



Client Outcomes and Impacts

Course Training

A total of **182 clients participated in the Kauffman Child Care Business** course over the course of the grant, with 44% (80) being low-income and 56% (102) being above low-income. **Sixty-four percent (118) of clients completed the course**, with 63 low-income clients and 55 above low-income clients completing this course.

Business Plan and Parent Handbook

Fifty-five percent of clients completed their business plan, including 58% of low-income clients and 53% of above-low income clients.

- € On the same confidence scale from 0 to 10, low-income clients showed a slightly higher average confidence rating of 8 compared to 7.6 of above low-income clients.

Seventy-eight percent of all clients surveyed completed their parent handbook, with completion by 77% of low-income clients and 79% of above low-income clients.

- € Using the scale from 0 to 10, with 0 being 0% confident and 10 being 100% confident in their skills, both income groups reported an average confidence rating of 8.6, indicating high confidence to complete a parent handbook.

Access to Capital

A total of 26 CCBI clients, or 22% of those interviewed, said that they needed to apply for a loan for their childcare business. Main sources of business capital for low-income clients included personal savings (44%), business revenue (43%), and a bank loan (10%).

- € **17 clients received loans for their business**, with 6 low-income clients and 11 above low-income clients receiving a loan.
- € The amount of all loans received totaled \$231,600, with \$48,600 received by low-income clients.
- € The average amount of the loans received was \$17,915, and loans received by low-income persons averaged \$12,150.

Business Statistics

Fifty-four percent (87) of clients came to CCBI in the planning process to start a business and 46% (75) entered the program with an established childcare business.

Of those who entered the program in the planning stage:

- € **29 (30%) started and retained this business**
- € 13 (14%) started a business and then closed it
- € 23 (26%) remained in the planning stage
- € 25 (29%) decided to not pursue this business

Of the clients who entered CCBI with an established business

- € **64 (85%) retained this business**
- € 11 (15%) closed this business

Self-Employment and Hiring

A total of 86 full time equivalent self-employment jobs were created and supported by CCBI for business owners. Twenty seven of these jobs were held by low-income clients and 57 were held by above low-income clients.

Income Changes

Sixty-two percent (57) of clients stated that their personal income increased because of their childcare business. This included 58% of low-income and 64% of above low-income clients.

- € The average monthly household income for low-income clients increased over time from \$762 per month at intake to \$2,447 per month at the time of the survey. A paired sample t-test comparing monthly household income figures of clients from their intake to the time of the follow-up survey showed significant increases over time, as indicated in the Table.

Change in Monthly Income from Intake to Survey by Income Groups

	Range	Mean	Median	n	t
Poverty – Intake	\$0-\$3,600	\$762	\$684	69	-6.71***
Poverty – At survey	\$380-\$7,500	\$2,447	\$2,000	59	
Above poverty - Intake	\$950-\$6,600	\$2,800	\$2,532	101	-1.84*
Above poverty – At survey	\$900-\$8,300	\$3,069	\$2,500	81	

*=p<.10; ***p=<=.01

Public Assistance

Overall, 59% (97) of all clients reported that they have relied on public assistance at some point in their life. Specifically, 75% (48) of the low-income group and 46% (49) of the above low-income group have once relied on public assistance.

- € **58% of low-income clients reported that their reliance on public assistance had decreased since they started their business**, 31% said it stayed the same, and 10% said it increased. Commonly reported reasons for why clients decreased their reliance in public assistance include, they started their business or got a job, used less or no benefits or were no longer eligible, their own or their partner's income increased, and they graduated high school

Skill Development

Clients reported gaining many skills through the CCBI course, including budgeting skills, how to register their childcare business and state childcare regulations, financial management, tax preparation, record keeping, organization, business policies, insurance, and skills to work with parents.

DCF caseworkers also suggested strategies that CCBI staff could use to increase enrollment from the DCF pool. These included:

- € Stop in and visit DCF offices
- € Talk at Reach-up Orientations
- €

Clients also consistently commented on how supportive and knowledgeable their instructors were, which facilitated their learning and success. Students benefited from the mixed level, collaborative learning environment that the course offered, developing a business plan and parent handbook that could be directly applied to their business, and

determining their own hours, and the benefits to themselves and their family members of working outside of a mainstream work environment.

In addition, 36% of business owners reported that their family's childcare expenses decreased since they started their business, which is a savings to the family. Further, being self-employed in this study was significantly related to not receiving TANF and unemployment benefits. Statistical tests also showed that being low-income was not a factor that kept persons from successfully starting a business. The researchers speculate that the benefits of running an in-home childcare business and potentially patching one's income with another wage job or other self-employment outweigh the fact that most are underpaid for the important work they do. Overall, starting a childcare business was a feasible solution to each client's unique situation.

Recommendations for Program Improvement

The following are recommendations for improving the CCBI program, based on the various evaluation data presented in this report for the second year of the CCBI grant.

- Take steps to improve the recruitment and retention of JOLI eligible clients
- Focus on moderate and low-income providers
- Continue to enroll clients with various business stages and incomes
- Develop curriculum based on student needs and identified goals
- Improve CCBI course through client suggestions: course content, instructors, and course materials
- Hold workshops on topic areas that student would like to see covered more in depth
- Ensure Co-Teacher role as necessary