

By *Helen Burnett-Nichols*

# FROM PING-PONG TABLES TO CHILDCARE SPACES

*How FreshBooks shifted its focus as employees started having kids*

**W**hen Toronto-based FreshBooks moved into its first office in 2007, key workplace perks for employees — many of whom were in their early 20s — included a ping-pong table and video games.

But fast forward a decade, and employee needs are rapidly evolving at the provider of accounting software for small businesses. There's now an emphasis on family-friendly benefits, such as access to childcare.

"A lot of the folks we hired in their early 20s are now aging into their 30s and we have about 35 to 40 people with young children on an employee base of 260, so a pretty good chunk of our folks have children," says Levi Cooperman, a cofounder and vice-president of operations at FreshBooks.

## Support for staff with kids

Children have become such an important part of the company's fabric that it now has an employee group that offers a venue to discuss all things related to being a working parent.

It was at this grassroots level that the company's move to assist employees with childcare came about.

"One of the issues they came up with was that it's really difficult to get stable childcare in the city and, in fact, it can be very challenging if you leave it to the last minute," says Cooperman.

As a result, FreshBooks worked with childcare provider Kids & Co. in 2016 to offer all employees guaranteed access to full- or part-time spaces.

The policy applies to preschool-aged children and guarantees a space at any Kids & Co. location within six months of registering with the daycare provider. The company has nine locations in Toronto and several others in the surrounding area. For Kids & Co., the upsides include the guaranteed revenue and an annual membership fee paid by FreshBooks to ensure employees have priority access to daycare spots.

In addition, all employees can take advantage of three emergency days of childcare — paid for by FreshBooks — at any Kids & Co. location.

## The childcare dilemma

The move comes at an opportune time, as the prospect of finding childcare can be daunting for many employees in large Canadian cities.

The City of Toronto's recently released childcare growth strategy showed that as of February 2017, Toronto's childcare centres had enough spaces to serve 31 per

cent of children under age four who live in the city.

Heather Sande, who leads the customer success team at FreshBooks, wasn't able to take advantage of the new daycare assistance as it began after she had already secured a spot for her child. She says her experience finding childcare in Toronto, which included applying to five daycares when she was six months pregnant, was a challenge.

When a daycare got in touch with an opening, Sande and her husband had just 24 hours to make a decision and had to secure the spot with a two-month deposit.

"We ended up accepting this spot, and from start to finish, the process took 12 months. If no one had warned me in advance, we would have been left without a solution for childcare. I'm proud FreshBooks is offering guaranteed daycare placement. Not only is it one less thing for new parents to worry about, it's also a huge time saver," she says.

## The employer's role

FreshBooks is seemingly in the minority when it comes to an employer taking on the issue of access to childcare.

In a recent online poll conducted by *Benefits Canada*, more than half of respondents said it's an employee's primary responsibility to manage childcare obligations. Only 18 per cent of survey participants agreed that, due to the high cost, employers have a role in ensuring employees can access childcare.



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## THE CHILDCARE CHALLENGE IN CANADA

**70%**

Percentage of daycare centres that reported maintaining a wait list of some kind

## Vancouver

Canadian city found to have the highest proportion (**47%**) of daycare centres that charge a fee to be on a wait list

**\$1,649**

Median monthly fee for infant care in Toronto

Source: Canadian Centre for Policy Alternatives, December 2016

Kim Blake, senior consultant at Bromelin HR Consulting in the Toronto area, says while employers have increasingly recognized the business value of supporting working parents over the last 10 years, change is happening more slowly than anticipated.

Approaches to the issue vary, ranging from on-site daycare services to childcare stipends, says Blake.

For smaller companies, providing access to a network of daycare providers can be a particularly good option. "So the ideal solution for so many companies may not be on-site daycare, but if you have access to guaranteed spots and emergency care, then that's the next best thing, I imagine," says Blake, noting the productivity benefits reaped by employers.

"If parents are worried about what's going on at home and the quality of their childcare, they're not focused on the business at hand. So that's why I

say it's not just a retention tool, it's a business and productivity tool to support parents," she says.

## A child-friendly environment

Although FreshBooks' childcare assistance ultimately benefits the company through improved productivity and reduced absenteeism, Cooperman says the move was more about having a happy workforce. "If something they need is to have good childcare, then that's kind of the benefit for us. It's really about providing a great workplace.


"I think it falls into one of those areas where anything we can do to help our employees with their families, within reason, is something that we would want to do. In that case, with the employees aging and more and more folks having families, it just makes a lot more sense now than as opposed to, say, five or 10 years ago."

The guarantee of a childcare space

also fits with FreshBooks' broader approach to benefits and perks, which includes having a child- and dog-friendly office environment.

"In a pinch, people can bring in their kids and we have a lot of things a lot of kids enjoy. We have video games downstairs that they can play and ping-pong," says Cooperman.

With the childcare program still in its infancy and only four employees having taken advantage of it as of July, Cooperman says the company plans to evaluate the outcomes in the future.

"At some point in the future, our dream is to actually have a daycare actually in our office or really close nearby, but I think the Kids & Co. opportunity is something that's kind of a happy medium to get us there at some point," he says. 

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