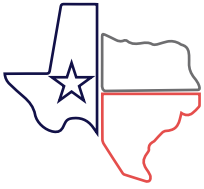RICE | SOCIAL SCIENCES

TEXAS
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The Texas Child Care
Business Coaching Program

OVERVIEW | The Texas Child Care Business Coaching Program

Across Texas, more than 13,500 licensed or registered home- and center-based providers care for children ages 13 and younger while their parents or guardians work. Under the best of circumstances, the business aspects of running child care operations can be daunting. Historically, many child care business owners face challenges with the business aspect of their work. Business operations is not a primary part of a provider's early childhood development education, training, or system of ongoing professional supports, and not something they typically have the time to manage as their days are while caring for children and helping support staff.

The COVID-19 pandemic further threatened child care business operations and finances due to declining or stagnant enrollment, staffing difficulties, unexpected closures, and additional expenses.

> **Two years after the pandemic started, 8% of the providers are closed permanently and home-based child care operations have been slower to reopen.**
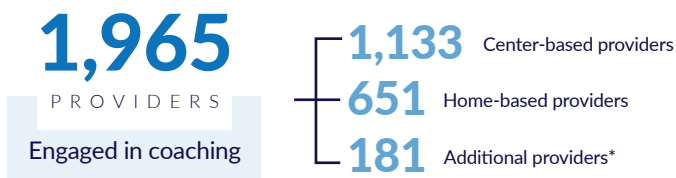> TEXAS HEALTH AND HUMAN SERVICES COMMISSION 2022

In 2021, the **Texas Workforce Commission (TWC)** received $1.1 billion in Child Care Development Block Grant (CCDBG) funds from the **Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA)**, a federal funding package intended to help mitigate the impacts of the COVID-19 pandemic. Recognizing the need to complement direct stimulus funding with access to financial resources, information, and guidance to operate their business during a time of acute crisis and beyond, the TWC implemented the Texas Child Care Business Coaching program.

The Texas Child Care Business Coaching Program offers business coaching to help child care providers improve their operations and connect with other systems of support throughout Texas. Approved by the Commission in May 2021 through a $15 million investment, the program was one of the first two priorities developed by the state to support providers with federal stimulus funding. In March 2022, the Commission **extended** the Texas Child Care Business Coaching initiative through May 2023 through an additional $15 million investment.[1]

The program's launch coincided with the **Child Care Relief Fund (CCRF)**, which was developed to stabilize child care providers during the height of the pandemic through direct funding awards. A total of $775 million was authorized for the CCRF 2021, which funded almost **9,500 providers**. Building on this effort to stabilize the supply of high-quality child care seats, TWC authorized almost $3.4 billion for CCRF 2022, which funded **10,800 providers.**

1,965 PROVIDERS
Engaged in coaching

1,133 Center-based providers
651 Home-based providers
181 Additional providers*

*The remaining 181 providers engaged in coaching prior to the use of a case management system. For this reason, information on childcare business type/other background data is unavailable.

[1] The second year of the program was made possible by federal CRRSA and American Rescue Plan Act (ARPA) funding.
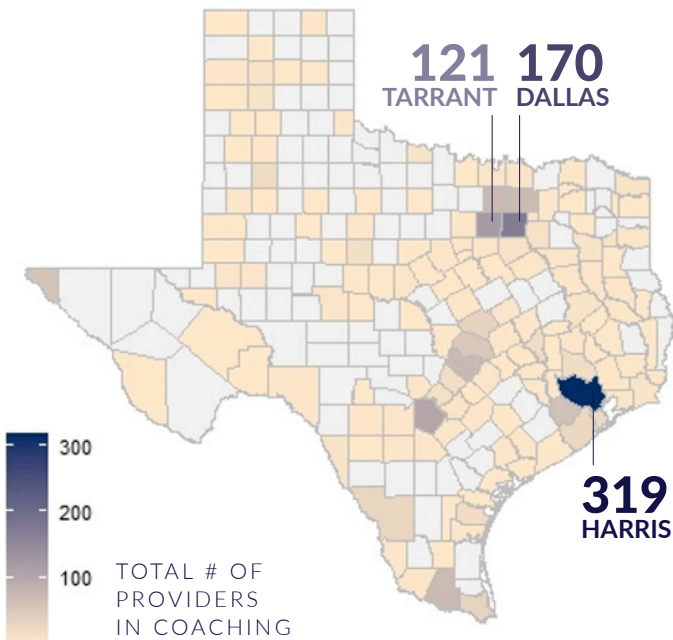
Meeting providers' business needs

The Texas Childcare Business Coaching Program employed a flexible, non-linear model
to "meet providers where they are" with individualized, free, virtual support from a dedicated business coach.
Business coaches supported providers through a range of activities, including:

Accessing TWC's Child Care Relief Fund program	Developing record-keeping infrastructure and necessary documentation on CCRF expenditures	Accessing the Paycheck Protection Program, Economic Injury Disaster Loans, the Families First Coronavirus Relief Act, and other resources	Receiving general guidance and business support, to improve financial stability policies and operations

Overview of Year One

Geographic Location of Coaching Participants

121 TARRANT **170** DALLAS

319 HARRIS

300
200
100

TOTAL # OF
PROVIDERS
IN COACHING

COMPARED WITH
PROVIDERS STATEWIDE,
participants were more
likely to be:
- Home-based
- Located in urban areas
- Texas Rising Star (TRS)
certified providers

AMONG THOSE
WHO COMPLETED
CORE COACHING,
AN AVERAGE OF:
- **88 emails** and **12 phone calls**
were exchanged between
coach and provider

PRIMARY AREAS OF NEED IDENTIFIED BY PROVIDERS:
- **44%:** budgeting and fiscal systems
- **20%:** low enrollment

Coaching Team Partners

To facilitate these relationships and develop the coaching model,
TWC contracted with three expert entities who all bring a unique
background and perspective to the program. All three partners play
a collaborative, well-defined role to make the program a success.

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Participants provided valuable feedback regarding
areas of program improvement, frequently
recommending expanding or extending the program.

Suggestions highlighted an interest in:
- **more sessions**
- **increased coach availability**
- **additional personalized support**
- **another round of business coaching**
- **more written coaching materials**

Coaching Pipeline

55% Core and specialized topics	**34%** Specialized topics	**11%** Core coaching only

90%
Surveyed providers
were satisfied
with support

85%
Surveyed providers who attributed the
knowledge and skills gained from coaching
to improved program operations

3

TABLE OF CONTENTS

1 EXECUTIVE SUMMARY

The Texas Child Care Business Coaching program was rapidly designed and implemented in 2021 to stabilize the child care sector after COVID-19 disrupted business operations and enrollment. By using a flexible, non-linear model, this program has addressed providers' most pressing needs in a systematic way through business coaching on core management strategies and specialized topics such as Child Care Relief Funding.

In its first year, 1,965 providers participated, with 90 percent of those surveyed in a representative sample reporting satisfaction with support. Additionally, 85 percent said the knowledge and skills gained from coaching improved their ability to operate. The program's rapid training and deployment of 58 coaches and the complementary roles of Civitas Strategies Early Start, Curantis Group, and AVANCE, created a system of support to ensure providers accessed available financial resources while strengthening their business practices.

Fueled by a timely launch that coincided with relief fund distribution, this program was geographically widespread, reaching providers in the state's largest urban counties (accounting for roughly one third of participants) as well as more rural counties, such as those with fewer than 20,000 residents like Deaf Smith County. However, with the total number of participants representing 15% of eligible providers in the state, program leaders will consider marketing strategies as the program continues to evolve in Year Two.

Building on strengths

Based on provider needs and data insights, the Texas Workforce Commission (TWC) team is incorporating enhancements while building upon the following foundational elements to strengthen the Business Coaching Program as it enters its second year:

- **Multi-partner coordination and collaboration**
- **Coordination with Child Care Relief Funding**
- **Real-time adaptation through frequent monitoring and bi-weekly review of data dashboards**
- **Support system for coaches including monthly training, weekly office hours, and a quality assurance system**
- **Feedback loop between coaches and program managers/administrators**

Updating coaching model

Programmatic adjustments and further research based on the key findings in this report are already underway. In August of 2022, the Texas Business Coaching model was updated and revised to incorporate a new pathway approach with six modules aimed at strengthening providers' business models.
These core modules include:

- **Financial foundations**
- **Staff recruitment and retention**
- **Risk reduction**
- **Sales and marketing**
- **Sustainable revenue and growth**

1.1 Key Findings

As of June 30, 2022, a total of 1,965 providers registered for business coaching across Texas, representing about 15% of the more than 13,500 licensed or registered providers. This includes more than 1,133 centers and 651 home-based providers.[1]

Consistent with the breakdown of all providers in Texas, the majority of those who participated in coaching are located in urban areas and accept families who receive a subsidy. Subsidy-accepting providers and Texas Rising Star certified providers (both TWC programs) were over-represented in coaching relative to providers statewide, which suggests TWC has better methods of existing communication or levels of trust with these providers. Relative to providers state-wide, home-based providers were more likely to participate in the coaching program. On average, child care capacity was slightly lower among business coaching participants than the typical provider across Texas, possibly due to the higher likelihood of a provider being home-based. Being located in a child care desert did not appear to be correlated with the likelihood of participation in the coaching program.

Overall, participants had positive experiences with the coaching program, as indicated by high rates of reported satisfaction, met needs, and perceived improvements to their business practices. Through a survey of a representative sample of providers who participated in the program (described in detail within the report), we found:

    1) Nearly all participants (90%) were satisfied with coaching
    2) The majority of providers (86%) believed coaching helped their business
    3) Most providers had their needs met (79%) and wouldn't change their experience
    4) Provider satisfaction of the program was most often attributed to their coach
    5) Providers want to receive access to more coaching

The majority of providers identified budgeting and fiscal systems (44%) as their primary area of need within the coaching program, followed by low enrollment (20%). Among those participating in coaching on specialized topics beyond regular business practices (described later in this report), the most common areas of support were CCRF technical assistance, and applying for the Employee Retention Tax Credit (ERTC) and/or Families First Coronavirus Relief Act (FFCRA).

Most providers participated in 2-4 coaching sessions (44%), followed by 5-8 sessions (20%).[2] Homes, on average, participated in more sessions compared with centers, being more likely to participate in 5-8 or more. Providers and coaches engaged in frequent communication in addition to formal sessions. Among those who completed core coaching, providers and coaches exchanged, on average, a total of 88 emails and connected over the phone about 12 times. Providers who completed coaching on specialized topics exchanged about 72 emails and had 3 meetings with their coach.

Participants also provided valuable feedback regarding areas of program improvement, frequently recommending an expansion or extension of the program. Their suggestions highlighted an interest in more sessions, increased coach availability, more personalized support, or another round of business coaching.

[1] The remaining 181 providers engaged in coaching prior to the use of the case management system. For this reason, information on childcare business type/other background information in unavailable for these providers. [2] This denotes top priorities among those who participated in at least one coaching session and reported a priority area.

2 CHILD CARE COACHING PROGRAM MODEL

When the COVID-19 pandemic hit the nation in March of 2020, Texas child care businesses were directly impacted. Many were forced to close or struggled to remain afloat, highlighting the increased vulnerability of an already fragile industry. To address this challenge, TWC supported providers in a two-pronged approach by coupling direct relief funding with a unique, goal-based business coaching program.

The coaching program was developed to help providers with both immediate (accessing relief funding, staying in business) and long-term goals (improving their business model for long-term success). Providers needed short-term emergency supports with immediate results to help them stabilize their business and ultimately make it through the pandemic.

Accordingly, the child care business coaching program supported child care providers by meeting their specific needs through two pipelines: core business coaching and specialized business coaching. All licensed or registered child care providers in Texas were eligible to sign up for coaching for free of charge.

Given the urgency of provider needs, TWC engaged Civitas Strategies Early Start (CSES) in May of 2021. The CSES team had two immediate charges: 1) Helping to support providers in accessing the 2021 Child Care Relief Fund and other resources to keep them in business, and 2) Developing the coaching system including the materials, tools, quality assurance system, and coach training modules.

By the end of the summer 2021, AVANCE and Curantis Group had joined the coaching partnership, bringing local connections and 58 dedicated business coaches to execute the core business coaching model. By October 2021, all coaches were trained and providing services to child care businesses. The following sections detail the program design and timeline, and offer background on these three partner organizations who were critical to the success of this initiative.

Overview of coaching model

Several principles of design guided the development of the goal-based coaching model.

First, the program needed to be flexible and responsive to the diverse needs of both the center- and home-based child care providers it would serve. Given the time constraints of child care business owners and the additional challenge of staffing shortages brought on by the pandemic, it was critical for coaching to be both effective and efficient. Therefore, the model was designed to quickly diagnose provider challenges or concerns and deliver the resources, information, and support that would efficiently address the acute areas of need over the course of a few sessions. A provider could commit to as few or as many sessions as needed to achieve their goals and could schedule their sessions along their own time frame.

Second, for many providers, this initiative was likely their first support with "the business" aspect of child care. Most business owners are trained in early child development, but not business management. Providers typically have access to early childhood professional development resources and continuing education throughout their career, but most of these opportunities do not cover how to establish and maintain a thriving small business.

Another principle driving program design was a strengths-based approach. The business coaching model allows providers to establish a trusting relationship with an experienced, professional coach who helps them identify and meet their own goals. Providers may have experienced group training or learning sessions in the past; however, working with an individual coach is an opportunity to make effective progress toward individualized, differentiated goals directly applicable to their unique situations.

The resulting coaching program was a flexible model in which the duration of coaching and topics are determined by the provider's own needs and scheduling availability. The details of each pipeline and specific coaching topics are described later in this section.

Providers sign up through a simple, online form, which includes verifying their business details and reason for signing up. Providers are then paired with a coach who will work with them throughout their coaching experience. Coaches and providers work together to develop goals, with sessions designed to empower the provider and motivate them to achieve their goals.

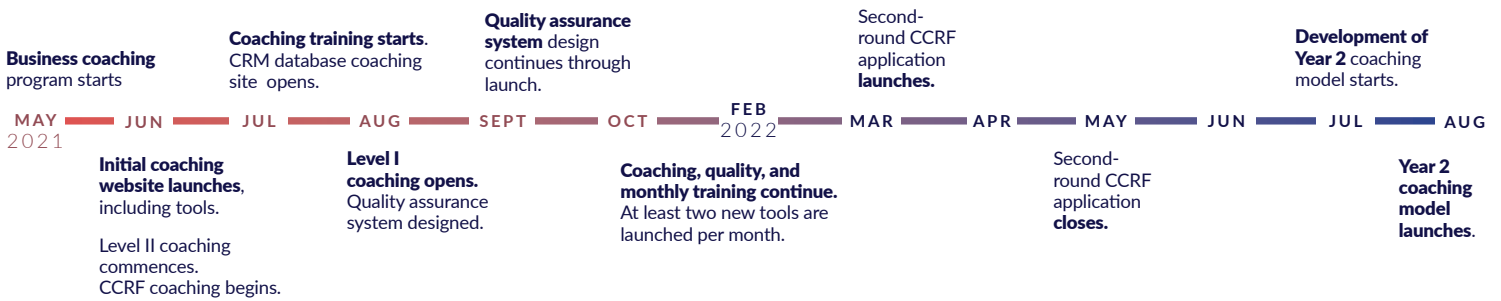**Four phases capture the provider journey through the coaching system:**

1 ENGAGE: A provider registers for core business coaching through an online registration link. Based on provider type, they are assigned to a coach from one of the core coaching teams (AVANCE or Curantis).

2 ASSESS: Coach and provider have introductory call to get to know each other, and allow the provider to share the strengths, challenges, and opportunities for growth that their business has. Providers learn what they can expect from the program and the coach and set their initial goal and action steps.

3 BUILD SKILLS: Provider and coach work through their identified areas of concern. They typically start with financial management, and move on to other subjects, including specialized coaching from Civitas. Providers and coaches choose goals and action steps together.

4 MAINTAIN: When the provider and coach determine that goals and action items have been achieved, the provider completes the program and receives communication encouraging their ongoing learning by accessing the tools and resources explored during the program.

Building a System of Support for the Texas Child Care Sector

Business coaching program starts

Coaching training starts. CRM database coaching site opens.

Quality assurance system design continues through launch.

Second-round CCRF application launches.

Development of Year 2 coaching model starts.

MAY 2021 — **JUN** — **JUL** — **AUG** — **SEPT** — **OCT** — **FEB 2022** — **MAR** — **APR** — **MAY** — **JUN** — **JUL** — **AUG**

Initial coaching website launches, including tools.

Level II coaching commences. CCRF coaching begins.

Level I coaching opens. Quality assurance system designed.

Coaching, quality, and monthly training continue. At least two new tools are launched per month.

Second-round CCRF application **closes.**

Year 2 coaching model launches.

Coaching Team Partners

Among the most important aspects of the coaching program is its commitment to building trust through strong interpersonal relationships between coach and provider. To facilitate these relationships and develop the coaching model, TWC contracted with three expert entities who bring a unique background and perspective to the program. All three partners play a collaborative, well-defined role to make the program a success.

CIVITAS STRATEGIES EARLY START (CSES) is a leading provider of child care business coaching and training. CSES's expert trainers support hundreds of providers directly, provide capacity-building to groups and community leaders, and create new tools and resources that are publicly accessible. CSES coordinates the Texas coaching model design and development; develops coaching materials and tools; offers monthly coach trainings; and conducts quality assurance. They also provide coaching on specialized topics.

CURANTIS GROUP, a Texas-based organization, belongs to a family of nonprofit programs and companies committed to quality early care and education. Curantis offers core business coaching for child care center providers and access to the TX Child Care Tools platform to all participants. Curantis also manages the CRM database Customer relationship management (CRM) software and the ChildCare.Texas.Gov website; and provides domain email hosting services for all business coaches in the collaborative.

AVANCE, established in Texas in 1973, is a national non-profit organization that provides education, support, and access to social capital for children, families, and child care providers. AVANCE provides core business coaching for home-based providers. They utilize their expertise and trusted relationships with home-based providers to ensure home-based providers' unique needs are met by offering flexible meeting times, and digital literacy training and support.

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Core Coaching Pipeline

The concept of a core business coaching pipeline is intended to help providers access resources and tools, and create action steps to help stabilize their business and ensure long-term success. When signing up for business coaching, providers indicated which areas of concern they had out of nine priority areas. Each priority area corresponded with a related area of coaching.

PROVIDER CONCERN	COACHING TOPICS
PAYING BILLS / STAYING AFLOAT	ERTC, FFCRA, Paycheck Protection Program, CCRF spending
FEDERAL DEBT FORGIVENESS / REPAYMENT	Paycheck Protection Program forgiveness, preparing for EIDL debt repayment
BUDGETING / FISCAL SYSTEMS	Creating a monthly budget, time/space calculation, 6-month cash flow, paying yourself for sole proprietors, rate setting and cost of care, allowing electronic transfers, considering weekly vs. monthly billing, requiring prepayment, charging a registration or spot-hold fee, Child and Adult Care Food Program
LOW ENROLLMENT	Marketing, staff and family referrals, marketing facilities, social media/web presence, developing partnerships with employers or schools, exit surveys, family incentives, updating availability on Texas Child Care Availability Portal
HIRING STAFF	Recruitment strategies, job postings
REDUCING TURNOVER / STAFF RETENTION	Re-evaluating staffing needs, compensation packages, program culture, benefits packages, bonuses and increased compensation
RECORD KEEPING / COMPLIANCE	Adding a bookkeeping and/or payroll system, consider child care management systems, creating a parent handbook, CCRF record keeping and monitoring
TAX-RELATED CONCERNS	General tax education, applicability of relief funds
ACCESS TO CAPITAL	Business expansion checklist, benefits and risks of debt, other state programs such as Child Care Services, Child and Adult Care Food Program, Texas Rising Star

Although providers indicated which areas they wanted to focus on, basic financial foundations were covered up front. For instance, if a provider did not have basic financial foundations when they entered coaching—such as budget, cashflow, and solid accounting and record keeping practices—they would complete these items first to prepare for future topics such as marketing and hiring staff. Providers worked with their coach to determine which priorities they wanted to focus on given the time that they had to commit to the program and the intensity of support they needed.

Specialized Coaching

As providers progressed through the core coaching pipeline, business coaches (from AVANCE or Curantis) referred them to specialized coaches (CSES) for any urgent business matters. Some providers, however, began work with a specialized coach immediately, without first meeting with a core coach, to leverage federal funding based on their enrollment form. Connections with specialized coaches also occured after conversations with their coach throughout their experience. The purpose of specialized coaching was first and foremost to offer providers access to stimulus funding and resources they might not otherwise secure, and then to avail them of specialized supports they might be unable to afford otherwise, such as human resources expertise, tax education, and business structure.

Specialized coaching included topics such as applying for the federal Employee Retention Tax Credit (ERTC) or Families First Coronavirus Relief Act (FFCRA) tax credit, business formation, tax education, specialized human resource concerns, and access to capital. Coaching for each topic was typically completed in one to two sessions, with many providers receiving more than one referral to work with specialized coaches on several different topics. Again, a provider did not have to participate in core coaching to participate in a specialized coaching session.

Between May and October 2021, specialized coaching assistance was the most frequent offering because the core pipeline was still in development. During this time, providers had urgent needs primarily pertaining to deadlines for ERTC and FFCRA tax credits, as well as questions pertaining to the Child Care Relief Fund (CCRF) application. Some of these providers ultimately signed up for core coaching, but many were provided individual support on these topics at a time of critical importance. Coaching on these topics has continued throughout the course of the program.

Child Care Relief Funding

At the same time the business coaching program was in design, TWC also created the Child Care Relief Fund (CCRF), which offered direct funding to child care providers across the state as they dealt with the impacts of the COVID-19 pandemic. A total of $775 million was authorized for the CCRF 2021, which funded a total of almost 9,500 providers. TWC authorized over $3.4 billion for the CCRF 2022, which supported over 10,800 providers.[1]

The coaching program was initially developed to support both the short- and long-term business needs of providers accessing the relief funding. To address the first priority, TWC, with support from CSES, developed a series of online written guides and videos to help providers understand the program and its various requirements and parameters. Guides were available in both English and Spanish in 2021, and Vietnamese translations for all materials and the application itself were added for the 2022 CCRF.

All three coaching partners engaged in outreach and communications about the program, including sending physical postcards and participating in webinars and events. More details on outreach efforts are described in Section 8.

CSES also served as a technical assistance support team for providers during 2021 before a formal technical assistance line was created for 2022. Over 11,000 emails and 900 calls were logged between June through December 2021 related to CCRF support – all outside the traditional coaching pathway.

> KEY MATERIALS INCLUDED
> 1. Preparing to Apply
> 2. Application Guide and Video
> 3. Monitoring and Recordkeeping Guide
> 4. Quarterly Reporting Guide
> 5. Creating a Tuition Assistance Policy
> 6. Tips & Tools for Using Relief Funds Effectively (separate guides for homes and centers)
> 7. Supporting your Workforce with the 2022 CCRF
> 8. How to Offer Bonuses

During the second round of CCRF, coaches were still available to help providers with CCRF spending strategies, monitoring, and reporting (instead of technical assistance). Between February 1, 2022, and June 30, business coaches conducted 1,214 phone calls pertaining to CCRF questions. Of these phone calls, most were with providers already within the coaching pipeline (180 were not). The majority of calls pertained to spending strategies, followed by reporting and monitoring, creating a tuition assistance policy, and tax implications of the one-time funding.

[1] Funding was made available through the state's allocation from the federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) and American Rescue Plan Act (ARPA).

Evolution and Continuous Improvement

The program continues to evolve and respond to provider needs. In August 2022, an updated pathways model was launched to incorporate a new approach, aimed at enhancing the model's capacity to meet the providers' individual needs. (Please see "Next steps and reflections" for more information on the pathways approach for year two).

3 CHARACTERISTICS OF PROGRAM PARTICIPATION

TPL analyzed the nearly 2,000 providers who had registered for business coaching as of June 30, 2022. Providers who participated in coaching were much more likely to serve families receiving a subsidy, were more likely to be home-based, and were slightly more likely to be located in urban areas and be Texas Rising Star (TRS) certified, compared with providers statewide. Just over half of providers participated in both core coaching and specialized topics coaching.

Among those who completed core coaching, the most common topics providers sought help with pertained to budgeting/financial systems, followed by low enrollment and hiring staff. Among these providers, 41% participated in 2-4 coaching sessions and 43% participated in 5-8 coaching sessions. Interestingly, home-based providers tended to participate in more sessions than center-based providers, with homes making up 60% of those who participated in 9-10 sessions. Among those who participated in specialized topics coaching, providers received on average 2 referrals. CCRF Technical assistance, and ERTC/FFCRA tax credit assistance were among the most common topics addressed in specialized coaching.
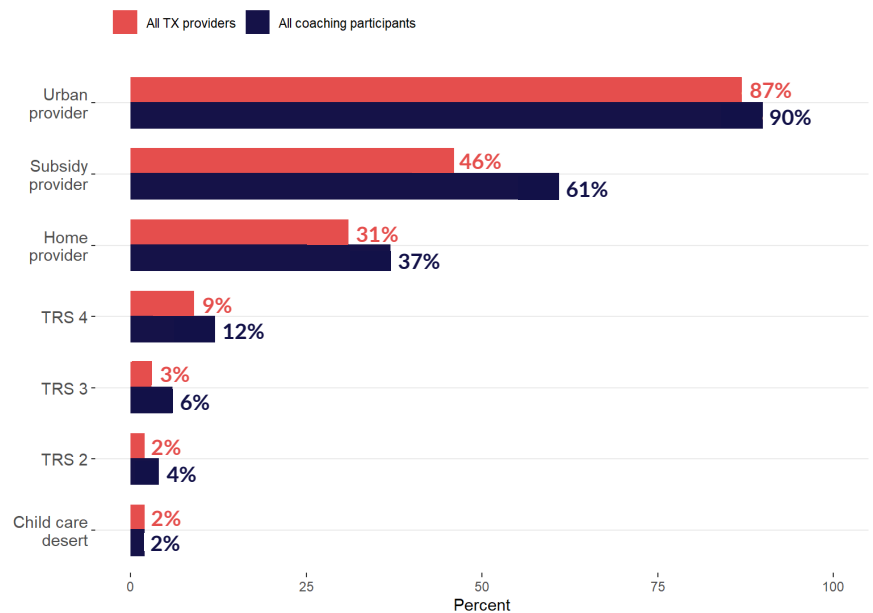
Overall, coaches spent a lot of time communicating with their providers. Core coaches exchanged 88 emails on average and spent about 89 minutes in phone calls with providers who completed. Specialized coaches and providers exchanged 72 emails on average and spent about 117 minutes in meetings.

3.1 Provider Characteristics

To understand the providers signing up for and participating in the Business Coaching Program, we reviewed the demographic characteristics of providers participating in coaching relative to all licensed or regulated providers in Texas. Providers participating in coaching were slightly more likely to be operating in urban areas, were more likely to serve families receiving a subsidy, and were more likely to be a home-based provider, compared with all regulated/licensed providers across the state. Providers participating in coaching were also slightly more likely to be Texas Rising Star certified than providers statewide. There was no difference in participation in child care deserts compared with providers statewide. Furthermore, while the average capacity of licensed/regulated providers across the state is 84, the average capacity of coaching participants was 78. This may stem from the fact that home-based providers were more likely to participate in the coaching program.

Demographic profile of providers in coaching compared to all Texas providers

% of providers in coaching compared to proportion in population, by category

Legend: ■ All TX providers ■ All coaching participants

Category	All TX providers	All coaching participants
Urban provider	87%	90%
Subsidy provider	46%	61%
Home provider	31%	37%
TRS 4	9%	12%
TRS 3	3%	6%
TRS 2	2%	4%
Child care desert	2%	2%

The figure below illustrates the number of providers who were center-based or home-based within each stage of core coaching. About 58% of those who registered for core coaching were centers and 42% were homes. Because 70% of all providers in Texas are centers and 30% are homes, findings suggest that homes are represented at a higher rate in coaching overall. Interestingly, there were a disproportionate number of centers who completed coaching compared with homes, with centers representing 70% of completions. However, this could be because most homes who started coaching are still in progress (about half of those currently in progress are home-based providers), and that homes typically engage in more sessions with their coach than centers.

The proportion of providers participating in each county was fairly consistent with the total proportion of providers located in each county. For instance, the counties with the greatest numbers of business coaching participants were Harris, Dallas, and Tarrant with 319, 170, and 121 participants respectively; these are also the counties with the largest number of total providers. This suggests that a provider's location of operation did not have a significant bearing on their likelihood of participating in the coaching program.

Providers in core coaching by stage and provider type

Number of center and home providers in each stage of core coaching
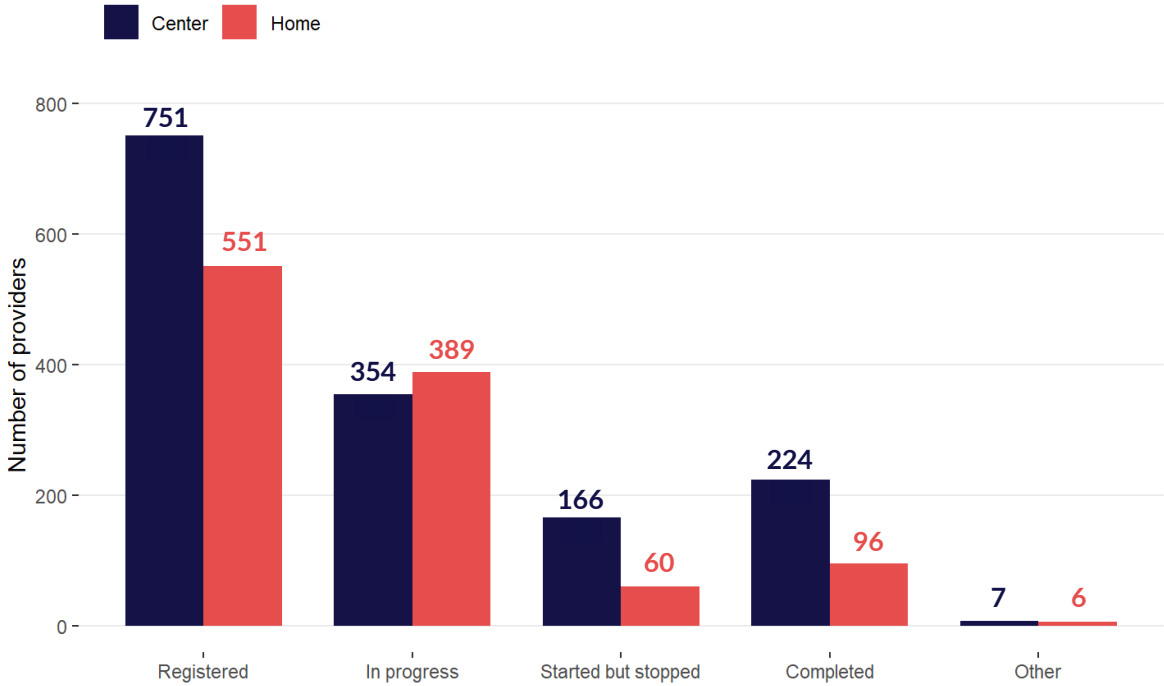
The table below summarizes the number of business coaching participants in the 25 counties with the greatest number of coaching participants compared with the total number of providers in that county. Column (1) shows the number of child care providers in business coaching who are located in each county, and column (2) shows the relative percent of business providers who are located in a given county. Columns (3) and (4) illustrate the number and relative percent of all regulated/licensed providers in Texas in each county. For example, the proportion of providers participating in coaching from Harris county was fairly similar to the proportion of all providers in Texas who live in this county (roughly 20% for each category).

Table 1. Top 25 counties with the greatest number of coaching participants

| County	Workforce board	Coaching participants		All TX providers	
		N	%	N	%
Harris	Gulf Coast	319	17.9	2536	18.4
Dallas	Dallas	170	9.5	1075	7.8
Tarrant	Tarrant	121	6.8	1000	7.2
Bexar	Alamo	103	5.8	809	5.9
Travis	Capital Area	74	4.1	640	4.6
Denton	North Central	72	4.0	452	3.3
Hidalgo	Lower Rio Grande Valley	72	4.0	485	3.5
Collin	North Central	71	4.0	618	4.5
Fort Bend	Gulf Coast	60	3.4	507	3.7
El Paso	Borderplex	57	3.2	387	2.8
Williamson	Rural Capital	49	2.7	397	2.9
Bell	Central Texas	33	1.8	260	1.9
Cameron	Cameron County	30	1.7	230	1.7
Webb	South Texas	29	1.6	131	0.9
Brazoria	Gulf Coast	25	1.4	195	1.4
Galveston	Gulf Coast	22	1.2	143	1.0
Lubbock	South Plains	20	1.1	163	1.2
Brazos	Brazos Valley	18	1.0	109	0.8
McLennan	Heart of Texas	17	1.0	17	0.1
Montgomery	Gulf Coast	17	1.0	213	1.5
Nueces	Coastal Bend	17	1.0	173	1.3
Hays	Rural Capital	16	0.9	115	0.8
Taylor	West Central Texas	14	0.8	79	0.6
Comal	Alamo	12	0.7	55	0.4
Kaufman	North Central	10	0.6	53	0.4

Note: Providers from the top 25 counties shown account for over 80% of all providers in coaching.

The map below illustrates the number (on the left) and percent (on the right) of providers participating in business coaching in each county. The counties with the greatest proportion of providers participating (relative to all providers in that county) are DeWitt, Deaf Smith, Jim Hoggs, Terrell, and McLennan. However, each of these counties have just a few licensed/registered providers in total (with the exception of McLennan, which has 17).

Geographic Location of Coaching Participants

Total number of providers in coaching

As percentage of total providers in county
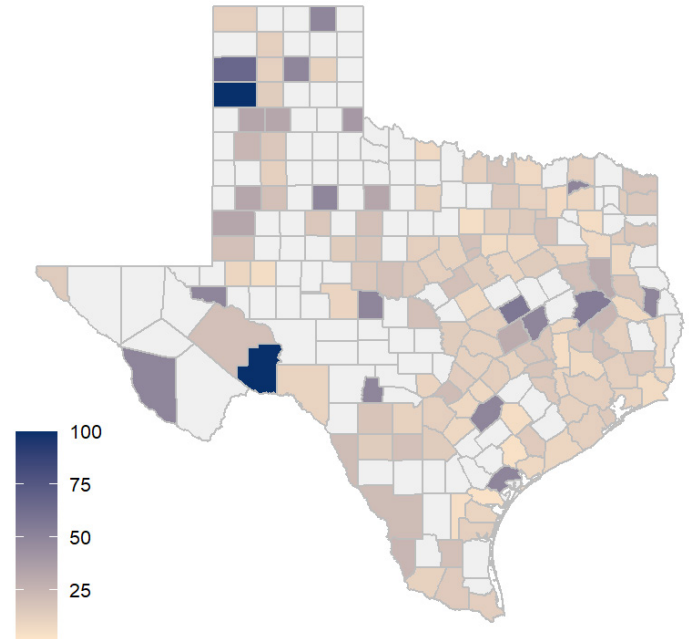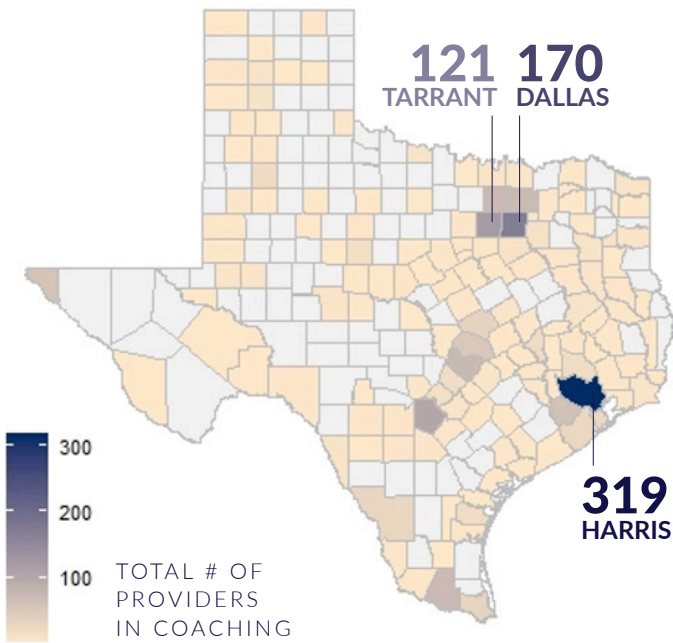
3.2 Provider Participation

COACHING PIPELINE. Our analysis shows that most providers sought assistance on both general business practices and more specific guidance and support on pandemic-related funding programs. Specifically, over half of program participants (55%) received coaching on both core and specialized topics. Around one-third of providers (34%) received coaching only on specialized topics, most of whom received assistance with the FFCRA and/or ERTC. Only a small percentage (11%) participated solely in the core business coaching pipeline.

COACHING PIPELINE	NUMBER OF PROVIDERS
TOTAL CORE COACHING PROGRAM	1302
TOTAL SPECIALIZED TOPICS COACHING	1754
DUAL PIPELINE (PARTICIPATING IN BOTH CORE AND SPECIALIZED TOPICS COACHING)	1091
TOTAL UNDUPLICATED NUMBER OF PROVIDERS	1965

COACHING PROGRESS. As of June 30, 2022, of the 1,302 providers who registered for core coaching, 743 were in progress, 226 had started but discontinued after at least one session, 320 had completed coaching, and 13 registered but had not yet begun their coaching. Of the 1,754 who were referred to specialized coaching, 25 were in progress on their referrals, 722 did not respond to their referrals, 679 completed their referrals, and 328 were at some combination of stages on their referrals.

DOSAGE. To determine the amount of time providers spent with their core coach (outside of any specialized topics coaching sessions), we analyzed the number of core sessions providers had. Among the 320 providers who completed core business coaching, 41% participated in 2-4 coaching sessions, 43% participated in 5-8 sessions, and 13% participated in 9-10 sessions. Home-based providers were more likely to participate in more sessions than center-based providers: Among the 96 home-based providers who had completed core coaching, 27% participated in 9-10 sessions, compared with just 8% of the centers.

Expanding our analysis to all providers that registered for coaching, the numbers are similar to those who finished coaching: 44% (567) of providers had so far participated in 2-4 coaching sessions and 20% (262) had so far participated in 5-8 sessions. Home-based providers were again more likely to have engaged in more sessions with their coach than centers: 64% of those who had so far participated in 9-10 sessions were home-based providers.

Providers in core coaching by coaching status and provider type

Number of center and home providers in each stage of core coaching
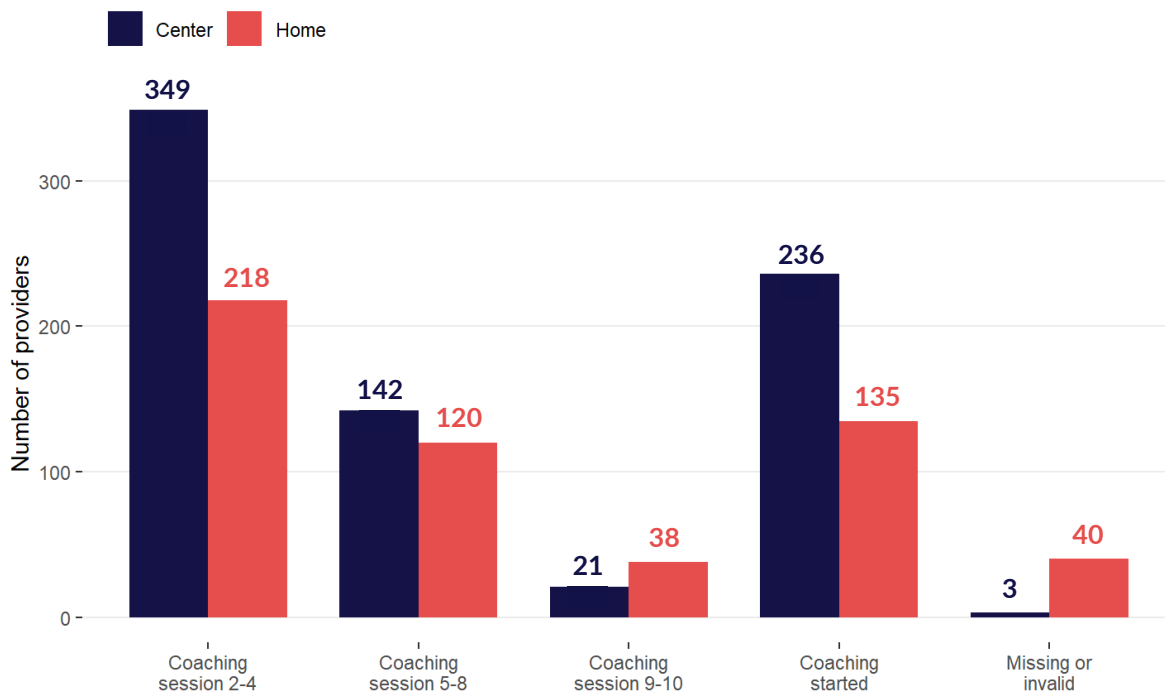
SPECIALIZED COACHING. Providers receive a separate referral for each specialized topic they require coaching on, and this data on participation is therefore summarized separately from the previous section. Demand for specialized coaching was high, as previously referenced. On average, each provider who was referred for assistance on a specialized topic received two referrals during their coaching journey, with some receiving as many as 8 referrals. As of June 30, 2022, there were 3,349 referrals on specialized topics, and among those, 1,859 had completed their coaching on that topic. The majority of the remaining providers did not respond to their referral after 5 or more contact attempts were made. Among the completed topics, 221 were ultimately not eligible for assistance on the specific referral topic. This can happen, for example, if a provider is referred for ERTC but learns they do not qualify for the ERTC tax credit after working with their specialized coach.

Specialized coaching demand by deal

Number of deals in each stage of specialized coaching
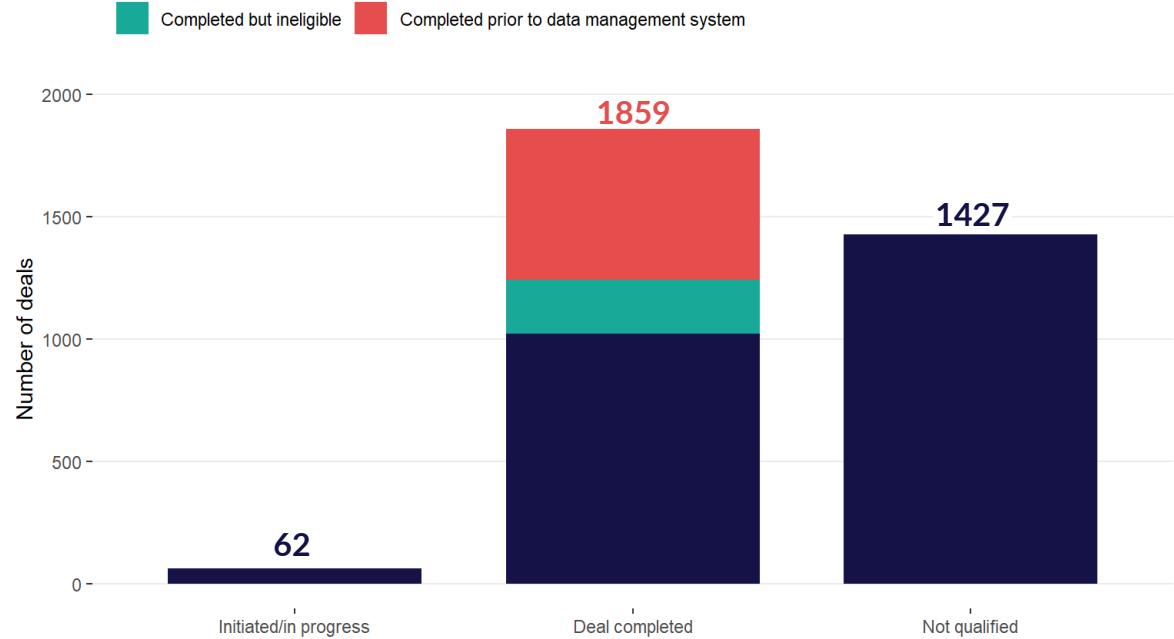
3.3 Coaching topics

The topics and challenges child care providers are seeking to address in core coaching are quantified by illustrating the priorities that providers identify when they begin coaching. The graph on the left illustrates the first and second priorities identified by providers who participated in at least one core session and shared priority information. Budgeting/fiscal systems was the most common first priority, with 478 providers choosing this as their top priority. The next most common first priority was low enrollment, followed by paying bills/staying afloat, and hiring staff. Budgeting/fiscal systems was the most common first priority for both centers and homes. However, hiring staff was the next most common first priority for centers, whereas low enrollment was the next most common first priority for homes. The second priority most often cited by those who completed at least one core session was low enrollment (shown in blue), followed by hiring staff, and budgeting/fiscal systems. For centers, hiring staff was the most common second priority, and for homes budgeting/fiscal systems was the most common second priority.

   The graph on the right illustrates the first and second priorities identified by providers who completed coaching. Budgeting/ fiscal systems was the most common first priority, followed by low enrollment and hiring staff. For centers and homes who completed, budgeting/fiscal systems was the most common first priority. The most common second priority was hiring staff, followed by low enrollment and budgeting/fiscal systems. For centers, hiring staff was the most common second priority, and for homes budgeting/fiscal systems was the most common second priority.

Top priorities for core coaching

Number of providers identifying issue as first or second priority
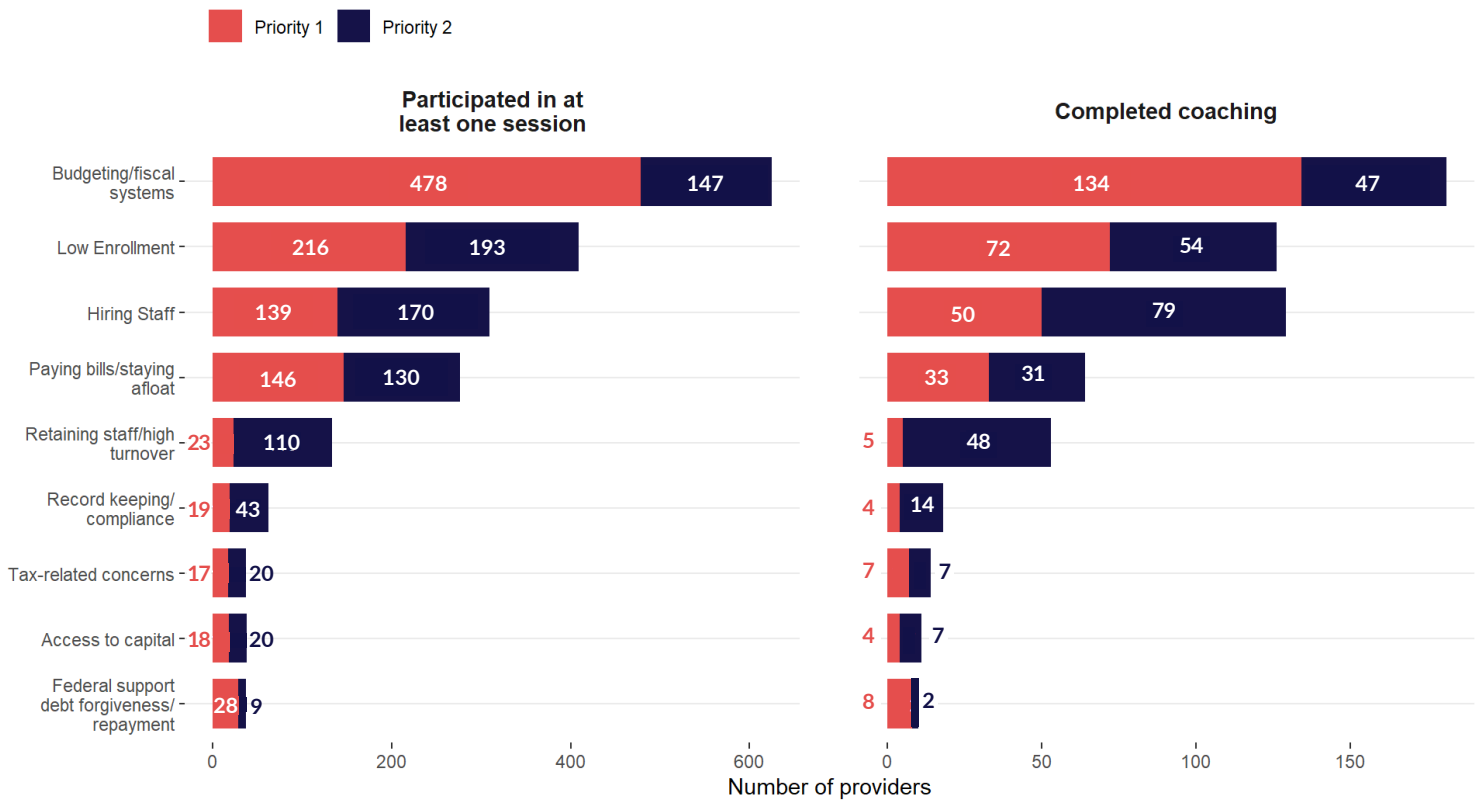
   Out of 1,286 completed specialized topics referrals, 363 focused on CCRF 2021 Technical assistance, 359 focused on help applying for the Employee Retention Tax Credit (ERTC), and 208 focused on help applying for the Families First Coronavirus Relief Act Leave (FFCRA). These data represent cumulative coaching cases collected directly from Civitas Strategies so as to include all cases before and after the procurement and use of the data management system.

Top specialized coaching topics

Number of deals associated with topic among all specialized coaching deals
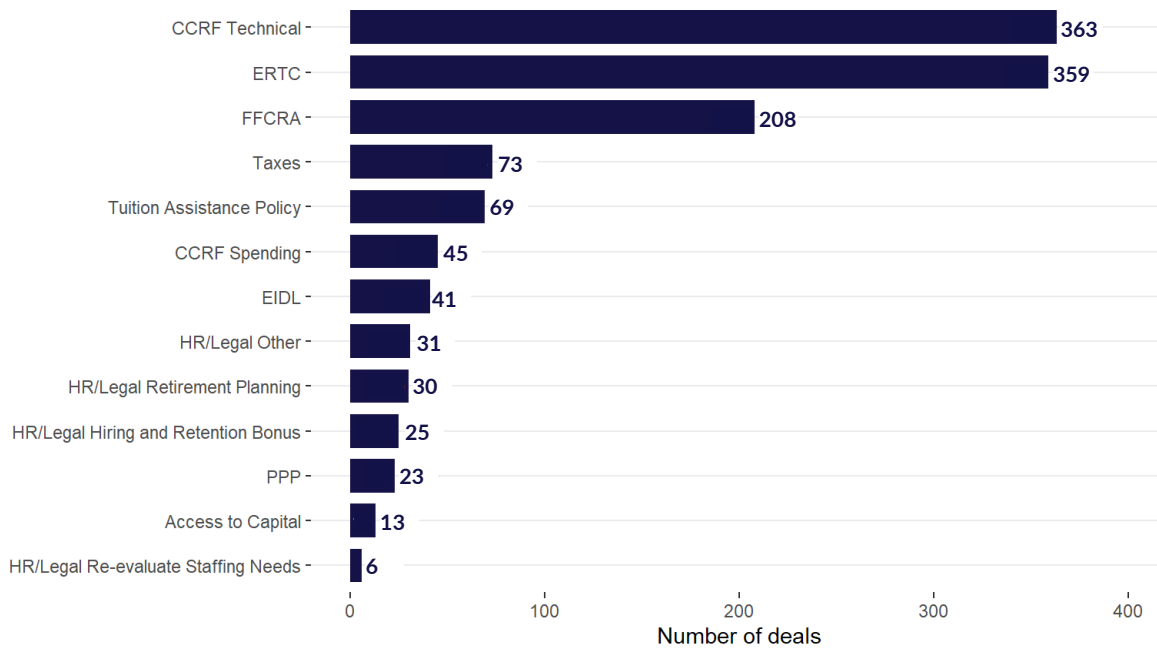
Among those who were ultimately ineligible for the topic being addressed in the referral, the graph below illustrates which topics providers were referred to. Most providers who were ultimately ineligible were referred to a specialized coach for assistance with ERTC and/or FFCRA tax credits.

TOPIC	NUMBER OF REFERRALS	PERCENT
ERTC AND/OR FFCRA	98	44.3
EIDL	47	21.3
PPP	39	17.6
CCRF	3	1.4
ACCESS TO CAPITAL	3	1.4
TUITION ASSISTANCE	3	1.4
HR/LEGAL	2	0.9
TAX CONCERNS	2	0.9
STAFFING	1	0.5
BUSINESS FORMATION	1	0.5
MISSING	22	10.0
TOTAL	**221**	**100**

3.4 Frequency and intensity

Among those who completed core coaching, providers and coaches exchanged on average a total of 88 emails. About 66 emails were sent to providers from coaches, and about 22 emails were received by coaches from providers. Interestingly, there is a fairly large difference between the average number of emails exchanged between providers and coaches for homes vs. centers. Home-based providers exchanged about 122 emails in total, whereas center-based providers exchanged about 61 emails in total.

Providers and core coaches had an average of 12 connected phone calls. This number was again higher for home-based providers compared with centers, with homes connecting over the phone about 17 times, and centers connecting over the phone 8 times. This is perhaps not unexpected. While there are fewer homes participating in coaching (because there are relatively fewer home-based providers compared to centers in the state in general), home-based providers on average participated in more coaching sessions relative to centers.

Communication frequency in core coaching

Avg. number of communications between coaches and providers among those who completed core coaching, by provider type
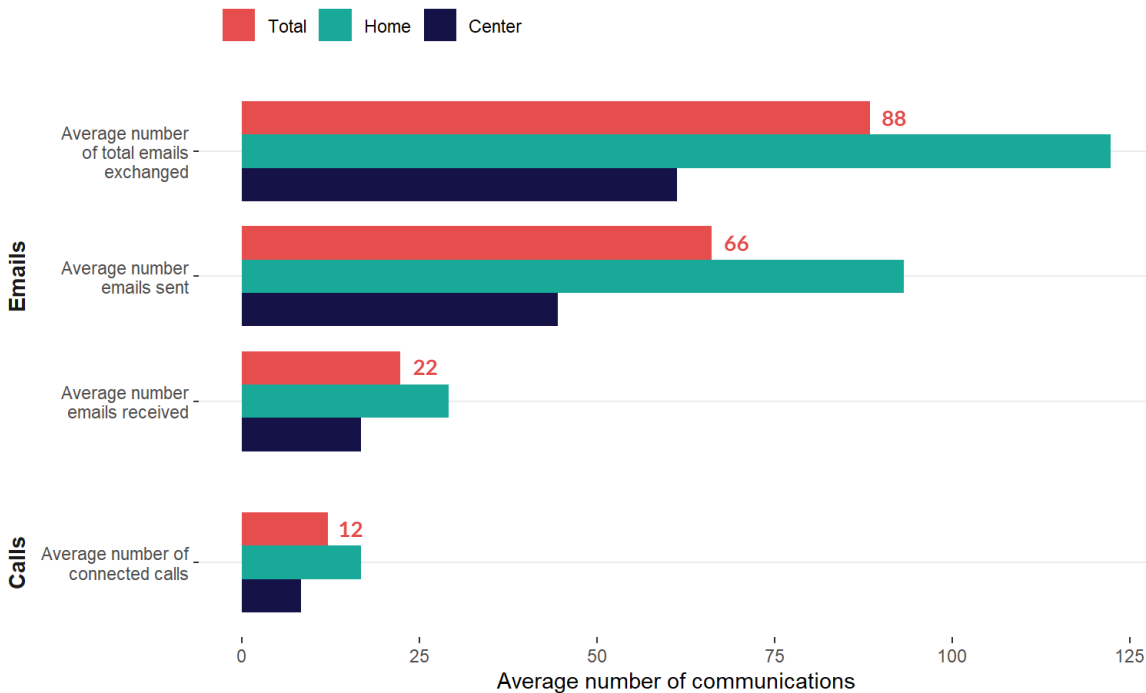
The table below illustrates the duration of communications between core coaches and providers, again for those providers who completed coaching. The average call duration (for any type of call, whether connected or leaving a voicemail) was about nine minutes. Coaches spent a combined total of 89 minutes on the phone (in any type of call) over the course of the full business coaching program with providers who completed. The duration of phone calls on average was about the same for homes and centers. However, the average total number of minutes spent on the phone was 99 for homes and 83 for centers. Given the nature of the data, call duration cannot be analyzed separately for connected and non-connected calls.

To describe how long a given provider spent with their coach throughout coaching, the total number of days between the first and last email and first and last call between the provider and coach are summarized. The average number of days between the first and last calls (of any type) was about 158. The average number of days between the first and last email was about 188.

	HOMES		CENTERS		ALL CORE COACHING	
	MEAN	STD DEV	MEAN	STD DEV	MEAN	STD DEV
AVERAGE SINGLE CALL DURATION (MINUTES)	9.0	8.3	9.6	8.4	9.4	8.4
AVERAGE TOTAL CALL DURATION ACROSS ALL CALLS (MINUTES)	99.4	78.3	83.3	71.2	89.3	74.3
AVERAGE TIME BETWEEN FIRST AND LAST CALL (DAYS)	158.0	69.8	135.1	74.5	143.8	73.6
AVERAGE TIME BETWEEN FIRST AND LAST EMAIL (DAYS)	188.6	71.2	151.2	71.3	167.8	73.6

For providers who completed all specialized topics referrals, specialized coaches and providers exchanged an average of 72 emails. On average, about 50 emails were sent to the provider from the coach, and about 22 emails were sent to the coach from the provider. Comparing centers vs. homes, homes tended to exchange more emails, with homes exchanging on average 101 and centers exchanging on average 53 emails total. In addition, the average number of connected meetings was 3. This was the same for centers and homes.

Communication frequency in specialized coaching

Average number of communications between coaches and providers among those who completed specialized coaching, by provider type
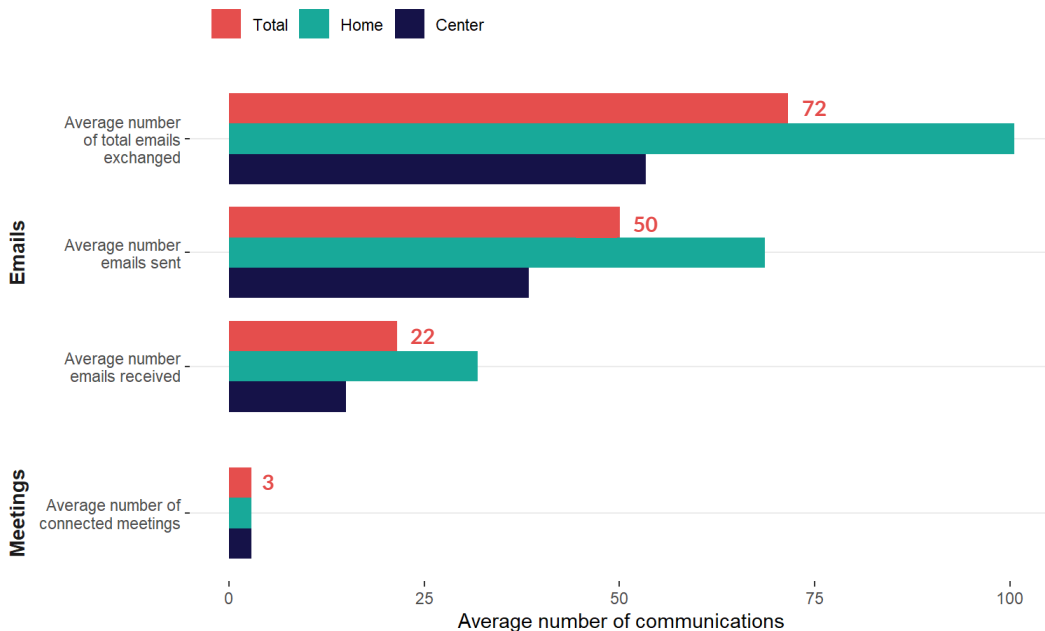
Among the providers who completed all of their specialized topics referrals, the average length of the completed meetings was 34 minutes. The total length of time spent in all meetings was about 117 minutes. The average length of time between the first and last meeting was 114 days. For homes, the average number of days between the first and last meeting was 147, whereas for centers the average number of days was 93. The average length of time between the first and last email was 143 days, with 154 days for homes and 137 days for centers.

	HOMES		CENTERS		ALL CORE COACHING	
	MEAN	STD DEV	MEAN	STD DEV	MEAN	STD DEV
AVERAGE LENGTH OF MEETING (MINUTES)	34.4	16.6	33.6	17.5	33.8	17.3
AVERAGE TOTAL TIME SPENT IN MEETINGS (MINUTES)	112.4	119.1	118.7	166.8	117.3	156.9
AVERAGE TIME BETWEEN FIRST AND LAST MEETING (DAYS)	147.2	73.8	92.7	78.2	114.2	81.0
AVERAGE TIME BETWEEN FIRST AND LAST EMAIL (DAYS)	153.9	75.6	136.6	84.3	143.2	81.5

4 BUSINESS RESOURCES FOR ALL CHILD CARE PROVIDERS

As part of the Business Coaching program, TWC established a webpage, **ChildCare.Texas.Gov**. This website hosts information about business coaching, including the link to sign up. It also hosts a library of free tools and resources available to all child care providers, regardless of whether they have signed up for coaching. These include resources on strengthening business operations, information on the state's Child Care Relief Fund program, links to the federal funding and tax credits mentioned previously, and more.

Each month, at least two resources are developed by Civitas to help providers with a variety of topics to strengthen their business. All resources are available in both English and Spanish, and many include an accompanying video for providers who prefer that method of learning.

Examples of free business resources include:

OPERATIONS, such as learning the basics that keep a business running smoothly, from opening a business bank account, to setting up a record keeping system, and basic bookkeeping;

BUSINESS FINANCES, including how to create a simple monthly budget, setting rates, establishing a cash-flow, and paying yourself (for sole proprietors and home-based providers);

ATTRACTING AND RETAINING STAFF, including guides on how to select and offer benefits and compensation, how to reduce employee stress, and how to develop a job posting to attract the right candidates for a position;

TAX EDUCATION, such as prorating costs and the "time/space" calculation, how to prepare for tax season, and the potential tax impacts of relief funding or pay increases; and

GROWTH AND SUSTAINABILITY, including a simple business plan, growing or expanding a business, and information about other Texas programs for child care providers (such as Texas Rising Star and Child Care Services).

Additionally, providers can access useful tools to help with their Child Care Relief Fund spending strategies and reporting requirements, including Tips and Tools for Using Relief Funds Effectively (separate guides for centers and homes); Supporting your Workforce with the CCRF; Quarterly Reporting Guide; Recordkeeping and Monitoring Guide; and more.

As noted, these resources are available for any child care provider to use, even if they have not signed up for individualized business coaching sessions. Data shows that the website is widely used by an average of almost 20,000 unique viewers per month.

Web page views

Number of views from October 2021 to July 2022
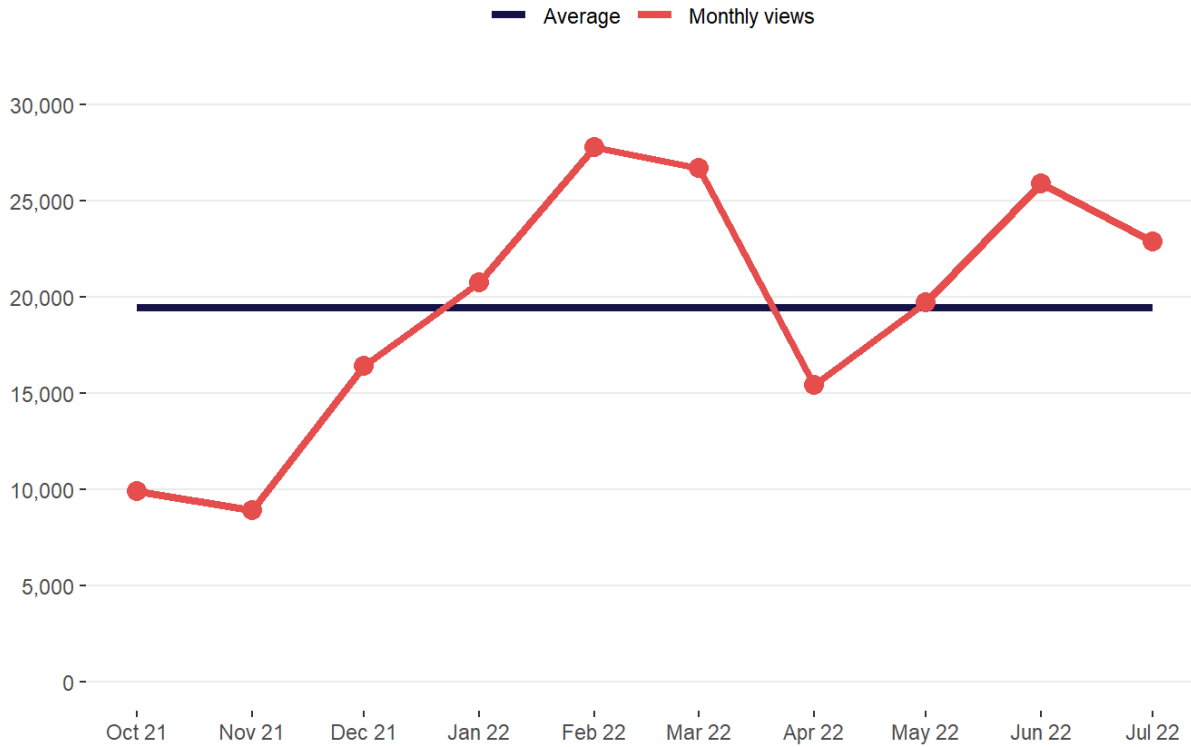
Between October 2021 and July 2022, the most viewed tools on the website included "CCRF 2022 Update" with 46,648 views, "Preparing for the Child Care Relief Fund" with 38,360 views, "Child Care Expansion" with 33,932 views, and "CCRF 2022 Calculator" with 21,716 views.

Top most viewed tools on ChildCare.Texas.Gov website

Total number of views between October 2021 to July 2022
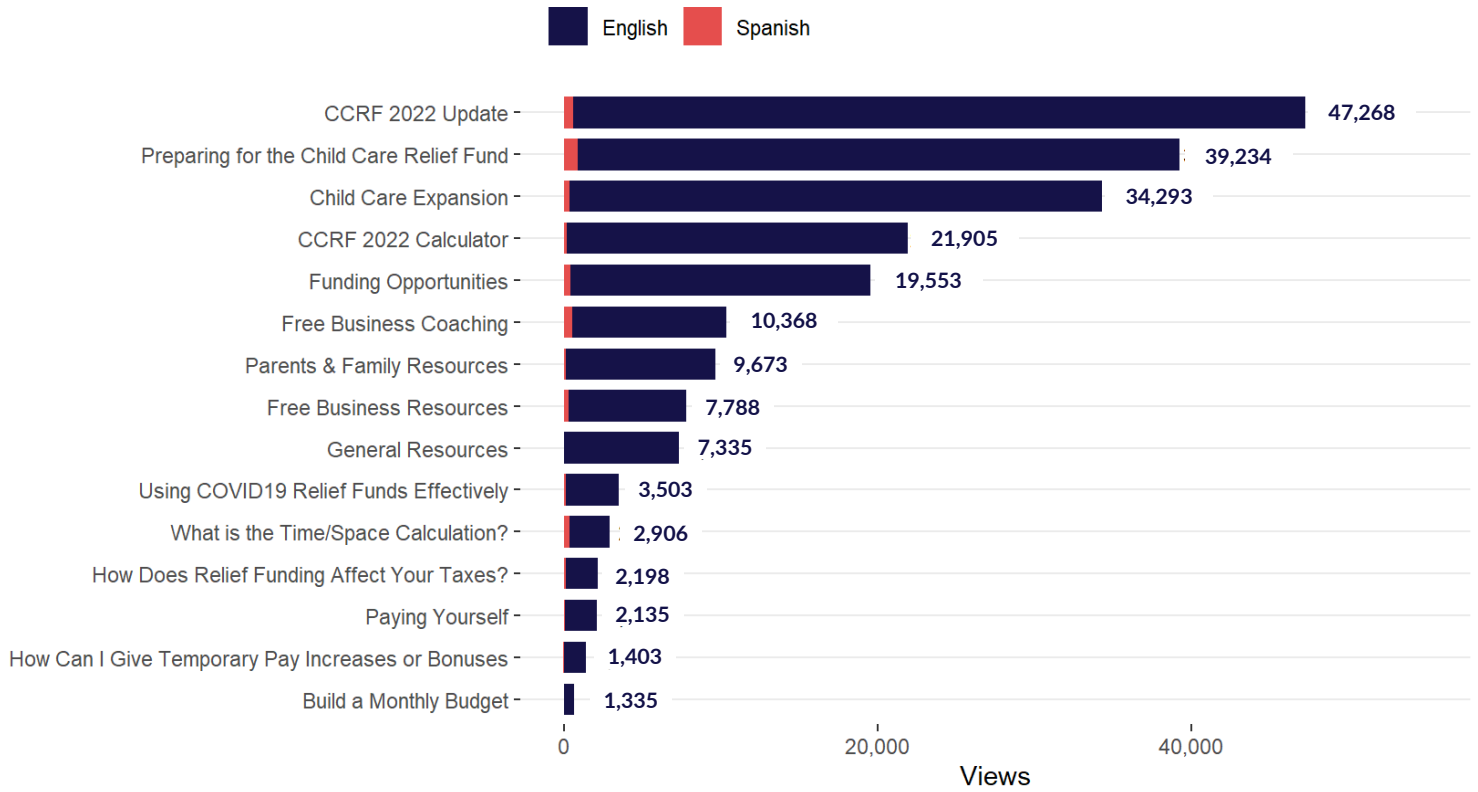
Note: The top 15 tools shown above account for 93% of total views. Thirty-nine additional tools accounting for the remaining 7% are not shown.

5 EXTERNAL PARTICIPANT SURVEY

5.1 Overview/Methodology

Between June 6 and July 10, 2022, the TPL conducted a qualitative survey by email and phone of a representative sample of child care providers who participated in coaching. The purpose of this survey was to better understand child care providers' experience with the Texas Child Care business coaching program and to gather data on the implementation process in order to inform future program design efforts. This survey focuses on providers who participated "substantively" in the program to gain an understanding of the reasons for participating, satisfaction with the program, the program's impact on child care businesses, and potential areas for program enhancement. For the purpose of this evaluation, participating "substantively" in core business coaching is defined as participating in two or more sessions based on "coaching status." Participating "substantively" in specialized topics coaching is defined as having completed at least one topic.

Providers were randomly sampled within categories based on their type (i.e., home, center), dosage, and pipeline (i.e., core business only, specialized topics only, both) to reflect the composition of business coaching participants (See figure below). Rather than relying on a sample of those who readily responded, we made at least 5 contact attempts to reach providers and called greater proportions of providers in hard-to-reach categories with low-response rates. This allowed us to obtain a sample of responses that are representative at the type and pipeline-level. (See Appendix for more detail).
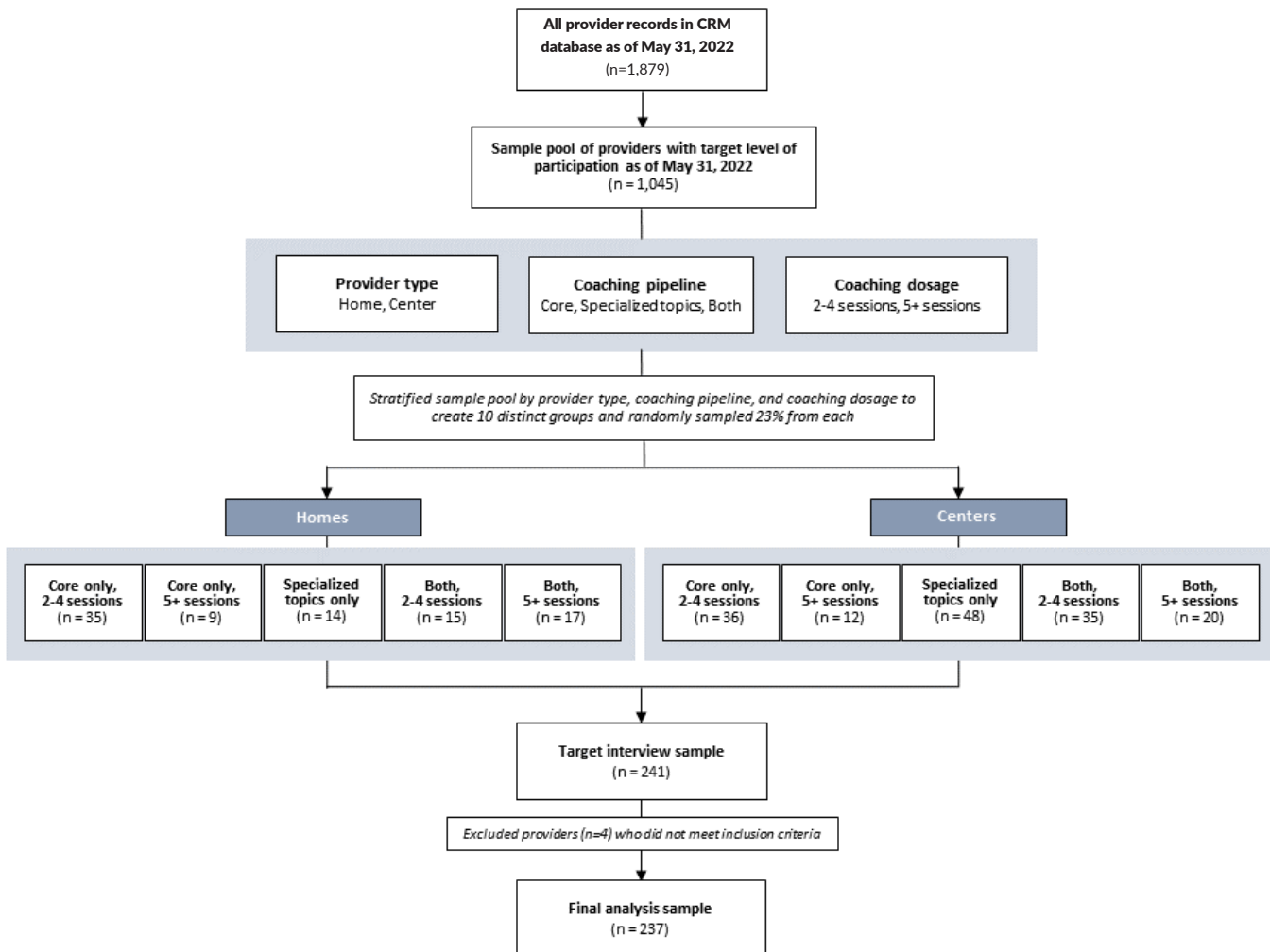
A total of 237 responses were included in our analysis. Of these, 190 (80%) were collected over the phone and 47 (20%) were collected through an online survey distributed via email. The TPL sampled providers such that responses can be analyzed independently for homes vs. centers, core business coaching vs. specialized coaching participants, as well as those who participated in 2-4 vs. 5+ sessions of core business coaching. Of the 237 respondents, 90 (38%) participated in at least two core business coaching sessions, 54 (25%) completed at least one specialized topic, and 93 (38%) participated in two or more core business sessions and completed at least one specialized topic. Additionally, 146 (62%) were center providers and 91 (38%) were home providers. (See table below)

CHARACTERISTIC	BOTH, (N=93)[1]	LEVEL I, (N=90)[1]	LEVEL II, (N=54)[1]	OVERALL, (N=237)[1]
PROVIDER TYPE				
Center	58 (62%)	46 (51%)	42 (78%)	146 (62%)
Home	35 (38%)	44 (49%)	12 (22%)	91 (38%)
COACHING DOSAGE[2]				
2-4 sessions	50 (54%)	69 (77%)	-	119 (50%)
5+ sessions	43 (46%)	21 (23%)	-	64 (27%)
Level II only	-	-	54 (100%)	54 (23%)
[1] n(%) [2] Coaching dosage levels refer to level I coaching participants only				

5.2 Key themes

Four key themes were identified through qualitative analysis of the survey responses.

1

The majority of participants were satisfied with coaching, particularly due to their coach.

Overall, 90% of participants indicated they were satisfied with business coaching. Participants most frequently attributed the knowledge, patience, attentiveness, and accessibility of their coach to their satisfaction, as well as resulting improvements to their business. Dissatisfaction was rare, with only 4% reporting dissatisfaction with their coaching experience, most commonly as a result of coaching not being relevant to the provider's needs and difficulty communicating with their coach. Homes were slightly more likely to report satisfaction compared to centers.

2

Providers' needs were largely met and few would change their coaching experience.

Nearly 80% of participants reported that all their needs were met through coaching and they would not change their experience. While the percentage of providers with unmet needs was consistent across pipelines, the types of unmet needs differed. For dual-pipeline providers, budgeting/financial concerns was the most commonly reported unmet need, compared with tax concerns for core-business-coaching-only participants, and access to capital and loan issues for specialized-topics-coaching-only participants.

3

Providers want more coaching, including more personalized experiences.

Participants frequently indicated that they would benefit from additional coaching and recommended expanding or extending the program. Their suggestions highlighted an interest in more sessions, increased coach availability, more personalized support, or another round of business coaching. Importantly, this is not a result of a failure to address participants' needs, as the vast majority of participants had no unmet needs. Rather, the desire for additional coaching is primarily attributed to high satisfaction with the program and providers wanting to continue having access to that support and resources to assist in growing their business.

4

Providers believe coaching helped their business and improved their financial decision making and business sense.

Overall, 85% of providers agreed that the knowledge and skills gained from coaching improved their ability to operate their child care program. Consistent across provider types and pipelines, providers most commonly reported improved financial decision making and business sense when asked what they were able to achieve through coaching. While disagreement was rare, center providers in the dual and core business coaching only pipelines were more likely to say coaching did not improve their business when compared to homes. Conversely, home providers in the specialized topics coaching only pipeline were more likely to say that coaching did not improve their business.

5.3 Survey findings

In this section, we investigate the survey results for the 237 survey respondents. Of these respondents, 146 (62%) were center providers and 91 (38%) were home providers. While we focus primarily on results in total and at the provider level, notable differences by provider type and at the pipeline level are also examined. (See Appendix C for full survey results and Appendix E for analysis methods.)

Participant needs

Among participants, the most commonly reported reasons for initiating coaching were budgeting and financial concerns, followed closely by wanting to learn more about business formation and structure. Inquiry about how to access Child Care Relief Funding (CCRF), as well as how to deal with staffing shortages and turnover were other top reasons for initiating coaching. Overall, 48% noted budgetary and financial concerns as a primary reason for enrolling in the coaching program, and 39% indicated that they were seeking information on business formation and structure. Further, 33% stated that they were seeking Child Care Relief Funding (CCRF) from the program, and 26% said that they enrolled in coaching to learn ways of addressing staffing shortages and turnover.

Key topics participants were seeking to get out of coaching

Percentage reporting reason as motivation for participating in coaching

Reason	Percent
Budgeting/financial concerns	48%
Business formation and structure	39%
Child care relief funding (ccrf)	33%
Staffing shortages/turnover	26%
Low child enrollment	24%
Navigating COVID-19 as a provider	16%
Tax concerns	15%
Access to capital/loan issues	13%
General training/resources	8%
Marketing	7%
Other/does not fit into any category	4%
Mentorship and connections	3%
Federal debt forgiveness/repayment	3%
Unsure/no goals	3%
Tuition assistance for parents	
Business expansion	

Responses were generally consistent across provider type. Budgeting and financial concerns, information on business formation and structure, and access to Child Care Relief Funding (CCRF) remained primary reasons for both home and center providers, though the second most commonly reported reason among centers was staffing shortages or turnover, with 38% of providers indicating that addressing staffing shortages and turnover was a reason for their enrollment in the coaching program. This is to be expected, as staffing-related issues are of greater concern to centers because home-based providers generally do not have large staffing structures.

Top topics providers were seeking to get out of coaching

Percentage reporting reason for participating in coaching, by provider type

Center

Reason	Percent
Budgeting/financial concerns	42%
Staffing shortages/turnover	38%
Business formation and structure	38%
Child care relief funding (ccrf)	33%
Low child enrollment	23%
Navigating COVID-19 as a provider	19%
Tax concerns	14%
Access to capital/loan issues	13%
General training/resources	8%
Mentorship and connections	4%

Home

Reason	Percent
Budgeting/financial concerns	57%
Business formation and structure	41%
Child care relief funding (ccrf)	33%
Low child enrollment	26%
Tax concerns	18%
Access to capital/loan issues	13%
Navigating COVID-19 as a provider	12%
Marketing	12%
General training/resources	8%
Staffing shortages/turnover	7%

Percent

When discussing reasons for seeking coaching, most respondents often cited a variety of motivations that touched on multiple of the categories above. For example, two participants noted the following:

"First, I needed to understand how the funds from CCRF can be used and documented. Secondly, I sought to learn new information as it pertains to the operation of my home daycare."

"I didn't know how to obtain children in my daycare. How to attract parents to my daycare. What incentive do I offer childcare parents? How to budget my income."

Reported satisfaction with business coaching

Percentage of participants reporting level of satisfaction with the program

Legend: Very unsatisfied | Unsatisfied | Neutral | Satisfied | Very satisfied

Category	Unsatisfied %	Satisfied %
Overall	4%	90%
Home	2%	95%
Center	5%	88%

Percentages on either side of bars denote the percentage of providers who were satisfied (satisfied or very satisfied) and unsatisfied (unsatisfied or very unsatisfied).

Satisfaction

Participant satisfaction was high among coaching participants. Overall, 90% of providers were satisfied or very satisfied with their coaching experience, and just 4% reported being unsatisfied or very unsatisfied. Reported satisfaction was higher among homes, with 95% of home providers reporting satisfaction with coaching compared to 88% of center providers. Differences in satisfaction between home and center providers were statistically significant (see Table 2 in Appendix C).

Among participants who were satisfied or very satisfied with coaching, the most commonly reported reasons for satisfaction were related to their coach. Over half of satisfied participants indicated that they liked their coach or their coach was attentive and patient; a third said their coach was knowledgeable; and a quarter attributed their satisfaction to their improved business. One provider, who attributed their satisfaction to their coach, reflected on what they considered to be most valuable about their coaching experience:

"My coach has gone above and beyond and has taken coaching me very personally, checking up on me on random days to make sure I am understanding and implementing concepts well. My coach doesn't have to do that but I am grateful that it doesn't necessarily [have] to be a session day for me to receive a call and get an assessment."

Other reasons for satisfaction included useful resources and help with budgeting and finances. The most common reasons for being neutral or dissatisfied included coaching that was not relevant to the participant's needs, not learning anything new, or having problems communicating with their coach. The figure below provides a visual representation of the responses, displaying the most frequent words providers' used when describing their level of satisfaction.

Additionally, 99% of all participants received coaching in their preferred language, and all dual-pipeline participants received coaching in their preferred language.

Impact

When asked what knowledge and/or skills were gained during coaching, participants most frequently reported that coaching helped them in developing a budget and marketing strategies, with 72% reporting developing a budget and 64% reporting gaining marketing strategies. Other commonly reported skills include marketing strategies, increasing enrollment, and reducing program risks.

Top knowledge and skills gained from coaching

Percentage reporting that skill or knowledge was gained

Skill	Percent
Developing a budget	72%
Securing federal relief funding	64%
Marketing strategies	64%
Increasing enrollment	62%
Reducing program risks	53%
Staff retention strategies	52%
Reducing key costs	49%
Staff recruitment strategies	46%
Bookkeeping or payroll system	45%
Accessing capital	43%
Payments and collections	42%
Cost of care analysis	41%
Tax preparation strategies	35%
Other	11%

Percent

Budgeting and marketing remained commonly reported skills when looking at responses by provider type. However, homes were more likely to mention gaining both of these skills compared with centers. Among home providers, 90% reported developing a budget compared with 60% of center providers. Securing federal relief funding (66%) and staff retention strategies (66%) were the most commonly reported skills among centers.
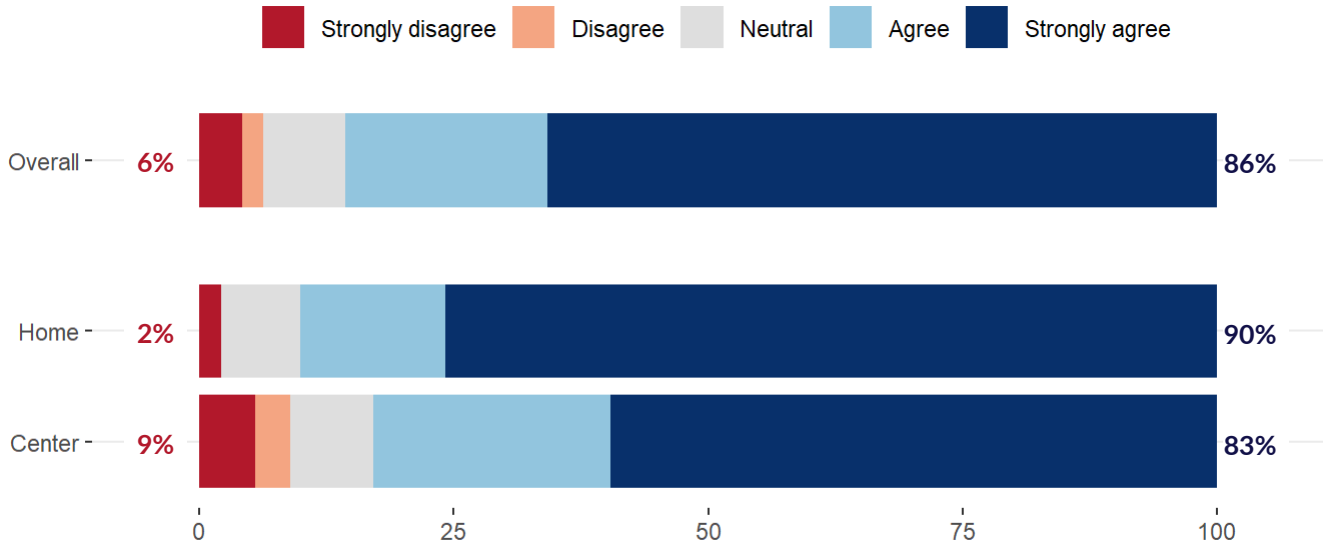
Top knowledge and skills gained from coaching

Percentage of participants reporting skill or knowledge was gained, by provider type

Center

Skill	Percent
Securing federal relief funding	66%
Staff retention strategies	66%
Developing a budget	60%
Marketing strategies	60%
Staff recruitment strategies	57%
Increasing enrollment	57%
Reducing program risks	51%
Reducing key costs	43%
Accessing capital	41%
Cost of care analysis	37%

Home

Skill	Percent
Developing a budget	90%
Marketing strategies	71%
Increasing enrollment	69%
Securing federal relief funding	60%
Bookkeeping or payroll system	60%
Payments and collections	59%
Reducing key costs	57%
Reducing program risks	56%
Tax preparation strategies	50%
Cost of care analysis	48%

Percent

The vast majority of survey participants agreed or strongly agreed that the knowledge and skills gained from coaching improved their ability to operate their child care program. Overall, 86% either strongly agreed or agreed, while only 15 providers (6%) either disagreed or strongly disagreed. Homes were more likely than centers to agree or strongly agree, with 90% of homes agreeing that coaching improved their child care operations compared to 83% of centers. Differences in perceived improvement between home and center providers were statistically significant (see Table 3 in Appendix C).

Perceived improvement in child care operations

Percentage of participants that agreed that the knowledge and skills gained from coaching improved their ability to operate their program

Legend: Strongly disagree | Disagree | Neutral | Agree | Strongly agree

Category	Disagreed	Agreed
Overall	6%	86%
Home	2%	90%
Center	9%	83%

Percentages on either side of bars denote the percentage of providers who agreed (agree or strongly agree) and disagreed (disagree or strongly disagree).

Providers who agreed or strongly agreed that the knowledge and skills they gained from coaching improved their ability to operate their child care program were then asked to expand on what they were able to achieve as a result of their coaching experience. Among these 203 providers, improved financial decision making/business sense (42%) and improved marketing (16%) were the most commonly reported. Other top achievements included overall knowledge to grow business, staff retention and improvement, and general confidence.

"[As a result of coaching] I got money from a fund, reduced tuition costs, increased wages of employees, and learned how to write offer letters to teachers."

"I was able to improve my time/space calculation to our benefit. I was able to focus on updating my parent handbook. It helped me analyze the true cost of running the daycare out of my home."

Improved financial decision making/business sense was the most commonly reported achievement among both centers and homes. However, a larger proportion of home providers (53%) reported this achievement compared to center providers (35%). Among center providers, staff retention or improvement and improved marketing were other top achievements. Among home providers, these included overall knowledge to grow business and improved marketing.

Many providers who agreed that coaching improved their ability to operate their child care businesses discussed skill-building as an achievement rather than specific actions they took. Several mentioned multiple skills they developed and indicated that they learned to use these skills to make the organization of their business more structured or systematic.

"I am better prepared and more conscious about the financial state of my business and now I know how to operate with a system structure, in all the important areas, enrollment, marketing, budgeting."

"[I've learned] so much - gained more confidence in the business side, accounting, budgeting, 6 month cash flow, hiring someone, tech skills (excel), how to create a website (free resources), fliers."

In addition to the business organization skills that emerged as a common achievement, providers also mentioned specific steps that coaching enabled them to take, as well as the confidence it produced.

"[I] gained confidence back. I needed support to work on strategies and someone to bounce ideas off of so the coaching process helped. Afterwards I reached out to a marketing team and hired them."

Overall, providers were eager to share how they have benefitted from coaching. The figure below provides a visual representation of their responses, displaying the most frequent words with which providers' described what they have been able to achieve as a result of business coaching.

Areas for improvement

The majority of participants (79%) had all of their needs met through the business coaching process. Home-based providers (85%) were slightly more likely than center-based providers (75%) to report that all of their needs were met. However, these differences were not statistically significant (see Table 4 in Appendix C).

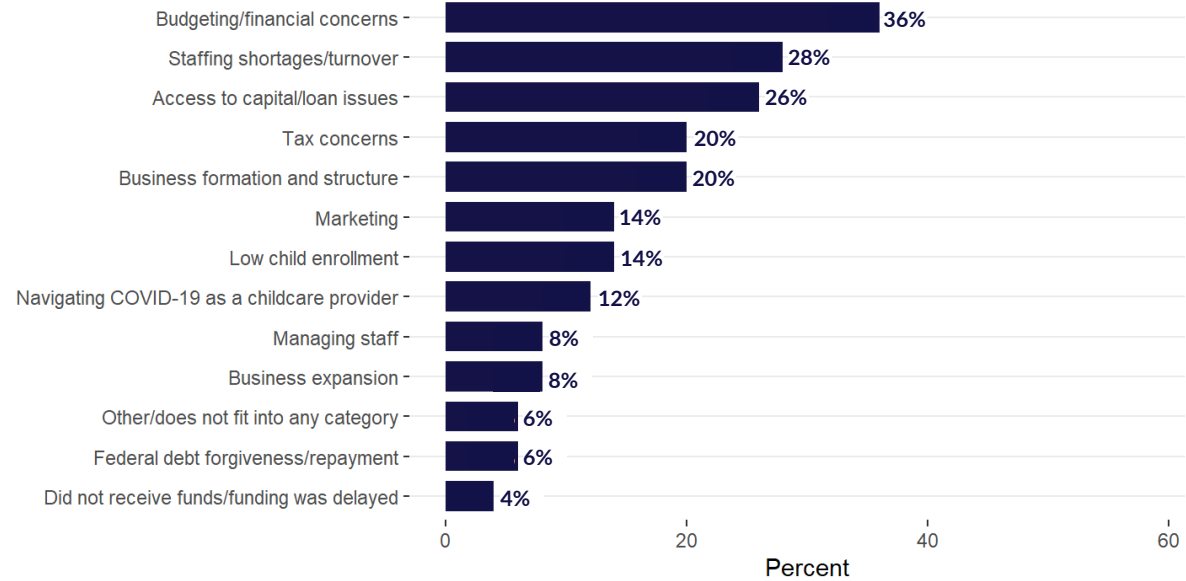**Needs or challenges met through business coaching**

Percentage of participants reporting that all of their needs and challenges were met through coaching

Yes ■ No □

Total	79%
Home	85%
Center	75%

Percent
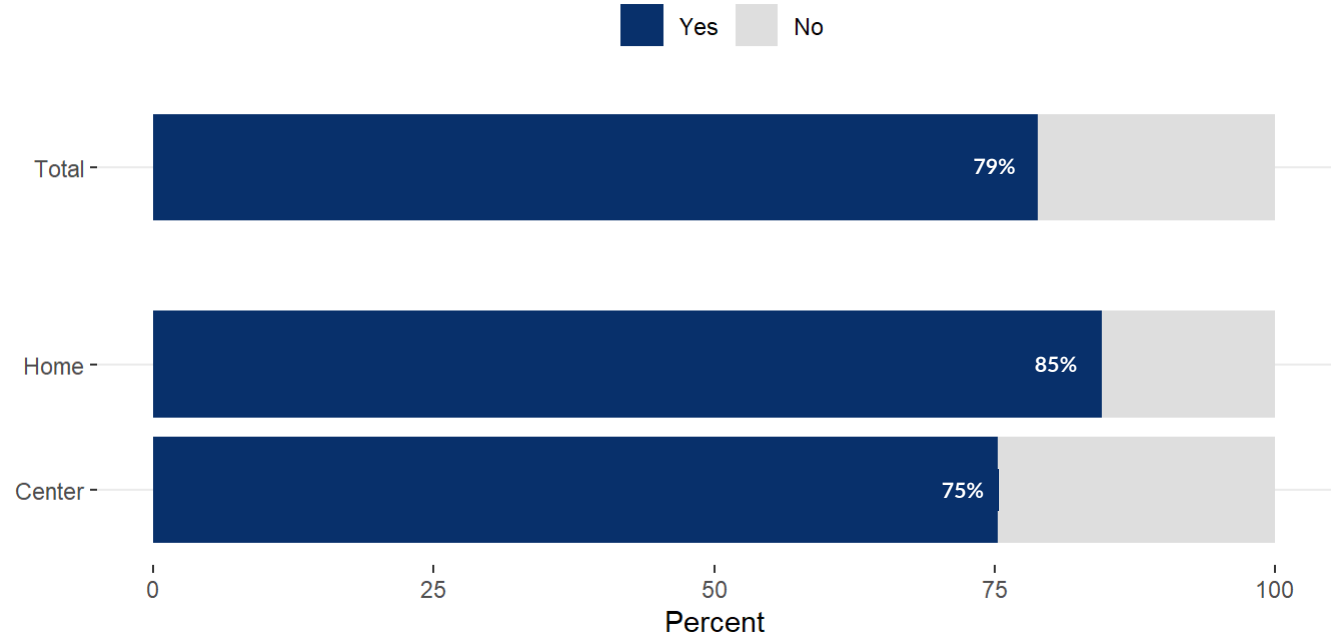
For the 21% of providers who reported having needs or challenges that were not met, the top unaddressed concerns were budgeting and financial concerns (36%), staffing shortages and turnover (28%), and access to capital and loan issues (26%). The majority of providers' unmet needs related to these topics were attributed to coaching practices, particularly the usefulness of resources and depth of information they received from their coach. For example, providers often described how they wanted additional insights or more specificity into certain coaching areas they felt were not relevant, helpful, or new to them. However, a small number of providers attributed their unmet needs to external issues beyond the control of the coaching program, such as not receiving funding for which they applied.

Top unmet needs among participants

Percentage of participants reporting need or challenge was not achieved

| Category	Percent
Budgeting/financial concerns	36%
Staffing shortages/turnover	28%
Access to capital/loan issues	26%
Tax concerns	20%
Business formation and structure	20%
Marketing	14%
Low child enrollment	14%
Navigating COVID-19 as a childcare provider	12%
Managing staff	8%
Business expansion	8%
Other/does not fit into any category	6%
Federal debt forgiveness/repayment	6%
Did not receive funds/funding was delayed	4%

Among the 36 center-based providers reporting unmet needs, budgeting and financial concerns (36%), staffing shortages and turnover (31%), and tax concerns (22%) were most frequently cited as unmet needs. For the 14 home-based providers, these included access to capital and loan issues (36%), budgeting/financial concerns (36%), and staffing shortages/turnover (21%).

When asked whether there was something they did not like or would change about the program, 73% of respondents stated that they would not make any changes to the program. Homes (81%) were more likely than centers (68%) to indicate that they would not change anything about the program.

Suggested changes to the business coaching program

Percentage of participants stating that they would change something about the program
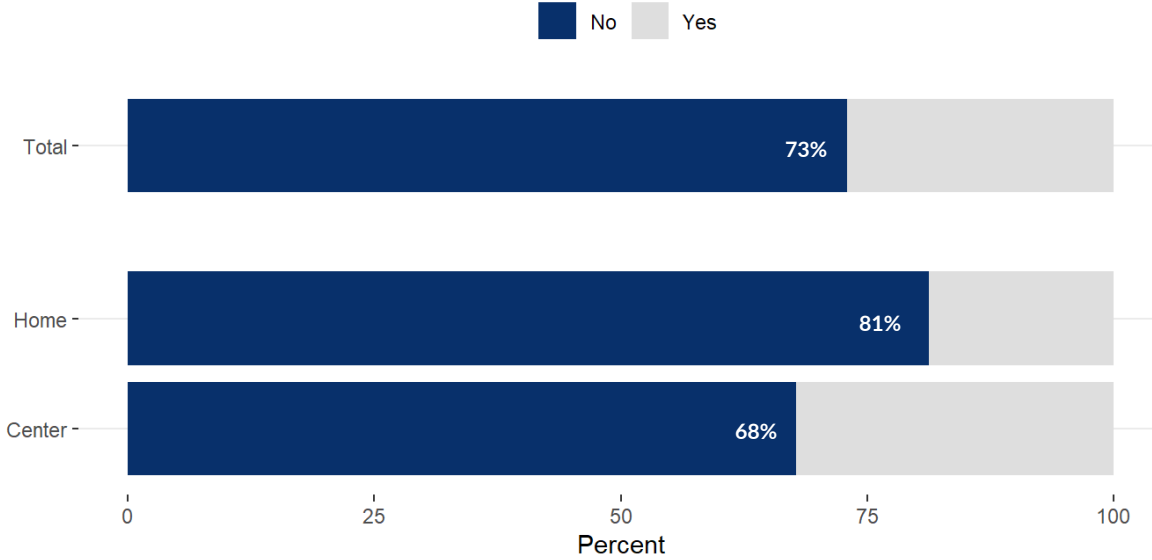
Among the 27% participants who stated there was something they did not like or would change about the program, the most common suggestions included increasing coach availability (28%), longer or more consistent time with coaches (20%), and more personalized support from coaches (17%).

"[I] wished it was longer and that I could have the coach for longer. I wish participants could keep the program for [their] first full year as a business owner because it is difficult, especially with figuring out paperwork."

Top suggested changes to the program

Percentage of participants reporting change they want from coaching
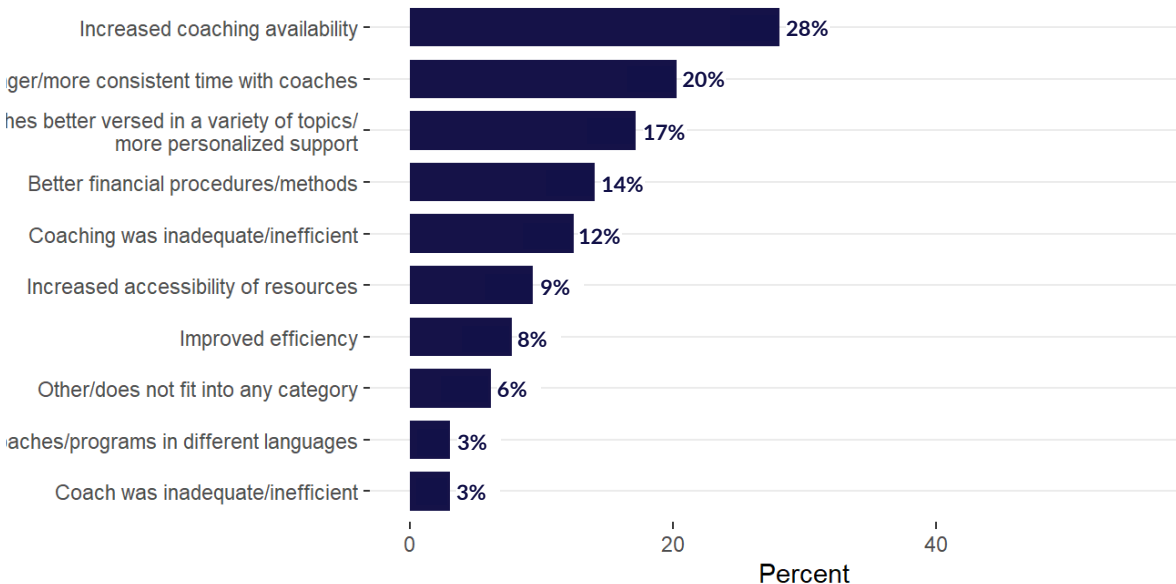
Providers often discussed a preference for coaches who are better versed in a variety of topics and a desire for more personalized support.

One participant suggested the following:

"You need to have different tiers for the program (clueless vs. somewhat of a knowledge, daycare center vs. home), different business coaches for different providers. Talking about business plans for in-home providers is pointless. It would be beneficial to give participants a list of services [coaches] can provide. As a provider, I would have liked a list of services they can offer in writing. I wouldn't have wasted time if I had a list."

Several respondents noted that while coaches were knowledgeable in business matters, they felt some coaches lacked expertise in child care and may not understand the challenges child care providers are experiencing. Providers who received coaching from individuals with prior child care experience often recounted the benefit of working with a coach that has a unique understanding of the challenges they are facing and is able to communicate effectively in that space.

"The coaches you have now have knowledge of business in general but not necessarily in the childcare industry. That's why I think the program will be of more benefit if you have childcare providers as coaches."

"My coach wasn't very knowledgeable about the childcare industry, he was mostly a general business coach. It would be good if the coaches are providers because they are part of the industry."

While most did share any additional feedback or suggestions to strengthen the program when asked, 13% of survey participants offered recommendations. They suggested expanding or extending the coaching program in a variety of ways, including a) additional areas of support (e.g., business planning), b) reaching more providers, c) offering more or longer coaching sessions, and d) maintaining contact with coaches for support even after coaching ends.

Other suggestions included requests to make information available through more diverse and accessible modes of communication, such as offering online video coaching options (e.g., Zoom), phone communications, and written coaching materials. A few respondents had specific recommendations about which information would be helpful to provide in written form and which is better discussed during a coaching session. Some noted a need for clarity in communication (e.g., providing clearer expectations for the topics offered and improving communication during transitions between coaches).

"[It would be beneficial for coaches to] give us some references to where to get the notes that the coach used as a refresher in case we have the need to go back over some of the material to help us because we are still implementing some of the concepts we learned."

"With the coaching it would be good if coaches are able to help providers create business plans, because [coaches] help with lots of resources but creating business plans is not one of them. The coach works with your existing plan, and many childcare programs don't have one."

One home provider who suggested continuing the program hoped to have an opportunity to assess the extent to which they retained the skills they learned in coaching.

"I would like to go through another round of business coaching. If available I would like to revisit some of my practices and evaluate how I am doing [since] the last round of business coaching. There's always something new to learn. I would like to go through the sessions again."

TX Child Care Tools Website

TX Child Care Tools, an online platform offering tools and strategies to help child care programs across Texas improve their business practices, was offered as part of the resources and tools made available to core business coaching participants. Providers were asked about their awareness, utilization, and satisfaction with the resource.

Among the 183 survey respondents who participated in core coaching, 78% were aware of the website and 22% were not aware or not sure.

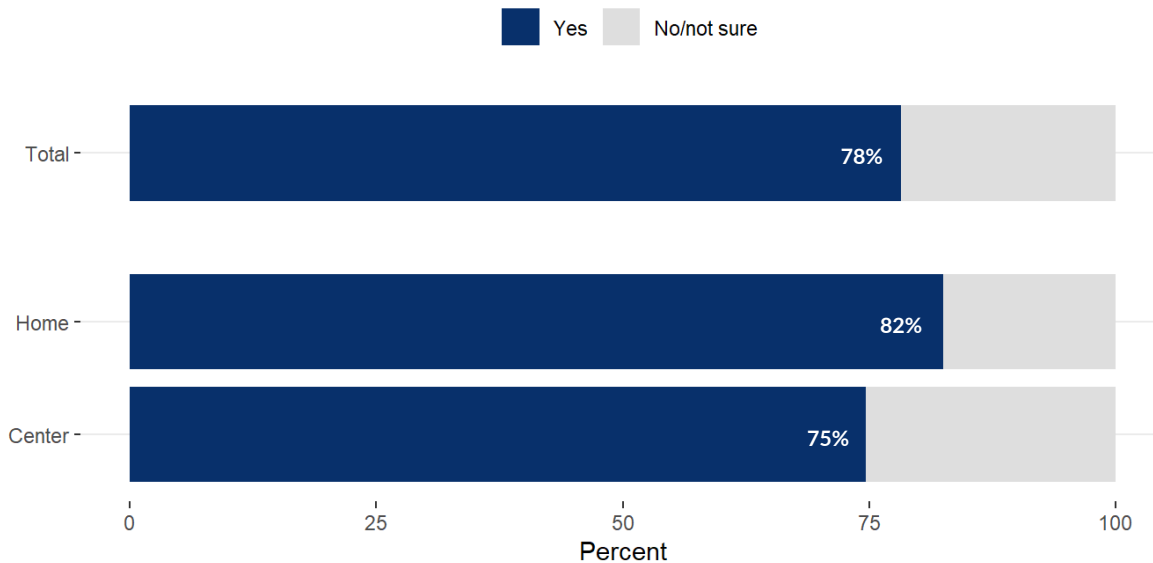## Reported awareness of TX Child Care Tools website

Percentage of participants reporting that they were aware TX Child Care Tools during coaching
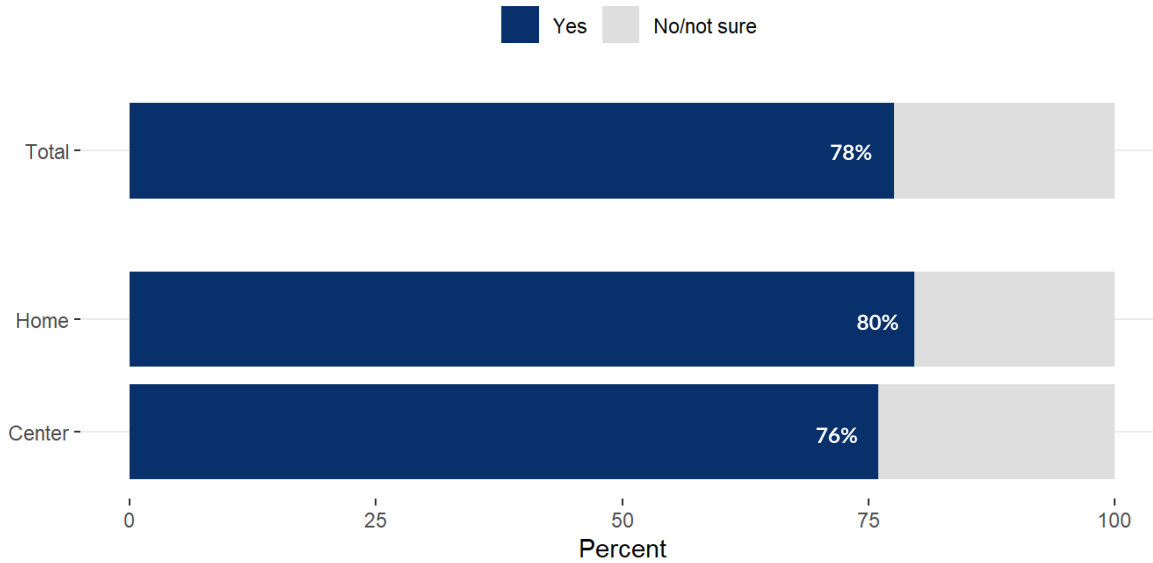
Among the providers who were aware of the website, 78% reported using the resource during their coaching process. A slightly larger share of home-based providers used the website, with 82% reporting that they had compared to 75% of center-based providers. There were no significant differences in utilization between coaching pipelines.

## Reported utilization of TX Child Care Tools website

Percentage of participants reporting that they used TX Child Care Tools during coaching

Seventy-six percent of participants who used the TX Child Care Tools website found the resource either extremely or very useful. When asked the reason for their rating, providers reported the tools and resources were valuable (68% and accessible (14%
but also referenced not using the site very often (13%) and difficulty navigating or accessing the website (11%). Among the 111 providers who used the TX Child Care Tools during their coaching process, over 90% said they would be likely to use the resources after coaching was complete.

Reported usefulness of TX Child Care Tools Website

Percentage of participants that found TX Tools Website useful
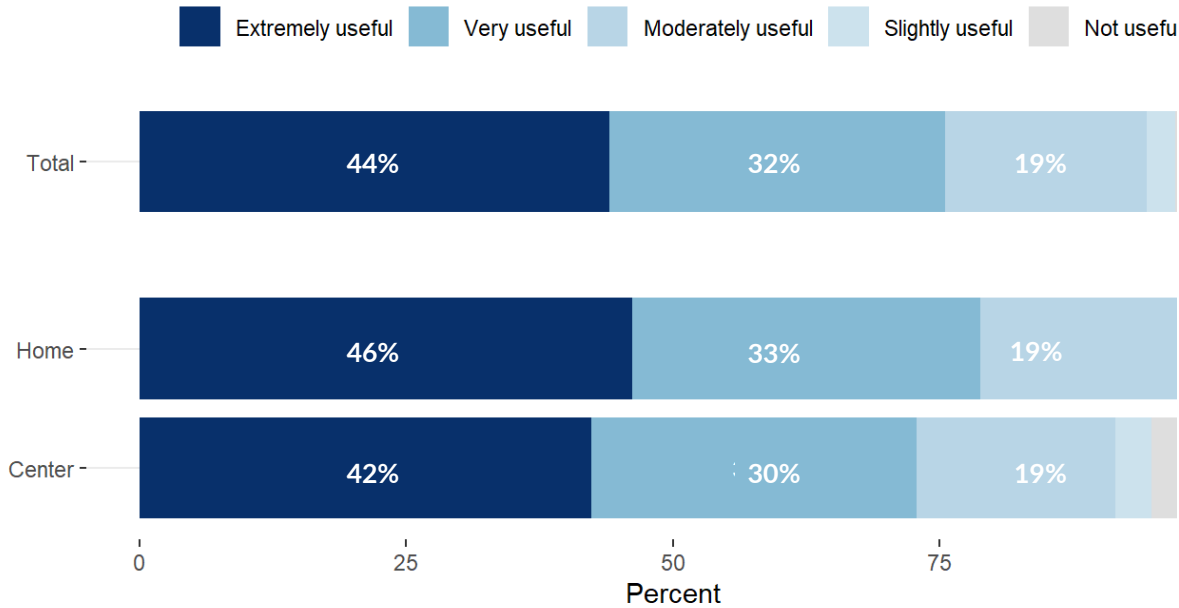
One center provider explained how both the content of the website and the coach's role in introducing it were helpful:

"[On the TX Child Care Tools website] I find tools to help me implement staff meetings and enrollment strategies. My coach would get on zoom with me and walk me through the website, she would share her screen with me and make sure I [was able to] understand the different templates."

A few respondents stated that they would have found the website less accessible or may not have used it without the help of a coach. A home provider said,

"Too much clicking- mentor guidance helped make the website accessible, but in general [I] wouldn't have found it useful other than being directed by [a] mentor. That was the advantage to having the mentor. [Coaching participants are] more concerned with grant money, info is useful, but people just want money."

6 INTERNAL PARTICIPANT SURVEY

When providers complete business coaching, they are asked to complete a survey by their business coach. As of June 2022, 150 complete survey responses were analyzed. (See Appendix E for methods.)

Respondents of this small-sample survey were self-selected, as opposed to randomly sampled, resulting in an unrepresentative sample with the possibility of biases that could skew findings. Additionally, the survey was not conducted by a neutral party and this may bias responses. For instance, providers may feel uncomfortable sharing constructive feedback.

Nevertheless, feedback from the survey may provide additional insights into aspects of program satisfaction. Based on findings from this survey, takeaways from the program appear to be largely positive. Of the 150 providers who gave a satisfaction rating between September 16, 2021, and June 5, 2022, 95% felt very satisfied or satisfied with their business coaching experience.

Overall satisfaction with business coaching

Reported levels of satisfaction among internal survey respondents
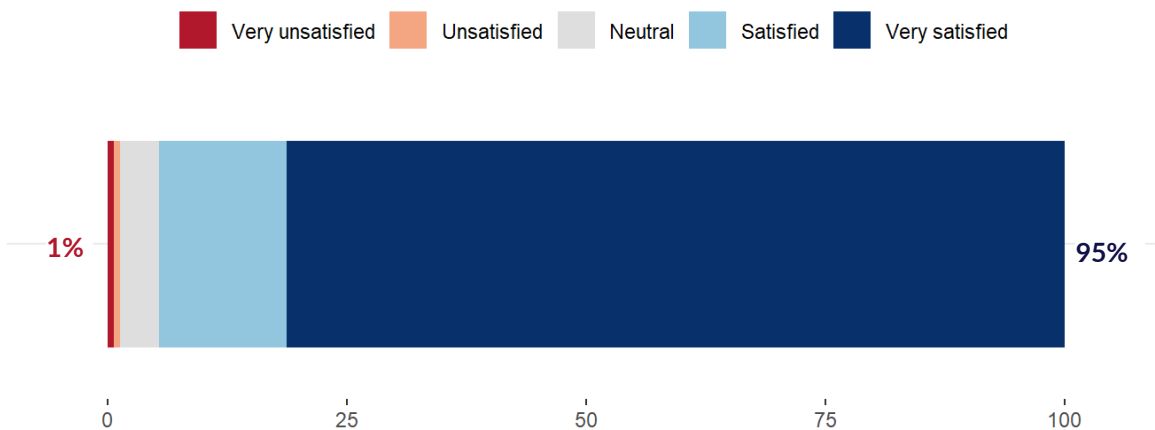
Percentages on either side of bars denote the percentage of providers who were satisfied (satisfied or very satisfied) and unsatisfied (unsatisfied or very unsatisfied).

Furthermore, the majority of participants strongly agreed that the activities and resources available were effective in stabilizing their child care business. Over 90% of participants agreed, moderately agreed, or strongly agreed that the activities and resources available stabilized their child care business.

Perceived stablilization of business operations

Percentage of providers who agreed the activities and resources in coaching have stabilized their business operation
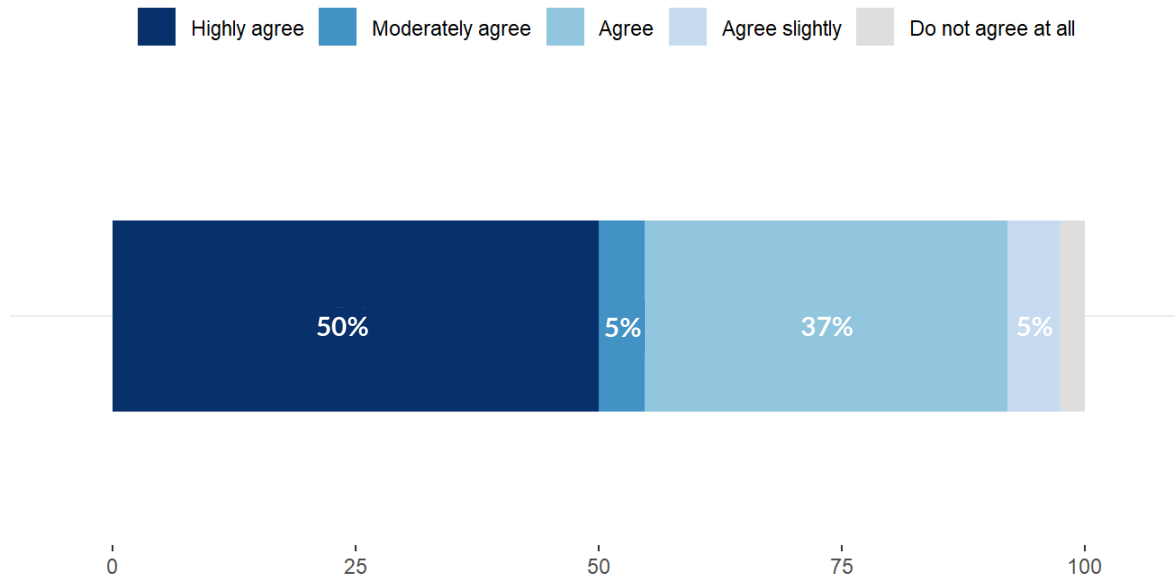
Furthermore, the majority of participants strongly agreed that the activities and resources available were effective in stabilizing their child care.

Below are highlighted responses that illustrate themes from the survey:

"Is there a resource or activity that stands out as being most helpful for you? What was it?"

"Cost of care analysis was a stand out activity. It caused me to revisit the way I do pricing and offer discounts and how I staff each classroom."

"Financial, marketing, employee handbook."

"My coach provided ideas for staff recruitment that were effective. She also introduced me to the search engine for posting jobs. The TX Child Care Tools resource is most helpful because it has an array of contacts, forms, and websites that address the everyday circumstances of childcare businesses."

These responses highlight participant satisfaction with the activities and support that they experienced while in the business coaching program. Furthermore, many of the mentioned activities and resources reflect the types of supports that were most valued.

"Is there anything that you would like to share about your experience?"

"As stated prior my experience was exceptional! KUDOS to my coach and the team whom put this program together! I was treated as if I was a family friend and able to properly open up on my needs and want to better myself and program without feeling ashamed or discouraged! Thanks again [Staff Member], you're AMAZING!!!"

"My experience with [Staff Member] was very rewarding. This was my first time being about to communicate, work with and team up with a very professional woman in the my profession to coach and direct my path. Every lesson was clear and I've learned so much from her and I appreciate you having someone on your team that truly cares that you understand the process and the accountability for a successful leader."

"I am grateful for this vital information. The coaches that helped me did a fantastic job in helping me understand. Their patience, understanding, and resources that were given to me is valuable. I will have resources and knowledge going forth to make the best decisions for our center to grow to its potential. Thank you! Thank you! Thank you!"

"Is there a resource or activity that stands out as being least helpful for you? What was it?"

The response rate to this question was very low. Out of the 150 participants, only 22 provided an answer to this question. Furthermore, only 3 out of the 22 were coded as constructive, with a focus on program concepts and personal experiences.

Three participants mentioned the tax resources and the resources for staff hiring as the least helpful. One provided a personal account about failing to connect with a coach.

7 MARKETING AND OUTREACH

TPL gathered information from all implementing partners about the resources, efforts and strategies involved in recruiting child care provider participants in the business coaching program between January and June of 2022.

These efforts included:

■ **Email blasts to all providers** who submitted applications for the first round of CCRF funding, to remind them to apply for the second-round of funding.

■ **Emails to inform providers** about the coaching available, including highlights about topics that are available in core business and specialized topics coaching. Emails were also sent to encourage providers to sign up for and participate in Tax Education sessions.

■ **Speaking events and Facebook Live events** were held to inform providers about coaching opportunities, and to answer questions about the coaching opportunities and CCRF funding.

■ **3,159 postcards were mailed** to child care centers who hadn't yet applied for the second-round of CCRF funding in April 2022.

■ **1,383 postcards were mailed** to home-based providers informing them about both rounds of the CCRF and how to contact AVANCE business coaches for more information.

■ **A warm call campaign** was conducted by AVANCE. Coaches called 1,403 home-based providers in May 2022 to inform them about CCRF and Business Coaching opportunities. Among these calls, coaches connected with 433 providers, and 170 ultimately signed up for coaching.

■ **Weekly "office hours" were posted** on the childcare. texas.gov website for providers to ask CCRF questions as well as other questions.

The majority of TWC's business coaching outreach was incorporated in communications about the second round of CCRF funding. For example, on February 23, TWC and Civitas participated in a webinar hosted by Texas Association for the Education of Young Children about supporting staff with the 2022 Child Care Relief Fund. During this webinar, TWC shared information about business coaching. TWC also shared information about business coaching during a webinar hosted by Aaron Demerson, Commissioner Representing Employers, featuring a panel of employment law experts on how to support employees and manage a business with the CCRF. TWC also posted about coaching on their social media channels. For example, a post in February 2022 reached 1,337 individuals, a March post reached 2,210 individuals, and a May post reached 3,023.

In the graph below, the peak business coaching registration periods in March and April 2022 followed the opening of the second-round CCRF funding application on March 7, 2022.

Peak registration periods: February to June

Number of submissions from 02/01/2022 to 06/30/2022
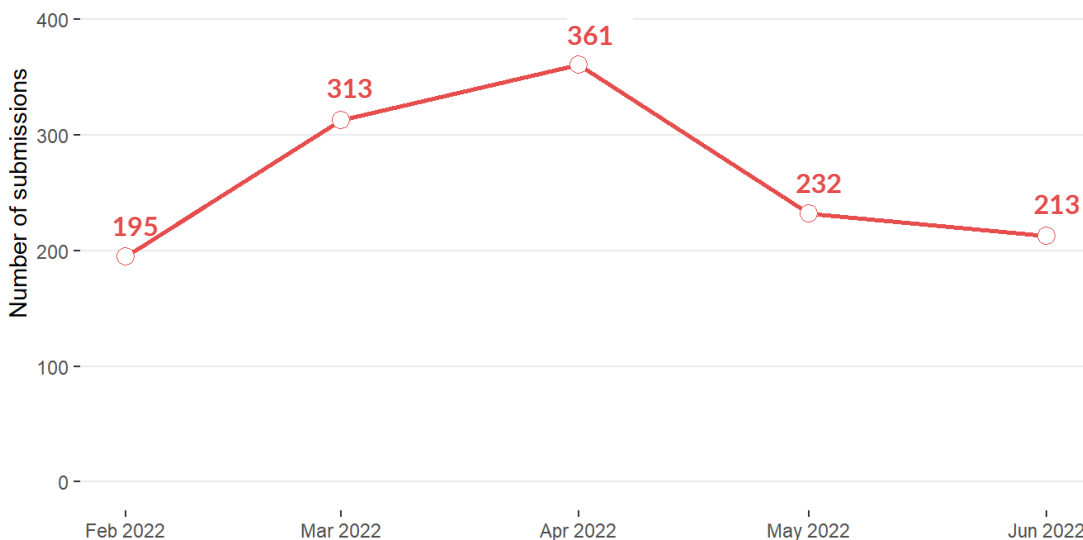
The chart below illustrates that 68% of business coaching registration form submissions come through direct traffic (visitors going to the ChildCare.Texas.gov website directly). Referrals coming from external sites that link to the form account for the second largest source of form submissions, representing 26% of submissions. Top referral links include links found on: twc@public. govdelivery.com, TWC.Texas.gov, and Texas.gov.

SOURCE	VIEWS	SUBMISSIONS	CONVERSION RATE
DIRECT TRAFFIC	2278	916	40.21%
REFERRALS	747	346	46.32%
ORGANIC SEARCH	147	66	44.90%
ORGANIC SOCIAL	69	15	21.74%
EMAIL MARKETING	32	11	34.38%
OFFLINE SOURCES	–	–	0%

In summary, outreach coming directly from TWC in conjunction with language that emphasizes the funding opportunities and related, tailored support for those opportunities have been important contributors to child care provider participation in the business coaching program. Importantly, the need for guidance on financial supports and stabilization opportunities brought many providers into specialized topics coaching, who in turn have transitioned into core business coaching.

8 REFLECTIONS AND NEXT STEPS

This report has analyzed the first year of implementation of a new child care business coaching program in Texas. This program was rapidly designed and implemented in the context of child care relief and stabilization efforts to address COVID-19's devastating impact on the child care industry. From the beginning, this program has evolved and adapted in real-time to address a changing context and child care provider needs. While we have summarized the participation and satisfaction findings through June 2022, these data are constantly changing as the program enters its second year of implementation.

From the program's inception, a key operating principle for the implementing group has been to respond to the needs of coaches and providers using data and regular feedback to make rapid adjustments. Programmatic adjustments based on the key findings in this report are already underway. In August 2022, the Texas Business Coaching model was updated and revised to incorporate a new pathway approach, aimed at enhancing the model's capacity to meet provider's individual needs. Throughout the coaching pathway, providers will work through six modules aimed at making their business stronger and more secure. These six core modules include financial foundations, staff recruitment and retention, risk reduction, sales and marketing, sustainable revenue, and growth.

These adjustments address one of the report's key findings–that participants frequently indicated that they would benefit from additional coaching, either through more sessions or another round of business coaching. While the sessions are structured to offer providers content in a linear approach, providers may enter and exit the pathway at any time, based on their own needs and goals. Coaches will collect observational evidence and impact metrics to determine areas of need and assess when a provider is ready to move on to the next topic. Providers may also be referred to a specialized coach at any time throughout their pathway. Providers are anticipated to engage in up to 10 sessions with their coach, and may participate in more sessions should they have a clear need. Providers may also re-engage with a business coach in Year 2, even if they already participated in coaching during the first year of implementation.

Strengths to build upon

In reflecting on the findings in this report, the TWC team pointed to a number of foundational attributes of this program that played a role in the high levels of satisfaction reported by participants:

■ **Cohesive, multi-partner coordination and collaboration, especially in the context of a unique contracting relationship. This collaborative implementation shaped the program's initial design and has continued to serve as a foundation for future development and enhancement of the program. Since the program's inception, the partner group has met weekly to coordinate on implementation.**

■ **The timing of the Child Care Relief Funding helped to continue to fuel this collaborative partnership and increased engagement in coaching at a time when providers most needed support.**

■ **The implementation team's responsive approach to provider needs through frequent monitoring and bi-weekly review of data dashboards containing detailed programmatic and participation data to ensure needed adjustments were made quickly.**

■ **Feedback loop between coaches and program managers/administrators. The implementing partners always solicited feedback from coaches on any proposed changes to the coaching and database/case management system.**

■ **Support system for coaches including monthly training, weekly office hours, and a quality assurance system to identify issues early and provide needed training. Building a culture of open discussion with coaching peers and creating the forum to ask questions once a week, bolstered by more formal training, was key. This was especially important with the rapid increase in interest in coaching alongside CCRF. The team cited the importance of revamping how to onboard and develop a deep bench of coaches.**

Data analysis and research next steps

In addition to the above strengths to build upon, these analyses raised a number of follow-up questions and reflections for the TWC team, many of which require a deeper level of analysis and data collection in the future:

- **About 15% of providers in Texas are participating in this program. What hesitations do non-participants have? How can the program engage more providers? What marketing and other outreach strategies would increase engagement?**

- **Why did ~21% of providers in the survey sample report having unmet needs in key areas (e.g., budgeting/financial, staffing shortages, and turnover)? How can the program better address those needs?**

  - ☐ **What were the expectations going into the program and what expectations were not met?**
  - ☐ **Should providers be asked about expectations as a potential screening question at application?**

- **Overall, providers greatly valued and were satisfied with coaches. As the program evolved, there was an enhanced process for matching coaches with providers to ensure ideal fit. In the rare instances where the coach's expertise does not align with provider needs, is there a better feedback loop that can address any potential concerns or mismatch early?**

- **Home-based providers are more likely to report satisfaction—why is this the case?**

During the second year of the business coaching model, TPL will continue to address these and other research questions aimed at more deeply understanding the impact of business coaching. Utilizing TWC's administrative wage records, additional quasi-experimental research is underway to assess the program's impact on child care business outcomes available in this dataset, including payroll, wages, and staff turnover/retention.

APPENDIX A: TESTIMONIALS

Implementing partners were asked to interview participants to gather testimonials from participating providers to capture in-depth examples of experience with the program.

PROVIDER: TYLANE B., CHILD CARE CENTER

To begin, tell me a little about your child care business.

The school has been around 40 years. I have been in charge for the last 8 years. The staff is all tenured staff! They do a lot of early identification and intervention for children in the area.

Describe your experience as a provider during the pandemic. What has been your experience trying to stabilize your business?

At the start of the pandemic, the uncertainty of having children come in was hard. We had to reassure the parents it was safe for the kids to come back and it was challenging gaining everyone's trust to be comfortable coming back to the center. We did our best to stay calm, focused and gather information on how to keep the center open, safe, and clean. We were forced to make necessary cuts to stay afloat and made sure we stayed connected to take advantage of every available resource. Tylane states she was very proactive & reactive! It helped the center be prepared.

How did you utilize the Child Care Relief Funds and/or the business coaching? How is your business doing now?

The relief funds were a great blessing; it took the weight off her shoulders! It helped them pay their staff a fair wage and purchase necessary supplies to keep the school safe and as clean as possible. It also helped pay substitute teachers when teachers were out or had to quarantine. Business coaching was crucial to take the business to the next level. All the accompanying resources were amazing and helped us analyze and restructure the business. So much so, the business is projecting numbers much greater than ever before. We have opened conversations about opening a 2nd location.

How did you hear about these programs?

Provider was on networking calls and received the TWC email for business coaching. Tylane was more excited for coaching than funding. They knew with the right coaching it would make all the difference.

Describe your experience with your business coach. Is there something that has been particularly impactful or helped significantly? What are you most proud of achieving with relief funds or through business coaching?

The provider states this has been the best experience she has ever had, and she has been in business for many years. She really connected with her coach and felt this made the experience so much better! They grew the business and she felt she has grown a lot mentally. She was now able to reflect on her accomplishments, as before she would question herself a lot and was not seeing the small victories. "[My coach] was phenomenal. The emotional support, guidance, and structure provided helped us achieve our goals. Not sure how we will be able to repay her. She was amazing to work with". Tylane was most proud of being able to help as many people as possible, and most importantly her staff. With all the great coaching and suggestions, she was able to readjust the prices at her center and received no push back from parents. With that she was also able to give her staff much needed raises and brought morale to an ALL TIME HIGH. Her staff always gave their 150% but now she feels like they are giving 200% and that makes her feel very proud.

What would you say to another provider who is considering business coaching?

"You absolutely need to do it! It has elevated my business to a level I didn't even think was possible." They are on track to hit record numbers that she thought would not happen for a few more years (even with the uncertainty of COVID). "If you are serious about elevating your business, this is something you must take advantage of. It's free!"

PROVIDER: PATRICIA A., CHILD CARE CENTER

To begin, tell me a little about your child care business

"I love the work I do as the Owner and Director of [the child care center]. I have been inspired by seeing children grow and develop during the 14 years I've been in business."

Describe your experience as a provider during the pandemic. What has been your experience trying to stabilize your business?

"During the pandemic things were very difficult, and it caused a lot of stress for me both with the business and personally. Fortunately, the pandemic became a blessing in disguise, as I was able to make changes in my personal life and business resources were being brought to the table to support me in my work with children. I have been able to create new policies for my center and make much needed changes."

How did you utilize the Child Care Relief Funds and/or business coaching? How is your business doing now?

"I was able to do a lot of work on the center, one of things that I was able to do was purchase an air conditioning unit to help relieve the heat. In addition, teachers were given raises that were much needed and very well deserved. The funding helped to reduce stress in the work environment. My business is now thriving, and I look forward to continuing the work that I do."

How did you hear about these programs?

"I received emails about the funding initiatives, and another provider also gave me information on how to apply."

Describe your experience with your business coach? Is there something that has been particularly impactful or helped significantly? What are you most proud of achieving with relief funds or through business coaching?

"My experience with my business coach has been amazing. [My] general business coach has been great to work with and is very knowledgeable. He has supported me in many ways, especially with developing a marketing plan which has resulted in helping me to hold a Back-to-School-Fest to help grow the business. I have also worked with [a specialized coach] on more difficult topics like taxes. When I opened this center someone else handled the start-up process and I was very unaware of how to run a business. Learning the financial aspects of running a business was difficult, coaching has significantly helped me feel more confident about business finances. I now plan to open another business as a result of all that I've learned through coaching."

What would you say to another provider who is considering business coaching?

"Business coaching is the best free resource available to providers, it has helped me in ways that I hadn't imagined it could. Providers would be crazy to not take advantage of this program."

PROVIDER: CAROL B., HOME-BASED CHILD CARE PROVIDER

Tell me about your child care business.

"I'm a family child care business and I've been doing this a long time. I worked for 3 years with a friend at her business and then opened my own in 2006."

What has been your experience running your business during the pandemic? Has it affected the stability of your business?

"Before the pandemic I had 14 enrolled and I have never been able to get back to that number. I'm usually around 8-10 now, and with

school starting I'm down to 5 or 6. The calls just aren't coming in like they were before. I was hoping to retire this year, but I'm just going to keep it going because I'm not so sure about the future."*

How did you utilize the Child Care Relief Funds? How did these funds help your business?

"I used the funds for back pay and bills. It gave my business a boost and a boost is always a good thing. The best thing I got from the Relief Funds is it connected me with a business coach. I wish I had one when I first opened my business."

How did you hear about the business coaching program?

"I didn't know about it until I applied for the Child Care Relief Funds. I was a little hesitant at first because I wasn't sure what it was."

What has your business coaching experience been like? What has the coach helped you with?

"[My coach] has made it so easy. She came to me and met me where I'm at. She started me at the pace that was right for me. The help Misti provided to keep track and document everything for the Relief Funds was an enormous timesaver. And she provided me reassurance I was doing everything correctly; it was a big relief to not have to fear making a mistake. She showed me a better way to track money and guided me on how to open a business bank to keep the money separated. Now, we are taking it to the next level and working on a budget."

What would you say to another provider who is considering business coaching?

"Do it. If you never do anything else in life, sign up for coaching. You don't have to learn by trial and error. It will save 10 years on your life, seriously."

APPENDIX B: EXTERNAL SURVEY SAMPLE AND METHODS

Sampling Methods

Using data from CRM database as of May 31, 2022, we selected interview participants to be those who participated substantively in at least core business coaching, specialized topics coaching, or both levels of coaching. We split the sample by centers and homes to ensure that our interview sample was representative of both types of child care providers. We defined substantive participation for core coaching as those who participated in at least two coaching sessions (defined using "coaching status"). We defined substantive participation for specialized topics coaching as those who completed at least one specialized coaching topic.

We implemented the following protocol for sampling and interviewing providers:

1. Randomly select a sample of providers who are representative at the pipeline and provider-type level. We sampled 23% of providers who participated substantively, for a total sample size of 241.

2. Email this initial list of 241 providers (except for Spanish-speaking providers, of which there are 18 in the initial list of 241).

3. Assign Spanish-speaking providers to Spanish-speaking interviewers (i.e., interviewers "1" and "2").

4. Randomly allocate remaining providers to interviewers so that each interviewer has 48 providers to call. (Interviewer 1 will have 49 providers to call.)

5. If providers respond via email, the interviewer will cross them off their list.

6. Each interviewer will call each provider on their list up to 5 times (at different times of day/days of the week).

7. After this first round of calls is complete, randomly sample providers from each pipeline provider-type group accordingly in order to reach 23% of providers in each group. Thus, if one group is complete before another, continue to call providers in given group until we reach 23%.

8. In the end, we obtained 237 complete provider responses.

Qualitative coding methods

Qualitative survey responses (e.g., open-ended responses) were coded, compared, and discussed by a team of researchers to categorize responses and identify themes. This systematic approach was adopted to reduce interpretative bias and promote the quality and reliability of qualitative analysis by evaluating intercoder consistency.

First, two coders were assigned to a question and independently coded each survey response without discussing or sharing results. Once completed for all survey questions, coding spreadsheets were merged to assess the extent to which the codes were in agreement. Codes that were not in agreement were flagged and reconciled. In instances where codes could not be reconciled between coders, a senior researcher was responsible for making the final determination for the code in question.

APPENDIX C: EXTERNAL SURVEY SUMMARY TABLES

TABLE 1. NEEDS	HOME, (N-91)[1]	CENTER, (N-146)[1]	TOTAL, (N-237)[1]
Q1. WHAT WERE YOU SEEKING TO GET OUT OF COACHING?			
Budgeting/financial concerns	52 (57.1%)	61 (41.8%)	113 (47.7%)
Business formation and structure	37 (40.7%)	55 (37.7%)	92 (38.8%)
Child care relief funding (ccrf)	30 (33%)	48 (32.9%)	78 (32.9%)
Staffing shortages/turnover	6 (6.6%)	55 (37.7%)	61 (25.7%
Low child enrollment	24 (26.4%)	33 (22.6%)	57 (24.1%)
Navigating COVID-19 as a provider	11 (12.1%)	28 (19.2%)	39 (16.5%)
Tax concerns	16 (17.6%)	20 (13.7%)	36 (15.2%)
Access to capital/loan issues	12 (13.2%)	19 (13%)	31 (13.1%
General training/resources	7 (7.7%)	12 (8.2%)	19 (8%)
Marketing	11 (12.1%)	5 (3.4%)	16 (6.8%)
Other/does not fit into any category	5 (5.5%)	10 (6.9%)	15 (6.4%)
Federal debt forgiveness/repayment	3 (3.3%)	5 (3.4%)	8 (3.4%)
Mentorship and connections	2 (2.2%)	6 (4.1%)	8 (3.4%)
Unsure/no goals	5 (5.5%)	2 (1.4%)	7 (3%)
[1] N (%); Percentages do not add to 100% due to multi-select answers.			

TABLE 2. SATISFACTION	HOME[1]	CENTER[1]	TOTAL[1]	P-VALUE[2]
Q2. HOW SATISFIED WERE YOU WITH COACHING?				
Very satisfied	79 (86.8%)	108 (74%)	187 (78.9%)	0.018**
Satisfied	7 (7.7%)	20 (13.7%)	27 (11.4%)	
Neutral	3 (3.3%)	11 (7.5%)	14 (5.9%)	
Unsatisfied	2 (2.2%)	6 (4.1%)	8 (3.4%)	
Very unsatisfied	0 (0%)	1 (0.7%)	1 (0.4%)	
Q3.1. WHAT IS YOUR REASON FOR THIS RATING? (SATISFIED/VERY SATISFIED)				
Liked coach/coach was attentive and patient	46 (53.5%)	65 (50.8%)	111 (51.9%)	
Coach was knowledgeable	31 (36%)	52 (40.6%)	83 (38.8%)	
Improved business	16 (18.6%)	19 (14.8%)	35 (16.4%)	
Useful resources	9 (10.5%)	17 (13.3%)	26 (12.1%)	
Help with budgeting/funding access	12 (14%)	9 (7%)	21 (9.8%)	
Other/does not fit into any category	6 (7.1%)	14 (10.9%)	20 (9.4%)	
Help with business management	6 (7%)	10 (7.8%)	16 (7.5%)	
Needs were met	1 (1.2%)	7 (5.5%)	8 (3.7%)	
Difficult to find time/access coach	1 (1.2%)	6 (4.7%)	7 (3.3%)	
Help navigating covid-19 as a child care provider	0 (0%)	6 (4.7%)	6 (2.8%)	
Q3.2. WHAT IS YOUR REASON FOR THIS RATING? (UNSATISFIED/VERY UNSATISFIED)				
Coaching was not relevant to needs/did not learn anything new	0 (0%)	4 (57.1%)	4 (44.4%)	
Problems communicating with coach	1 (50%)	2 (28.6%)	3 (33.3%)	
Difficult to find time/access coach	1 (50%)	2 (28.6%)	3 (33.3%)	
Participant's questions not fully answered	1 (50%)	0 (0%)	1 (11.1%)	
Other/does not fit into any category	0 (0%)	1 (14.3%)	1 (11.1%)	
Q4. Did you recieve coaching in your preferred language?				
No	2 (2.2%)	0 (0%)	2 (0.8%)	
Yes	89 (97.8%)	146 (100%)	235 (99.2%)	
Q5. WHAT DID YOU FIND MOST VALUABLE ABOUT THIS PROGRAM?				
Coach's deep knowledge/guidance specific to participant's needs	18 (19.8%)	57 (39%)	75 (31.6%)	
Availability of coach/quick access to information	15 (16.5%)	31 (21.2%)	46 (19.4%)	
Extra resources provided by coach	18 (19.8%)	23 (15.8%)	41 (17.3%)	
Help with managing finances/making financial decisions	19 (20.9%)	21 (14.4%)	40 (16.9%)	
Help with business organization	24 (26.4%)	13 (8.9%)	37 (15.6%)	
Help accessing government funding	10 (11%)	17 (11.6%)	27 (11.4%)	
Other/does not fit into any category	6 (6.6%)	7 (4.8%)	13 (5.4%)	
Help with marketing	4 (4.4%)	8 (5.5%)	12 (5.1%)	
Coaching was not beneficial	2 (2.2%)	5 (3.4%)	7 (3%)	
Staff retention/recruiting	1 (1.1%)	6 (4.1%)	7 (3%)	
Encouragement given by coach	2 (2.2%)	4 (2.7%)	6 (2.5%)	
Help increasing enrollment	1 (1.1%)	5 (3.4%)	6 (2.5%)	

[1] N (%); Percentages may not add to 100% due to multi-select answers
[2] Significance testing performed for select questions
** Statistically significant differences between homes and centers (p<.05)

TABLE 3. IMPACT	HOME[1]	CENTER[1]	TOTAL[1]	P-VALUE[2]
Q6. WHAT KNOWLEDGE/SKILLS DID YOU GAIN FROM PARTICIPATING?				
Developing a budget	82 (90.1%)	88 (60.3%)	170 (71.7%)	
Marketing strategies	65 (71.4%)	87 (59.6%)	152 (64.1%)	
Securing federal relief funding	55 (60.4%)	97 (66.4%)	152 (64.1%)	
Increasing enrollment	63 (69.2%)	83 (56.8%)	146 (61.6%)	
Reducing program risks	51 (56%)	74 (50.7%)	125 (52.7%)	
Staff retention strategies	28 (30.8%)	96 (65.8%)	124 (52.3%)	
Reducing key costs	52 (57.1%)	63 (43.2%)	115 (48.5%)	
Staff recruitment strategies	26 (28.6%)	83 (56.8%)	109 (46%)	
Bookkeeping or payroll system	55 (60.4%)	52 (35.6%)	107 (45.1%)	
Accessing capital	41 (45.1%)	60 (41.1%)	101 (42.6%)	
Payments and collections	54 (59.3%)	45 (30.8%)	99 (41.8%)	
Cost of care analysis	44 (48.4%)	54 (37%)	98 (41.4%)	
Tax preparation strategies	45 (49.5%)	37 (25.3%)	82 (34.6%)	
Other/does not fit into any category	11 (12.1%)	15 (10.3%)	26 (10.9%)	
Q7. TO WHAT EXTENT DO YOU AGREE THAT THE KNOWLEDGE/SKILLS GAINED FROM COACHING IMPROVED YOUR ABILITY TO OPERATE YOUR BUSINESS?				
Strongly agree	69 (75.8%)	87 (59.6%)	156 (65.8%)	0.01**
Agree	13 (14.3%)	34 (23.3%)	47 (19.8%)	
Neutral	7 (7.7%)	12 (8.2%)	19 (8%)	
Disagree	0 (0%)	5 (3.4%)	5 (2.1%)	
Strongly disagree	2 (2.2%)	8 (5.5%)	10 (4.2%)	
Q8. IF AGREE TO Q7, WHAT WERE YOU ABLE TO ACHIEVE AS A RESULT?				
Improved financial decision making/ business sense	41 (52.6%)	42 (35.3%)	83 (42.1%)	
Improved marketing	15 (19.2%)	17 (14.3%)	32 (16.2%)	
Overall knowledge to grow business	16 (20.5%)	14 (11.8%)	30 (15.2%)	
Staff retention or improvement/staff increase	4 (5.1%)	25 (21%)	29 (14.7%)	
Confidence and encouragement	8 (10.3%)	13 (10.9%)	21 (10.7%)	
Received a grant/funding/tax credit	5 (6.4%)	14 (11.8%)	19 (9.6%)	
Increased enrollment	7 (9%)	11 (9.2%)	18 (9.1%)	
Other/does not fit into any category	3 (3.9%)	13 (10.8%)	16 (8.1%)	
Cost of care analysis	6 (7.7%)	4 (3.4%)	10 (5.1%)	
Improved organization	9 (11.5%)	0 (0%)	9 (4.6%)	
Reduced costs	4 (5.1%)	5 (4.2%)	9 (4.6%)	

[1] N (%); Percentages may not add to 100% due to multi-select answers.
[2] Significance testing performed for select questions
** Statistically significant differences between homes and centers (p<.05)

TABLE 4. AREAS OF IMPROVEMENT	HOME[1]	CENTER[1]	TOTAL[1]	P-VALUE[2]
Q9. DID YOU HAVE ANY NEEDS/CHALLENGES THAT YOU WANTED TO ADDRESS THAT WERE NOT ACHIEVED?				
No	77 (84.6%)	110 (75.3%)	187 (78.9%)	0.124
Yes	14 (15.4%)	36 (24.7%)	50 (21.1%)	
Q10. IF YES TO Q9, WHAT WERE THEY?				
Budgeting/financial concerns	5 (35.7%)	13 (36.1%)	18 (36%)	
Staffing shortages/turnover	3 (21.4%)	11 (30.6%)	14 (28%)	
Access to capital/loan issues	5 (35.7%)	8 (22.2%)	13 (26%)	
Business formation and structure	2 (14.3%)	8 (22.2%)	10 (20%)	
Tax concerns	2 (14.3%)	8 (22.2%)	10 (20%)	
Low child enrollment	2 (14.3%)	5 (13.9%)	7 (14%)	
Marketing	2 (14.3%)	5 (13.9%)	7 (14%)	
Navigating COVID-19 as a childcare provider	2 (14.3%)	4 (11.1%)	6 (12%)	
Other/does not fit into any category	0 (0%)	5 (13.9%)	5 (10%)	
Business expansion	2 (14.3%)	2 (5.6%)	4 (8%)	
Managing staff	2 (14.3%)	2 (5.6%)	4 (8%)	
Federal debt forgiveness/repayment	0 (0%)	3 (8.3%)	3 (6%)	
Q11. WAS THERE SOMETHING YOU DID NOT LIKE OR THAT YOU WOULD CHANGE ABOUT THE PROGRAM?				
Would not change anything	74 (81.3%)	99 (67.8%)	173 (73%)	
Increased coaching availability	2 (2.2%)	16 (11%)	18 (7.6%)	
Longer/more consistent time with coaches	6 (6.6%)	7 (4.8%)	13 (5.5%)	
Coaches better versed in a variety of topics/ more personalized support	3 (3.3%)	8 (5.5%)	11 (4.6%)	
Better financial procedures/methods	3 (3.3%)	6 (4.1%)	9 (3.8%)	
Coaching was inadequate/inefficient	2 (2.2%)	6 (4.1%)	8 (3.4%)	
Other/does not fit into any category	2 (2.2%)	6 (4.1%)	8 (3.3%)	
Increased accessibility of resources	2 (2.2%)	4 (2.7%)	6 (2.5%)	
Improved efficiency	1 (1.1%)	4 (2.7%)	5 (2.1%)	
Q12. DO YOU HAVE ANY OTHER FEEDBACK OR SUGGESTIONS THAT WOULD STRENGTHEN THE PROGRAM?				
No feedback	41 (45.1%)	62 (42.5%)	103 (43.5%)	
Program was helpful	20 (22%)	29 (19.9%)	49 (20.7%)	
Program should be extended/expanded	13 (14.3%)	18 (12.3%)	31 (13.1%)	
Make information more accessible/increase communication quality	2 (2.2%)	16 (11%)	18 (7.6%)	
Focus more on specific needs/allow participants to choose coaching topics	2 (2.2%)	10 (6.8%)	12 (5.1%)	
Hold all coaches to a high standard to ensure consistency	5 (5.5%)	5 (3.4%)	10 (4.2%)	
Coach should have early childhood knowledge	2 (2.2%)	4 (2.7%)	6 (2.5%)	
Continue funding/financial assistance	2 (2.2%)	4 (2.7%)	6 (2.5%)	
Other/does not fit into any category	2 (2.2%)	3 (2.1%)	5 (2%)	
Add coaching on computer skills	3 (3.3%)	0 (0%)	3 (1.3%)	
Other/does not fit into category	2 (2.2%)	1 (0.7%)	3 (1.3%)	
Q13. IF COMPLETED, ARE THERE ANY FUTURE NEEDS THAT WOULD LEAD YOU TO SEEK ANOTHER ROUND OF COACHING?				
No	7 (38.9%)	15 (33.3%)	22 (34.9%)	0.9
Yes	11 (61.1%)	30 (66.7%)	41 (65.1%)	

[1] N (%); Percentages may not add to 100% due to multi-select answers.
[2] Significance testing performed for select questions

TABLE 5. TX Child Care Tools IN CORE COACHING	HOME[1]	CENTER[1]	TOTAL[1]	P-VALUE[2]
Q14. ARE YOU FAMILIAR WITH THE TX Child Care Tools WEBSITE?				
No/not sure	16 (20.3%)	25 (24%)	41 (22.4%)	0.668
Yes	63 (79.7%)	79 (76%)	142 (77.6%)	
Q15. IF YES TO Q14, DID YOU USE TX TOOLS IN YOUR COACHING PROCESS?				
No/not sure	11 (17.5%)	20 (25.3%)	31 (21.8%)	0.357
Yes	52 (82.5%)	59 (74.7%)	111 (78.2%)	
Q16. HOW USEFUL DID YOU FIND THE INFORMATION ON THE TX TOOLS WEBSITE?				
Extremely useful	24 (46.2%)	25 (42.4%)	49 (44.1%)	0.464
Very useful	17 (32.7%)	18 (30.5%)	35 (31.5%)	
Moderately useful	10 (19.2%)	11 (18.6%)	21 (18.9%)	
Slightly useful	1 (1.9%)	2 (3.4%)	3 (2.7%)	
Not useful	0 (0%)	3 (5.1%)	3 (2.7%)	
Q17. WHAT IS YOUR REASON FOR THIS RATING?				
Useful/valuable tools and resources	38 (73.1%)	37 (62.7%)	75 (67.6%)	
Very accessible	10 (19.2%)	5 (8.5%)	15 (13.5%)	
Has not used very often/in depth	4 (7.7%)	10 (16.9%)	14 (12.6%)	
Difficulty navigating/accessing website	6 (11.5%)	6 (10.2%)	12 (10.8%)	
Coach helped explain the website	4 (7.7%)	1 (1.7%)	5 (4.5%)	
Other/does not fit into any category	0 (0%)	5 (8.5%)	5 (4.5%)	
Provides reminders and updated information	1 (1.9%)	2 (3.4%)	3 (2.7%)	
Q18. HOW LIKELY ARE YOU TO USE THE TX TOOLS RESOURCES AFTER COACHING IS COMPLETE?				
Very likely	35 (67.3%)	34 (57.6%)	69 (62.2%)	0.267
Likely	15 (28.8%)	17 (28.8%)	32 (28.8%)	
Neutral	2 (3.8%)	4 (6.8%)	6 (5.4%)	
Unlikely	0 (0%)	0 (0%)	0 (0%)	
Very unlikely	0 (0%)	4 (6.8%)	4 (3.6%)	

[1] N (%); Percentages may not add to 100% due to multi-select answers.
[2] Significance testing performed for select questions

APPENDIX D: EXTERNAL SURVEY QUESTIONS

INTRODUCTION AND CONFIRMING PARTICIPANT

[Hello, my name is_____, and I am calling on behalf of the Texas Policy Lab at Rice University, a research center that works with Texas government agencies to improve policies and programs.

Can I please speak with _____ (name of person that signed up for business coaching)?

IF NOT AVAILABLE

When is the best time to reach them?

IF AVAILABLE

Nice to meet you_____. We are conducting a research study for the Texas Workforce Commission about their business coaching program for child care providers, and I was hoping to speak with you to collect feedback on your experiences with [X]. Were you the primary participant in business coaching from your child care program?

IF NO

Who was the primary participant in business coaching and when is the best time to reach them?

[open ended question]

IF YES

Great. Your participation is completely voluntary and will be presented anonymously. This means that you do not have to participate in this study unless you want to. If you have time, I can provide you with more details about the study, including the purpose and what will happen should you choose to participate. Would you be willing to hear more information about it?

If yes, consent script follows.

PARTICIPANT NEEDS

1. At the time that you enrolled, what were you seeking to get out of coaching? [note to interviewer, please let the participant answer and choose the best option based on what they say. If their comments are not reflected in the choices, please fill-in the "other" with their specific comment]

[note to programmer, we will need a second version of this interview to be emailed out to respondents.
For this question, please leave it open ended. It will later be coded based on the following]

- ☐ **Budgeting/Financial concerns**
- ☐ **Staffing shortages/turnover**
- ☐ **Federal debt forgiveness/repayment**
- ☐ **Learning how to navigate COVID-19 as a child care provider**
- ☐ **Tax concerns**
- ☐ **Business formation and structure**
- ☐ **Access to capital/loan issues**
- ☐ **Low child enrollment**
- ☐ **Child Care Relief Funding (CCRF)**
- ☐ **Other: Please specify**

PARTICIPANT SATISFACTION

2. How satisfied were you with business coaching on a scale of 1-5 ('5' being very satisfied to '1' being very unsatisfied)?

- ☐ **1 (Very unsatisfied)**
- ☐ **2 (Unsatisfied)**
- ☐ **3 (Neutral)**
- ☐ **4 (Satisfied)**
- ☐ **5 (Very satisfied)**

3. What is your top reason for this rating? [Note to interviewer, if they mention their coach, ask for more information about what made the coach so helpful. Similarly, if they give other generic or one-word answers, please ask for more information.]

[open ended]

4. Did you receive coaching in your preferred language?
   ☐ **Yes**
   ☐ **No**
   If no, please indicate your preferred language:_____

5. What did you find most valuable about this program?

[open ended]

IMPACT

6. What knowledge/ skills did you gain from participating in the business coaching program? Please listen to the following options and indicate all that apply.
   ☐ **Securing federal relief funding**
   ☐ **Reducing program risks**
   ☐ **Developing a budget**
   ☐ **Marketing strategies**
   ☐ **Increasing enrollment**
   ☐ **Improving payments and collections**
   ☐ **Reducing key costs**
   ☐ **Staff recruitment strategies**
   ☐ **Staff retention strategies**
   ☐ **Developing/improving a bookkeeping and/or payroll system**
   ☐ **Cost of care analysis**
   ☐ **Tax preparation strategies**
   ☐ **Accessing capital**
   ☐ **Other: _____**
   ☐ **I did not gain any knowledge/skills from this program**

7. To what extent do you agree with the following: "The knowledge and skills gained from coaching improved my ability to operate my child care program."
   ☐ **1 (Strongly disagree)**
   ☐ **2 (Disagree)**
   ☐ **3 (Neutral/don't know)**
   ☐ **4 (Agree)**
   ☐ **5 (Strongly agree)**
   If agree or strongly agree, go to Q8

8. [If agree/ strongly agree on Q7] What were you able to achieve as a result of the coaching experience?
[open ended]

Note for interviewer: If the respondent provides a very general response (a sentence or less or a vague term
(e.g., I gained confidence)), please ask them the following:

Please elaborate on this by describing a situation or example that illustrates _____
[e.g., how you gained confidence as a result of the coaching experience].
[open ended]

AREAS FOR IMPROVEMENT

9. Did you have needs or challenges that you wanted to address that were not achieved through this business coaching process?
- ☐ Yes
- ☐ No

10. If yes, what were they?

[note to interviewer, please let the participant answer and choose the best option based on what they say.

If their comments are not reflected in the choices, please fill-in the "other"]

[note to programmer, we will need a second version of this interview to be emailed out to respondents.

For this question, please leave it open ended. It will later be coded based on the following]

- ☐ Budgeting/Financial concerns
- ☐ Staffing shortages/turnover
- ☐ Federal debt forgiveness/repayment
- ☐ Learning how to navigate COVID-19 as a childcare provider
- ☐ Tax concerns
- ☐ Business formation and structure
- ☐ Access to capital/loan issues
- ☐ Low child enrollment
- ☐ Marketing
- ☐ Other: Please specify

11. Was there something you did not like or that you would change about the experience?

[open ended]

12. Do you have any other feedback or suggestions that would strengthen the program?

[open ended]

13. Only for those who completed: Are there any future needs that would lead you to seek another round of business coaching?
- ☐ Yes
- ☐ No

If yes, please indicate what those needs are:

TEXAS CHILD CARE TOOLS WEBSITE

14. Are you familiar with the TX Child Care Tools website?.[Interviewer, this is T X, not Texas]
- ☐ Yes
- ☐ No
- ☐ Not sure

[If no or not sure - interviewer will give a more detailed description of what this tool is]: As a reminder, this is the www.TXChildCareTools.com online platform where you can sign up for an account and gain access to tools such as the acquire4hire job portal, and cost of care analysis. Your coach would have shared these tools and you would have an account. This is different from childcare.texas.gov where you signed up for business coaching.

Are you familiar with the T X Childcare Tools website?

If still no understanding, move onto closing Q19.

If yes, to above go to Q15

15. Did you use TX Child Care Tools in your coaching process?

    ☐ **Yes**

    ☐ **No**

    ☐ **Not sure**

If no:

Why not?

If not sure, move to closing.

If yes, Q16:

16. How useful did you find the information on the TX Child Care Tools website on a scale of 1-5 ('5' being extremely useful to '1' being not at all useful)?

    ☐ **1 (Not at all useful)**

    ☐ **2 (Slightly useful)**

    ☐ **3 (Moderately useful)**

    ☐ **4 (Very useful)**

    ☐ **5 (Extremely useful)**

17. What is your reason for this rating?

[open ended]

18. How likely are you to use the resources on the TX Child Care Tools Website after coaching is complete?

    ☐ **1 (Very unlikely)**

    ☐ **2 (Unlikely)**

    ☐ **3 (Neutral)**

    ☐ **4 (Likely)**

    ☐ **5 (Very likely)**

CLOSING

19. Thank you so much for your participation and input. Before we close, is there anything else you would like to share? Is there anything that we should have asked?

[open ended]

APPENDIX E: IDENTIFYING AND CORRECTING MISCLASSIFIED SURVEY DATA

Several responses in both the external and internal participant surveys contained cases of misclassification. Misclassification, a type of measurement error, occurs when a participant's response is recorded or categorized into an incorrect category. Measurement error in survey research can introduce unintended bias, particularly when surveys are self-administered, by influencing the association between the variable and an outcome and thereby affecting survey results.

To control for misclassification bias in the survey data, misclassified responses were imputed using a well-known imputation method for ordinal data. Imputation is a technique that uses statistical methods and relevant variables to estimate a value to replace missing or misclassified data. First, misclassified values were manually identified and flagged for imputation. For the external survey, misclassification occurred in both satisfaction and perceived improvement questions, while satisfaction was the only question that contained misclassified values in the internal survey. Flagged values were then treated as "missing" data and imputed using statistical software. Results for the imputed data set are included in Sections 5 and 6 of the report, as well as in Appendix C. Results for the original data set (i.e., with misclassified data) are reported below.

Analysis of external participant survey using original data set

Overall, 4% (9/237) of survey responses contained misclassified data. For example, several participants had low satisfaction ratings despite describing a high level of satisfaction when asked to provide a reason for their rating. In this case, participants may have mistakenly selected "very unsatisfied" instead of "very satisfied" (i.e., the wrong end of the ordered scale) when prompted to rate their level of satisfaction. Results for the two questions that contained misclassified data are shown below using the original data set.

### Reported satisfaction with business coaching

Percentage of participants reporting level of satisfaction with the program
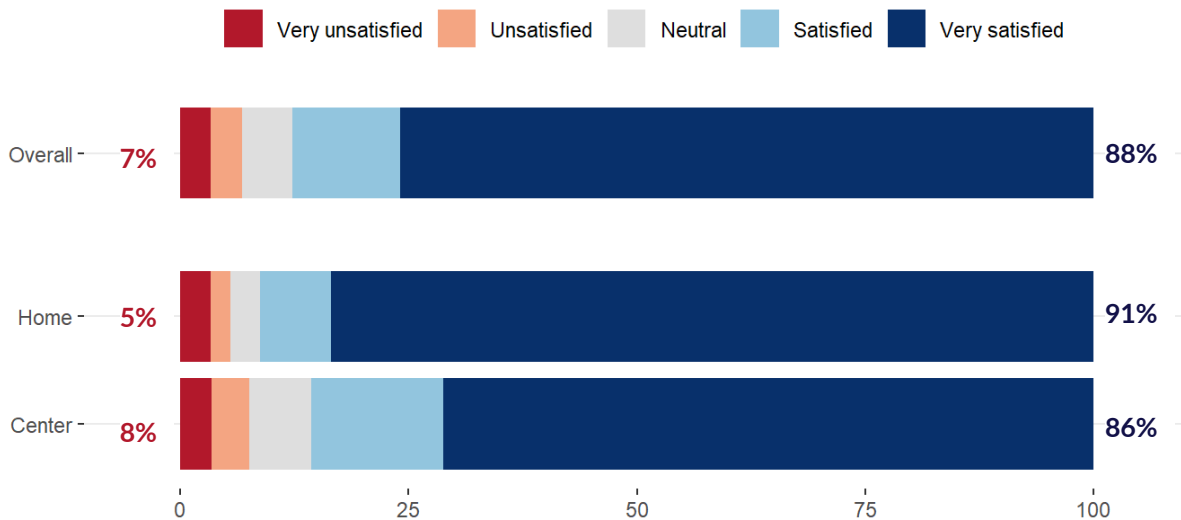
Percentages on either side of bars denote the percentage of providers who were satisfied (satisfied or very satisfied) and unsatisfied (unsatisfied or very unsatisfied).

Perceived improvement in child care operations

Percentage of participants that agreed that the knowledge and skills gained from coaching improved their ability to operate their program

Percentages on either side of bars denote the percentage of providers who agreed (agree or strongly agree) and disagreed (disagree or strongly disagree).
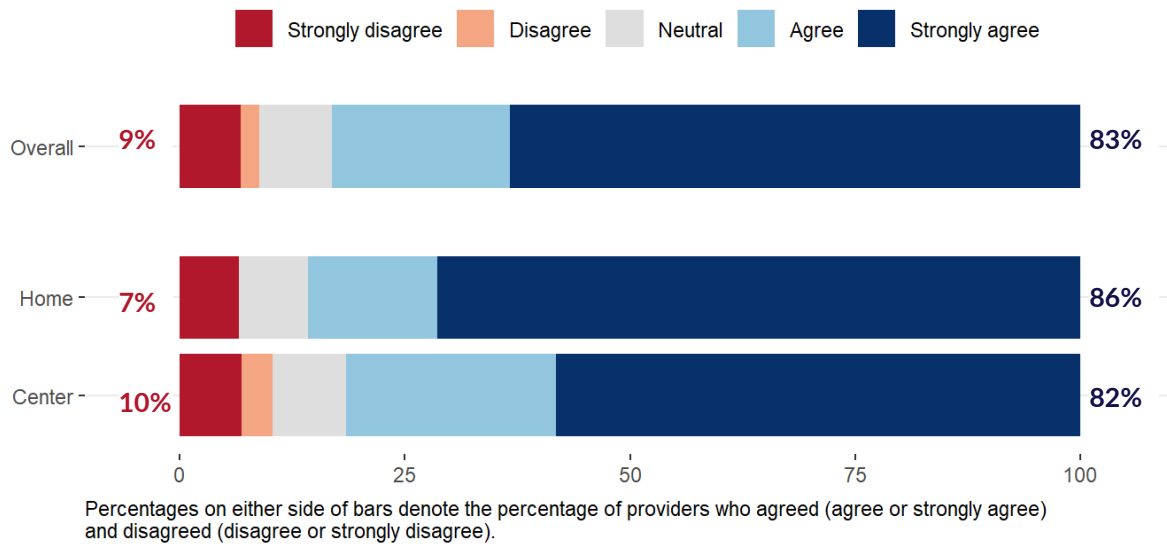
Analysis of internal participation survey using original data set

Overall, 19% (29/150) of participants had misclassified responses for the internal survey, all of which resulted from the satisfaction scale. Again, participants were likely to mistakenly select "very unsatisfied" despite reported high levels of satisfaction throughout the rest of the survey. Results for satisfaction are shown below using the original data set.

Overall satisfaction with business coaching

Reported satisfaction ratings between September 16, 2021 and June 5, 2022

Percentages on either side of bars denote the percentage of providers who were satisfied (satisfied or very satisfied) and unsatisfied (unsatisfied or very unsatisfied).