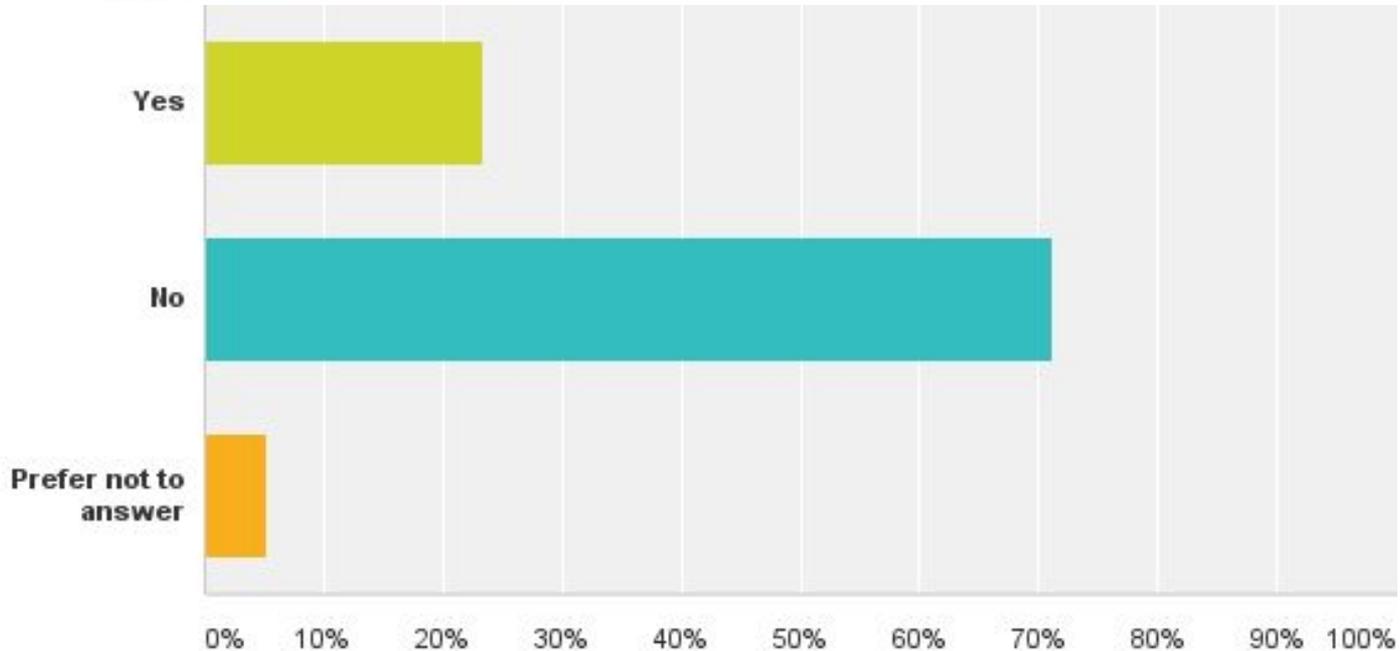
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Service Provider/ Model

Program Development



Q11: Do you expect to have, or adopt a child within the next 24 months?



Answer Choices	Responses
Yes	23.43% 71
No	71.29% 216
Prefer not to answer	5.28% 16
Total	303

*of these 71 respondents, 12 (20%) have considered leaving CROPP due to childcare needs



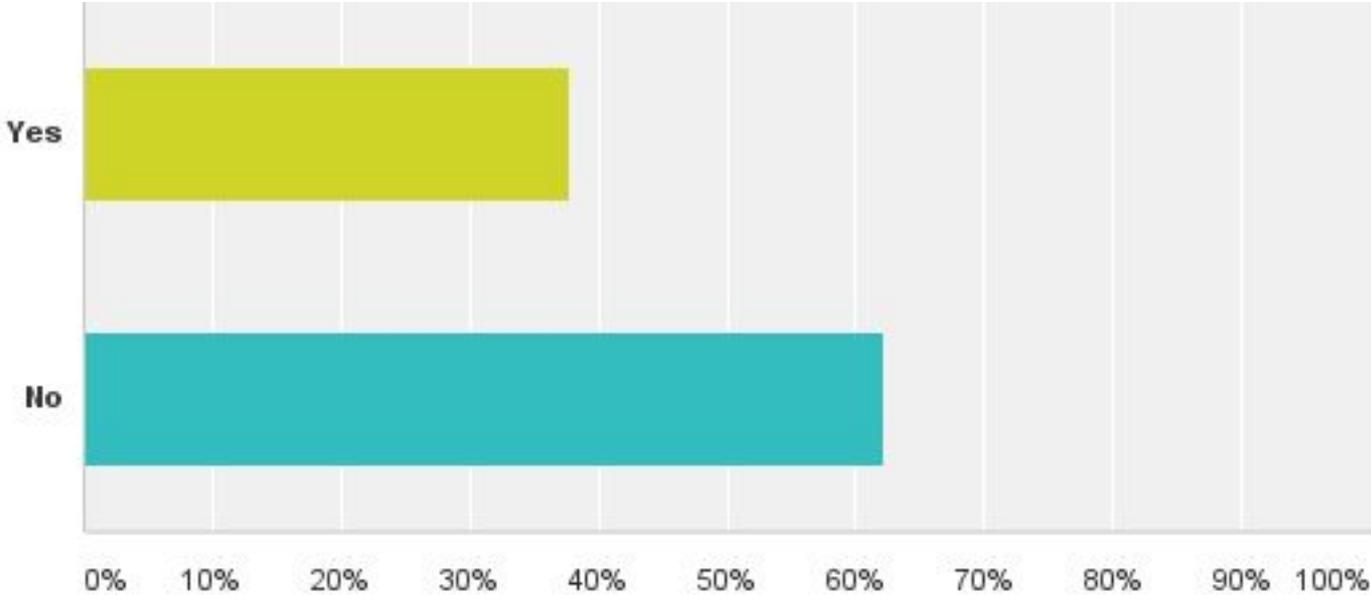
Q15: If yes (to using childcare), what kind of service, and where is it located? For example - In home, relative, accredited center, etc.

Answer Choices	Responses
Partner/Spouse provides childcare	13.33% 14
A relative provides childcare	22.86% 24
A nanny provides childcare	8.57% 9
I use a licensed family childcare	24.76% 26
I use a an unlicensed family childcare	23.81% 25
I use a licensed group childcare center	22.86% 24
Other	8.57% 9
Total Respondents: 105	

*CROPP employees access in-home family care at almost 6x the national average. 24% are potentially accessing illegal, unregulated childcare.



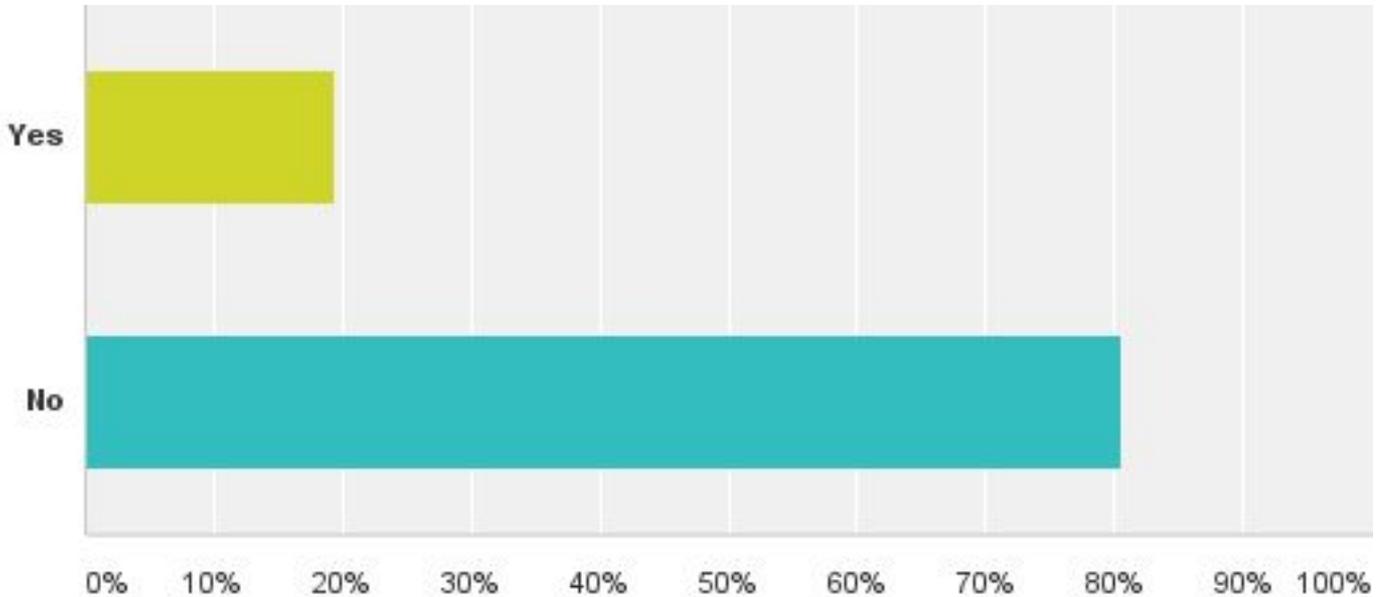
Q28: When considering employment here, were you concerned about childcare?



Answer Choices	Responses	
Yes	37.76%	54
No	62.24%	89
Total		143



Q29: Have you considered leaving Organic Valley because of your childcare needs?



Answer Choices	Responses
Yes	19.42% 27
No	80.58% 112
Total	139

***Almost 2/3 of employers found that providing child care services reduced turnover. Depending on the type of child care program offered, businesses reduced turnover by 37% to 60%.**



Q34: Have any of the following co-worker's childcare issues, not related to illness, contributed to workplace interruptions in your department?

Answer Choices	Responses	
Late to work , or had to leave early	67.54%	154
Disruptions at work	39.91%	91
Missed work days	55.70%	127
New parent not returned to work as planned	14.91%	34
None	25.88%	59
Total Respondents: 228		

*Child care breakdowns leading to employee **absences cost businesses 3 billion annually** in the United States.



Q35: If Organic Valley were to sponsor a childcare solution, would you: check all that apply

Answer Choices	Responses	
Consider that a great benefit	80.42%	193
Agree the OV is invested in their employees	90.42%	217
Be able to focus more on work related tasks	40.00%	96
Recommend the cooperative to others	67.50%	162
Feel it is a waste of money	5.42%	13
Consider leaving because of this benefit	0.00%	0
Feel this is an unfair benefit to only some of the employees	11.67%	28
Total Respondents: 240		

***85% of employers report that providing child care services improved employee recruitment.** About **one in three working parents is willing to change employers** or trade salary and benefits to work for a family friendly employer.



Needs Assessment Key Takeaways

- **Accessible** – programs are at capacity, and have waiting lists
- **Convenient** – extra commute time, closed on work days, etc.
- **Affordable** – high quality programs are unattainable for some CROPP employees
- **High-quality** – no 4 or 5 star facilities in Vernon, Monroe or Crawford counties
- **Mission-aligned** – kids watching movies, all plastic toys, chemical cleaners, etc.
- **Flexible** – must pay for full week, no make up days if sick on vacation, closes at 5pm, etc.
- **Childcare that offers organics** – must pack lunch, kids eating GMO sprayed foods
- Other options:– stipends, reimbursements, assist w/ start up costs, etc



Options

- Status Quo
- Own, upgrade, maintain and lease facility
 - Odessa House, Cashton North, TBD site
- Partner with and partially fund Local Organization – For or Non Profit
 - Fund current local request
 - Request proposal from regional options
- Partner with national for profits:
 - Bright Horizons
 - Children’s Creative Learning Center (KinderCare Learning Center)
 - CROPP only or open to community?
- Create RFP – open the process up
 - Baseline enrollment, wait list priority, etc.
- Other – DCAPs, Referrals/info, partnerships, product support, vouchers, etc.



Status Quo

Pros

- Allocate co-ops funds and focus elsewhere
- Maintain precedent of equally accessible benefits and compensation
- Maintain current organization scope
- Potential of private industry to fill this gap

Cons

- Staff are displeased with childcare options
- Potential to lose quality employees or applicants
- Relocation opposition
- Potential of negative situation regarding a low quality child care facility



Own, upgrade, maintain and lease facility

Odessa House, Cashton North, Build new

Pros

- Control all aspects of build out
- Design optimal facility, setting
- Upgrade co-op asset, recoup some expenses
- Ensure efficient and cost effective build project
- Ensure facility and program is mission aligned

Cons

- Enterprise Project timeline
- Co-op time and resources
- Liabilities
- Adjacencies
- Additional brick and mortar to maintain
- Potential of redirecting focus from COB, or other programs/projects



Partner with Local Organization – For or Non Profit

Fund current local request

Create an RFP – open to local organizations to fill need

Pros

- Knowledge of local issues, people, resources
- Invested in community, CROPP and regional development
- Existing waitlist, enrollment strategies, outreach, brand
- Lower enrollment costs quoted
- Create simple MOU for desired outputs

Cons

- Not able to access replicable start up model
- Limited resources, partners
- Local politics – choosing one over another
- Specific pedagogy, curricula or program focus
- Scaling, staff restructuring, current program requirements



Partner with national for profits:

Bright Horizons

Children's Creative Learning Center (KinderCare Learning Center)

Pros

- Existing & replicable start up model – staffing, build out, trainings, enrollment
- Nation wide resources and expertise
- Existing partnership/subsidy financial model
- NAECY accreditation
- Standard Process, Google, NBC Universal, etc.

Cons

- Partially motivated by profits
- Lack of regional knowledge
- Perceived to have cut out local business owners
- Long term contractual obligation
- Larger upfront investment



ROI

- ROI that proves that the investment is sound – (0.04) - 0.18
 - Reduced absenteeism & turnover, tax incentives(\$195k annual, \$500k facility) depreciation, PR and recruitment
 - **Clif Bar, Patagonia, Gunderson Health System, Standard Process & Frontier Cooperative** – Wonderful benefit, appreciated organization wide, would never give it up, mission aligned and worth investment.
 - Boosting Recruitment: **85% of employers report that providing child care services improved employee recruitment.** About **one in three working parents is willing to change employers** or trade salary and benefits to work for a family friendly employer.
 - Damping Turnover: Almost **2/3 of employers found that providing child care services reduced turnover.** Depending on the type of child care program offered, businesses **reduced turnover by 37% to 60%.**
 - Lowering Absenteeism: Child care breakdowns leading to employee **absences cost businesses 3 billion annually** in the United States. Fifty-four percent of employers report that child care services had a positive impact on employee absenteeism, **reducing missed workdays by as much as 20% to 30%.**
 - Strengthening Your Business Image: **85% of employers that offered child care programs reported more positive public relations.**

<http://www.wcccc.com/parent-services/employer-benefit-options/>



Return on Investment – cont.

- **Attracting talent – regarding Employer Sponsored Child Care**
 - 68% said important in decision to accept job offer
 - 83% would recommend their employer as a great place to work
- **“Sticky” benefit**
 - 80% said they would continue to work for their employer because of on-site child care
 - 23% have turned down another job due to child care benefit
- **The incoming workforce**
 - Generation X and Y results showed an even stronger recruitment and retention impact for this group
- With the majority of single-parent families having a parent in the workforce and more than 59% of two-parent families with both parents employed, child care benefits are an important recruiting and job satisfaction driver for working parents.¹
- Increased employee satisfaction equals increased returns, improved recruitment, retention, and motivation.²
- Employees who report that they are very satisfied with their benefits are three times more likely to express a strong sense of employer loyalty.³
- Highly engaged employee companies enjoy 26% higher employee productivity, lower turnover, higher talent attraction, and greater shareholder return.⁴

¹Society For Human Resource Management, 2011 Employee Benefits: Examining Employee Benefits Amidst Uncertainty Survey Results

²Edmans, A. (2010). Does the stock market fully value intangibles? Employee satisfaction and equity prices. Journal of Financial Economics.

³Metlife 9th Annual Study if Employee Benefits

⁴Taleo Research White Paper: Profitable Talent Management (2011)



Proposal

Cashton: Build a 9,000 sq. ft. childcare facility at the corner of Organic Circle and Organic Drive, within close and safe proximity of both COB and the DC to serve ***48 children from 12 weeks to 5 years**, and a **summer camp for 24 elementary aged children of CROPP employees and the Village of Cashton.**

This organization should be owned and operated by CROPP, managed under Cooperative Affairs, and treated as a profit center that will run at a deficit.

Other outcomes: Shared Services, increased regional awareness, partnerships built, etc.

**based on Mills Consulting projections of employees needs*



CROPP COOPERATIVE

Thank you for your time.

If interested in the full childcare report,
please contact:

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