TENNESSEE
Business+Family Forum

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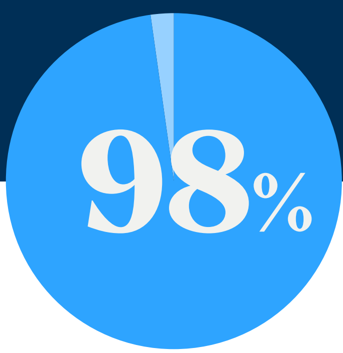
Tennessee Employer Child Care Survey

THE CHILD CARE ADVANTAGE

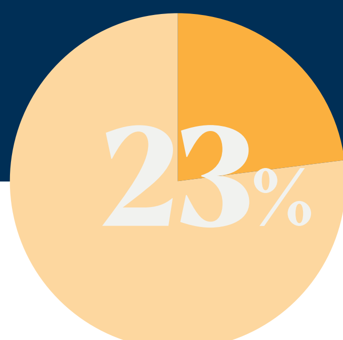
What Tennessee employers told us about child care, and what they're ready to do–and already doing–about it

A first-of-its-kind survey conducted by the Tennessee Business + Family Forum, an initiative of Tennesseans for Quality Early Education, in partnership with chambers of commerce across the state.

*Companion data brief to **The Child Care Advantage** report series · 2026*



say affordable, quality child care is important to workforce productivity



are directly investing in child care through a center, navigation platform, subsidy, backup care or provider partnership

say a 50% federal tax credit would make them likely to add or expand child care benefits

Methodology: 154 valid responses collected via SurveyMonkey, distributed through participating Tennessee chambers of commerce (survey fielded beginning March 2026). Percentages are of the 154 respondents unless otherwise noted. Findings are directional, not a statistically weighted sample of all Tennessee employers.

Why We Asked

Child care has moved from a private family concern to a front-line workforce issue. Nationally, the cost of insufficient child care is estimated at $70B a year in lost earnings, productivity, and revenue. In Tennessee, breakdowns in child care cost employers an estimated **$497 million** a year in turnover, absenteeism, and lost productivity.

> *Childcare availability and cost continues to be a pressing challenge for our workforce with no clear solutions.*
>
> *– Construction & Skilled Trades, 500+ employees*

To understand how Tennessee employers actually experience the problem, and what they are prepared to do about it, TBFF fielded a short survey through chambers of commerce across the state. The goal was to gain insight into whether employers see child care as their concern, what are they already doing, and what would move them to do more?

The answers were emphatic. Tennessee employers overwhelmingly see child care as tied to their own productivity, a small percentage are already investing, and half of those not investing say the right incentive would move them to act. Here's what they told us.

The Headlines

87% Strongly Agree

1. Near-universal agreement: child care is a productivity issue

When asked whether affordable, quality child care is important to the productivity of their workforce, **98% of employers agreed** — and 87% agreed strongly.

2. A modest majority already offer something — but a real-care gap remains

Six in ten employers already offer something. But most of that activity sits at the lighter-touch, though important, end — paid leave and flexible scheduling. **Fewer than one in four (23%) are investing directly in child care for their employees,** such as in an on-site/near-site center, a provider partnership, a subsidy, backup care, or a navigation service.

3. The gap between belief and action

The most important finding is the distance between what employers believe and what they have done. **Of the 98% of respondents who agree child care matters to productivity, 77% are not making a direct child care investment.** This is not apathy — it is unmet readiness. As the comments make clear, most of these employers want to act but face cost, scale, or know-how barriers they don't yet know how to clear.

3. The right incentive would move the market

Asked how likely they would be to offer new or enhanced child care benefits if they could receive a federal tax credit for 50% of the investment, fully **half (50%) of those not currently investing said a 50% credit would make them likely to act.**

> *We have employees who have infants who are not able to get them into a local daycare ... There is a huge need for daycares in the Oak Ridge/Roane County area, and the need will only grow with more companies coming to the area.*
>
> *– Energy / Nuclear, 100–249 employees*

Who Responded

The survey reached a broad cross-section of Tennessee's economy, from sole proprietors to employers with more than 500 workers, with responses from employers in 20 counties across East, Middle, and West Tennessee.

Counties represented: Anderson, Blount, Campbell, Davidson, Franklin, Gibson, Hamilton, Henderson, Knox, Lawrence, Loudon, Madison, Maury, Montgomery, Obion, Putnam, Roane, Sevier, Shelby, and Williamson.

Organization Size

- 36: 0–9
- 37: 10–49
- 19: 50–99
- 19: 100–249
- 12: 250–499
- 31: 500+

Nearly half of respondents (47%) are small employers with fewer than 50 workers. While they overwhelmingly recognize child care as a workforce issue, only 18% are currently investing directly in a child care solution.

Large employers are more likely to invest directly

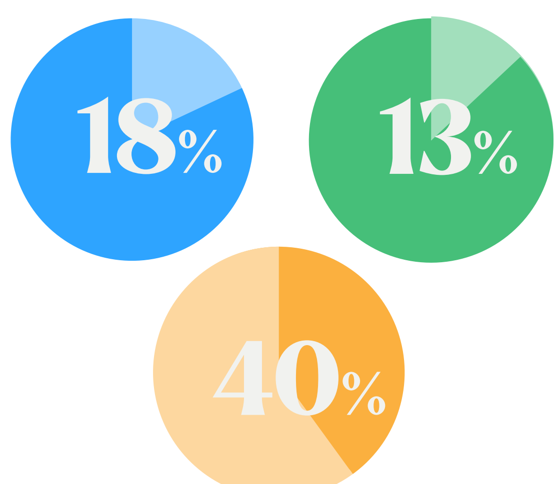
Direct child care investment is much more common among large employers: 40% of respondents with 250 or more employees are investing in at least one child care solution, compared with 18% of small employers and 13% of mid-sized employers. Even among the largest employers, however, 60% are not yet investing directly in child care.

- Small (<50): Offers a direct child care investment
- Mid (50-249): Offers a direct child care investment
- Large (>250): Offers a direct child care investment

Industry Type

- 34: Nonprofit & Social Services
- 20: Education
- 17: Manufacturing
- 13: Professional Services
- 10: Financial Services & Insurance
- 10: Healthcare & Life Sciences
- 9: Retail & Hospitality
- 13: Construction & Skilled Trades

The remaining respondents spanned technology, transportation and logistics, agriculture, utilities, government, and more, representing 36 distinct industries in all. Nonprofit and education were especially well represented, accounting for 35% of respondents. Manufacturing was the third-largest sector represented.



With Thanks to Our Chamber Partners

This survey was made possible by chambers of commerce across Tennessee that distributed it to their members. Their partnership also helped surface many of the employer stories featured in The Child Care Advantage report series.

> *I'm not sure we have enough demand for our own daycare, but if a couple of other local businesses needed support, we would be able to guarantee a number of spots.*
>
> – *Manufacturing, 250–499 employees*

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