Family Child Care as a Job Opportunity for Welfare Recipients. Child Care Action Campaign Issue Brief #5.

The Child Care Action Campaign (CCAC) is a national nonprofit advocacy organization whose goal is to improve the lives of children and their families by expanding the supply of good quality, affordable child care. This publication summarizes remarks made by presenters at a CCAC audio-conference on the recruitment and training of welfare recipients as child care providers as a job opportunity. The article discusses the economic realities of family child care and their implications for public policy, including economic barriers faced by low-income families in starting a business. Policy concerns considered include the willingness of welfare recipients to do child care work, the provision of basic equipment, and the need for training and technical assistance in starting and running a small business. The article also discusses policies and programs to make a state-supported training program successful and cost-efficient, and the need for community networks to support family child care providers. The role of the CCAC and its Family Support Watch program are also summarized. (JPB)
Family Child Care as a Job Opportunity for Welfare Recipients
Overview

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 requires states to move 50 percent of welfare recipients to work by 2002. In order to comply with this federal mandate, states must both find jobs for 1.7 million mothers with children under 13 and increase child care capacity. Policy makers in a number of states believe that they can achieve both goals at once by recruiting some welfare recipients to work in their homes as child care providers to enable other welfare recipients to take other types of jobs.

Programs to recruit and train welfare recipients as child care providers already exist in several states, including California, Georgia, Massachusetts, New Jersey, Pennsylvania, and Virginia. These programs screen recipients to identify those with an aptitude for child care work. They also offer training in child development and small business start-up and management, as well as additional training and support after newly recruited providers launch their fledgling businesses. In contrast, other states are seeking to put recipients to work quickly without any screening or training. In Buffalo, New York, some welfare recipients recently received a letter that both notified them of the termination of cash benefits—and suggested that they become family child care providers. There was no indication that training or other support would be available.

To offer guidance to policy makers who are looking at child care as a job opportunity for welfare recipients, CCAC conducted an audioconference on June 26, 1996. Featured presenters were three experts in family child care recruitment and training: Deborah Eaton, president of the National Association for Family Child Care; Julie Kirrane, the director of a provider training program at the Child Care Resource Center (CCRC) in Cambridge, Massachusetts; and Roberta Malavenda, deputy director of Save the Children/Atlanta Child Care Support Center. Moderated by Laurie Miller, CCAC program associate, the audioconference attracted an audience of 330 child care administrators and advocates.

As shown in the following synopsis of presenters’ remarks, family child care jobs for welfare recipients are not a quick-fix solution to the harsh employment and child care challenges imposed by federal welfare reform. State policy makers can and should recognize that family child care is both a job requiring commitment and skill and a small business that can, if well run, enable low-income working families to support themselves. Like any demanding job, family child care requires commitment or “intentionality,” as a recent study by the Families and Work Institute termed the characteristic of providers that most highly correlates with good quality care for children. Like any small business, family child care requires skills in management, bookkeeping, and planning on the part of owners seeking to make a go of it.
States that are serious about recruiting welfare recipients into family child care should thus consult the growing body of experience and research in this area. Lessons learned to date, many of them summarized by audioconference presenters, can help policy makers avoid common misconceptions and errors. Yet, even effective recruitment and training programs do not necessarily turn family child care into an attractive job opportunity for welfare recipients. Like the rest of the child care field, family child care typically pays less than McDonald's and offers limited prospects for career advancement.

Deborah Eaton defines family child care as child care and education that is offered in providers' homes to children who live nearby and who range in age from birth through the early school years. Many providers also have young children of their own at home, which is the most common reason providers give for entering the profession.

Mothers on welfare who seek to become family child care providers for other low-income families confront a series of economic barriers to success that policy makers need to help them overcome, Eaton cautions. To begin with, low-income parents often hold jobs that are subject to lay-offs and result in the withdrawal of children from child care, thereby making the income from family child care unstable and difficult to predict.

Moreover, welfare mothers who become providers may well fall into “regulation exempt” categories for which public reimbursement rates are extremely low. Even for those who become regulated providers, earnings are close to the lowest of any occupation in the country.

In addition, when newly recruited providers manage to start up their businesses under these difficult conditions, they have no extra resources to tide them over when enrollment drops. Faced with such a drop, a provider may be forced out of business before she is able to attract more children.

To state policy makers who want to help welfare recipients succeed in the family child care business, Eaton offered three pieces of advice.

1. Recruit welfare recipients as family child care providers only if these women want to enter the profession and if they are suited to do so. Eaton notes that providers who have a genuine interest in their work tend to offer better services, and warmer and more attentive care. This is important because children who receive better child care are more likely to acquire the skills they need to succeed in school.

2. Help family child care providers purchase basic equipment like cribs, high chairs, toys, and books, and make repairs and
The benefits of training in improving the quality of care is probably the most conclusive finding in family child care research.

—DEBORAH EATON

improvements to their apartments and houses to meet basic health and safety guidelines. "Unless states are willing to commit new funds for quality improvements and supply building, mothers receiving cash assistance may find it very difficult to start up a successful family child care business," says Eaton.

- Offer welfare recipients entering the child care field training and technical assistance to start up their businesses and then provide ongoing support. "The benefits of training in improving the quality of care is probably the most conclusive finding" in family child care research, according to Eaton. Sources of training that help providers give children good early education include community colleges, child care resource and referral agencies, and other community-based organizations such as sponsors of the Child Care and Adult Food Program and family child care associations. Some of these organizations also offer technical assistance to low-income women who do not have any experience running their own businesses.

Eaton cited a Child Care Aware initiative as an example of a training model that increases the quality of family child care programs in a relatively short time. Based on a partnership of the Dayton Hudson family of stores (Dayton's, Hudson's, Marshall Fields, Mervyn's, and Target), Child Care Action Campaign (CCAC), the National Association for Family Child Care (NAFCC), and the National Association of Child Care Resource and Referral Agencies (NACCRRA), Child Care Aware has invested over $10 million since 1989 to train 13,000 family child care providers in 40 communities. "A study in three of these communities shows that after providers are trained, children...behave in ways that indicate they feel more securely attached to their providers, they are more engaged in activities, and they spend less time wandering around aimlessly," Eaton reports. Overall quality also improved in the sites after training. To achieve these results after only 18 to 36 hours of training for providers is truly impressive. "We cannot overestimate the importance of even modest levels of training."

Julie Kirrane began training welfare recipients to be family child care providers in spring 1995. The CCRC program in Cambridge, Massachusetts, the barriers it has faced, and plans for improving it offer lessons for program designers in other states, Kirrane says.

Child Care Resource Center's training program was created in response to a state initiative to increase both job opportunities and the child care supply in anticipation of state welfare reform. The program met the state's requirement that recipients be prepared to meet training and experience standards for licensed family child care providers. The
CCRC has launched a small business training initiative that offers “regular and intensive” training.
—JULIE KIRRANE

total cost of training each student was between $5,000 and $6,000. State officials viewed this investment as worthwhile, explains Kirrane. They believed that “their child care burden would be reduced because the women themselves would not need child care when they went to work.”

Six students enrolled in CCRC’s 1995 training program and participated in 25 hours of training over 12 weeks. They spent 15 class hours learning about the state licensing process, child development, curriculum, program health and safety, professional skills, and life skills development for women. The course also focused on business management because if “these women were going into self-employment, a business component really had to be there.”

Students also spent ten hours with a trained mentor, an experienced family child care provider who was paid to host a student in her home. Because several students had limited or no proficiency in English, all instructors were bilingual and the classroom segments of the course were offered with translation.

After completing the training course, each provider received support for starting up her own child care business. The cost of this support, including home repairs, supplies, and liability insurance for a year, amounted to about $750 per provider. In addition, the program paid for licensing fees and the required first aid and CPR training.

To judge the success of its training program, CCRC conducted an evaluation six months after the training program ended, and again at 12 months. Six months after training, all of the CCRC students demonstrated that they had learned the material in the course, and all had received their licenses. Twelve months after training, two students “were very well established” as family child care providers and had moved off cash assistance; one student was operating a family child care home but was struggling; two students had become inactive; and one had moved out of the state.

These modest results suggested to CCRC that improved recruitment, training, and support practices could increase the success rate of prospective providers. However, CCRC's program was unexpectedly cancelled when Massachusetts, concerned about the high cost of training per student, required a minimum of 20 enrollees per program during a second round of training offered in spring 1996. CCRC and several other programs failed to meet this target.

Reasons why welfare recipients did not sign up for CCRC's program in greater numbers included housing that did not meet health and safety requirements of regulated homes, and the perceived riskiness of self-employment in child care, with no guarantee of a regular paycheck and
no health insurance. Based on CCRC’s experience to date, Kirrane advises that “follow-up support is necessary to making the initial investment in training pay off.”

Although the state of Massachusetts is not funding follow-up support, CCRC has launched a small business training initiative that offers “regular and intensive” training and technical assistance for women from low-income neighborhoods who are starting family child care businesses. This initiative helps women succeed as small business owners, and the women strengthen their neighborhoods by providing “a valuable service to other women who live there.”

Roberta Malavenda has a vision of family child care providers “as part of communities and linked to other resources so they are not out there alone and isolated.” Eight years ago, Save the Children/Atlanta began to put this vision into practice, creating neighborhood child care networks to develop and strengthen family child care in low-income communities. Save the Children/Atlanta has since developed 11 different types of networks that have successfully recruited and trained family child care providers in 14 low-income communities across the state.

The key to this success, according to Malavenda, is working within neighborhoods to form a community of child care providers. Save the Children/Atlanta has found that “when networks are set up very carefully and planned with community groups and support, family child care providers can provide beneficial services to children and families and can grow professionally and economically.”

To create these networks, Save the Children/Atlanta hires child care specialists who recruit, screen, and support people who make the decision to go into the family child care business. These specialists also support women who are already providing home-based child care and who want to improve the quality of their programs; and they identify providers who are “underground” and who, with some encouragement, can become part of the regulated system of care.

Low-income women often learn from friends and neighbors about child care networks in their own communities. In other cases, participants in Georgia’s welfare-to-work training program find out about the networks through Save the Children/Atlanta’s presentations at meetings in agency offices.

An individual seeking to become a provider through a neighborhood network in Georgia must first meet with a child care specialist who describes the profession and uses tools developed by Save the Children/Atlanta to assess the candidate’s aptitude and interest. During this meet-
Being a family child care provider requires the wisdom of a parent, the knowledge of a social worker, the skill of a pediatrician, the tact of a mediator, the patience of a saint, and the savvy of an entrepreneur running a small business.

—ROBERTA MALAVENDA

The specialist also explains the role of the neighborhood networks in supporting individual providers. If she continues, the prospective provider must meet state requirements: she must be “registered, fingerprinted, trained in CPR, health, and safety.” The specialist helps the provider go through these steps.

Once in business, providers who join a network can attend workshops and borrow toys, books, and equipment. They learn how to maintain files required by the state. They also receive ongoing support from the child care specialist. Save the Children/Atlanta has developed a checklist that specialists review with providers during visits to the providers’ homes, and use to develop an annual individualized training plan. In this way, providers stay connected with the neighborhood child care networks and have access to long-term support and technical assistance.

Malavenda stresses the importance of this long-term support by networks. Family child care “is hard work, and people who choose to do family child care are going to need support over a period of time.” Child care specialists are there to “help them through the ups and downs of the business and the ups and downs of their lives.”

The neighborhood child care network model can be adapted to any community, according to Malavenda. Save the Children/Atlanta was recently contacted by a tenant organization from a public housing project for help in creating child care programs for children of women moving off welfare rolls. Save the Children/Atlanta responded by recruiting, training, and screening six women as family child care providers.

Malavenda is a proponent of family child care as a profession for low-income women because she has seen many women succeed at it. But she feels that state policy makers should proceed with caution. Welfare recipients identified as prospective providers need to be carefully screened, and they need to be realistically informed about the earnings they can expect and the time, money, and effort it takes to start up a business. Malavenda concurs with Kirrane and Eaton that recruiting welfare recipients as child care providers is not a simple solution, but with appropriate strategies and investment it can be one part of the solution to help meet the growing demand for child care.

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About the Child Care Action Campaign

Child Care Action Campaign (CCAC) is a national nonprofit advocacy organization whose goal is to improve the lives of children and their families by expanding the supply of good quality, affordable child care. Founded in 1983, headquartered in New York, and assisted by a panel of advisors in every state, CCAC uses its information resources and strategic skills to engage parents, policymakers, business leaders, government officials, and child care providers in improving child care and early education. Through its national conferences, business roundtables, and state forums, CCAC is a catalyst for change. CCAC has led national thinking in defining child care as a bottom line economic issue and as a fundamental component of welfare reform and education reform.

About CCAC's Family Support Watch (FSW)

As part of its mission to increase the availability of good quality, affordable child care programs, CCAC established the Family Support Watch (FSW), a project to monitor the implementation of the 1988 Family Support Act and ensure that eligible families have access to the child care guaranteed by the Act. Since 1989, FSW has engaged in a wide range of policy analysis and advocacy activities including issuing reports, testifying at public and Congressional hearings, communicating to the public in print and broadcast media, distributing outreach materials to parents, and convening state administrators, advocates, and leaders through national audioconferences. In short, CCAC has tried, wherever possible, to get out the message that child care is a crucial component of any welfare-to-work strategy and to work with state leaders to ensure that child care benefits are delivered to families.

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