

# DEI Child Care Smart Practices Case Study

## Abbott:

Supporting Employees Through Child Care Benefits



# About Abbott

Abbott, headquartered in north suburban Chicago, is a multinational health care company that creates life-changing technologies and products in diagnostics, medical devices, nutrition and branded generic medicines that help individuals, their families and their communities live better and healthier.

For more than 135 years, Abbott has put science and innovation to work, creating more possibilities for more people through the power of health. With a workforce of 115,000 strong, Abbott is working to make a lasting impact on health in the more than 160 countries it serves.

## Program Summary

Abbott's purpose is to help people live more fully through its breakthrough products. Achieving this purpose starts with Abbott's people, which is why the company is committed to investing in its colleagues, helping them live their best lives personally and professionally. Abbott does this by offering a variety of benefits and development opportunities that allow employees to build thriving workplace relationships and careers, along with financial security for themselves and their families.

In spring 1999, Abbott conducted an employee work, life and community needs assessment survey of its headquarters-based employees and found that around one-third had children under the age of 15. These employees reported that the stress of managing child care impacted their work responsibilities, highlighting two primary areas of concern: the lack of consistent, affordable child care options and the lack of interim child care solutions for school-aged children. After further research, Abbott leadership found there was a gap in child care in the area, with only 17 spaces available for every 100 children ages 0 to 5 and only 29% of facilities providing care for infants.

Based on these data, Abbott determined a multipoint strategy was needed to address the different concerns employees raised. As part of Abbott's larger program to address employees' needs at work and outside the office, the Abbott Childcare Solutions Program was born.

In the U.S., Abbott now offers an array of child care benefits for employees including the following:

- An on-site Early Discoveries child care center at Abbott's headquarters, offering core care for children ages 6 weeks to 5 years, and back-up and school's-out care for children ages 6 weeks to 12 years
- Eight weeks of fully paid parental leave of absence for new parents
- Ten percent discounts at various child care centers nationwide
- Free premium membership to an online platform that can help employees find and manage care for children, older adults, pets and the home
- Free virtual on-demand tutoring for the employee and/or their dependent(s)

Once the need for an on-site child care facility was determined, Abbott chose a partner to whom the company could outsource administration and operations of the center. This partner also advised on the construction of the facility. Liability coverage is determined with both the child care managing partner, Bright Horizons, and assessed by Abbott Risk Management.

Abbott's child care programs, including management of the on-site child care center, are a function of Abbott's Corporate Human Resources Benefits department. Oversight of the on-site child care center is held by a manager on this team. This individual oversees the budget and the center managing partner, as well as program marketing, strategy and collaboration with internal facilities that support the center (security, housekeeping, food service and building maintenance). When Abbott's child care center launched, one individual managed this process full time for approximately 18–24 months.

Abbott subsidizes the on-site child care building and its related expenses. Tuition rates are set at market average for the region, looking at both National Association for the Education of Young Children accredited and non-NAEYC accredited centers. Additionally, Abbott offers a scholarship program for employees under a designated income bracket. With an initial investment in the on-site child care center of \$10 million, Abbott has seen this pay off with high employee satisfaction and in attracting and retaining talent.

#### Tags



Child Care, Benefits

#### Launch Time



2 years

#### Location



On-site child care center—  
Abbott's corporate  
headquarters in Lake  
County, Illinois

#### Budget



On-site child care center  
initial investment—  
\$10 million

#### Complexity



3 out of 3 light bulbs

The convenience of having  
the child care center on  
site is undeniably the best  
benefit. It truly makes going  
to work a lot easier knowing  
your child is right there and  
taken care of by well-trained  
child care providers.”  
– Abbott Employee

## Program Impact:

The value of Abbott's on-site child care facility has been apparent since it opened in 2001. In the first year, Abbott received the Governor's Family Investment Award in the innovations, insights and first steps category. The award recognized the company's overall commitment to providing work-life balance to its employees and the organization's efforts in improving child care.

Early Discoveries also achieved accreditation from the NAEYC for its commitment to providing Abbott families with a high-quality child care program. Less than 8% of all child care centers in the U.S. have received this honor.

The employee response to the on-site child care facility has been, and continues to be, overwhelmingly positive, with operations now running at around 90% capacity. Abbott regularly surveys parents who use the on-site child care center. Satisfaction ratings have been 96% over the past five years. Parents have shared positive feedback with Abbott over the years:

“ One of the reasons I joined Abbott was because of this daycare center.”

“ Our children have been safe and happy at Early Discoveries, and the teachers seem to truly care about our kids.”

“ We have always felt that our child is in the best hands and care. I don't have stress or worries when I drop him off. He is always happy to be dropped off and picked up, which to me says a lot.”

“ I've had two kids go through the child care center, and I have recommended the facility to many new parents. I have full trust in the center to take good care of my kids, and this peace of mind has been invaluable.”

“ I am very pleased and blessed to have my child attend Early Discoveries. My experience has been nothing but amazing. It makes me feel like he has a second home when he is at school. He loves it there and talks constantly about his classmates and teachers. So many days he asks to stay at school instead of going home, which makes me feel confident that he is well taken care of.”

Finally, Abbott also measures its employee benefit offerings, including child care solutions, via participation in various top employer rankings, including Seramount, where the company has been recognized as a 100 Best Company consecutively since 2001.

Undoubtedly, the on-site child care center is a critical asset for Abbott's working parents.

## Steps for Implementation:

1. Conduct an employee survey and/or listening sessions to understand the specific family care needs of your employees in relation to what is available locally within the community.
2. Conduct a needs assessment of the demographic patterns of your workforce 10, 15 and 20 years into the future.
3. Study the accessibility, capacity and quality of child care centers near your worksite and in the communities your employees live in.
4. Get leadership buy-in by sharing the data you have collected.
5. If an on-site child care facility best fits your company's needs, identify a partner to manage the administrative and operational needs.

## Best Practices:

- ✓ Use employee surveys to conduct an initial needs assessment as well as to measure employee satisfaction after child care benefits have been rolled out.
- ✓ When getting buy-in from leadership, highlight that child care benefits are a service that employees and their families need. Emphasize that meeting this need would boost employee loyalty in an increasingly competitive marketplace, as well as help attract and retain quality employees, creating a premier work environment.
- ✓ If you decide to set up an on-site child care center, ensure the location is in a desirable, convenient environment with enhanced safety measures. Work with a managing partner that provides a positive work environment with robust, competitive salary and benefits programs for the on-site child care facility.