



December 9, 2022

To: Mayor Deanna Reed, Vice Mayor Sal Romero,
Council Members Richard Baugh, Laura Dent, Christopher Jones

From: Joyce Krech, Director; Diane McCarthy, Business Advisor
Shenandoah Valley Small Business Development Center (SV SBDC)

JMU MSC 5502
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ValleySBDC.org

Re: The Business of Childcare – a proposal for capacity building for in-home child care providers

Childcare providers in our communities are vitally important to the economic growth and stability of the region. They are among our most valuable assets in meeting the needs of working parents and their children. But too often, the providers find themselves so fully immersed in the daily tasks and duties of taking care of our children that administrative and business tasks, if addressed at all, fall in importance. Additionally, the best trained childcare provider frequently has not had the same level of training in operating a successful and sustainable business.

The SV SBDC can provide a program to specifically address and teach best business practices to new or existing childcare providers whether operating in-home or in a center. Our industry-specific business management curriculum helps owners and directors improve professionalism – which can lead to state licensure – and profitability. The coursework is combined with individualized consultation on implementing best practices and ultimately streamlining the administrative and business tasks for owners and directors. The following information provides an outline for a potential Business of Childcare program for the city. This document does not necessarily constitute a formal competitive proposal.

The Business of Childcare

Proposal

We are seeking a total of \$38,200 to offer the Business of Childcare Program to in-home and center-based childcare programs in Harrisonburg.

- **Up to four cohorts** will be completed between time of award and December 31, 2024.
- In keeping with the values of the SV SBDC, **we will serve the diverse cultural and ethnic communities** in the city. If content needs to be delivered in **multiple languages**, we are prepared to add translators/ interpreters to the program.
- The program will be offered at **minimal- or no-fee to participants** in recognition that many are already stretched financially.
- Local government and business organizations are asked to support this program because they understand that they are **investing not only in the small business community, but in families and the future of our children.**
- If the city wishes to expand the number of cohorts and/or number of child care providers impacted, **additional discussion is welcome to develop the desired specifics.**

Cohort Structure

- **Each cohort = 14 hours of instruction in 7 classes across 10 weeks.** Breaks between classes allow time to consult with SBDC Business Advisors and implement lessons learned.

- Each cohort will be **open to both existing and new providers**. This model **allows participants to share and learn together**, developing **relationships that will benefit them** into the future. We also know there are many existing in-home providers who need to **move toward licensure**.
- We use **video-conferencing technology** that is easy to access so that participants join class from their homes. Anyone without accessible technology is welcome to participate from our SBDC offices.
- A Certificate of Completion grants **exclusive access to online tools and resources** provided by Early Education Business Consultants LLC, the creators of this unique business management curriculum.
- SV SBDC Business Advisors are **fully licensed and trained** to use and deliver the curriculum.
- **Topics** covered include Strategic Business Planning, Marketing Techniques, Accounting Basics, Financial Management, Leadership and Human Resource Management, and Use of Technology. See the attached flyer from the SV SBDC Pilot program.

Outcomes

- The combination of **small cohorts and individualized guidance** is the most effective means of producing positive results for participants.
- Participants leave with an **understanding of basic business systems and best practices** that support and foster a successful home-based or small center childcare business.
- Participants are welcomed into a **professional learning community** of like-minded providers, business owners, and resource partners.
- Participants will have **access to continuous, in-depth, and confidential support from SV SBDC Business Advisors** as they grow their businesses.
- Certification for completing the Business of Childcare Program gives grant applicants and funders **confidence that a standard of business acuity has been met** and will continue.

Thank you for your attention and support. Please do not hesitate to contact us at krechjh@jmu.edu, mccar2dl@jmu.edu, or 540-568-3227 if you have questions.

Please find attached:

Flyer for SV SBDC Pilot Program

The Business of Childcare: Blog post and participant responses

About Early Education Business Consultants and Founder Lauren Small

Lauren Small, CEO, is a business consultant and owner of Early Education Business Consultants, LLC (EEBC), a firm focused on improving systems and practices in early childcare businesses. As a Certified Business Analyst with the Hampton Roads SBDC, Lauren designed the original Early Education Small Business Training Program in 2010 to encourage childcare businesses to learn and adopt best business practices leading to an increase in child enrollment and a decrease in employee turnover. As a result of this award-winning* program, over 250 childcare businesses positively impacted over 6,000 children ages 0-5 annually in Hampton Roads.

Lauren is a passionate advocate for the businesses within the childcare industry and understands the nuances and needs of providers. She stays up to date on legislative and administrative changes in Virginia and the nation and understands the potential and real impact of these changes. She has shared her business training program at national conferences and is a sought-after speaker and workshop presenter. Lauren and EEBC are active partners to the Virginia SBDC Network, the most extensive business development program in the Commonwealth.

*In 2014, Hampton Roads SBDC won the U.S. Small Business Administration's "Excellence and Innovation Center" Award because of Lauren's ground-breaking work in childcare business education.

The Business of Childcare – EEBC & SBDCs

Improving communities' child care through Small Business Development Centers

<https://www.earlyeducationbusiness.com/blog> Oct. 31, 2022

Our company, Early Education Business Consultants, seeks to elevate the quality and availability of child care throughout communities. One important approach to this goal is partnering with the Small Business Development Center in each region we work. **SBDCs provide counseling and training to small businesses, including working with the national Small Business Association to develop and provide informational tools to support business start-ups and existing business expansion.**



Why do we partner with SBDCs?

Because they understand the impact on workers and businesses, SBDCs are often the primary leaders in their communities to assist in moving the mark for the child care industry. Right now, communities across the country are struggling with a lack of available, reliable, safe, quality child care, making it difficult for parents to work, for companies to be fully staffed and minimize absenteeism, and for economies to thrive.

The early childhood industry has been exponentially impacted by Covid and the workforce crisis. Both

issues have amplified how difficult it is to make the early childhood business model work successfully. Furthermore, most early childhood directors and owners have a background in education, not business—so they rarely have the knowledge or experience to run a profitable, well-managed business. SBDCs can help fill the void.

SBDCs often benefit by engaging with early childhood business specialists to help them understand the nuances of the child care business model. Early Education Business Consultants has become a go-to partner for SBDCs throughout the mid-Atlantic and beyond, to create change and meet specific early child care education needs in their communities. We give the SBDCs the information and tools to quickly support child care businesses and enable them to provide more high-level industry specific targeted support.

What do the consultants bring to SBDCs?

We begin our work with a deep assessment of the community—meeting with city and county stakeholders to understand the gaps in their early childhood landscape and the specific business needs. Many communities are asking for help to create sustainable small child care businesses, increase the availability of child care, and help with stabilizing staffing in the child care businesses.

Once the SBDC and their partners develop or expand an initiative with defined goals, Early Education Business Consultants will collaborate with them in three key areas:

1. **Community consulting to build sustainable business supports through SBDC partnership**— This service brings people together with a common goal to increase the availability of child care and the success of child care businesses.

2. **The Early Education Business Program**—a full curriculum to teach best business practices to child care centers (both for-profit and non-profit). We also provide a different program to educate home child care businesses. All three types of businesses are critical in any community to provide access, and the home-based providers are typically the most prevalent programs in child care deserts.

3. **Train-the-Trainer Program**—a service that teaches SBDC business coaches the nuances of the child care business model. They complete the business program and gain a better understanding of how to support the child care program owners and their staff.

What are some “wins” we typically see from assisting SBDCs?

When surveying the outcome of our services within each region, we’ve found on average that 90% of SBDC business coaches have improved confidence with the child care business model. **Access to EEBC’s training curriculum and materials has saved SBDCs considerable time and money by providing ready-made materials and tactics.**

The most meaningful results, though, are how much deeper an impact the SBDCs and their partnering cities and counties are able to make on the child care industry. Hampton Roads, VA, is a prime example—as the first region Early Education Business Consultants begin supporting. Our efforts have yielded improvements in child care centers’ financial stability, education quality, and staff retention/hiring.

“Early Education Business Consultants has earned the respect of our Chesapeake child care community. Not only do they understand the challenging business model of child care, they understand the vital social and business impact that child care has with our families and businesses. By building strong relationships within the child care community, they are able to provide technical assistance and business management support that helps our centers increase enrollment and revenue.”

Kathryn Jessee, Senior Community Programs Specialist, Chesapeake Department of Human Services

Other Responses:

Outcomes from WV SBDC / EEBC Program with 11 childcare businesses for 8 training sessions:

- 141 surveys were conducted throughout the program with **91% of the participants responding that they learned from the program.**
- Though the lowest score came when participants were asked about their confidence with the child care business model, this score increased throughout the eight sessions, showing an **improvement in confidence from only 62% who felt confident to 90%.**
- WV SBDC Advisors, the WV Child Care Resource and Referral Network, and West Virginia Department of Health and Human Resources child care technical assistants gained **knowledge of business concerns and needs specific to the child care industry and built an ongoing, supportive network.**
- The West Virginia SBDC has responded to **many business owners who want to start, expand, or stabilize their child care business.** One child care center owner with three sites was looking for a business coach and a financial education program. The business is exploring whether it can expand further to serve even more children.

“I feel my biggest takeaway was the relationships and the connections that I made. I think that's been helpful in executing my vision. The ARP (American Rescue Plan) Child Care Stabilization Payments and the EEBC business program together helped raise my awareness of where we were spending money. That made me more comfortable to spend. When it first started, I felt I needed to save the funding because I didn't feel confident. The business class helped me see the need to reinvest funding in our physical space. We have put almost every penny that we've gotten since we began into our building with two new kitchens, a laundry room (as I had been taking home laundry for 14 years), and three dishwashers which means sixty children's plates, spoons, and cups are not being washed by hand. This has taken a huge load off the staff and me. We also renovated our bathrooms, added a privacy fence, have all new floors, paint, and security cameras.”

Paula Sikora, owner of Sikora Montessori in Wheeling, WV

“With the budgeting and forecasting I now have metrics to know where we are as a business! I have found that I can delegate a lot of what I was doing from my administrative assistant to my husband! Just as useful has been the wide range of technology which I can do myself, from running reports to setting up Zoom meetings. I also have implemented time for the staff to meet and receive training, and we have a Teacher of the Quarter which is determined by using a “catcha board” where staff members are recognized for doing something good.”

Theresa Cox-Ford, owner/director of Toddler Time CDC in Portsmouth VA

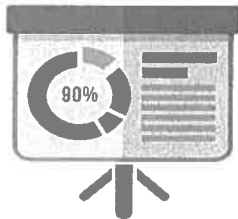
TRANSFORM YOUR BUSINESS WITH THE AWARD-WINNING

Early Education BUSINESS Program

Grant Funded — No Cost To You!
You'll Learn:

Strategic Planning

Understand how to successfully achieve your business goals, or craft a strategy to achieve them.



HR Management

Build successful human resource systems that bring out the best in your employees and reduce turnover.



Financial Management

Learn how to increase your center's profits:



✓
Sharpen your financial know-how

✓
Strengthen your money management systems

✓
Become savvy at financial forecasting

✓
Make data-driven decisions

Marketing

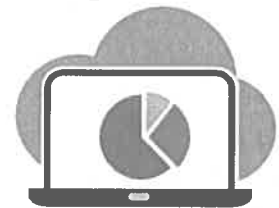
Reach full capacity!
Understand best practices in early childhood marketing.



Using Technology

- Save time
- Reduce stress
- Automate and streamline

Learn how tech gives you more time to lead.



PLUS OPPORTUNITIES TO NETWORK, COLLABORATE & SHARE COMMUNITY RESOURCES

TUESDAYS, 12:30-2:30 PM

Mar 22 | Mar 29 | Apr 5 | Apr 26 | May 3 | May 17 | May 24

REGISTER: bit.ly/BizProgram

Presented by:
Early Education
Business Consultants



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