High-quality early care and education (ECE) creates a strong foundation for children's lifelong success. It helps children develop critical social and emotional skills, sets them up for academic success, and has been shown to have lasting, positive effects on crime, employment, wages in middle adulthood, and health among disadvantaged groups.¹

But high-quality ECE cannot exist without a healthy and effective ECE workforce. Despite the various quality initiatives implemented in Wisconsin and nationwide, families still have uneven access to high quality learning opportunities for their children, in large part due to the unique challenges facing the ECE workforce.

Research presented in the first two briefings in this series show that providing high-quality ECE is costly. Families can’t afford the type of high quality child care they desire, and providers are struggling financially as they strive to comply with regulations that further increase costs. Providing child care is difficult work, and wages are low, two facts that likely explain the persistently high turnover rate among ECE teachers, which then leads to numerous negative consequences for children and their families.

There is a strong need to build a better functioning early care and education system in Wisconsin. Emerging research and workforce development examples from other sectors suggest some policy interventions that can improve teacher retention rates and develop the ECE workforce by building qualifications and skills, resulting in high-quality child care that is accessible to Wisconsin parents who need it.

### Key Takeaways

- Supplemental earnings programs are an effective solution for increasing employee retention.
- Professional development and credentialing programs are effective solutions for increasing worker qualifications and providing a pathway to long-term career growth.
- Workforce development initiatives should align eligibility criteria and requirements to ensure workers can take full advantage of the programs available to them.
Combining retention strategies and higher wages with intensive workforce development initiatives may lead to better outcomes

While many different ECE workforce initiatives are underway in states and localities nationwide, evidence of their effectiveness is limited. Many of these programs are relatively new, operate on a small scale, or have varying levels of requirements and supports, meaning that robust evaluations of effectiveness are not available. However, emerging evidence from Virginia, along with prior workforce development research, shows that multi-faceted solutions targeting both worker compensation and workforce professional development can help rebuild and develop the ECE workforce. The following workforce development program components have shown strong evidence of effectiveness. Incorporating them into an ECE workforce development initiative, and aligning the eligibility criteria across programs, could be a successful long-term strategy.

Component 1: Supplemental Earnings

Programs that increase worker compensation through supplemental earnings payments have been rigorously evaluated and show solid evidence of effectiveness. These programs, sometimes referred to as “Make Work Pay” or “Making Work Pay” initiatives, offer supplemental payments to workers if they meet certain criteria, such as maintaining a full-time job. Rigorous studies of earnings supplement programs in the 1990’s, as well as new experimental evidence from Virginia, have demonstrated that these programs boost worker earnings, increase employee retention, and reduce poverty among participants. However, the evidence shows that these programs are only effective for as long as the earnings supplements continue. While it was hoped that short-term earnings supplements would help workers gain skills that would lift them into higher paying jobs in the long-term, the evidence indicates that this is not the case.

Evidence on earnings supplements has two primary policy implications for the ECE industry. First, earnings supplements are highly effective at encouraging participation in the workforce and retaining existing workers. Second, earnings supplements alone are not enough to provide career advancement opportunities to ensure long-term wage growth for ECE workers. Longer-term, more robust compensation reforms coupled with comprehensive professional development supports are more likely to be effective long-term strategies.

Component 2: Comprehensive Supports for Professional Development and Credential Attainment

Evidence on workforce development programs indicates that programs emphasizing investment in human capital (i.e., developing workers’ skills and qualifications) tend to have greater long-term impact than those that do not. One of the most effective pathways to improving both the earning potential for individual ECE teachers and the quality of care

* “Make Work Pay” refers to a series of experiments conducted by MDRC in the 1990s. The “Make Work Pay” experiments tested whether offering earnings supplements would increase employment and income and improve family well-being among welfare recipients.
children receive is through education, training, and other professional development opportunities. Many states, including Wisconsin, have incentive programs that are intended to assist ECE teachers in completing professional development activities. However, many eligible participants are unable to take full advantage of these opportunities due to a lack of adequate supports, such as counseling, transportation assistance, and career advisement. Evidence from New York and Ohio has demonstrated that providing comprehensive supports can increase credential completion and degree attainment.6

The research on workforce development programs from other sectors provides two key takeaways for the ECE industry. First, programs that focus on developing workers’ skills and qualifications are more likely to lead to long-term impacts. Second, providing comprehensive supports can improve graduation rates, which ultimately increases the effectiveness of such programs.

Component 3: Coordination and Alignment of Strategies

ECE teachers must often work full-time to make ends meet while attempting to take advantage of the compensation and workforce development reforms that are available to them. This can prevent them from successfully completing the degree and credentialing programs that are effective at developing the ECE workforce over the long term. For example, a Louisiana initiative offered full tuition to ECE teachers as well as a $3,300 per year tax credit upon completion of a credential program. But the state estimates that nearly 75% of teachers who began the program failed to complete it due to the challenges of working full-time while maintaining eligibility.7

These problems can be mitigated by developing program requirements that ease the burden on individual ECE teachers and increase the number of people participating in the programs. One way to do this is to align eligibility criteria across the various programs that are being implemented. One possibility is structuring earnings supplement requirements to include a combination of part-time work and progress on professional development, rather than solely on full-time work. This would make it easier for ECE teachers to maintain eligibility for supplemental earnings while they progress in professional development and credentialing programs.
Case Studies: Evidence on the effectiveness of supplemental earnings and comprehensive supports

Teacher Recognition Program: Supplemental Earnings Nearly Double ECE Teacher Retention

Virginia’s Teacher Recognition Program is one of the first ECE workforce retention programs to produce experimental evidence of effectiveness. The program offered up to $1,500 to teachers in publicly funded child care sites who continued full-time employment over an eight-month period. Researchers found that...

Teacher Recognition Program

Location: Virginia

Study Period: 2019 - 2020

Target Population: Center- and home-based child care sites accepting subsidies, Head Start centers, and school-based Pre-K sites

Sample Size: 500 child care sites

Program Components: $1,500 payment to teachers who maintain full-time employment at the same site

Effects: 49 percent decrease in teacher turnover

Figure 1: Teacher Recognition Program Impacts

Effects on Turnover, Overall and by ECE Sector

Effects within Child Care Sector, by Teaching Role
the additional $1,500 led to a nearly 50% reduction in overall turnover compared to a control group. The effects of the intervention were even stronger among lower-level staff, with researchers finding a decrease in turnover of over 60 percent for Assistant Educators (i.e., entry-level teachers) over the eight-month period.\footnote{The New Hope Project}

**New Hope Project: Earnings Supplements Generate Significant Impacts While They Last**

Another rigorously evaluated example of the impact of compensation incentives is the New Hope project, which was established in Milwaukee in 1994 and provided earnings supplements, subsidized child care, and job search assistance to full-time low wage workers. Participants were randomly assigned to the program, with outcome data collected over an eight-year period. Results from this study, like the experimental evidence from Virginia,
show that earnings supplements are highly effective at boosting workers’ earnings and reducing poverty while they are available.9 However, the positive impacts on New Hope participant earnings faded after the earnings supplements were ended after the third year of the program.

The Teacher Recognition and New Hope programs illustrate that earnings supplements can effectively increase earnings and worker retention over the short term. Within the context of COVID-19, earnings supplements could be an effective policy option to mitigate the provider closures and staffing difficulties ECE providers currently face. However, the evidence from the New Hope project illustrates that for long-term change to be realized, more robust compensation reforms and comprehensive workforce development initiatives will be necessary.

Accelerated Study in Associates Programs: Comprehensive Supports Nearly Double Three-Year Graduation Rates

As discussed in ECE in Wisconsin: Workforce Demographics, Access, and Trends and ECE in Wisconsin: Consequences of Teacher Turnover, ECE teachers face challenging working environments and low levels of financial and emotional well-being, which has an impact on the quality of care provided as well as the sustainability of the workforce. While the monetary supplements outlined in the previous section can address employee financial security and turnover rates, building the ECE workforce by providing professional development and career advancement opportunities is likely to have more robust long-term effects. Rigorous evidence from the on-going Accelerated Study in Associate Programs (ASAP) provides insights on how to increase participation and completion of professional development opportunities among ECE teachers.

The ASAP target population, while not ECE-specific, overlaps the demographics of ECE workers. It targets low-income students, students of color, and first-generation college students, among other groups that are less likely to graduate within three years. Like ASAP students, ECE workers are more likely to face financial burdens, low or inadequate levels of support, and lower academic preparedness that make it difficult to quickly earn credentials.

ASAP mitigated these challenges by providing

### Accelerated Study in Associate Programs

**Location:** New York, Ohio

**Study Period:** 2010 - ongoing

**Target Population:** Students with family income below 200% of the federal poverty level and in need of skill development (math, reading, writing)

**Sample Size:** 897 (NY); 1,501 (Ohio)

**Program Components:** Financial support, personalized career advisement, specialized course enrollment

**Effects:** 83.9% increase in graduation rates in New York; 81.25% increase in graduation rates in Ohio
**Figure 3**: Supports Provided by the Accelerated Study in Associate Programs (ASAP)

<table>
<thead>
<tr>
<th><strong>Financial Support</strong></th>
<th><strong>High-touch Advisement</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Tuition waiver</td>
<td>• Personalized high-touch advisement with dedicated advisor with small caseload</td>
</tr>
<tr>
<td>• Free textbooks</td>
<td>• Individualized career and employment support</td>
</tr>
<tr>
<td>• Transportation support</td>
<td>• Tutoring for academic challenges</td>
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</tbody>
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<table>
<thead>
<tr>
<th><strong>Course Enrollment</strong></th>
<th><strong>Requirements</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Early registration</td>
<td>• Full-time enrollment</td>
</tr>
<tr>
<td>• “Blocked” course enrollment in first year</td>
<td>• Developmental education course-taking</td>
</tr>
<tr>
<td>• Seminars covering goal setting and study skills</td>
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**Figure 4**: ASAP Nearly Doubles Three-Year Graduation Rates

<table>
<thead>
<tr>
<th>CUNY ASAP</th>
<th>Ohio Colleges</th>
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<tbody>
<tr>
<td>21.8%</td>
<td>19.2%</td>
</tr>
<tr>
<td>40.1%</td>
<td>34.8%</td>
</tr>
</tbody>
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- Control Group
- Program Group
participating students with comprehensive supports, including financial support, high-intensity advisement, tailored course progression, and other supports.

This model has been shown to have positive effects on retention, credit accrual, and degree completion. By providing comprehensive supports, the ASAP model was able to nearly double the three-year graduation rates for the target population in both New York City and Ohio.\textsuperscript{10} The rigorous evidence outlined above indicates that comprehensive supports can significantly improve credential and higher education degree attainment. Incorporating these comprehensive supports alongside professional development and credentialing programs for ECE providers is more likely to lead to long-term wage growth and career advancement than earnings supplements alone. More importantly, increasing credential and degree attainment among ECE providers will increase the quality of their teaching and the quality of the early care and education children are receiving in Wisconsin.

**Summary**

A well-functioning early care and education system has far reaching effects on children and families, and provides benefits to all Wisconsin residents. However, it is clear that the current Wisconsin child care system is not meeting the needs of the state’s children or the providers that care for them. At this time, there is limited academic evidence on ECE workforce development initiatives. However, investment in the ECE workforce will be necessary to ensure all children in Wisconsin have reliable access to high-quality education. The program components outlined in this brief offer a few policy options that have shown to be effective at building and retaining a qualified workforce.

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9. Miller et al. (2008)

10. The City University of New York (2020)