

Module 1

SECTION TWO



OPERATING A STRONG FAMILY CHILD CARE BUSINESS Feasibility



Section 2.1 Personal & Financial Assessment

Learning Outcomes

After each activity, participants will be able to:

Activity 1

- Identify and discuss personal and financial issues before starting a family child care business.

Activity 2

- Examine the impact that personal and financial factors may have on starting and sustaining a family child care business.

Handouts

5. Areas to explore when starting a family child care business

Key Points

- Family child care provides a business opportunity that can lead to a rewarding career in the field of early childhood education.
- Assessing the feasibility of starting a family child care business is a critical step that prospective providers should take in order to make an informed decision before embarking in the licensing process.
- Exploring areas that impact the feasibility of operating a family child care business can help individuals determine whether or not it makes sense to open a family child care home. It can also determine the viability and ongoing success of the business.
- It is beneficial for prospective and current providers to consider whether or not operating a family child care business is a good “fit.” If family child care is not a suitable vocation for a particular individual, in all likelihood it will have a negative impact on the long term sustainability of the business.

Activity #1

Learning Outcomes

Identify and discuss personal and financial issues before starting a family child care business.

Materials Needed

Handout 5: Areas to Explore Before Starting a Family Child Care Business

Methodology: Reflection, discussion

Activity

Distribute Handout 5 and review the Key Talking Points.

Start a discussion by asking participants to share their thoughts about the statement. Then, facilitate further discussion drawing on the participants' comments.

- *What caught your attention?*
- *What is the gist of the statement you just heard?*
- *What areas would you consider as a prospective provider?*
- *What areas would you consider as an established provider?*
- *Why is it important to reflect on these issues?*

Ask participants to individually identify an area they believe will be a personal challenge and to think of some possible solutions and resources they may be able to use as a support to resolve the problem.

Then have participants identify an area they believe will be one of strength for them and suggest that they consider additional benefits that come with that area of strength.

Finally, ask participants to share their answers with their closest seating partner.

Key Points

- Family child care provides a business opportunity that can lead to a rewarding career in the field of early childhood education.
- Assessing the feasibility of starting a family child care business is a critical step that prospective providers should take in order to make an informed decision before embarking in the licensing process.
- Exploring areas that impact the feasibility of operating a family child care business can help individuals determine whether it makes sense to open a family child care home. It can also determine the viability and ongoing success of the business.

Activity #2

Learning Outcomes

Examine the impact that personal and financial factors may have on starting and sustaining a family child care business.

Materials Needed

Handout 5: Areas to Explore Before Starting a Family Child Care Business

Methodology: Reflection, discussion

Activity

Pose the question: What are some potential consequences of starting a family child care business?

Ask a few participants to share their thoughts with the whole group.

Then divide the participants into smaller groups. Group prospective providers and current providers separately.

Distribute Handout 5 for the participants to read. Ask everyone to think about and discuss the potential impact of not taking this into consideration when starting a family child care business.

Pose sample starter questions to get conversations going:

- *What would happen if you got licensed and did not have any customers for two months?*
- *Are you willing to go to classes/workshops to learn and stay current with information in Early Childhood Education field?*
- *What would happen to the children in your care and their families, if you found out after a few months that family child care is not what you expected and you decided to close your business?*

Conclude by asking group members to share highlights from their conversations.

Key Points

- It is beneficial for prospective and current providers to consider whether or not operating a family child care business is a good “fit.” If family child care is not a suitable vocation for a particular individual, in all likelihood it will have a negative impact on the long term sustainability of the business.

HANDOUT #5: AREAS TO EXPLORE WHEN STARTING A FAMILY CHILD CARE BUSINESS

Provider

- Reasons for wanting to be a licensed family child care provider
- Ability and desire to work with children
- Understanding of what operating a family child care program entails and commitment to the business
- The roles of the provider: caregiver, teacher, family partner, program administrator, business owner
- The provider's temperament, personality, disposition, and health
- Interest in professional development

Provider's Family

- What do the other people in the household think and are they supportive?
- Has there been a discussion about the impact this will have on partners/children/family members/others in the household?
- What boundaries will need to be set to respect the needs and/or wants of all household members?
- Regulations about residents in the home

Provider's Home

- Deed and property restrictions (are there limitations set by homeowner covenants, insurance providers or a landlord)?
- Home as personal and business space—what rooms will be used by the family child care program and why? How will those who live in the home (both adults and children) feel about sharing?
- Home size, layout, availability and suitability of indoor and outdoor space

Financial Circumstances

- Startup costs
- Home repairs and/or remodeling prior to opening the business
- Sustainability while building up the clientele
- Licensing fees

Provider's Community

- Local, county and city ordinances
- Neighbors' concerns (e.g., noise, parking, traffic, property values...)

For technical assistance and information on the areas listed in this handout, consult with the local Child Care Resource and Referral (R&R) agency or local Child Care Planning Council (LPC) in your area.

R&R Directory: <http://www.rnetwork.org/rr-in-every-county/parents/find-child-care-in-california-1.html>

CA LPC Directory: <http://www.cde.ca.gov/sp/cd/re/lpc.asp>