



## Overcoming a Parent's Objections to Offering a Competitive Pay and Benefit Package

### What Nannies Want

- taxes withheld
- competitive hourly rate
- overtime
- guaranteed hours
- mileage reimbursement
- paid vacation
- paid holidays
- paid sick days
- paid weather days
- paid COVID days
- professional development days and dollars
- health insurance reimbursement account
- metro card
- retirement account

### Internal Questions to Start With

- What are your agency's requirements around taxes, wages, and benefits? Have you communicated those to the family?
- What is the family offering? How far off are they from your standards or what the nanny wants?
- Can the family afford to offer more or do they not want to offer more (right now)?

### Position vs. Interest

- what they're offering vs. why they're offering it
- a position can only be satisfied by one thing so it's hard to move a client from there, there are many ways to satisfy an interest
- possible interests
  - quality childcare (safety, love, attachment)
  - reliable childcare
  - fairness
  - financial security
  - life balance
  - identity
    - being a good parent
    - being a good business person

### The Conversation

- **acknowledge** their perspective; people need to feel genuinely heard, understood, and accepted to move past their current position (you don't have to agree to acknowledge their experience)
- ask **open ended questions** to help you (and them) understand their perspective better

- look for **their interests** in their responses to your questions
- **reflect / summarize** using **neutral language**
- summarize their needs equals the requirements of the type of nanny they want for the job description they have, outline their options
- highlight shared goals
- help them see the nanny's perspective
- detail how far apart (close together) they are
- highlight the big picture: "Right now you're \$1/hr apart, that's \$45 a week or \$2,340 a year."
- use reality testing if necessary ("Out of all the nannies you've interviewed, Sarah was your top pick. Are you willing to meet her rate to get her on board?")

### **Inquiry Questions**

- How did you decide on the wage / benefits you're offering?
- What responses have you been getting from nannies around your compensation package?
- Are you willing to consider a different type of nanny or lighten your job description to increase your chances of finding a match?
- What would need to happen for you to increase your offer?
- Beyond the dollar amount, why do you think this amount / benefit is important to them?
- How do you think not receiving this wage / benefit will impact the nanny?

### **Independent Contractor vs. Household Employee**

- 1099 deprives employees of basic protections they deserve (unemployment, Social Security contribution, worker's comp, short term disability paid sick leave, paid family medical leave)
- 1099 costs the employee more in taxes and other protections so it leads to a higher hourly rate
- enforcement has picked up and employers that misclassify employees as independent contractors are on the list of those they're focusing on
- it doesn't matter if a nanny agrees to a 1099 or not, the IRS considers it a misclassification
- more and more nannies know the law and won't accept a 1099

### **Legal Pay**

- provides crucial financial protections to the nanny (unemployment, Social Security contribution, worker's comp, short term disability paid sick leave, paid family medical leave, Child Care Tax Credit)
- professional identity: shows nannies you consider this a real job like any other childcare position in a daycare or preschool and will treat them like a professional
- protects you from audit
- it's expensive and difficult to correct paying under the table so start off on the right foot now
- there are nanny tax services that will handle it all for you

### **Competitive Rate**

they're the nanny's only employer; with a family care provider or day care, they have multiple clients so the cost is lower

nanny care provides more than just childcare; you're paying for convenience, flexibility, and household support the area's cost of living and inflation rate directly influences the nanny's rate

it's about supply and demand, right now nannies with the education, experience, skill set, and personality they want are being offered \$X

### **Guaranteed Hours**

- this is an industry standard and quality caregivers require it

- you're guaranteeing their availability, your child's spot so to speak just like you'd do in a preschool or camp
- nannies rely on one employer for their income, GH provides a financial safety net
- a nanny should never lose money for taking earned or entitled to time off
- if they never take off, they'll never have to pay their nanny for not working so they can offer it as a sign of good will and understanding

## **PTO**

- some define PTO as paid vacation, others as all paid days off including vacation, holidays, sick days, etc., make sure you're clear about what you're talking about
- you want your nanny to have the work / life balance that helps them destress, recharge, and be ready to take great care of your kids
- we can help you put a back-up plan in place so if you need alternative childcare, you'll have it
- less PTO means a higher base hourly wage

## **Upper Tier Benefits**

- there's no career ladder so advancement in the nanny world means expanded benefits
- the more experience, education, or skills a nanny has, the more benefits they can require and receive in today's market
- offering these benefits helps you stay competitive as an employer

## **Tips**

be careful not to negotiate a specific wage or benefit if your agency doesn't do that  
don't disagree with their examples of "we know a nanny who..."

state your agency standards as policy, not just a good idea

have a staff wide script for why you've set the standards you've set

don't apologize for advocating for nannies

avoid using a blended rate that uses the average of regular and overtime pay; it's confusing and misleading to both sides

remind them success is defined by the relationship, not just the numbers