Results from the 2025 Evaluation of the
Arkansas Step Up to WAGE$® Salary Supplement

Recipient Perceptions

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Evaluation funded by

Arkansas Step Up to WAGE$® administered by

Contents

Recommended Citation

McKelvey, L.M., Fox, L., Zhang, D., Machen, R., Eubanks, R., Johnson, D. (2025). *Results from the 2025 evaluation of the Arkansas Step Up to WAGE$® salary supplement: Recipient perceptions.* University of Arkansas for Medical Sciences.

Executive Summary

This report presents the findings from the first comprehensive evaluation of the Arkansas Step Up to WAGE$® salary supplement program (AR WAGE$), focusing on the perspectives of its recipients. The study reveals that AR WAGE$ was an effective intervention for stabilizing the state's early childhood care and education (ECCE) workforce. The program demonstrated measurable success in reducing staff turnover, improving financial stability for educators, and fostering professional growth.

The Challenge in Early Childhood Education

The ECCE sector faces a critical challenge characterized by high staff turnover. Turnover rates in the field nationally range 26%–47%, primarily driven by low compensation (Bassok et al., 2021; Caven et al., 2021; Doromal et al., 2025; Thorpe et al., 2020; Vicente & Guerrero, 2024). ECCE educators earn wages that are significantly lower than those of other education professionals, often failing to meet the "living wage" standard. This financial strain leads to a shrinking workforce, which compromises the quality and consistency of care during the most critical period of children's brain development. High turnover not only weakens developmental outcomes for children but also costs ECCE providers, families, and the state economy. Parents depend on child care to be productive members of the workforce. Currently, insufficient availability of affordable, quality ECCE is estimated to cost Arkansas $78 million in lost earnings, workplace productivity, and state revenue (Bishop, 2023).

A Solution: The Arkansas Step Up to WAGE$® Program

The AR WAGE$® intervention, funded from August 2022 through July 2025 by the American Rescue Plan Act (ARPA), was designed to address this crisis by providing direct salary supplements to ECCE professionals. Administered by the Arkansas Early Childhood Association (AECA), the program offered stipends ranging from $300 to $3,600 annually, tiered by educational attainment. To qualify, educators had to work at least 10 hours per week with children ages birth to 5, earn $20 per hour or less, and commit to remaining with their employer for six months. The program's primary goal was to reduce staff turnover by alleviating financial hardship.

Methods

This study used a one-group posttest design and collected data using a convergent-mixed-methods methodology. A one-group design means the evaluation focuses on the experiences of those who received WAGE$ stipends without collecting information from a comparison group of individuals who did not. Therefore, the research design does not allow us to demonstrate causation. Convergent mixed-methods studies collect and analyze quantitative and qualitative data simultaneously.

AR WAGE$ recipients were invited to participate in a survey and in a series of focus groups to collect feedback about their experiences. The final sample included 1,476 recipients who responded to the survey (a 63% response rate), which was representative of the full invited sample. There were 52 recipients who participated in focus groups.

Evaluation Results

The findings presented in this report reflect the first data gathered from AR WAGE$ recipients. The results were overwhelmingly positive across key research areas.

AR WAGE$ Increases Retention and Compensation

An overwhelming 91% of participants remained at the same facility where they were employed when they first applied for AR WAGE$. This represents a significant reduction compared to typical industry turnover rates. Further, only 8% of participants report planning to leave the field within the next two years, which is less than the proportion in the broader workforce (McKelvey et al., 2022). Even after the program's conclusion, recipients felt more committed to their jobs and the profession than if they had never received a stipend.

While not a primary goal of the program, compensation is frequently cited as one of the primary drivers of turnover in the ECCE field. Over 4 in 10 recipients (43%) reported receiving a permanent raise in their regular hourly pay separate from the stipend after enrolling in AR WAGE$, with an average increase was $2.82 per hour (approximately $5,866 annually).

Participants Strongly Support AR WAGE$

AR WAGE$ recipients almost unanimously reported that they would recommend the program to others (97%) and would reapply again if given the chance (96%). Their satisfaction with the

program's financial supports was overwhelmingly positive across all categories. Scholars also reported strong satisfaction with AECA's administration of the program. These indicators reflect strong participant trust and satisfaction, with minor challenges related to tax liability.

The Extra Pay Makes a Big Difference in Teachers' Lives

The wage supplements provided much-needed financial help that had a profound impact on participants' lives. Focus group participants reported using the stipends to cover essential needs, such as bills, groceries, and medical expenses. As paid time off is limited in many ECCE programs, stipends also enabled teachers to take leave from work. Finally, some teachers reported using stipends to purchase classroom supplies.

Conclusions

Financing in the ECCE sector is challenging. Programs operate with funding based on what families can afford, rather than the actual cost of care (Dade & MacLean, 2023). As a result, programs are often unable to provide livable wages for their educators, which leads to high staff turnover (Caven et al., 2021). Arkansas piloted the Step Up to WAGE$® model to address the compensation gap and reduce turnover.

WAGE$ recipients say the program reduced turnover, increased compensation, and provided meaningful financial relief, which lead to exceptionally high program satisfaction. These findings provide encouraging evidence that AR WAGE$ may play an important role in stabilizing the ECCE workforce through improved compensation.

Introduction

This study presents the findings of the first evaluation of the Arkansas Step Up to WAGE$® wage supplement program for early childhood educators (AR WAGE$). Here, we report and analyze the perspectives of individuals who qualified for and received AR WAGE$ supplements. Based on our findings, the AR WAGE$ program represented a significant benefit to the early childhood care and education workforce (ECCE) and, by extension, the young children of Arkansas.

Background

The first five years of life are a critical window of brain development, when stable relationships with adults are essential for building a foundation in language, cognitive, and social skills (National Research Council & Institute of Medicine, 2000; Phillips et al., 2017). In Arkansas, these foundational relationships increasingly involve early childhood educators. Sixty-two percent of children under age 5 live in households where all parents are in the workforce (U.S. Census Bureau, 2023). The quality and stability of the care received in non-parental care is critical for building children's skills. Investing in the qualifications and stability of the ECCE workforce is, therefore, a favorable strategy for supporting child development and ensuring the long-term prosperity of Arkansas's communities.

Estimates of annual turnover in ECCE within the past decade range 26%–47% (Bassok, Doromal et al., 2021; Bassok, Markowitz, et al., 2021; Caven et al., 2021; Doromal et al., 2025; Thorpe et al., 2020; Vicente & Guerrero, 2024).[1] Before COVID, the ECCE workforce was already unstable and shrinking (Hur et al., 2022; McKelvey et al., 2022; McLean et al., 2020), but the pandemic accelerated this trend (ChildCare Aware, 2022; Hall et al., 2024; Salzwedel et al., 2020). Rural child care programs were significantly impacted (Salzwedel et al., 2020), creating greater strain in areas where working parents already struggled to find affordable child care, defined as costing no more than 7% of a family's income (ChildCare Aware, 2022).

[1] The range represents differences in the specific kind of turnover being measured (e.g., facility-level turnover v. exiting the ECCE field), the population being studied (e.g., geographic location, funding streams, or age of children being served), and the timing of the measurement relative to COVID.

The situation in Arkansas is no different. Three-quarters (77%) of participants in our 2018 directors' workforce study reported at least one instructional vacancy in their program within the last six months (McKelvey et al., 2018). A 2022 staff workforce study found that 48% of teachers surveyed were planning to leave the field within two years or were not sure how much longer they planned to remain in their jobs (McKelvey et al., 2022). Economic insecurity was cited as one of the primary reasons for this uncertainty.

Impact of Turnover

The children of Arkansas pay the greatest cost of turnover. Researchers have repeatedly demonstrated links between teacher turnover and negative outcomes for children (Braun et al., 2020; Madigan & Kim, 2021; Oh & Wolf, 2023; Shen et al., 2015; Tikkanen et al., 2021**)**. Because the time that children spend in ECCE programs is also the period of greatest brain development, turnover is associated with weakened development of children's language and social skills (Cassidy et al., 2011; Hale-Jinks et al., 2006; Hatfield et al., 2016; Whitebook et al., 1990).

For programs, turnover increases expenses related to recruiting, interviewing, and training qualified candidates. Further, because continuity of care is a requirement for performance in programs like Early Head Start and Head Start (EHS/HS), turnover directly reduces care quality in addition to diminishing desirable child development outcomes (McCormick et al., 2022).

There is also an enormous cost for families, businesses, and the state. Parents depend on child care to be productive members of the workforce. Currently, insufficient availability of affordable, quality ECCE is estimated to cost Arkansas $78 million in lost earnings, workplace productivity, and state revenue (Bishop, 2023).

Economic Security and Professional Capacity

Previous studies have shown that the Arkansas ECCE workforce faces severe economic instability (McKelvey et al., 2017; McKelvey et al., 2018; McKelvey et al., 2022). Much of this instability stems from low pay for ECCE educators. Median industry wages are lower than those for education professionals at all other ages. In most states, the ECCE median wage is less than two-thirds of the median wage for all occupations. This means that median child care wages do not meet the standard for a "living wage" for a single adult with one child in any state. Only in ten states do they meet standards for a single adult (McLean et al., 2020). Arkansas workforce studies have shown

that early childhood educators consistently face economic insecurity, including food insecurity, which impacts their ability and willingness to remain in the profession (McKelvey et al., 2017; McKelvey et al., 2022).

This is not simply an issue of programs that *could* increase compensation and benefits simply neglecting to do so. Financing in the ECCE sector is challenging, in that funding is often based on what families can afford, rather than the actual cost of care (Dade & MacLean, 2023). A recent analysis suggests that only 25% of Arkansas families can afford infant care at current costs (Economic Policy Institute, 2025). Programs cannot raise tuition without jeopardizing their enrollment, and by extension, the continued operation of their business.

In short, programs are unable to provide sufficient compensation for ECCE educators. Poor compensation is consistently predictive of staff turnover across all types of ECCE centers, without regard to location, with the highest turnover observed in private-pay centers serving children from birth to 5 years old (Caven et al., 2021).

However, there are positive correlations between increases in compensation, increases in teacher professional well-being, and decreases in ECCE staff turnover (Grant et al., 2019; Totenhagen et al., 2016; Buettner et al., 2016). Other states implementing wage-incentive programs report improvements in professional well-being and decreases in turnover (Bassok, Doromal, et al., 2021; Bassok, Markowitz, et al., 2021; Child Care Services Association, 2024).

In addition to its economic benefits, greater professional attainment is an important palliative and protective factor against turnover. Many ECCE educators begin their careers with little to no experience in the field (Whitebook et al., 2009; Whitebook & Ryan, 2011), and their knowledge of pedagogical techniques may be limited only to what they may have experienced. This can place significant limitations on these individuals regarding their perceptions of self-efficacy and professional well-being, making long-term retention in the ECCE workforce difficult, especially where these issues are further complicated by economic insecurity.

Education protects ECCE teachers against higher levels of stress, as teachers feel better prepared to meet the needs of the children. This sense of professional well-being and self-efficacy is, in turn, promotive of better child-teacher interaction (Sandilos et al., 2018; Fukkink & Lont, 2007). Greater levels of professional attainment also positively correlate with improved language development (NICHD Early Child Care Research Network, 1999) and broadly improved outcomes for children

(Dreer, 2023). With this in mind, we can see that improvements in compensation for ECCE teachers are important protective and promotive factors for positive outcomes among children, staff, and programs.

AR WAGE$

Attempting to address these vital needs, Arkansas intervened with two evidence-based programs to improve ECCE quality by reducing staff turnover. The first program was the TEACH Early Childhood® scholarship (AR TEACH). In addition to paying tuition for early childhood educators to take college courses, the scholarship reimburses ECCE programs for giving scholarship recipients paid release time to study. AR WAGE$, the second program the state implemented, issued wage supports directly to early childhood educators. Amounts were based on the educator's level of education and were contingent on the educator's continued employment within the same program.

In 1994, the WAGE$® model was established as a county-based pilot program in North Carolina and continues to serve communities in North Carolina today. In 2021, Child Care Services, the administering organization behind WAGE$®, developed Step Up To WAGE$® for states to test the efficacy of wage supplements using funds from the American Rescue Plan Act (ARPA). Arkansas was one of 10 states to participate. The program was funded from August 1, 2022, through July 31, 2025, and managed by the Arkansas Early Childhood Association (AECA).

To qualify for AR WAGE$, individuals had to:

- Be a teacher, assistant teacher, aid, floater, or center director in a licensed child care center or family child care home; or be a home visitor or home visiting coordinator.
- Work directly with children ages birth to five years at least 10 hours per week.
- Make $20 per hour or less.
- Have an education level appearing on the AR WAGE$ Supplement Scale (Table 1).

Table 1. AR WAGE$ Supplement Amounts by Education		
WAGE$ Level	**Required education/credentials**	**Annual supplements effective 7/1/24**
8	Bachelor's degree with at least 18 credit hours in ECCE/CD	$3600
7	Bachelor's degree with at least 12 credit hours in ECCE/CD 90 credit hours toward a Bachelor's degree with at least 18 in ECCE/CD	$3000
6	Associate's degree with at least 24 credit hours in ECCE/CD	$2400
5	Bachelor's degree Associate's degree with at least 18 credit hours in ECCE/CD 57 Gen Ed credit hours with at least 24 in ECCE/CD	$1800
4	Associate's degree with at least 12 credit hours in ECCE/CD 45 Gen Ed credit hours with at least 18 in ECCE/CD	$1200
3	Associate's degree 36 Gen Ed credit hours with at least 12 in ECCE/CD 21 ECCE/CD credits	$900
2	12 ECCE/CD credits	$450
1	National CDA (valid and not expired)	$300

Awards varied based on education and eligible hours (Table 2) and were issued in two 6-month installments, each after the participant completed an assigned six-month commitment period *in the same child care program.* Employers of participants agreed to provide employment status and wage verification at necessary intervals. Employers also agreed not to use participation in AR WAGE$ to offset or replace normal wage increases.

Table 2. WAGE$ Payment Percentage Based on Hours Worked	
Hours per Week	**Award Payment**
30+	Full
21-29	75%
10-20	50%

Though there are few studies of wage incentive programs, recent evidence suggests that these programs support workforce retention:

- In a randomized controlled trial of a wage incentive program in Virginia, recipients were 11% more likely to still be teaching at their sites by the end of an eight-month study period (Bassok, Doromal, et al., 2021).
- The WAGE$® program in North Carolina documented a 14% turnover among participants in FY23 compared to a statewide turnover rate of 31% (Child Care Services Association, n.d.).
- A study of Minnesota's R.E.E.T.A.I.N. surveyed wage supplement applicants from 2013-2018 and found that 55% of recipients reported that the bonus increased their likelihood of remaining in the field. Over the five-year study period, 96% of applicants remained in the field (Hilty et al., 2019; Shaw et al., 2019).

This study presents the results of the first comprehensive analysis of the AR WAGE$ program. It is focused specifically on the perspectives of the supplement recipients.[2] Because each state has unique characteristics and challenges within its early childhood education landscape, we have tailored this evaluation to the Arkansas context. Doing so ensures that insights into how programs like AR WAGE$ operate within Arkansas's specific socio-economic, demographic, and policy environments are actionable and appropriate. By leveraging these evidence-based conclusions,

[2] This report is part of a larger evaluation of AR WAGE$. Refer to McKelvey et al., 2025 for a report on perceptions of employers of AR WAGE$ recipients.

Arkansas can continue to support the professional growth, retention, and success of its early childhood workforce, benefiting the entire early childhood education system and the future well-being of all our young learners and our state.

Research Questions

The research questions for the current study focus on understanding the effectiveness of the AR WAGE$ program for supporting ECCE professionals' wages and workforce retention.

Specifically, we aim to answer the following questions related to receipt of AR WAGE$:

1. **Did AR WAGE$ recipients experience:**
    a. Increased earnings?
    b. Promotion to higher positions in their facility or in the field?
    c. Achievement of new degrees?
    d. Increased rates of retention?
2. **What are recipients' perceptions of the program, what barriers existed, and what recommendations do they have for improvement?**

It is important to note that, unlike workforce retention, compensation, career and educational advancements are not explicit goals of AR WAGE$ nor have they been demonstrated in the existing literature. As a result, one should consider these outcomes exploratory.

Methods

This study uses a one-group posttest design and collected data using a convergent-mixed-methods methodology. In this context, a one-group design means the evaluation focuses on the experiences of those who received WAGE$ stipends without collecting information from a comparison group of individuals who did not. Therefore, the research design does not allow us to demonstrate causation (McNeil, 1990; Privitera & Ahlgrim-Delzel, 2018).

Convergent mixed-methods studies use data from both quantitative (i.e., survey) and qualitative (i.e., interviews) sources that are collected simultaneously (Creswell et al., 2009; Creswell & Tashakkori, 2007; Creswell & Plano Clark, 2011). Survey data provides structured, quantifiable information about outcomes and perceptions across respondents. Focus groups provide depth and context for participants' experience in the program. Using this design enhances the validity of results by corroborating findings across both data sources.

Quantitative Methods

Sampling

Survey participants were individuals who received at least one AR WAGE$ stipend. AECA provided rosters of all individuals who participated in AR WAGE$ or a college scholarship program called Arkansas TEACH Early Childhood® (AR TEACH). Some individuals participated in both programs. Scholars currently participating in the AR TEACH program were included in the data collection sample. However, scholars who had graduated with additional education through AR TEACH were excluded. This resulted in a sample of 2,538 AR WAGE$ participants.

A survey was designed using REDCap, a secure web application for building and managing online surveys (Harris et al., 2009, 2019). Invitations were emailed to AR WAGE$ recipients. The target sample for AR WAGE$ recipients was 1,882. As a result, we computed a random sample to invite to complete the survey. The initial round of the participant survey was open from April 15 to May 6, 2025. After removing 167 invalid emails, the invitation sample for the first round was 1,892 contacts. When the survey was closed, there were 1,148 respondents.

To increase responses, a second round of invitations was sent. The second round of the participant survey was open May 7, 2025 – May 28, 2025. After removing 37 invalid emails, the invitation sample for the second round was 442 recipient contacts.

When both surveys were closed, 1,476 of 2,334 invited AR WAGE$ recipients responded to the survey, for a 63% response rate. Note that 125 participants completed partial surveys. Those data are included in the reporting when items were completed. Each participant received $25 for their time to complete the survey.

Sample Representativeness

To estimate the representativeness of the individuals who responded to our survey, we compared the characteristics of the individuals invited to participate who did not respond ("invited") with those who responded ("respondent") to the survey invitation using data available in the AECA database.

We compared the invited and the respondent samples on age, race and ethnicity, program position, and geographic location. The analysis of the AECA program data suggests that respondents were representative of the group of all invited AR WAGE$ participants.

Race/Ethnicity. There were no differences between those who were invited to take the survey and those who responded based on race and ethnicity (*Cramer's V* = .04, $p > .05$). (Table 3)

Position. There were no differences in the proportion of individuals who were invited to take the survey and did not respond and those who responded based on position at application to the AR WAGE$ program (*Cramer's V* = .07, $p > .05$). (Table 3)

Age. There were no differences between those who were invited to take the survey and did not respond ($M = 44.35$, $SD = 13.5$) and those who responded ($M = 43.9$, $SD = 11.58$) based on participant age ($F(1,2516)=.83$, $p > .05$).

Geographic Location. While not statistically significant, there was a trend towards a difference in the proportion of individuals in urban/rural counties between those who were invited to take the survey and did not respond (urban $n = 498$, rural $n = 635$) and those who responded (urban $n = 564$, rural $n = 840$), which favored having more respondents who live in rural areas of the state (*Cramer's V* = .04, $p = .06$).

Our resulting sample is well-representative of AR WAGE$ participants invited to respond to the survey.

Table 3. Survey Respondents to Nonrespondents by Race and Job Role

Race/Ethnicity	Did not respond	Responded	Total
White/Caucasian	568	803	1371
Black/African-American	372	524	896
Hispanic/Latino(a)	71	93	164
Other or Multi-racial	36	32	68
Total	**1,047**	**1,452**	**2,499**
Position at application	**Did not respond**	**Responded**	**Total**
Teacher	553	704	1,257
Assistant Teacher	317	493	810
Director	70	104	174
Home Visitor/PAT	48	60	108
Floater	27	39	66
Assistant Director	22	42	64
Director (Owner)	11	13	24
Unlisted	11	12	23
Family Child Care Provider	2	9	11
Family Child Care Provider Teacher	1	0	1
Total	**1,062**	**1,476**	**2,538**

Survey Measures

This study used a variety of measures adapted from a national ECCE workforce study (National Survey of Early Care and Education Project Team, 2013), as well as from previous ECCE studies (Child Care Services Association, 2022, 2023; Hilty et al, 2019; Shaw et al., 2019). The sections below briefly describe the types of questions that appeared in the survey.

Demographics and Workplace Characteristics

Respondents were asked about demographic and workplace characteristics, such as their education, experience in the field, and the age group of children they primarily serve. We also gathered the name of their employer, which was linked with public data from the Arkansas child care search tool.[3]

Wages and Benefits

Respondents were asked about their average weekly work hours, their pay, and the benefits offered by their employer (e.g., paid vacation, paid sick/personal days, or health insurance). Respondents entered their hourly wage, and we multiplied that number by 2,080 (40 hours a week x 52 weeks a year) to estimate annual pay.

Program Satisfaction

Respondents were asked various questions to determine their satisfaction with AR WAGE$, such as whether they would recommend the program to a friend, what challenges they had applying for the program, if they received good customer service from AECA administrators, and if the tax implications made participation difficult.

Workforce Retention

We asked a variety of questions to assess different aspects of turnover.

[3] https://ardhslicensing.my.site.com/elicensing/s/search-provider/find-providers?language=en_US&tab=CC

First, we asked how long individuals have worked in early childhood and how much longer they plan to stay in the field. This was measured on a Likert scale of 1 *(less than one year)* to 5 *(11 years or more)*.

We then asked participants how long they had been with their current employer and how much longer they planned to remain. Both are measured on a Likert scale of 1 *(less than one year)* to 5 *(11 years or more)*. For those who indicated two years or less, we asked what reasons would motivate their potential exit —impending retirement, seeking higher pay, or health-related reasons — using a Likert scale from 1 (*not at all important*) to 5 (*very important*).

We then asked a series of mirrored questions on the program's impact on retention with their employer and in the ECCE field while participants were 1) actively receiving stipends, versus 2) if they were to never receive another stipend from the program again, as the program has concluded. All questions were answered on a Likert scale of 1 *(strongly disagree)* to 5 *(strongly agree)*.

Qualitative Methods

Sampling

A random sample of 36% (*n* = 924) of the AR WAGE$ recipients identified for inclusion in the study, described above in the quantitative methods sampling section, were sent an email invitation to sign up for a focus group through the survey platform REDCap (Harris et al., 2009, 2019). Focus groups were conducted during the summer (Round 1) and again in the fall (Round 2) and were offered multiple days a week and at varied times to increase the likelihood of participation.

After registration, participants were sent an automated confirmation email with a Zoom meeting link, along with email and text reminders the day before and the day of their group. Those who missed their original focus group were sent an invitation to register for a new group.

Attendance was similar during both rounds of data collection. (Table 4)

Table 4. Focus Group Recruitment Summary				
Round	**Groups Offered**	**Groups Canceled***	**Completed Groups**	**Participants**
Round 1 (June 17 – July 11)	11	2	9	36
Round 2 (Sept 3 – Sept 17)	5	0	5	16
Overall (June 17 – Sept 17)	16	2	14	52
Note: groups were only canceled due to no registration or no-shows.				

Measures and Procedures

Data Collection

The focus group interview guide for AR WAGE$ participants was thematically linked to the existing literature, exploratory analyses, and design of the program (i.e., reduce turnover through offering pay stipends).[4] All questions were developed independently and were not part of or based on an existing measure.

Seventy-five minutes were reserved for each interview. Actual time spent in focus groups ranged from 20–75 minutes, depending on attendance, participants' enthusiasm, and the level of detail provided. Interviews were conducted, recorded, and transcribed using Zoom. Each participant received $50 for their time.

One of two facilitators, neither involved in WAGE$ implementation, conducted the focus groups. Each facilitator was given the flexibility to ask the questions from the guide in a slightly different way, depending on their personal facilitation style, the participants' level of understanding, and the flow of conversation, but were to maintain the "spirit of the question" in any adaptations. Some questions were skipped if the groups ran too long.

[4] A copy of the interview guide can be found in a separate technical appendix and is available on request.

Analysis

Our approach to qualitative analysis differed for data collected at the two timepoints.

In the first round of focus groups, we used a form of rapid qualitative analysis (Ryan & Goulding, 2023; Vindrola-Padros, n.d.; Vindrola-Padros & Johnson, 2020) in which each participant's responses were summarized by focus group question using a single-coding methodology. Wherein, the theme that was most prominent in the statement (or made it unique from other statements) determined what code it was organized by/counted under. Summary statements were then merged across groups and organized by similarity to identify common themes. A single, experienced qualitative researcher coded all groups in the first round.

In the second round, we used narrative summaries (summaries of each group's results) guided by themes identified with the first round of coding. Summaries were created by the facilitator who conducted the group.

Themes remained consistent across both rounds of data collection.

Results

Quantitative Results

Participant Characteristics

The following section summarizes the demographics of participants, as well as characteristics of their employer programs.

Race and Ethnicity of Participants

Participants in the AR WAGE$ survey sample reported a racial/ethnic breakdown of 55% White/Caucasian, 34% Black/African American, 6% Hispanic/Latino(a), 3% multi-racial, and 2% other. (Appendix Table 1A)

Roles and Employment Status of Participants

We asked AR WAGE$ participants about their current position. At the time of the survey, 92% of respondents reported working in ECCE practice. Lead teachers comprised 43% (*n* = 626) of the sample, 30% (*n* = 447) were assistant teachers, and 11% (*n* = 161) were directors or assistant directors in a center-based facility. Others worked as an educational coach/mentor (*n* = 12, 1%), development or disability coordinator (*n* = 9, 1%), and family service positions (*n* = 8, 1%). Fewer than 1% (*n* = 9) were in other center-based roles, such as administrative, transportation, or nutrition support roles.

In addition to positions in center-based facilities, 1% (*n* = 15) of the sample worked in family child care homes, and 5% (*n* = 69) were home visitors or home visiting coordinators. (Appendix Table 1B)

Some individuals were no longer in ECCE practice (*N* = 117, 8%). The largest proportion reported having left the field (*n* = 79, 5%) or having retired (*n* = 4, < 1%). The next largest proportion reported having moved to positions in elementary or secondary education (*n* = 27, 2%). Others reported having taken positions in the Office of Early Childhood with the state (<1%, *n* = 4) or working in ECCE-adjacent roles, such as nannying (<1%, *n* = 3).

Among participants currently working as teachers or assistant teachers, the largest group reported working with preschoolers (*n* = 734, 69%), followed by toddlers (*n* = 173, 16%), infants (*n* = 111, 10%), school-age children (*n* = 23, 2%), and mixed-age groups (such as in family child care homes; *n* = 23, 2%). (Appendix Table 1C)

We examined the employment status of participants currently in the ECCE workforce at the time of the survey (*n* = 1356). Most AR WAGE$ recipients (*n* = 868, 69%) reported working 31–40 hours per week. Another 17% (*n* = 216) said they work 41–50 hours per week. A smaller share reported working more than 60 hours (*n* = 26, 2%) or between 51–60 hours (*n* = 36, 3%). Part-time schedules were less common, with 3% (*n* = 41) working 21–30 hours, 2% (*n* = 24) working 11–20 hours, and 4% (*n* = 46) working 10 or fewer hours per week. (Table Appendix 1D)

The majority (*n* = 931, 82%) of those in ECCE practice reported not having secondary employment. Of those that had secondary employment, 12% (*n* = 136) worked a second job during both the school year and summer, 5% (*n* = 54) worked a second job during the summer only, and 2% (*n* = 21) had a second job during the school year only. (Appendix Table 1E)

The percentage of teachers who held second jobs was 19% (*n* = 211). Analyzed by position, this was 19% of lead teachers (*n* = 110); 18% of assistant teachers, paraprofessionals, or teacher aides

(*n* = 75); 15% of directors or assistant directors (*n* = 22); and 29% of family child care providers (*n* = 4). (Appendix Table 1G)

As would be expected, the proportion of individuals with secondary employment was higher for individuals working 30 or fewer hours per week (38%) than for those working 31 hours or more per week (17%). (Appendix Table 1G)

Education and Experience of Participants

At the time of the survey, 35% of participants (*n* = 512) had an associate's degree, 27% (*n* = 402) held a bachelor's degree, 22% (*n* = 319) reported some college but did not hold a degree, 9% (*n* = 126) had a high school diploma or GED, 8% (*n* = 113) had a master's degree, and 2 respondents held a doctorate. (Appendix Table 1H)

Of the sample with at least an associate's degree (*n* = 965), nearly 80% (*n* = 748, 78%) had an early childhood or early childhood-related degree (e.g., education, human services, or psychology). (Appendix Table 1I)

More than half of participants (*n* = 834, 57%) held a Child Development Associate (CDA) credential, while 2% (*n* = 27) indicated they planned to complete one. (Appendix Table 1J)

Program Characteristics

We asked AR WAGE$ recipients for the name of the facility in which they work. Using publicly available data about ECCE programs from the Arkansas public child care search[5], we describe the programs' urban or rural location based on the 2023 RUCA codes (U.S. Department of Agriculture, 2024); School Readiness Assistance (SRA) voucher participation; and rating in Arkansas's Quality Rating and Improvement System, Better Beginnings.[6] Most participants (*n* = 989, 72%) provided facility data for matching.

[5] https://ardhslicensing.my.site.com/elicensing/s/search-provider/find-providers?language=en_US&tab=CC

[6] School Readiness Assistance is the state of Arkansas's child care subsidy program funded through the Child Care and Development Block Grant. Arkansas Better Chance is state-funded pre-kindergarten programming.

For those respondents who are still in the ECCE practice and are not working in home visiting (*n* = 1,287), over half of the participants worked in facilities in rural areas of the state (*n* = 567, 57%). (Table Appendix 12A)

Two-thirds worked in programs that accept School Readiness Assistance (SRA) vouchers (*n* = 647, 65%). (Appendix Table 2B)

Finally, 43% (*n* = 420) of recipients worked in facilities with Better Beginnings Levels of 4 or greater. (Appendix Table 2C)

Wages and Benefits

The following section reports on average hourly pay for staff and the benefits offered to their employees, such as paid vacation, paid sick/personal days, or health insurance for individuals who remain in the ECCE practice (*n* = 1,356).

Salary at Application

We asked participants still in ECCE practice about their income before applying for AR WAGE$, and 652 (48%) of the participants provided their hourly salary. Lead teachers reported an average of $15.78 per hour (*n* = 317, $32,882 per year). Assistant teachers, paraprofessionals, and teacher aides reported $14.62 (*n* = 184, $30,410 per year). Directors and assistant directors reported $17.37 (*n* = 97, $36,130 per year). Home visitors and home-based educators reported $15.81 (*n* = 27, $32,885 per year). (Appendix 3A)

Benefits at Time of Survey

We asked participants about the discretionary benefits they are currently offered through their employer. The most reported benefit was access to some form of paid leave, with 93% indicating that their programs offered at least one type of paid time off. This included paid sick days/PTO (79%), paid holidays (72%), and paid vacation/PTO (55%). Maternity leave was less common, at 22% overall, with 13% saying they were offered unpaid leave and 10% paid leave.

Insurance benefits were offered to 72% of respondents, though access varied by type. Health and dental insurance were offered to 63% and 64% respectively, and disability or life insurance to 44%.

Retirement or pension benefits were reported by 52%, and 28% said their programs offered periodic raises based on performance/education or cost-of-living increases.

Table 5. Job Benefits Offered to AR WAGE$ Participants

(*n* = 1,302)	
Insurance (offered at least one)	72%
Health insurance	63%
Dental insurance	63%
Disability and/or life insurance	44%
Holidays and leave (offered at least one)	92%
Paid vacation days/PTO	55%
Paid holidays	71%
Paid sick/personal days/PTO	79%
Maternity leave (offered at least one)	22%
Unpaid maternity leave	13%
Paid maternity leave	9%
Paid training (offered at least one)	53%
Paid for training hours required by licensing	51%
Paid or stipend for additional training beyond required hours	12%
Cost reductions (offered at least one)	32%
Free meals for staff	24%
Free/reduced child care fees (not including vouchers)	13%
Other	
Periodic increases in wages based on cost of living or performance/education	28%
Retirement or pension plan	52%
Offered no benefits	2%

Note: Results do not include participants who left the field or those who failed to endorse any answer option.

Support for job training (professional development) was reported by 54% of participants. Just over half (51%) said they were paid for training required by licensing, while 13% said they received compensation for training beyond those requirements. About one-third (33%) of participants reported being offered cost-reducing benefits. This included 24% who received free meals at work and 13% who were offered free or reduced child care fees for their own children (excluding SRA vouchers). Only 2% of participants indicated that they were not offered any of the listed job benefits. (Table 5 and Appendix Table 3B)

Program Satisfaction and Impact on Staff Knowledge and Skills

The following section covers participants' satisfaction with the AR WAGE$ program and perceptions of the financial responsibilities and requirements of the program. It also reports perceptions of changes participants made in their work because of receiving wage supports.

Impact of Tax Liability

We asked participants if they had to pay taxes on their AR WAGE$ stipend(s). Nearly half (*n* = 588, 43%) said they had to pay taxes, 22% said they did not owe taxes (*n* = 298), and 36% were unsure. (Appendix Table 4A)

Of those who reported owing taxes on their AR WAGE$ stipend, 47% said that having to pay the taxes was not difficult for them. However, 36% said that the tax burden impacted their financial situation, and 10% reported that it was difficult to figure out the paperwork. An additional 11% were not sure whether the tax burden created difficulties. (Appendix Table 4B)

General Satisfaction

To gauge experiences of applying for the program, we asked if participants had any one of eight different potential issues during the application process, such as difficulty emailing in or uploading required forms, the application being too long, or difficulty obtaining pay stubs or tax forms from AECA or employers. The vast majority of participants (*n* = 1,269, 92%) had no issues with the application process. The difficulty with the most endorsement (*n* = 46, 3%) was that the information was unclear. (Appendix Table 4C)

Nearly all respondents who had contact with AR WAGE$ staff reported good customer service, with 98% (*n* = 1,263) saying *Strongly agree* or *Agree*. (Appendix Table 4D)

When asked if they would apply for the AR WAGE$ program again, if given the chance, nearly all respondents (96%, *n* = 1,316) said *Yes*. Of the remaining, 2% (*n* = 29) said *Not Sure*, and 2% (*n* = 28) said *No*. (Appendix Table 4E)

Similarly, 97% (*n* = 1,333) of participants said they would recommend the AR WAGE$ program to a friend, with only 2% (*n* = 21) responding *Not Sure* and 1% (*n* = 19) responding *No*. (Appendix Table 4F)

Advancement and Aspirations

Changes in education, position, and permanent salary were not explicit goals of the AR WAGE$ program, nor were they directly tied to outcomes reported in the existing empirical literature. Because each of these variables has been associated with workforce turnover, we analyzed them as exploratory outcomes.

Education Changes and Future Aspirations

AR WAGE$ recipients may have also participated in AR TEACH, a scholarship program to support additional educational attainment, which would directly impact educational outcomes. Therefore, AR WAGE$ recipients who were also AR TEACH scholars (*n* = 181) were excluded from the analyses in this section.

We asked whether participants had earned additional degrees since applying to the AR WAGE$ program. Excluding those participating in the AR TEACH and those who have left ECCE practice, just over 1 in 5 respondents (*n* = 246, 21%) reported having completed additional education since becoming an AR WAGE$ recipient. (Appendix Table 5A)

For the individuals who reported earning additional education (*n* = 246), we compared the education that participants reported when they applied for AR WAGE$ and at the time of the survey. A total of 128 individuals (52%) reported their highest degree remained the same; therefore, individuals likely received additional credentialing that did not increase their highest degree reporting. There were 101 participants (41%) who reported earning an additional degree since receiving AR WAGE$. Of those, the largest categories of change included:

- 14% moved from an associate's degree to a bachelor's degree.
- 10% moved from a high school diploma/GED to some college coursework (including CDA).
- 8% moved from some college without a degree to an associate's degree.
- 6% moved from a bachelor's to a master's degree.

Those who reported an educational decrease were excluded (*n* = 17). (Appendix Table 5B)

Respondents were asked if they had all the education that they would like to complete. Excluding those participating in AR TEACH and those who have left ECCE practice, 51% (*n* = 598) reported that they aspired to complete more education. (Appendix Table 5C). Of those, most said a bachelor's degree was their highest education goal (*n* = 250, 42%), followed by master's degree (*n* = 198, 33%), an associate's degree (*n* = 96, 16%), a doctorate (*n* = 30, 5%) and other (*n* = 24, 4%). The other category included special certificates (e.g., CDA) and licensures (e.g., preschool or teaching) as well as other types of professions (mental health, etc.). (Appendix Table 5D)

Career Advancement

To determine whether participants demonstrated career advancement, we asked participants to report their position when they first applied to the AR WAGE$ program. Nearly half of the participants reported being lead teachers (*n* = 696, 47%); followed by assistant teachers, paraprofessionals, or teacher aides (*n* = 536, 36%); and directors or assistant directors in center-based facilities (*n* = 143, 10%). (Appendix Table 5E)

Fewer participants were home visitors or home visiting coordinators (*n* = 67, 5%) or family child care providers (*n* = 15, 1%). Educational coaches, family services staff, or disability coordinators represented less than 1% each. Only two respondents reported "other" positions (e.g., administrative, transportation, or nutrition services). (Appendix Table 5E)

When comparing the positions that participants reported being in when they applied for AR WAGE$ to what was reported at the time of the survey, the majority of participants (*n* = 1,136, 84%) reported no change in their position. The largest categories in this group included 529 (47%) lead teachers, 409 (36%) assistant teachers, and 116 (10%) directors or assistant directors. (Appendix Table 5F)

The next largest group (*n* = 160, 12%) received a promotion after receiving AR WAGE$. The largest categories in this group included 96 (60%) moving from assistant to lead teachers and other roles, and 64 (40%) moving from lead teachers to director or assistant director and other roles. (Appendix Table 5F)

There were 43 individuals (3%) who reported job changes, representing a downward trend in career growth, moving from lead to assistant teachers. There was also a category of 16 individuals (1%) who reported a lateral change in position, e.g., moving from a director to a family child care home business, or from director to education coordinator. (Appendix Table 5F)

Earnings Growth

Among AR WAGE$ participants who are still in the field and reported their current pay (excluding supplements), lead teachers earned an average of $16.90 per hour (*n* = 308, $35,152 per year). Assistant teachers, paraprofessionals, and teacher aides earned $15.07 per hour (*n* = 188, $31,346 per year). Directors/assistant directors earned $19.62 per hour (*n* = 97, $40,810 per year). Family child care providers/owners earned $16.58 per hour (*n* = 6, $34,486 per year), and home visitors and home-based educators earned $16.48 per hour (*n* = 27, $34,278 per year).

Roles that participants specified after selecting "other" were analyzed and grouped by commonalities. This includes early childhood developmental specialists and disability coordinators who earned $21.82 per hour (*n* = 5, $45,386 per year), educational coaches and mentors who earned $19.67 per hour (*n* = 7, $40,914 per year), and those in family services positions at $20.85 per hour (*n* = 4, $43,368 per year). The remaining "other" roles — such as administrative assistants or kitchen and transportation staff) averaged $14.92 per hour (*n* = 5, $31,034 per year). (Appendix Table 5G)

Reported Earnings Growth

In addition to reporting hourly wages, we asked participants if their regular hourly compensation had increased since participating in AR WAGE$. Approximately 4 out of 10 (*n* = 547, 43%) participants reported that they had received a salary increase. (Appendix Table 5H)

Comparing the proportion of individuals reporting they had received a salary increase by position revealed that directors and assistant directors of center-based facilities were the

most likely to report a permanent raise, with two-thirds (66%) indicating their regular hourly pay increased since applying for AR WAGE$, followed by "other" (63%) and early childhood development (63%) positions. Half of family child care providers (50%) and family service positions (50%) also reported having received a salary increase. Teachers/lead teachers (45%) and home visitors (35%) got raises somewhat less often. Roughly one-third (31%) of assistant teachers, paraprofessionals, and teacher aides reported pay increases. (Appendix Table 5I)

Calculated Earnings Growth by Position

Those who reported earnings growth were asked to provide their salary when they applied for AR WAGE$ stipends. The average wage increase across all positions was $2.82 per hour 5,866 per year), but there was wide variation in the sample (minimum = $0.0, maximum = $20.34). It is important to note that the calculation includes only AR WAGE$ participants who reported that they had received a salary increase and provided information for both their pre-AR WAGE$ and current hourly income (*n* = 256). (Appendix Table 5J)

Noting this limitation, when examining salary changes across current position types, findings suggest these average hourly wage increases: lead teachers $2.72 ($5,661 per year); assistant teachers $1.58 ($3,286 per year); directors and assistant directors $3.55 ($7,384 per year); family child care providers $2.44 ($5,075 per year); home visitors $2.59 ($5,387 per year); early childhood development specialists $11.29 ($23,483 per year); educational coaches and curriculum coordinators $4.91 ($10,213 per year); family services positions $8.90 ($18,512 per year); and "other" roles such as administrative assistants, kitchen and transportation staff $1.82 ($3,786 per year). (Appendix Table 5J)

Calculated Earnings Growth by Career Advancement

Wage growth was also associated with career advancement. On average, those remaining in the same position reported an average hourly increase of $2.31 ($4,805 per year). Those whose positions demonstrated upward mobility reported an increase of $4.66 per hour ($9,693 per year).

Interestingly, those who moved down the career ladder (*n* = 7) reported an increase that was between those in the same positions and those with upward mobility ($3.12 per hour, $6,490 per year), which may reflect moving to different facilities. Those in similar positions reported

the greatest increase ($5.49 per hour, $11,419 per year), but the sample is very small. (Appendix Table 5K)

Estimated Earnings Growth for All Recipients

We calculated a weighted estimate of earnings growth across all AR WAGE$ participants remaining in ECCE. For respondents who chose not to provide information about their wages, estimates were made using the following assumptions. For individuals who reported no wage increase, we assigned a salary increase value of $0. Individuals who reported that they had received a salary increase but preferred not to provide income information were assigned the average value based on their career advancement. Those who remained in the same position were assigned the average of those who reported salary increases and also remained in the same position ($2.31 per hour). Those who reported career growth were assigned the average salary increase of those who also reported career growth ($4.68 per hour). Those who reported downward career mobility were assigned the average change of those who also reported downward career mobility ($3.12 per hour). Those in similar positions were assigned the average of those who also moved into similar positions ($5.49 per hour). The weighted estimate of salary growth for all AR WAGE$ participants is $1.23 (*SD* = 2.00) per hour or $2,558 per year. (Appendix Table 5L)

Workforce Retention

A demonstrated outcome of the salary stipend/support program in other states has been increased workforce retention (Shaw et al., 2019). Turnover can come in a variety of forms, including leaving the field entirely, moving to a new early education employer, or changing positions within a facility. Because changing positions often comes from promotions, we concentrated on the first two when examining AR WAGE$'s potential impact on turnover.

We asked AR WAGE$ participants who are still in ECCE if participating made them more likely to stay in the field. A total of 1,005 respondents (76%) agreed or strongly agreed. (Appendix Table 6A)

We also asked if participating in AR WAGE$ encouraged participants to remain with their current employer. Again, a majority (*n* = 958, 73%) either agreed or strongly agreed. (Appendix Table 6B)

We asked participants to gauge whether their access to AR WAGE$ salary stipends was helpful for their longevity with their employer and within the field, in other words, if they were more likely to

stay than if they never received an AR WAGE$ stipend. For remaining in the ECCE field, 56% (*n* = 732) agreed or strongly agreed. Similarly, 54% (*n* = 710) either agreed or strongly agreed that AR WAGE$ impacted their tenure with their current employer. (Appendix Table 6D)

Turnover and Turnover Intent

As previously mentioned, fewer than 1 in 10 participants (*n* = 117, 8%) reported leaving ECCE practice. The largest proportion reported having left the field entirely (5%, *n* = 79) or having retired (<1%, *n* = 4). The next largest proportion reported having moved to positions in elementary or secondary education (2%, *n* = 27). Others reported having taken positions in the state Office of Early Childhood or working in ECCE-adjacent roles. (Appendix Table 1B)

Of those who were still practicing in ECCE, 9 in 10 AR WAGE$ recipients worked at the same facility they were employed with at the time of application (*n* = 1,226, 91%). (Appendix Table 6E)

When examining the length of employment with their current employer, 25% (*n* = 340) had 6–10 years of tenure, and 32% (*n* = 438) had 11 or more years. The remaining respondents reported shorter tenures, with 26% (*n* = 350) having 3–5 years, 13% (*n* = 169) with 1–2 years, and 4% (*n* = 59) with less than one year. (Appendix Table 6F)

When asked how much longer participants plan to remain with their current employer, 60% (*n* = 811) of respondents indicated they planned to stay for 3 years or longer. (Appendix Table 6G)

Of individuals who indicated they plan to leave in 2 years or less (*n* = 105, 8%), the top two reasons were wanting a higher-paying job (67%) and wanting better benefits (56%). All reasons are provided in Appendix Table 6H.

Qualitative Results

The following section summarizes the demographics of the AR WAGE$ participants in our focus groups, including their positions, race/ethnicity, followed by a summary of thematic results.

Participant Characteristics

Participant Positions

Most participants were lead teachers (*n* = 20, 39%), followed by assistant teachers (*n* = 13, 25%), and director/assistant directors at center-based facilities (*n* = 13, 25%). Fewer participants were home visitors/home-based educators (*n* = 2, 4%), selected other (*n* = 2, 4%), worked as a family child care provider/owner (*n* = 1, 2%), or had left the field for K-12 or higher education (*n* = 1, 2%).

The majority worked with preschool children (*n* = 27, 52%). There were 29% (*n* = 15) who reported not working directly with children, for example, in a director capacity. The remaining participants worked with toddlers (*n* = 5, 10%), school-age (*n* = 2, 4%), mixed ages (*n* = 2, 4%), and infants (*n* = 1, 2%).

Race and Ethnicity of Participants

Participants reported a racial/ethnic breakdown of 46% White/Caucasian (*n* = 24), 39% Black/African American (*n* = 20), 12% Hispanic/Latino (*n* = 6), 4% Native American (*n* = 2), 4% multiracial (*n* = 2), and 2% each Asian/Pacific Islander and prefer not to answer (*n* = 1 each).

Thematic Results

The following section reports on the results of focus groups and the various themes that emerged.

Practical Impact of AR WAGE$ Stipend

We asked participants what the salary supplement changed for them or allowed them to do that they otherwise would not have.

The most common responses were purchasing supplies for their classrooms; covering emergencies, unexpected expenses, or medical bills; going on a family vacation (nearly all mentioned vacation was a first-time or rare occurrence); and covering bills and gaps in their paychecks. One participant said they have three jobs and split the money between buying groceries and being able to buy Christmas presents for their children when they otherwise would not have been able to. Finally, one AR WAGE$ recipient, who was also an administrator, remarked that the reduced financial

stress was related to an improvement in work performance among an individual in her program who also received AR WAGE$.

A couple of participants also mentioned feeling like the stipend was a recognition of the importance of their job and the field.

Other participants used the supplement in place of unavailable discretionary benefits. For example, two participants were able to take time off for health reasons, including when one had to be out of work for six months for surgery.

Barriers and Unintended Consequences

We asked participants if there were any barriers to accessing AR WAGE$ or unintended negative consequences to receiving the stipends.

One of the more common barriers was obtaining official transcripts. Some participants said the process of obtaining their transcripts was tedious, and one pointed out that people born outside the U.S. or whose schools no longer exist may have increased difficulty obtaining an official transcript.

Likely related to difficulties obtaining one's official transcript, one participant mentioned the timing of assignment to stipend cohorts seemed arbitrary, as a group of her coworkers applied at the same time on the same day, and some ended up being accepted to the upcoming stipend round, while others were delayed until the following round.

Another barrier was how quickly participants were disenrolled from the AR WAGE$ program upon leaving their employer. One mentioned not receiving payment because their center suddenly closed, leaving them disqualified for a stipend. Similarly, another participant left a month before the next stipend was supposed to go out and was discouraged that she did not receive a prorated supplement.

An administrator participant reported that one of their employees had medical issues and took a job at another program that had less direct contact with children, so her supplement was reduced. Two participants, who were also administrators, said they had staff who refused to apply for the program because they had difficulty believing that the program was legitimate.

When asked about taxes specifically, many participants mentioned not knowing it would be classified as a 1099 at all or not realizing it would be a 1099-NEC (which is business income, rather

than 1099-MISC personal income). One mentioned having trouble getting the information to file correctly, and another said the 1099-NEC made it too complicated, and they had to pay someone to do the taxes. Similarly, one participant mentioned having to pay out on their taxes unexpectedly because of the extra income.

Many other participants mentioned either feeling well-informed ahead of time about the tax implications or not hitting the IRS reporting threshold with their stipend, so taxes were not a concern.

Application Process and Program Changes

We asked participants if any part of the application process was difficult or burdensome and if there were other things about the program they would change.

Most participants said they thought the application process was easy. Some mentioned wishing disbursement happened more frequently (most commonly monthly), and others mentioned wishing the program would take experience into account, rather than just education, when determining how much money someone qualifies for. Similarly, others thought that the stipend gap between an associate's degree and a bachelor's degree was too large.

Turnover and Retention Ideas

We asked participants their opinion on what things, other than pay increases, help keep people in their positions and in the ECCE field, and what causes them to leave.

The most common response was good leadership, followed by appreciation or recognition. Other common answers included being a good fit with the industry, connection to purpose, schedules aligned with their own children, and mentorship.

When asked what pushes people out of the field, responses included lack of support for challenging behaviors, low pay, and burnout.

Discussion

The findings presented in this report reflect the first data gathered from recipients of AR WAGE$ salary stipends. The study demonstrates positive impacts of AR WAGE$ on individual outcomes, with high levels of reported satisfaction. Data were gathered to answer these research questions:

1. **Did AR WAGE$ recipients experience:**
    a. Increased earnings?
    b. Promotion to higher positions in their facility or in the field?
    c. Achievement of new degrees?
    d. Increased rates of retention?
2. **What are recipients' perceptions of the program, what barriers existed, and what recommendations do they have for improvement?**

Unlike improvements in workforce retention, changes in salary, position, and educational attainment are not explicit goals, nor are they directly tied to the existing empirical literature examining the outcomes of wage supplement programs. Therefore, it is important to note that these outcomes are exploratory.

Research Question 1: Did recipients experience increased earnings?

Findings from this exploratory analysis suggest permanent wage growth was somewhat common for AR WAGE$ participants.

Nearly half received permanent wage increases

More than 4 in 10 participants received raises. When asked if they had received a permanent raise, 43% of recipients (n = 547) responded in the affirmative. When examining the proportion of increases based on position, directors and assistant directors of center-based facilities were the most likely (66%) to report a permanent raise. Lead teachers, home visitors, and assistant teachers reported raises less often (45%, 35%, and 31% respectively).

Among those who reported that they had received a salary increase and provided both pre-program and current pay (*n* = 256, 47%), the average increase was $2.82 per hour ($5,866 per year).

Not surprisingly, wage growth was positively linked to career progression. Individuals who advanced in their career saw the highest average hourly wage increase ($4.67 per hour), while those who remained in the same position experienced a smaller raise ($2.31 per hour). Surprisingly, even those in roles with a downward trajectory reported moderate gains ($3.12 per hour), possibly associated with moving to positions with different employers. The largest increase was among those whose moves were into similar positions ($5.49 per hour), though this finding is based on a very small sample and should be interpreted with caution.

Average Raise Estimates

To account for missing wage data, we applied standard assumptions based on reported career trajectories. Participants who did not report wage increases were assigned an increase of $0 per hour, while those who acknowledged increases but did not provide specific figures were assigned average hourly gains based on their career movement. Using this approach, the estimated weighted average salary growth across AR WAGE$ participants working in ECCE was $1.23 per hour, or $2,558 annually.

Despite AR WAGE$ participation, nearly 1 in 6 participants (17%) working full-time reported maintaining additional employment, highlighting systemic wage inadequacy. Policies that prioritize sustainable compensation models and career advancement pathways are essential to attract and retain a qualified workforce.

Research Question 1b: Were recipients promoted to higher positions?

Few experienced career advancement

Results for this exploratory outcome demonstrated that changes in professional positions among AR WAGE$ participants were relatively rare. Only 12% of participants (*n* = 160) reported upward mobility following AR WAGE$ stipends. Most of those reporting upward mobility in position advanced from assistant to lead teacher roles (60%), with the rest moving from lead teacher into director or assistant director positions (40%).

Research Question 1c: Did recipients experience achievement of new degrees or credentials?

A minority achieved degrees or credentials

Our findings from this exploratory outcome indicate that there was some educational advancement while receiving AR WAGE$ supplements, with 21% of survey participants still working in ECCE (*n* = 246) having earned additional degrees.

While the AR WAGE$ program was not a scholarship program, it is possible that some AR WAGE$ participants used their stipends to pay for education-related costs. This was explicitly mentioned by one focus group participant when asked what the stipend changed or made possible.

Despite their increased levels of education, recipients reported additional educational aspirations, with 51% interested in pursuing further education. Of those, 42% aimed for a bachelor's degree, 33% for a master's, 16% for an associate's, 5% for a doctorate, and 4% selected "other" goals. This suggests a strong desire for more education among many AR WAGE$ participants.

Research Question 1d: Did recipients experience increased rates of retention?

There was excellent retention

Results suggest AR WAGE$ demonstrated strong success in reducing facility-level turnover. For this study, the turnover rate is the percentage of participants who leave their employer or the ECCE field between one year and the next, and turnover intent is the desire or plan to leave within two years. The turnover rate captures what has already happened, and turnover intent focuses on future potential.

Turnover rates in early education vary widely depending on how turnover is measured (facility-level turnover v. exit from the field), the specific population (location, funding stream, age of children served, etc.), and timing of measurement (pre-, post-, or during the COVID pandemic). However, some estimates range 26%–47% annually (Bassok et al., 2021; Caven et al., 2021; Doromal et al., 2025; Thorpe et al., 2020; Vicente & Guerrero, 2024). To the best of our knowledge, no robust estimate of turnover in Arkansas currently exists.

However, we do have measurements of turnover intent within Arkansas based on two past workforce studies (McKelvey et al., 2017, 2022). In 2017, 10% of participants said they planned to leave the field within the next two years, rising slightly in 2022 to 11%.

Retention Within the Field

Among AR WAGE$ recipients, 8% (*n* = 117) exited the ECCE field, including 2% (*n* = 27) who transitioned to K–12 education. Among participants still working in early education, 76% (*n* = 1,005) said they were now more likely to stay in the field than if they had never received an AR WAGE$ stipend.

Workplace Retention

Among survey participants still working in ECCE, 9 in 10 (*n* = 91%, 1,226) remained at the same facility where they were employed at the time of application, and over half (*n* = 811, 60%) planned to stay with their current employer for at least three more years. When asked about the program's impact on their decision, 54% (*n* = 710) reported it made them more likely to stay with their current employer than if they had never received an AR WAGE$ stipend. Given the estimated turnover rates in the section above, this represents a stark reduction in facility-level turnover.

Turnover intent was low

Among those planning to leave within two years (8%, *n* = 105), the most cited reasons were desire for higher pay (67%) and wanting better benefits (56%). Based on the data from the past two Arkansas workforce studies (McKelvey et al., 2017; McKelvey et al., 2022), this two-year turnover intent rate among AR WAGE$ participants (8%) is somewhat lower than that of the other surveys of the early education workforce (10% in 2017 and 11% in 2022).

Research Question 2: What are recipients' perceptions of the program, what barriers exist, and what recommendations do they have for improvement?

AR WAGE$ alleviated financial hardship

Focus group participants reported a variety of practical impacts from receiving their stipends. The most common responses centered around purchasing supplies for their classrooms; covering emergencies or unexpected expenses, including medical bills; and using the income to cover daily bills and gaps in their paychecks.

Other recipients used their stipends as a form of informal paid leave, such as informal disability leave after surgery. Results suggest that AR WAGE$ alleviated financial hardship for its recipients.

Recipients reported high satisfaction

Accessible and Streamlined Application Process: The vast majority of recipients (92%) reported no issues with the application process, such as difficulty submitting required forms, completing the application, or obtaining pay stubs or tax forms. The most common challenges reported were "difficulty obtaining payments or tax forms from AR WAGE$ staff" (2%) and "questions on the application were difficult to answer or were confusing" (1%).

High-Quality Customer Service: AR WAGE$ recipients report receiving excellent support, with 98% of respondents who spoke to AECA staff saying they had a positive service experience.

Participant Satisfaction: Nearly all participants (96%) indicated they would reapply if given the opportunity, and 97% would recommend the program to others.

Many focus group participants reported that the application process was easy. One of the more common barriers mentioned was difficulty obtaining official transcripts, which were needed to confirm educational attainment.

These outcomes reflect strong participant satisfaction overall and opportunities for improvement.

Tax Filing Awareness

Nearly half of participants (*n* = 588, 43%) said they owed money on their taxes because of their AR WAGE$ stipend, 22% said they did not (*n* = 298), and 36% were unsure (*n* = 487).

There was mixed reporting on tax awareness among focus group participants. While AECA provided information about Internal Revenue Code requirements for reporting payments to recipients (AECA, 2024), some mentioned not realizing the supplement would be classified as 1099 income, or specifically as 1099-NEC, which is business income, rather than 1099-MISC personal income. One mentioned having trouble getting the information to file correctly, and the other said the 1099-NEC made it too complicated, and they needed to hire tax support. Others mentioned feeling well-informed ahead of time or not hitting the IRS reporting threshold with their stipend, which made tax considerations a non-issue.

Other Barriers or Suggested Changes

Multiple focus group participants expressed dissatisfaction with how quickly participants were disenrolled from the program upon leaving the employer. Some mentioned special circumstances where this seemed unfair, including center closure or transferring programs or to positions with fewer child contact hours.

Participants also mentioned more frequent disbursement schedules would have been helpful. Another common request was to consider years of experience in the stipend scale. Similarly, other participants reported that the stipend difference between a CDA and a bachelor's degree was very large.

Strengths and Limitations

This is the first study of the AR WAGE$ program, which sought to understand the experiences of recipients of AR WAGE$ salary stipends. As with any study, there are both strengths and limitations to consider when interpreting the results.

The study employed a mixed-methods data collection and analysis strategy. The convergent design used in this study, known technically as "concurrent triangulation" (Creswell et al., 2003), involves the simultaneous collection of quantitative and qualitative data. Using this design enhances the validity of results by corroborating quantitative and qualitative data. It allows for a more

comprehensive understanding of participant experiences and outcomes than a single-method study.

An additional strength of the study lies in the sampling. The study invited all AR WAGE$ recipients to participate in survey data collection to share their experiences. The sample of AR WAGE$ recipients who accepted our invitation to be surveyed was more than 60%. In addition, there were no statistical differences between those who did and did not respond to the survey, which suggests findings are generally applicable to all stipend recipients we invited.

When interpreting findings, it is important to note that individuals may have been participants in both AR WAGE$ and the AR TEACH educational scholarship program. Because of the clear impact graduating with additional education through AR TEACH would have on the outcomes of this study, those who had completed AR TEACH were excluded from the AR WAGE$ sample.

Participants who were still taking coursework towards their degrees through AR TEACH were included in the sample. The resulting survey sample included roughly one in eight (*n* = 186, 13%) AR WAGE$ recipients who were also current AR TEACH scholars. Because AR TEACH scholars are pursuing additional education as part of the program, they were removed from estimates of AR WAGE$ impact on educational attainment. However, the sample of current AR TEACH participants was retained for examining the impact of AR WAGE$ on pay increases, changes in position, and workforce retention. It should be noted that the proportion of AR TEACH participants in the sample is small and should not have large impacts on the program outcome. Still, reported outcomes may be affected by program crossover except where noted.

It is important to note that half (50%) of survey participants declined to report their incomes. The reason for the lack of response is unclear, as we have successfully collected salary data in previous workforce studies (McKelvey et al., 2018, 2022). In this study, participants were asked to type the exact figure in dollars and cents; perhaps this specificity led to participant discomfort, or there were difficulties with the survey interface. However, a majority of participants replied to questions reflecting whether they had received a salary increase. Our estimates of earnings growth include the more than half (54%) who reported no change in salary (e.g., null increase). Of participants who reported a salary increase, roughly half (47%) provided salary information sufficient to compute earnings growth.

Estimated salary growth for those missing data were made using the assumption that individuals who reported that they had received a salary increase but did not provide information would be like those in the same career growth grouping. Still, it is important to note that these estimates are based on information from only 73% of the full sample, so they should be interpreted within the context of those limitations.

Participation in focus groups was lower than anticipated. The evaluation team collected data during two periods, the summer and early in the school year, to attract as many administrators as possible. While the sample was smaller than planned, the second round of focus groups produced little new information, and the themes observed within the second round were not distinct from those of the first. This consistency in themes is a sign that the sample was sufficient to capture the range of perspectives relevant to our research questions. Similarly, previous research suggests that over 80% of unique insights surface within the first two or three focus groups (Guest et al., 2006, 2017, 2020; Namey et al., 2016). Therefore, we are confident the data represents the broad experience of AR WAGE$ recipients.

As with all research that involves asking direct questions, respondents' answers could be influenced by what feels socially acceptable. However, few results reported here involve sensitive topics where respondents might feel pressure to respond differently, so the risk should be like other studies that use self-report outcomes. Moreover, in the absence of in-depth, annually updated administrative data for every early childhood professional in the state (employer, title, pay, education, etc. for every year employed in early education), self-report remains an important data collection tool.

There are potential limitations to using a descriptive and retrospective design. Because this study depends on post-test or retrospectively reported experiences, it is possible that respondents will not remember certain details about the past perfectly. However, retrospective studies allow people to use the same frame of reference (their current understanding of their change over time) to rate differences, rather than two frames of reference from two separate points in time, thereby avoiding potential *underestimation* of change due to response-shift bias (Chang & Todd, 2018; Dube et. al., 2004; Howard, 1980; Pratt et. al., 2000).

Finally, one-group designs are inherently unable to prove cause and effect. They can describe changes that participants report, and variation among different groups of participants, but they cannot prove causation (i.e., that changes happened because of the program, and not for other

reasons). In many cases, conducting studies that can definitively prove causation, such as a randomized controlled trial, is impractical.

As such, research commonly relies on the best alternative methods available within these constraints. The results of the current study will be used to shape a future quasi-experimental study comparing those who participated in the program to a matched group of individuals who did not. High-quality quasi-experimental comparison studies can provide credible estimates of a program's impact.

Conclusions

Financing in the ECCE sector is challenging. Programs operate with funding based on what families can afford, rather than the actual cost of care (Dade & MacLean, 2023). As a result, programs are often unable to provide livable wages for their educators, which leads to high staff turnover (Caven et al., 2021).

Arkansas piloted the Step Up to WAGE$® model to address the compensation gap and reduce turnover.

Exploratory Outcomes

Wage Growth

Findings for this exploratory outcome suggest the program contributes to improved compensation and professional recognition, though disparities persist across job categories. Nearly half of AR WAGE$ recipients reported receiving a permanent raise while participating in the program. Among those with comparable wage data, the average increase was $2.72 per hour, with the highest gains in leadership and specialized roles.

Career Mobility and Role Advancement

Findings for this exploratory outcome suggest the program did not provide a reliable boost to career mobility. Only about 1 in 10 participants experienced promotions, most commonly from assistant teacher to lead teacher roles, with others advancing into director positions.

Educational Attainment and Aspirations

Findings for this exploratory outcome suggest the program may have influenced educational attainment, though exactly how is undetermined. Even when removing AR TEACH scholarship recipients from the education analysis, one in five (21%) reported earning an additional education while receiving an AR WAGE$ stipend. Just under half of the participants (51%) said they were interested in pursuing further education.

Main Outcomes

Turnover Reduction

AR WAGE$ demonstrates strong success in reducing facility-level turnover. More than 9 out of 10 of those still in ECCE remained at the same facility as when they applied for AR WAGE$, with 6 in 10 planning to stay three or more years.

Despite WAGE$ having ended, just over half of participants reported being more likely to stay with their current employer and to stay in the ECCE field going forward than if they had never received an AR WAGE$ stipend.

Of the 8% who reported already exiting the ECCE field, about one-fourth transitioned to K–12 education, highlighting the need for cross-sector retention strategies.

Program Satisfaction

Overall satisfaction with the program was very high. Focus group results suggest the program had a deep practical impact on participants' material conditions, which likely contributed heavily to program satisfaction.

Nearly all participants reported ease with the application process and high-quality customer service. If the program were to return, nearly all participants would reapply and would recommend the program to others.

Focus group participants used the stipend to purchase supplies for their classrooms, to cover emergency medical or household expenses, and to cover everyday bills and gaps in their paychecks.

Final Conclusion of Year 1 Study

These findings provide encouraging evidence that AR WAGE$ may play an important role in stabilizing the ECCE workforce through improved compensation.

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Appendix

WAGE$ Participant Characteristics

Table 1A. AR WAGE$ Participant Race/Ethnicity

Participant Race/Ethnicity

		Frequency	Valid Percent
Valid	Black	449	34.0
	White	721	54.6
	Hispanic	77	5.8
	Other	31	2.3
	Multi-Racial	42	3.2
	Total	1320	100.0
Missing	Unreported	156	
Total		1476	

Table 1B. AR WAGE$ Participant Positions at Time of Survey

What Role/Position are you in Today?

	Frequency	Percent	Valid Percent
Positions in ECCE Practice	***1356***	***91.9***	***92.1***
Teacher/Lead Teacher	626	42.4	42.5
Assistant Teacher/Paraprofessional/Teacher Aide	447	30.3	30.3
Director/Assistant Director of a Center-Based Facility	161	10.9	10.9
Family Child Care Provider/Owner	15	1.0	1.0
Home Visitor/Home-based Educator/Home Visiting Coordinator	69	4.7	4.7
Other (AA, Kitchen, Transport)	9	.6	.6
Early Childhood Development Specialist/Disability Coordinator	9	.6	.6
Educational Coach/Mentor	12	.8	.8
Family Services Position	8	.5	.5
Positions No Longer in ECCE Practice	***117***	***7.9***	***7.9***
Positions at OEC	4	.3	.3
Working in K-12	27	1.8	1.8
Left the Field	79	5.4	5.4
Working in EC Adjacent Roles (Nanny, Temporary Leave)	3	.2	.2
Retired	4	.3	.3
Total	1473	99.8	100.0
Missing: Unreported	3	.2	
Total	1476	100.0	

Notes. Individuals reporting “other” positions were classified based on open-ended responses.

Table 1C. AR WAGE$ Teachers/Teacher Assistants Age Group of Primary Classroom

What is the age group for your primary room/class?

		Frequency	Valid Percent
Valid	Infants (0-18 months)	111	10.4
	Toddlers (19 - 35 months)	173	16.3
	Preschoolers (3 years - 5 years)	734	69.0
	School Age (6+ years)	23	2.2
	Mixed ages (for example, family childcare homes)	23	2.2
	Total	1064	100.0
Missing	Unreported	412	
Total		1476	

Table 1D. Number of Hours Participants Work per Week

How many hours on average do you work per week in your early childhood job? (If you have more than one job in the early childhood field, please answer based on your primary job alone)

		Frequency	Percent	Valid Percent
Valid	0-10 hours	46	3.4	3.7
	11-20 hours	24	1.8	1.9
	21-30 hours	41	3.0	3.3
	31-40 hours	868	64.0	69.1
	41-50 hours	216	15.9	17.2
	51-60 hours	36	2.7	2.9
	More than 60 hours	26	1.9	2.1
	Total	1257	92.7	100.0
Missing	Unreported	99	7.3	
Total		1356	100.0	

Note: Results do not include participants who left ECCE practice[7].

[7] Individuals reported that they left the field, were working in K-12 or for the state, were self-employed, not working or retired.

Table 1E. Secondary Employment of AR WAGE$ Participants in ECCE

In addition to your primary job in an early childhood field, do you have another paid job?

		Frequency	Percent	Valid Percent
Valid	Yes, during the summer only	54	4.0	4.7
	Yes, during the school year only	21	1.5	1.8
	Yes, during the school year and summer	136	10.0	11.9
	No	931	68.7	81.5
	Total	1142	84.2	100.0
Missing	System	214	15.8	
Total		1356	100.0	

Note: Results do not include participants who left ECCE practice.

Table 1F. Examination of Current Position and Secondary Employment

Crosstabulation of Current Position and Secondary Employment

			Secondary Employment		
			No	Yes	Total
Position at Time of Survey	Teacher/Lead Teacher	Count	465	110	575
		% within position	80.9%	19.1%	100.0%
	Assistant Teacher/ Paraprofessional/Teacher Aide	Count	333	75	408
		% within position	81.6%	18.4%	100.0%
	Director/Assistant Director of a Center-Based Facility	Count	123	22	145
		% within position	84.8%	15.2%	100.0%
	Family Child Care Provider/Owner	Count	10	4	14
		% within position	71.4%	28.6%	100.0%
Total		Count	931	211	1142
		% within position	81.5%	18.5%	100.0%

Note: Results do not include participants who left ECCE practice and who did not respond to the question regarding secondary employment

Table 1G. Examination of Having Secondary Employment and Working Full Time

Crosstabulation of Having Secondary Employment and Working Full Time

			Participant works Full Time (31 hours or more per week)		
			No	Yes	Total
Secondary Employment	No	Count	61	870	931
		% within Works FT	61.6%	83.4%	81.5%
	Yes	Count	38	173	211
		% within Works FT	38.4%	16.6%	18.5%
Total		Count	99	1043	1142
		% within Works FT	100.0%	100.0%	100.0%

Note: Results do not include participants who left ECCE practice and who did not respond to the question regarding secondary employment

Table 1H. Participant Education at Time of Survey

Participant Education at Time of Survey

		Frequency	Percent	Valid Percent
Valid	High school diploma or GED	126	8.5	8.5
	Some college courses, but not a degree (Incl CDA)	319	21.6	21.6
	Associate's degree (Incl Tech degrees)	512	34.7	34.7
	Bachelor's degree	402	27.2	27.3
	Master's degree	113	7.7	7.7
	Doctoral degree	2	.1	.1
	Total	1474	99.9	100.0
Missing	Unreported	2	.1	
Total		1476	100.0	

Table 1I. Early Childhood Education-Related Degrees

You indicated that you have an Associate's degree or higher. Is that degree related to early childhood education, child development, education, or human services?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No, my degree is in something else	209	21.7	21.8	21.8
	Yes, my degree is in early childhood or a related field	748	77.5	78.2	100.0
	Total	957	99.2	100.0	
Missing	Unreported	8	.8		
Total		965	100.0		

Notes. Includes participants with an Associate's Degree or Higher.

Table 1J. Child Development Associate Certificate

Do you have a Child Development Associate (CDA) certificate?

		Frequency	Percent	Valid Percent
Valid	No	612	41.5	41.5
	Yes	834	56.5	56.6
	No, but plans to complete	27	1.8	1.8
	Total	1473	99.8	100.0
Missing	Unreported	3	.2	
Total		1476	100.0	

Program Characteristics

Table 2A. Geographic Location of Participants in Child Care Facilities

Geographic Location of Employer

		Frequency	Percent	Valid Percent
Valid	Urban	431	33.5	43.2
	Rural	567	44.1	56.8
	Total	998	77.5	100.0
Missing	Unreported	289	22.5	
Total		1287	100.0	

Note: Results include participants working in ECCE center-based or FCCH.

Table 2B. Subsidy Acceptance of Child Care Facility Employers

Subsidy Acceptance of Employer

		Frequency	Percent	Valid Percent
Valid	No	342	26.6	34.6
	Yes	647	50.3	65.4
	Total	989	76.8	100.0
Missing	Unreported	298	23.2	
Total		1287	100.0	

Note: Results include participants working in ECCE center-based or FCCH.

Table 2C. Better Beginnings Ratings of Child Care Facility Employers

Better Beginnings Rating

		Frequency	Percent	Valid Percent
Valid	Higher Quality (Level 4 or Higher)	420	32.6	42.5
	Level 3 or Lower	569	44.2	57.5
	Total	989	76.8	100.0
Missing	Unreported	298	23.2	
Total		1287	100.0	

Note: Results include participants working in ECCE center-based or FCCH.

Wages and Benefits

Table 3A. Salary at Application of AR WAGE$

What position are you in TODAY?	N	Hourly Wage	Std. Dev.	Annual Salary*
Teacher/Lead Teacher	317	15.78	3.38	$32,822
Assistant Teacher/Paraprofessional/Teacher Aide	184	14.62	4.05	$30,410
Director/Assistant Director of a Center-Based Facility	97	17.37	3.13	$36,130
Family Child Care Provider/Owner	6	15.36	4.46	$31,949
Home Visitor/Home Visiting Coordinator	27	15.81	3.24	$32,885
Other (AA, Kitchen, Transport)	4	13.34	2.07	$27,747
Early Childhood Development Specialist/Disability Coordinator	6	16.26	3.97	$33,821
Educational Coach/Mentor	7	16.87	2.99	$35,090
Family Services Position	4	16.40	0.71	$34,112
Total	652	15.69	3.64	$32,635

Note: Results do not include participants who left ECCE practice and those who did not disclose their income. *Computed as hourly wage by 40 hours/week and 52 weeks/year.

Table 3B. Benefits

Does your program offer any of the following benefits to staff? (Check all that apply)

	Frequency	Percent
Insurance (Offered at Least One)	921	71.9
Health insurance	812	63.4
Dental insurance	815	63.6
Disability and/or life insurance	567	44.3
Paid Leave (Offered at Least One)	1185	92.5
Sick Leave/PTO used for Sick	1012	79.0
Vacation/PTO used for Vacation	707	55.2
Holidays	919	71.7
Maternal Leave (Offered at Least One)	284	22.2
Paid Maternity Leave	122	9.5
Unpaid Maternity Leave	168	13.1
Educational Supports (Offered at Least One)	686	53.6
Required Trainings	664	51.8
Training Beyond Required	160	12.5
Cost reductions (offered at least one)	416	32.5
Free meals for staff	311	24.3
Free/reduced child care fees (not including vouchers)	160	12.5
Other		
Periodic increases in wages: cost of living or performance/education	364	28.4
Retirement or pension plan	664	51.8

Note: Results include participants who remain in ECCE practice and endorsed at least one option (*n* = 1,281).

Program Satisfaction and Impact on Staff Knowledge and Skills

Program Satisfaction: Impact of Tax Liability

Table 4A. Tax Liability on Stipends

Did you have to pay taxes on your AR WAGE$ stipend?

		Frequency	Percent	Valid Percent
Valid	No	298	20.2	21.7
	Not sure	487	33.0	35.5
	Yes	588	39.8	42.8
	Total	1373	93.0	100.0
Missing	Unreported	103	7.0	
Total		1476	100.0	

Table 4B. Difficulty With Taxes Resulting From AR WAGE$ Stipends

Was having to pay taxes on your AR WAGE$ stipend difficult for you while you were in the program? (Check all that apply)

Response	Frequency	Percent
No	278	47.3
Yes, it was difficult for me to figure out the paperwork	61	10.4
Yes, it impacted my financial situation	210	35.7
Not sure	67	11.4

Note: Results include individuals who answered “yes” to paying taxes on their stipend (*N* = 588).

Program Satisfaction: General Satisfaction

Table 4C. Participant Difficulties With the Application Process

Did you have any of the following challenges when trying to apply for WAGE$? (Check all that apply, OR if none of these apply, click none of these at the bottom of the list)

	N	Percent
Questions on the application more difficult to answer or confusing	17	1.2
Application was too long	13	0.9
Difficulty mailing in or uploading required forms	14	1.0
Lack of support with completing application	20	1.5
Information was not clear	46	3.4
Difficulty with completing the application due to technology	12	0.9
Difficulty obtaining my paystub or tax forms from my employer	15	1.1
Difficulty obtaining my payments or tax forms from WAGE$ staff	24	1.7
NONE OF THESE	1269	92.4
Valid N (listwise)	1373	

Notes. Includes participants that selected at least one answer option (*n* = 1373)

Table 4D. Experience With AECA Customer Service

I received good customer service from the AR WAGE$ staff

		Frequency	Percent	Valid Percent
Valid	Strongly Disagree	11	.7	.9
	Disagree	14	.9	1.1
	Agree	341	23.1	26.5
	Strongly Agree	922	62.5	71.6
	Total	1288	87.3	100.0
Missing	Unreported	188	12.7	
Total		1476	100.0	

Table 4E. Satisfaction With Overall AR WAGE$ Experience

Based on the benefits you have received from AR WAGE$, if you could go back in time, would you apply again?

		Frequency	Percent	Valid Percent
Valid	No	28	1.9	2.0
	Not Sure	29	2.0	2.1
	Yes	1316	89.2	95.8
	Total	1373	93.0	100.0
Missing	Unreported	103	7.0	
Total		1476	100.0	

Table 4F. Recommend AR WAGE$ to Friends

If you had a friend that was interested in AR WAGE$, would you recommend they apply?

		Frequency	Percent	Valid Percent
Valid	No	19	1.3	1.4
	Not Sure	21	1.4	1.5
	Yes	1333	90.3	97.1
	Total	1373	93.0	100.0
Missing	Unreported	103	7.0	
Total		1476	100.0	

Advancement and Aspirations

Education Changes and Future Aspirations

Table 5A. Completion of Additional Education

Have you completed additional education since receiving WAGE$?

		Frequency	Percent	Valid Percent
Valid	No	929	79.1	79.1
	Yes	246	20.9	20.9
	Total	1175	100.0	100.0

Note: Results exclude respondents who left ECCE practice and participants in the TEACH program.

Table 5B. Degree Changes Since Receiving AR WAGE$

Educational Attainment from Application to Time of Survey: Those Earning Additional Degrees

	Frequency	Percent	Valid Percent
No Change in Highest Degree*	***128***	***52.0***	***52.0***
High school diploma or GED	1	.4	.4
Some college courses, no degree (Incl CDA)	37	15.0	16.2
Associate's degree (Incl Tech degrees)	56	22.8	24.5
Bachelor's degree	32	13.0	14.0
Master's degree	2	.8	.9
Highest Degree Increase	***101***	***41.1***	***41.1***
HS/GED to Some College	23	9.3	10.0
HS/GED to Associate's Degree or Higher	4	1.6	1.7
Some College to Associate's Degree	18	7.3	7.9
Some College to Bachelor's Degree	7	2.8	3.1
Associates to Bachelor's Degree	33	13.4	14.4
Associates to Master's/Doctoral Degree	1	.4	.4
Bachelor's to Master's Degree	14	5.7	6.1
Master's to Doctoral Degree	1	.4	.4
Valid Total	229	93.1	100.0
Missing: Highest Degree Decrease*	17	6.9	
Total	246	100.0	

Notes. Note: Respondents include those who reported receiving additional education from the time of application (in Table 17A). *Individual responses were illogical; lesser degrees reported at the time of survey.

Table 5C. Aspirations to Complete Additional Education

Have you completed all of the education you would like to complete?

		Frequency	Percent	Valid Percent
Valid	No	598	50.9	50.9
	Yes	576	49.0	49.1
	Total	1174	99.9	100.0
Missing	System	1	.1	
Total		1175	100.0	

Note: Results exclude respondents who left ECCE practice and participants in the TEACH program.

Table 5D. Educational Aspirations

What is the HIGHEST degree or credential that you PLAN TO COMPLETE in your career?

		Frequency	Percent	Valid Percent
Valid	Associates degree	96	16.1	16.1
	Bachelor's degree	250	41.8	41.8
	Master's degree	198	33.1	33.1
	Doctoral degree	30	5.0	5.0
	Other*	24	4.0	4.0
	Total	598	100.0	100.0

Notes: Results exclude respondents who left ECCE practice and participants in the TEACH program. Respondents include those who reported the desire to complete additional education. *Other includes CDA (*n* = 7), Teaching Credentials (*n* = 7), Unsure (*n* = 5), and Unreported/Other (*n* = 5).

Changes in Positions in ECCE

Table 5E. Participant Position Application to WAGE$

When you first applied for the AR WAGE$ program, what position were you in?

		Frequency	Valid Percent
Valid	Teacher/Lead Teacher	696	47.3
	Assistant Teacher/Paraprofessional/Teacher Aide	536	36.4
	Director/Assistant Director of a Center-Based Facility	143	9.7
	Family Child Care Provider/Owner	15	1.0
	Home Visitor/Home-based Educator/Home Visiting Coordinator	67	4.6
	Other (AA, Kitchen, Transport)	2	.1
	Early Childhood Development Specialist/Disability Coordinator	5	.3
	Educational Coach/Mentor	4	.3
	Family Services Position	4	.3
	Total	1472	100.0
Missing	Unreported	4	
Total		1476	

Table 5F. Position Changes for AR WAGE$ Participants

	Frequency	Percent	Valid Percent
Same Position	***1136***	***83.8***	***83.8***
Teacher/Lead Teacher	529	46.6	46.6
Assistant Teacher/Paraprofessional/Teacher Aide	409	36.0	36.0
Director/Assistant Director of a Center-Based Facility	116	10.2	10.2
Family Child Care Provider/Owner	11	1.0	1.0
Home Visitor/Home-based Educator/Home Visiting Coordinator	61	5.4	5.4
Other (AA, Kitchen, Transport)	2	.2	.2
Early Childhood Development Specialist/Disability Coordinator	3	.3	.3
Educational Coach/Mentor	3	.3	.3
Family Services Position	2	.2	.2
Promotion/Career Advancement	***160***	***11.8***	***11.8***
Assistant Teacher to Lead Teacher/Director/Other Roles	96	60.0	60.0
Lead Teacher to Director/FCCH/Other Roles	64	40.0	40.0
Downward Trajectories	***43***	***3.2***	***3.2***
Lead Teacher to Assistant Teacher	33	76.7	76.7
Director to Lead or Assistant Teacher	10	23.3	23.3
Lateral Changes to Position	***16***	***1.2***	***1.2***
Missing	1	.1	

Note: Results exclude participants who left ECCE practice.

Earnings Growth

Table 5G. Current Salary by Position

What is your hourly salary today?

	N	Hourly Wage	Std. Dev.	Annual Salary*
Teacher/Lead Teacher	308	16.90	4.19	$35,152
Assistant Teacher/Paraprofessional/Teacher Aide	188	15.07	4.13	$31,346
Director/Assistant Director of a Center-Based Facility	97	19.62	4.08	$40,810
Family Child Care Provider/Owner	6	16.58	4.89	$34,486
Home Visitor/Home-based Educator/Home Visiting Coordinator	27	16.48	3.73	$34,278
Other (AA, Kitchen, Transport)	5	14.92	2.46	$31,034
Early Childhood Development Specialist/Disability Coordinator	5	21.82	7.57	$45,386
Educational Coach/Mentor	7	19.67	3.19	$40,914
Family Services Position	4	20.85	5.41	$43,368
Average for All Positions	647	16.81	4.43	$34,965

Note: Results do not include participants who left ECCE practice or those who declined to provide salary information. *Annual salary calculated as hourly wage at 40 hours per week and 52 weeks per year.

Table 5H. Reported Earnings Growth

Has your regular hourly wage gone up since participating in WAGE$ (not including the WAGE$ bonus or other supplements)?

		Frequency	Percent	Valid Percent
Valid	No	735	54.2	57.3
	Yes	547	40.3	42.7
	Total	1282	94.5	100.0
Missing	Unreported	74	5.5	
Total		1356	100.0	

Notes. Results do not include participants who left ECCE practice.

Table 5I. Reported Earnings Growth by Position

Association Between Position and Wage Increases Since Participating in AR WAGE$

Position	No, n (%)	Yes, n (%)	Total
Teacher/Lead Teacher	326 (55.3%)	263 (44.7%)	589
Assistant Teacher/Paraprofessional/Teacher Aide	291 (68.6%)	133 (31.4%)	424
Director/Assistant Director	53 (34.4%)	101 (65.6%)	154
Family Child Care Provider/Owner	7 (50.0%)	7 (50.0%)	14
Home Visitor/Home-Based Educator	43 (65.2%)	23 (34.8%)	66
Other (AA, Kitchen, Transport)	3 (37.5%)	5 (62.5%)	8
Development Specialist/Disability Coordinator	3 (37.5%)	5 (62.5%)	8
Educational Coach/Mentor	5 (45.5%)	6 (54.6%)	11
Family Services Position	4 (50.0%)	4 (50.0%)	8
Total	735 (57.3%)	547 (42.7%)	1282

Note. Results exclude participants who left ECCE practice and those who did not report whether they had received a salary increase (*n* = 74).

Table 5J. Changes in Compensation From Application to Survey

Computed Change in Salary reported at Time of Survey from Application

What position are you in TODAY?	N	Hourly Increase	Std. Dev.	Annual Increase
Teacher/Lead Teacher	129	2.72	3.44	$5,660.72
Assistant Teacher/Paraprofessional/Teacher Aide	49	1.58	1.90	$3,288.48
Director/Assistant Director of a Center-Based Facility	57	3.55	2.41	$7,388.78
Family Child Care Provider/Owner	3	2.44	.51	$5,068.34
Home Visitor/Home-based Educator/Home Visiting Coordinator	7	2.59	1.27	$5,378.26
Other (AA, Kitchen, Transport)	3	1.82	.75	$3,792.46
Early Childhood Development Specialist/Disability Coordinator	2	11.29	12.81	$23,472.80
Educational Coach/Mentor	4	4.91	3.27	$10,218.00
Family Services Position	2	8.90	2.69	$18,512.00
Average for All Positions	256	2.82	3.17	$5,865.60

Note: Results do not include participants who left ECCE practice or those with insufficient data for calculation. *Annual salary increases calculated as hourly wage at 40 hours per week and 52 weeks per year.

Table 5K. Earnings Growth Associated With Career Advancement

Changes in Positions and Earnings Growth

	N	Hourly Increase	Std. Dev.	Annual Increase*
Same Position	**198**	**2.31**	**2.59**	**$4,804.80**
Teacher/Lead Teacher	107	2.39	3.08	$4,971.20
Assistant Teacher/Paraprofessional/Teacher Aide	44	1.33	1.46	$2,766.40
Director/Assistant Director of a Center-Based Facility	37	3.20	2.02	$6,656.00
Family Child Care Provider/Owner	1	3.00	.	$6,240.00
Home Visitor/ Coordinator	7	2.59	1.27	$5,387.20
Other (AA, Kitchen, Transport)	1	2.00	.	$4,160.00
Early Childhood Development Specialist/Disability Coordinator	1	2.23	.	$4,638.40
Upward Career Mobility	**38**	**4.66**	**3.98**	**$9,692.80**
Teacher/Lead Teacher to Director/Assistant Director	18	4.34	3.06	$9,027.20
Teacher/Lead Teacher to Early Childhood Development Specialist/Disability Coordinator	1	20.34	-	$42,307.20
Lead Teacher to FCCH Provider/Owner	2	2.16	0.22	$4,492.80
Teacher/Lead Teacher to Educational Coach	4	4.91	3.27	$10,212.80
Teacher/Lead Teacher to Family Services Positions	1	7.00	-	$14,560.00
Assistant Teacher to Lead Teacher	19	4.72	4.81	$9,817.60
Teacher/Lead Teacher to Other Roles	3	1.82	.76	$3,785.60
Downward Career Trajectory	**7**	**3.12**	**3.28**	**$6,489.60**
Director/Assistant Director to Lead Teacher	2	1.54	1.27	$3,203.20
Lead Teacher to Assistant Teacher	5	3.76	3.74	$7,820.80
Similar Positions	**3**	**5.49**	**4.61**	**$11,419.20**

Notes. Results include participants who remain in ECCE practice.

Table 5L. Estimated Earnings Growth for All WAGE$ Participants

Estimated Hourly Salary Change

	N	Minimum	Maximum	Hourly Increase	Std. Dev.	Annual Increase*
Weighted Salary Change	1355	$0	$20.34	$1.23	$2.00	$2,558.40
Valid N (listwise)	1355					

Notes. Includes individuals remaining in ECCE practice. The data presented are a weighted average for the full sample. Values for salary differences of those who did not provide data were estimated at $0 for those who reported they have had no change in salary, and the average salary change per career mobility category was used for those who reported a salary change, but did not provide income information.
*Annual salary increases calculated as hourly wage at 40 hours per week and 52 weeks per year.

Workforce Retention

Perceptions of WAGE$ Impact on Retention

Table 6A. AR WAGE$ Impact on Retention in Early Childhood

While I was actively receiving the WAGE$ income subsidy, I was more likely to say in the early childhood field than before

		Frequency	Percent	Valid Percent
Valid	Strongly Disagree	41	3.0	3.1
	Disagree	39	2.9	3.0
	Neutral	237	17.5	17.9
	Agree	413	30.5	31.2
	Strongly Agree	592	43.7	44.8
	Total	1322	97.5	100.0
Missing	Unreported	34	2.5	
Total		1356	100.0	

Note. Results do not include participants who left ECCE practice.

Table 6B. AR WAGE$ Impact on Retention Within Employer/Facility

While I was actively receiving the WAGE$ income subsidy, I was more likely to stay with my current employer than before

		Frequency	Percent	Valid Percent
Valid	Strongly Disagree	45	3.3	3.4
	Disagree	50	3.7	3.8
	Neutral	269	19.8	20.3
	Agree	403	29.7	30.5
	Strongly Agree	555	40.9	42.0
	Total	1322	97.5	100.0
Missing	Unreported	34	2.5	
Total		1356	100.0	

Note. Results do not include participants who left ECCE practice.

Table 6C. AR WAGE$ Impact on Future Retention in Early Childhood

If I were to never receive another WAGE$ income subsidy, I am more likely to stay in the early childhood field than if I had never received AR WAGE$ subsidies

		Frequency	Percent	Valid Percent
Valid	Strongly Disagree	87	6.4	6.6
	Disagree	119	8.8	9.0
	Neutral	377	27.8	28.7
	Agree	405	29.9	30.8
	Strongly Agree	327	24.1	24.9
	Total	1315	97.0	100.0
Missing	Unreported	41	3.0	
Total		1356	100.0	

Note. Results do not include participants who left ECCE practice.

Table 6D. AR WAGE$ Impact on Future Retention Within Employer/Facility

If I were to never receive another WAGE$ income subsidy, I am more likely to stay with my current employer than if I had never received AR WAGE$ subsidies

		Frequency	Percent	Valid Percent
Valid	Strongly Disagree	86	6.3	6.5
	Disagree	118	8.7	9.0
	Neutral	401	29.6	30.5
	Agree	382	28.2	29.0
	Strongly Agree	328	24.2	24.9
	Total	1315	97.0	100.0
Missing	Unreported	41	3.0	
Total		1356	100.0	

Note. Results do not include participants who left ECCE practice.

Table 6E. AR WAGE$ Impact on Retention Within Employer/Facility

Do you currently work for the same program as when you first applied for WAGE$?

	Frequency	Percent	Valid Percent
Yes, I work in the same facility/program as when I applied	1226	90.4	90.5
No, I work in a different facility/program from when I applied	128	9.4	9.5
Total	1354	99.9	100.0
Missing: Unreported	2	.1	
Total	1356	100.0	

Note. Results exclude participants who left ECCE practice.

Table 6F. Tenure With Current Employer

How long have you been with your current employer?

		Frequency	Percent	Valid Percent
Valid	Less than one year	59	4.4	4.4
	1-2 years	169	12.5	12.5
	3-5 years	350	25.8	25.8
	6-10 years	340	25.1	25.1
	11 years or more	438	32.3	32.3
	Total	1356	100.0	100.0

Notes. Results include participants who remain in ECCE practice.

Table 6G. Turnover Intent From Current Employer

How much longer do you plan to work with your current employer?

		Frequency	Percent	Valid Percent
Valid	Less than one year	40	2.9	3.0
	1-2 years	65	4.8	4.8
	3-5 years	178	13.1	13.1
	6-10 years	183	13.5	13.5
	11 years or more	450	33.2	33.2
	Not Sure	439	32.4	32.4
	Total	1355	99.9	100.0
Missing	Unreported	1	.1	
Total		1356	100.0	

Note. Results do not include participants who left ECCE practice.

Table 6H. Factors Influencing Turnover Intent (Leaving Employer Within the Next 2 Years)

We see you answered "Less than one year", or "1-2 years" on the last question about how long you plan to work with your current employer. How important were these factors in why you are considering changing employers?

"Important" or "Very Important" to their decision (n = 92-105)	Frequency	Percent
Financial Reasons		
I want a higher paying job	70	67.3
I want better benefits	58	55.8
I have no opportunity for career advancement	41	39.4
I want to work in a program that will accept my child(ren)'s child care assistance voucher (*n* = 92)	6	6.5
Workplace environment/job characteristics		
The work is too stressful	33	31.7
I want a job that has more flexibility (ex. working different or fewer hours)	31	29.8
I wanted job closer to home or with less travel	26	25.0
Poor leadership/management in my program (*n* = 92)	22	23.9
I'm not given enough hours	7	6.7
Personal reasons		
I'm leaving for other personal reasons	36	34.6
I'm retiring (*n* = 105)	29	27.6
I'm leaving for health reasons	10	9.6
Other		
I am looking for a different job outside of early childhood	28	26.9

Note: *n* = 104 unless specified.

Acknowledgments

Faculty and staff of the UAMS Department of Family and Preventive Medicine, Research and Evaluation Division (DFPM/RED) carried out this evaluation with support from the Walton Family Foundation.

During the preparation of this work the authors used SPSS (version 30) for statistical analysis. Gemini and ChatGPT were used in support of conducting the literature review, to compare the consistency of data presented in text against statistical output, and to verify spelling, grammar and readability of writing. The content was reviewed and edited by the authors to ensure accuracy and originality, and the authors take full responsibility for the resulting content.

The information, content, and conclusions expressed in this material are those of the authors.

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