OUR STORIES

Investing in Child Care Fuels Women-owned Businesses & Racial Equity

By Cindy Larson & Bevin Parker-Cerkez

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LISC and Procter & Gamble are partnering on a new grant program that will help child care providers in three states grow their businesses—particularly those led by women of color. On International Women's Day, we are celebrating these investments in equity, family stability and vibrant community-based enterprises, all contributing to strong local economies.

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Today is International Woman's Day. So, as we focus on gender equity, we want to highlight women entrepreneurs and the child care sector.

Throughout the pandemic, our communities saw the loss of a significant number of child care facilities, as public health actions, falling enrollment, and rising safety costs all took their toll. Even with emergency grants and loans to help cover losses, thousands of child care businesses closed—exacerbating challenges that already existed, of availability and affordability for working families.

Now that the worst of the pandemic seems to have abated, at least for the moment, it's worth asking: what comes next for child care? What is needed to help owners pivot from relief to recovery, resilience and, ultimately, growth?

Explore the LISC local offices involved in this story.

Initiatives Involved:

Child Care & Early Learning

Racial Equity

To address those questions, we need solutions that are responsive to the needs of small businesses in the child care sector. An estimated 90 percent of these enterprises are owned by women, more than half of whom are women of color. And the data makes clear that women and minority entrepreneurs tend to have inequitable access to the capital, technical support and networking they need to grow.

In addition, history has proven that a lack of access to child care sets women back in their careers. It especially limits opportunity for Black women, who are more likely to struggle to find affordable, quality care than other women—and most impacted economically when they cannot.

Certainly, public policy has a critical role to play in supporting a stable system of child care. But the private sector is also stepping up to meet these challenges. This week, LISC kicks off a new grant program with Procter & Gamble (P&G) to support the growth of child care operators in three cities—Boston, Newark and Phoenix. The grants, along with technical support, will get urgently needed capital to child care providers that might not otherwise be able to access it—namely, those led by women of color that primarily serve families and children of color.

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The support will be tailored to local needs, with funding for such things as technology upgrades, facility improvements, and professional services, including planning for improved or expanded space. We anticipate that the P&G/LISC partnership will support as many as 50 child care providers, as well as several business development organizations that will provide business training and technical services to them.

The fact that LISC is on the ground in these communities, with deep local relationships, and that P&G has specifically chosen to make the program responsive, rather than prescriptive, are both really important. It means we can help direct the funding in ways that maximize its impact on owners, workers and families.

It is our intention that strategies employed through this grant program will serve as a pilot for child care investments in other places as well. By launching this initiative in three diverse metro areas, we have the chance to learn more about how to effectively partner with private industries such as P&G to provide support for the new economy. These learnings will help us not only in these markets but across the nation as we work to expand our impact in this sector.

The "why" behind this effort should be pretty clear: parents need child care and there simply isn't enough of it right now. The lion's share of lingering, pandemic-related unemployment is comprised of women, many of whom cannot return to the workforce because they are home caring for their kids. The economic impact of that reality is being felt nationwide.

Over the last two years, P&G partnered with LISC to provide pandemic relief grants to minority-owned businesses—most of which are owned by women. This new grant builds on that work, elevating opportunities for minority women while laying a stable foundation for child development.

This endeavor will support women of color. It is committed to ensuring that mothers have opportunities to successfully participate in the workforce, because they know their children are being cared for in safe, quality settings aligned with their values and needs. It is an investment in growing businesses, inclusive local economies, and strong families.

It is also an investment in the well-being of women more broadly, helping break down racial and gender barriers, so women can live up to their full potential. We're grateful to P&G for their leadership of this critical work. On International Women's Day, let's deepen our commitment to those goals and build innovative partnerships that help meet them.

ABOUT THE AUTHOR

Cindy Larson, National Program Director for Child Care & Early Learning
Cindy has dedicated her career to supporting children, families and communities. She leads LISC's strategic investments, advocacy and technical support focused on growing access to high quality child care opportunities and early learning environments nationwide. Cindy has more than 30 years of industry experience and brings a deep understanding of the complex intersections between child care and community development to her work and the mission of creating systemic change.

ABOUT THE AUTHOR

Bevin Parker-Cerkez, Senior Program Officer, Child Care and Early Learning
Bevin joined LISC in December 2020 to support the growing work in LISC's child care investment portfolio. Before joining LISC, Bevin was the Managing Director of Programs and Senior Director for Early Childhood Education at the Reinvestment Fund, a mid-sized CDFI based in Philadelphia. During her tenure, she raised over $45 million in grants and program-related investments.

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