The Business Case for On-Site Child Care

Patagonia shares what they've learned about children and supporting working families — and why corporate-sponsored child development centers are good for business

Family Business: Innovative On-Site Child Care Since 1983

In1983, Patagonia made a historic move in support of working parents, becoming one of America's first companies to launch a corporate-sponsored on-site child care center. Invested in the program now for over three decades, Patagonia continues to report a number of tangible and intangible benefits, like improved productivity and employee retention. Great Pacific Child Development Center, the child care center at their Ventura, California, headquarters, is an integral part of the company's culture and business. In April 2015, President Barack Obama named Patagonia a "Champion of Change" for their family workplace policies.

In a groundbreaking new book, *Family Business: Innovative On-Site Child Care Since 1983*, Patagonia reveals how and why they did it, and encourages other companies to do the same. Aimed at business leaders and child development leaders, the book presents a case for why providing high quality on-site child care to working families is essential—and good for the bottom line.

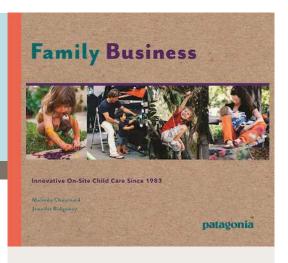
"It's true, there are financial costs to offering on-site child care, but the benefits—financial and otherwise—pay for themselves every year," states Rose Marcario, Patagonia's president and CEO. "As a CEO, it's not even a question in my mind. Business leaders (and their chief financial officers) should take note."

Family Business features perspectives from key players in Patagonia's working parent initiatives, including GPCDC cofounders Malinda Chouinard and Jennifer Ridgeway, along with hundreds of full-color photographs that give readers an insider's look at the child development practices that anchor GPCDC, like on-site nursing and involving dads from the beginning.

Geared for children aged two months to nine years, GPCDC (and TRCDC which serves Patagonia's 400-employee distribution center in Reno) encourages risk-taking and struggle—both in keeping with the company's climbing-roots history. They promote unstructured play and emphasizes outdoor learning—it's a place where children spend more than half their time out-of-doors.

"A key to building a strong program for children in families is a working philosophy—one that outlines tenets that educators and parents can use to inform their actions," says Chouinard. "Over the last 30 years, we've married Patagonia's values and history with our understanding of child development to create a set of principles that guides our practice."

Coinciding with the book release, Patagonia rolls out seven videos at <u>Patagonia.com/familybusiness</u> to address the issues important to working families: <u>Patagonia Supports Paid Leave</u>; <u>We Can Be Both: Mothers at Work; Finding Balance: Fathers at Work - Part One</u>; <u>Finding Balance: Fathers at Work - Part Two</u>; <u>Family Business: Raising the Business Case</u>; <u>Outside the Lines: Creative Play</u>; <u>The Rewards of Risk: Building Confidence in Kids.</u>



BOOK DETAILS

Patagonia | August 16, 2016 Written by Malinda Chouinard & Jennifer Ridgeway

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Full-color photos throughout
Cloth cover | 10 x 8½ in.
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www.patagonia.com



Patagonia's Observed Benefits of On-Site Child Care

Quantifiable benefits:

• Tax benefits: Cost recouped 50%

• Employee retention: Cost recouped 30%

• Employee engagement: Cost recouped 11%

• Bottom line: Cost recouped 91%

Intangible benefits:

- More women in management
- Greater employee loyalty
- Stronger workplace culture of trust

Supporting Working Families: Facts & Figures

Source: Article for Business Insider by Dean Carter, a vice president overseeing HR, finance, and legal at Patagonia

- In the U.S., up to 35% of working women who give birth never return to their jobs. Meanwhile, the cost of replacing employees can range from 20% to 150% of a worker's salary, depending on seniority.
- American businesses provide paid family leave to just 13% of U.S. workers.
- Family-affirming policies reduce turnover costs, including lost productivity while a position is vacant, plus recruitment, relocation, and training time. This can range from 20% of annual salary for a non-managerial employee, to 150% for a director or vice president.
- At Patagonia, employee engagement has translated directly into business success—profits have tripled in recent years, allowing us to reinvest in their mission.
- Out of 185 countries and territories in the world surveyed by the International Labor Organization, the U.S. is one of only two countries to offer no federal paid maternity leave (the other is Papua New Guinea).

Story Angles

- Why/how a clothing company opened one of the nation's first corporate-sponsored on-site child care programs
- Why businesses should care about families
- The costs and benefits of supporting working parents
- Lessons learned in 33 years of corporate-sponsored on-site child care
- Involving dads: The value of paternity leave
- How corporate-sponsored child care programs create a culture of trust
- The importance of unstructured play, and other core principles of GPCDC

www.prbythebook.com

About the Authors

Malinda Chouinard, with her husband, Yvon, is the founder of Patagonia, the outdoor clothing company, and its on-site, corporate-sponsored child care program, Great Pacific Child Development Center. Malinda earned her bachelor of arts degree, in art and nutrition, and her secondary-level teaching credential from California State University, Fresno.

Jennifer Ridgeway was the first Director of Marketing and Advertising at Patagonia and, as the first Director of Photography, is the author of *Unexpected: A Retrospective of Patagonia's Outdoor Photography*. She is also the cofounder of Patagonia's on-site child care center, GPCDC. Her three children were among the first to attend, and her grandchild is enrolled in the center today. Jennifer earned her master of arts, in psychology, at University of Oregon.

Available for Interview

Dean Carter is Patagonia's Vice President of Human Resources and provides strategic leadership and direction of Patagonia's global human resources, finance and legal teams. Since May of 2015, he has been charged with developing initiatives to support Patagonia's nearly 2,000 employees worldwide in carrying out the company's mission. Carter previously served as Chief Human Resources Officer with Sears Holdings, Inc.; chairman of the Sears, Roebuck & Co. Foundation; and Chief Human Resources Officer at Fossil, Inc.

Carter is an avid hiker, snowboarder and swimmer. He has a BS in speech/organizational communication from the University of Texas at Austin and is a Workforce Science Fellow of Northwest University School of Law in Chicago. In 2013, Carter was awarded the Top 10 Breakaway HR Leaders by the Global HR Summit.

Rick Ridgeway is Patagonia's Vice President of Public Engagement and represents and promotes the company's core values with external stakeholders. In this role he is one of Patagonia's key spokespersons in all its global markets. During his 12-year tenure at the company he has developed environmental and sustainability initiatives including the Footprint Chronicles and Worn Wear. He also was founding chairman of the Sustainable Apparel Coalition, today the largest apparel, footwear and home textile trade organization in the world.

In addition, Rick is recognized as one of the world's foremost mountaineers. With three companions he was the first American to summit K2, considered the hardest of the world's high-altitude mountain to climb, and he has done other significant climbs and explorations on all continents including the first direct coast-to-coast traverse of Borneo and a traverse of the Tibet's Chang Tang plateau on a route never explored. His magazine articles have appeared in *National Geographic* and *Harvard Business Review*, and he is the author of six books, including *Seven Summits*, *The Shadow of Kilimanjaro* and *Below Another Sky. National Geographic* honored him with its "Lifetime Achievement in Adventure" award. He serves on the boards of Conservacion Patagonica and the Turtle Conservancy, and is on the Advisory Boards of World Wildlife Fund, Unilever USA, and the Leonardo DiCaprio Foundation. Rick lives with his wife Jennifer in Ojai, California, they have been married for 33 years, and they have three grown children.

