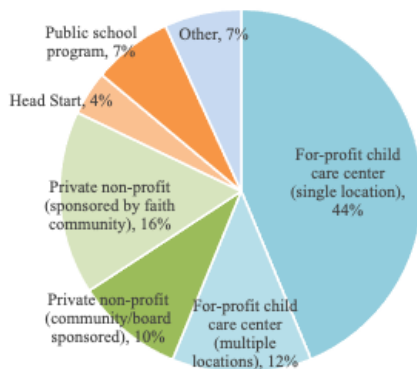




In September 2021, the North Carolina Child Care Resource and Referral Council (NC CCR&R Council hereafter referred to as the Council) contracted with Well World Solutions to conduct a survey of child care centers in the state to better understand the staffing challenges centers in the state might be experiencing. About 3,470 child care centers around the state were invited by e-mail to complete a short 10-minute web-based survey. Responses were obtained from 1,269 child care centers for a response rate of 37 percent.

About the Responding Child Care Centers

Figure 1: Type of Child Care Center



Respondents represented all [14 NC CCR&R regions](#) with 44 percent being for-profit, single location child care centers, another 12 percent being for-profit but with multiple locations, another 10 percent being community-based private non-profit centers and another 16 percent being faith-based non-profit centers. Head Start and public school programs also responded to the survey. Figure 1 shows these details. *Note, “other” centers included those operated by organizations such as hospitals and universities, pre-K programs and centers in a residence.*

More than half of the responding child care centers (53 percent) used to serve 50 or more children before the pandemic (that is, in March 2020), but only about 4 in 10 of them (44 percent) were doing so now. [Almost two-thirds of the child care centers \(64 percent\) were serving fewer children now than they did in March 2020.](#) [On average, child care centers are serving 7 fewer children than they did before the pandemic](#)—for-profit child care centers with multiple locations reported the greatest decline in the number of children they are serving (average decline=12) followed by community-based non-profit child care centers (average decline=11) and for-profit single location child care centers (average decline=8). See Figure 2 for details.

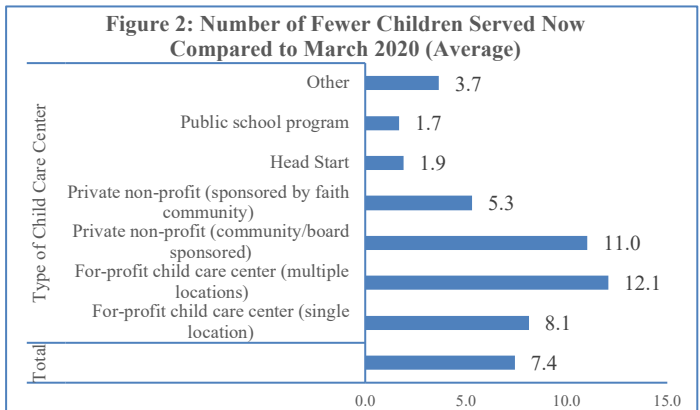
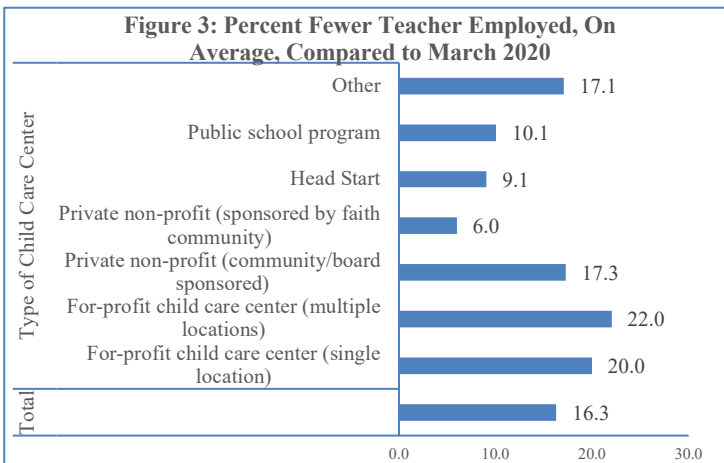


Figure 3: Percent Fewer Teacher Employed, On Average, Compared to March 2020



Additionally, as shown in Figure 3, these child care centers, on average, [employed 11.5 lead and assistant teachers¹ in March 2020 but only employ 9, on average, now.](#) For profit centers with multiple locations reported losing the most number of teachers, reporting almost 4 fewer teachers, on average, a decline of 22 percent followed by non-profit community based centers

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¹ Note, assistant teachers include assistant teachers, floaters and substitutes.

(average=2.5 fewer teachers representing a loss of 17 percent) followed by for profit single location child care centers (average=2 fewer teachers representing a loss of 20 percent).

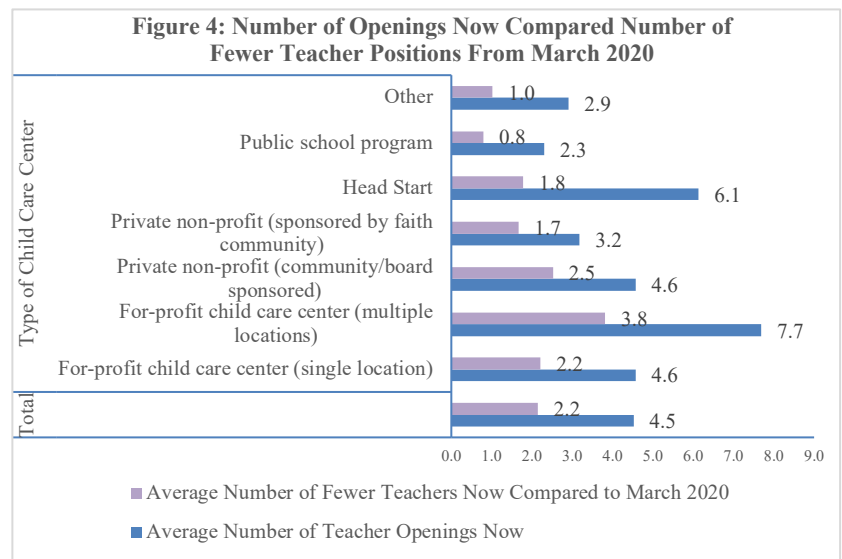
The number of center and assistant directors remained unchanged between March 2020 and now, with centers reporting about 1.5 of these staff members, on average, then and now.

Current Hiring

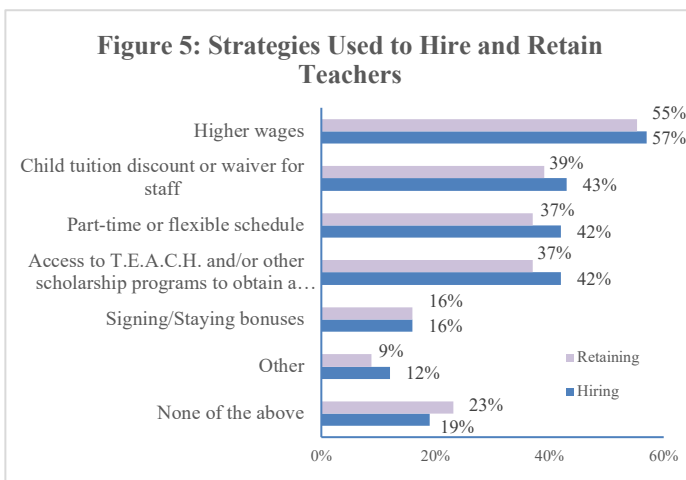
Three-fourths of responding child care centers (75 percent) are currently hiring lead or assistant teachers, with about half (53 percent) hiring both lead and assistant teachers. About 1 in 10 (9 percent) are hiring just lead teacher and another 13 percent are hiring only assistant teachers.

Child care centers who are currently hiring are looking to hire almost six teachers, on average, with three of those being lead teachers and another three being assistant teachers. Of the six teachers they are looking to hire, on average, almost three are for infant/toddler classrooms, another two are for classrooms for 3- to 5-year-olds, and one is for classrooms for school-age children.

Centers seeking to hire both lead and assistant teachers are seeking to hire an average of seven teachers, with three of those being lead teachers and the remaining four being assistant teachers. Additionally, those hiring only lead teachers have two openings, on average, and those hiring assistant teachers only are seeking to fill almost three openings, on average. Overall, the demand for assistant teachers is slightly higher than lead teachers. Among all North Carolina child care centers the number of openings for teachers is 4.5, on average (see Figure 4).



Furthermore, demand for teachers is higher on average, across all types of child care centers, compared to the number of teacher positions lost since March 2020, as Figure 4 shows. While child care centers statewide report currently seeking to hire 4.5 teachers, on average, they reported employing about two fewer teachers now than they did in March 2020. This indicates that child care centers are looking to hire more teachers than they had before the COVID-19 pandemic.



Strategies Used to Hire and Retain Teachers

Child care centers are using a variety of strategies to hire and retain teachers, as Figure 5 shows. Most often they offered higher wages (57 percent when hiring and 55 percent when trying to retain), child tuition discounts or waivers (43 percent when hiring and 39 percent to retain), part-time or flexible schedules (42 percent when hiring and 37 percent to retain), and signing or staying bonuses (16 percent when hiring or to retain). Note, other strategies used include offering health insurance, paid time off, 401K matches, other education benefits and bonuses.

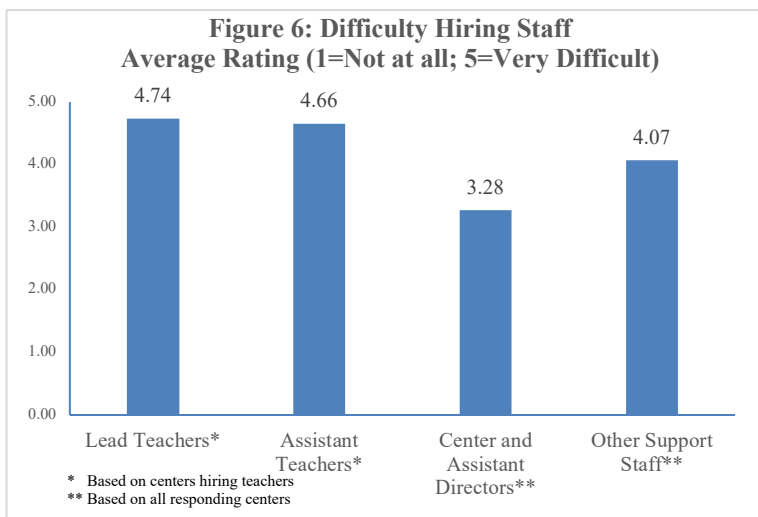
Hourly Rates Offered

Child care centers, whether they were hiring or not, reported the hourly rate they paid teachers before the pandemic in March 2020 and what they were or would be offering now. **More than 7 in 10 reported offering more to both lead teachers (72 percent) and assistant teachers (73 percent).** They are **generally offering \$1 more per hour to each type of teacher** – on average, lead teachers are being offered \$1.41 more and assistant teachers are being offered \$1.31 more than before the pandemic.

Centers also reported what they paid center and assistant directors before the pandemic and how much they are currently offering. For center directors there has been no change, while assistant directors are generally being offered about \$1 more per hour.

Difficult Hiring and Retaining

Child care centers were asked about the difficulties they were facing in hiring and retaining teachers. When it came to retaining staff, **48 percent reported difficulty retaining lead teachers, 55 percent had difficulty retaining assistant teachers,** 7 percent were having difficulty retaining center directors and assistant directors. Still, about one-third of the centers (34 percent) reported having no trouble retaining teachers or directors.



When it came to hiring, centers were asked to rate the difficulty of hiring teachers, directors and other staff on a scale of 1 to 5 where 1=Not at all difficult and 5=Very difficult. **Centers who are hiring teachers reported having the greatest difficulty hiring lead teachers (average rating=4.74) followed by assistant teachers (4.66).**

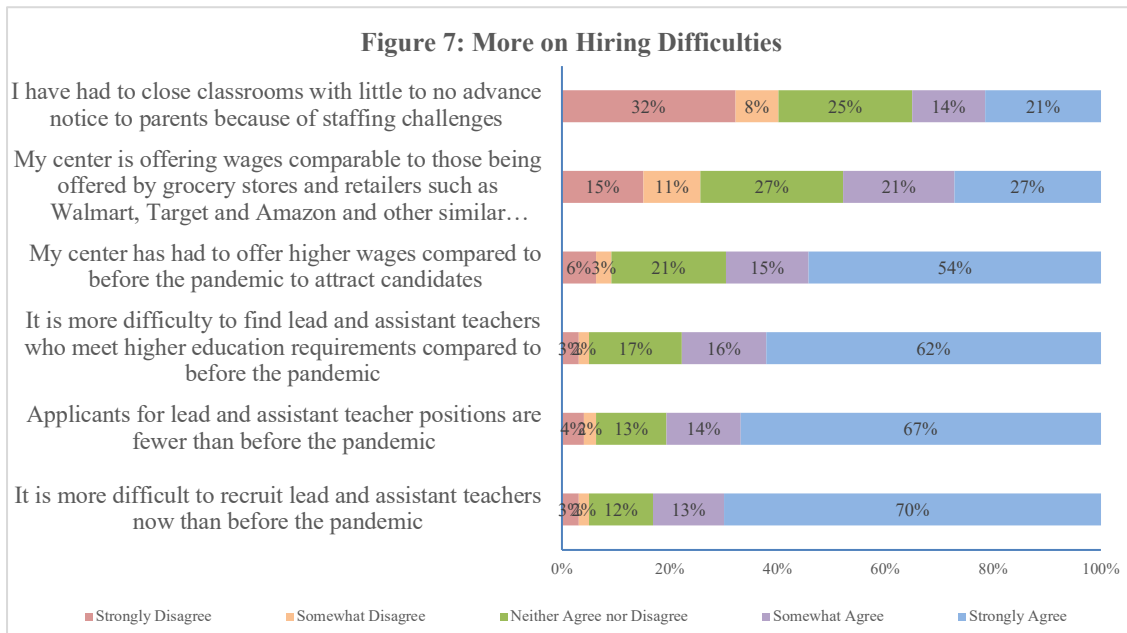
Centers also reported great difficulty hiring other staff (average rating among all centers=4.07)—other staff included administrative staff, cooks, bus drivers, custodians and other support staff. They had slightly less difficulty hiring center

director or assistant directors (average rating=3.28). See Figure 6.

Centers were also given a series of statements on hiring teachers to agree and disagree with. **More than 8 in 10 agreed with the statements that “it is more difficult to recruit lead and assistant teachers now than before the pandemic” (83 percent) and “applicants for lead and assistant teacher positions are fewer than before the pandemic” (81 percent).** More than 7 in 10 agreed that “it is more difficult to find lead and assistant teachers who meet higher education requirements compared to before the pandemic” (78 percent), and almost 6 in 10 agreed that “my center has had to offer higher wages compared to before the pandemic to attract candidates” (59 percent). Almost half agreed that their center was “offering wages comparable to those being offered by grocery stores and retailers such as Walmart, Target, Amazon and other similar employees” (48 percent) and about one-third agreed that they “have had to close classrooms with little to no notice to parents because of staffing challenges” (35 percent). See Figure 7 for details.

Those currently hiring were more likely to agree with these statements compared to those not currently hiring. The following quote from a child care center operator captures the difficulties these centers are facing:

“Having to offer higher wages to secure and more importantly MAINTAIN current staff. It has become cutthroat because everyone is desperate for staff, and so staff are leaving simply for higher pay and then we have to counteroffer to keep them. The increased payroll costs have to be off set somehow so schools have to charge more tuition or start cutting corners leading to decreased quality. In addition, COVID quarantines upset families who then demand refunds or credits which again, affects the financial stability to provide the increased payroll costs. To be honest, it's a never-ending cycle of prioritizing either staff, children, families, or the business... and never a full balance between all, as it should be.”



Additionally, 59 percent of the centers reported combining classrooms during the pandemic. Of those combining classrooms, they most often combined classrooms for 3- to 5-year-olds (74 percent), 2-year-olds (52 percent) and toddlers (48 percent). Almost 1 in 3 of those who combined classrooms did so with infant rooms (29 percent) and about one-quarter did so with school-age classrooms (24 percent). They most often combined classrooms because of loss of enrollment (67 percent) and because of loss of teachers and being unable to hire suitable replacements (66 percent). About one-third of centers combining classrooms also did so because of loss of necessary support staff and being unable to hire suitable replacements (37 percent).

In short, three-quarters of child care centers in North Carolina are trying to hire an average of six teachers. They are having greater difficulty hiring these teachers compared to before the pandemic and noted that applicants for these positions are fewer than before the pandemic. Most are offering higher wages to attract new teachers and to retain their existing staff, offering more than \$1 per hour, on average, for lead and assistant teachers compared to March 2020 (pre-pandemic). This translates to more than an additional \$2,000 per year, which is a substantial change in income, yet still insufficient given that median lead teacher annual earnings, for example, were less than \$25,000 prior to the pandemic. It is also notable that centers report trying to hire more teaching staff now, in September 2021, than the number of teaching positions they had employed prior to the pandemic—while they report currently employing two fewer teachers compared to before the pandemic, North Carolina child care centers overall are currently looking to hire 4.5 new teachers, on average.