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Research Brief

Family Child Care Business and Professional Practices: Patterns Across Pre-Pandemic, Pandemic, and Post-Pandemic Assessment Periods

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INTRODUCTION

The home-based administrators of family child care (FCC) programs hold a distinctive dual role as both educators and small-business owners. In addition to facilitating children's learning, development, health, and safety, FCC administrators must operate a sustainable business. These responsibilities include financial management, recordkeeping, family communication, marketing, regulatory compliance, and, in some programs, staff supervision. The quality of these business and professional practices may affect program stability, providers' well-being, financial security, and families' access to high-quality child care.

Although business practices are central to FCC operations, they are often less visible in research and quality improvement efforts than the traditional child care quality features such as the learning environment or adult-child interactions. However, available evidence suggests that many FCC programs operate with limited financial reserves, restricted access to benefits, and scarce administrative support that can potentially affect program quality and stability (Braun et al., 2026; Kabourek et al., 2026; Powers, 2023). For example, because the business revenue often depends on enrollment or attendance and the collection of family-paid tuition and/or publicly-funded subsidy payments, programs can become particularly vulnerable to fluctuations in attendance, delays in payments, increased operating costs, and other unexpected disruptions in child care. Examining national patterns in FCC business and professional practices is therefore essential for identifying common strengths, gaps, and inequities; tracking changes over time; and informing the policies, funding strategies, and technical assistance supports needed to sustain FCC programs.

The COVID-19 pandemic intensified these vulnerabilities across the early childhood education and care (ECEC) sector. Nationally, approximately 27% of FCC providers had closed as of April 2020, although closures varied by state and were not necessarily permanent (Tekin et al., 2022). For FCC programs that remained open, the pandemic placed simultaneous pressure on both revenue and expenses, as enrollment and tuition income declined while health, safety, and operating costs increased (Pattnaik & Lopez, 2023; Tekin et al., 2023). Although pandemic-era stabilization funding and policy flexibilities helped many programs remain

open, these supports were temporary and did not resolve the underlying economic challenges of operating an FCC business (Pattnaik & Lopez, 2023). Little is known, however, about how FCC business and professional practices differed across the pre-pandemic, pandemic, and post-pandemic periods.

RECENT INDICATORS OF BUSINESS AND PROFESSIONAL PRACTICES IN FCC

As stabilization funding ended, FCC professionals continued to report concerns related to compensation, benefits, enrollment, and the affordability of operating their programs (Braun et al., 2026; Kelton & Tenis, 2024b; National Association for Family Child Care, 2025). In the 2025 *State of Child Care Business Survey*, FCC respondents across Iowa, Michigan, Minnesota, Oregon, and Vermont reported lower financial resilience than center-based respondents on nearly every indicator measured (Braun et al., 2026). Across the states, 10% to 28% of FCC respondents reported using personal or retirement savings to support their businesses; 32% to 49% deferred program repairs or maintenance; 16% to 40% were unable to pay bills on time; and 14% to 36% were unable to pay themselves. Of special note, 30% to 67% of FCC respondents reported that business losses negatively impacted their household income. This finding is especially alarming when compared with 20% to 39% of center directors who reported household impact (Braun et al., 2026).

These findings are also consistent with the *National Association for Family Child Care's 2024–2025 Annual Survey*, in which FCC professionals identified benefits, enrollment, and business and financial management as leading concerns. One-third of respondents reported that income from FCC did not fully cover their program expenses, including rent/mortgage, utilities, and supplies (NAFCC, 2026). In addition, 73% indicated they could not afford retirement benefits or health insurance, and nearly half reported they could not afford to hire staff. Survey findings provide timely evidence of ongoing concerns about the financial viability and working conditions of FCC professionals.

A related 2024 research brief, using the Administrator Role Perception Survey-Home Based (ARPS-HB) with a sample of 52 licensed FCC professionals in Illinois, identified ongoing concerns about business-related preparation and working conditions (Kelton & Tenis, 2024a). Two-thirds (67%) of participants reported being unprepared for the business issues they encountered when opening their program. The most frequently reported challenges were job demands, lack of benefits, and difficulty recruiting and retaining qualified staff. Only 65% reported plans to remain in operation for at least two more years, despite high levels of commitment to the work (Kelton & Tenis, 2024a). Although these surveys and descriptive studies document FCC professionals' reported concerns, a standardized, documentation-based measure is needed to assess the quality of the business and professional systems that FCC administrators have in place. The goal of this study is to address this gap by using a valid assessment with a national sample of FCC programs.

The Business Administration Scale for Family Child Care

The Business Administration Scale for Family Child Care (BAS; Talan & Bloom, 2018) provides a systematic approach to measuring the quality of business and professional practices in FCC settings across 10 items, including qualifications and professional development; income and benefits; work environment; fiscal management; recordkeeping; risk management; provider-family communication; family support and engagement; marketing and community relations; and provider as employer.

The BAS makes visible the systems and conditions that support sustainable, high-quality FCC programs and is particularly useful because it moves beyond a narrow focus on financial practices alone. Although fiscal management is an essential component of sustainability, FCC professionals also need access to benefits, risk-management systems, strong family communication, connections to community resources, and, when they employ staff, effective personnel practices. Together, the 10 BAS items capture the infrastructure FCC professionals need to manage the demands of their businesses.

Prior research with the BAS has documented significant variation in FCC business and professional practices. In a national sample of 210 FCC programs assessed between 2018 and 2023, the average overall BAS score was 3.26 on the 7-point scale, slightly above the BAS benchmark for minimal quality (Kelton & Tenis, 2024b). Fiscal management was rated the lowest in the national sample, with an average score of 2.27. Two-thirds of assessed FCC programs lacked a current operating budget, and only one-quarter projected a profit. These results suggest that many providers may operate without financial-planning systems that could help them anticipate costs, set sustainable tuition rates, manage cash flow, and prepare for revenue disruptions (Kelton & Tenis, 2024b).

PURPOSE OF THIS BRIEF

This research brief has two purposes. First, it provides an updated snapshot of the quality of FCC business and professional practices using the reliable BAS tool. It will describe the overall average BAS score and item-level results to identify areas of relative strength and weakness where additional support is needed.

Second, the brief compares BAS results across pre-pandemic, pandemic, and post-pandemic assessment periods to examine differences in overall and item-specific scores.[1] Because these analyses compare cross-sectional samples of FCC programs, the findings reflect differences in national patterns across assessment periods rather than changes within the same individual programs over time.

The findings can help FCC professionals, family child care networks, technical assistance systems, state agencies, funders, and policymakers identify priorities for provider support and understand the system-level conditions that enable or constrain high-quality business practices.

METHODS

Sample

Data were collected using the BAS (Talan & Bloom, 2018) from 359 licensed FCC programs across 20 states and the Commonwealth of the Northern Mariana Islands between 2018 and 2026. Programs collectively served 3,347 children, with enrollments ranging from 1 to 36 (M = 9.06, SD = 5.11). Forty-four percent of the programs enrolled infants, 80% served toddlers, 88% served preschoolers, and 58% served school-age children.

[1] . The “post-pandemic” label should not be interpreted as a period in which all pandemic-related effects had ended. Rather, it reflects assessments conducted after the acute phase of the public-health emergency and during a period when many temporary stabilization supports had expired or were winding down.

Programs offered families a variety of options, including extended or evening care (17%), overnight care (3%), and part-time care (less than 5 days a week) (39%). Seventy percent of the programs served families receiving subsidized child care funding, 14% received Head Start or Early Head Start funding, and 11% were nationally accredited. Twenty-four percent of programs served families whose first language was not English. The majority of the FCC administrators held a college degree; 60% had at least an AA degree, and 32% had at least a BA degree. The majority (54%) had at least 15 semester hours of college coursework related to early childhood education or child development, and 62% had attended at least 15 clock hours of business or management training across their professional careers.

Measures

Data for this study were collected using the BAS, a valid and reliable tool measuring the quality of business and professional practices in family child care programs. It is moderately yet significantly ($r = .35$, $p < .05$) correlated with quality as measured by the Family Child Care Environment Rating Scale in a previous study (Kelton et al., 2014). The BAS includes ten items, each consisting of three to five indicator strands made up of four indicators or statements of quality. Each indicator is aligned with the 1-7 Likert scale and rated as either Yes or No based on the program's ability to meet the indicator criteria.

BAS assessments take an average of three hours. All indicators are initially rated during a two-hour interview with the provider. After the interview, ratings are verified by reviewing the program's documentation. Following documentation verification, ratings are confirmed or updated, and items are scored on a 7-point Likert scale, with 1 considered *inadequate*, 3 = *minimal*, 5 = *good*, and 7 = *excellent*. If the FCC provider is not an employer as defined in the BAS, Item 10 (Provider as Employer) is not applicable. Item scores are averaged to determine a mean BAS score. All BAS assessments were conducted by Certified BAS Assessors who had received extensive training on the tool and achieved interrater reliability of 85% or above with the tool's National Anchors.

Analyses

To examine differences in mean scores across time periods, the sample FCC programs were categorized into three groups based on the date of the assessment: pre-pandemic period assessments conducted between September 2018 and February 2020 (n = 140); pandemic period assessments conducted between March 2020 and May 2023 (n = 108); and post-pandemic assessments conducted between June 2023 and January 2026 (n = 111). The assessment-period boundaries were selected to align with major COVID-19 public health milestones: the World Health Organization's characterization of COVID-19 as a pandemic on March 11, 2020, and the expiration of the U.S. Department of Health and Human Services' COVID-19 public health emergency in May 2023 (CDC, 2023, 2024). It is important to emphasize that the post-pandemic label refers to the timing of assessments relative to the end of the federal public health emergency and it does not imply that pandemic-related operational or economic effects had ended.

Before comparing BAS scores, chi-square tests were used to examine whether program characteristics differed across the pre-pandemic, pandemic-period, and post-pandemic samples. The three samples did not differ significantly in accreditation status, receipt of Early Head Start funding, or the percentage of programs employing at least one staff member. Enrollment also did not differ significantly across the three samples.

However, the samples differed significantly in subsidy participation and the ages of children served. Programs in the pandemic-period and post-pandemic samples were more likely to receive child care subsidies than those in the pre-pandemic sample. The percentage of programs enrolling preschool-age children was highest in the post-pandemic sample, whereas the percentage enrolling infants was lowest in the pandemic-period sample. These characteristics were not included as covariates in the BAS analyses because the brief focused on describing differences across the three samples rather than estimating pandemic effects. Although the samples were similar on several measured characteristics, differences in sample composition and the cross-sectional design limit the extent to which differences in BAS scores can be attributed to the pandemic.

One-way analyses of variance (ANOVAs) were conducted to examine differences in BAS scores across the pre-pandemic, pandemic, and post-pandemic assessment periods. For outcomes with statistically significant omnibus F-tests, pairwise comparisons were based on Levene's test to assess the homogeneity of variances. When Levene's test indicated equal variances ($p \geq .05$), Tukey's Honestly Significant Difference (HSD) procedure was employed. Conversely, when Levene's test indicated heterogeneity of variances ($p < .05$), the Games–Howell post hoc test was used. No post hoc analyses were interpreted for outcomes with nonsignificant omnibus *F*-tests.

FINDINGS

Across the full sample, descriptive statistics indicated generally low ratings of business and professional practice quality, with most items rated at the minimal level across the three time periods. Work Environment emerged as a relative strength, whereas Fiscal Management had the lowest average score in each period. Income and Benefits scores were also consistently low.

Differences in Time Periods

ANOVA results indicated that average overall BAS scores differed significantly across the pre-pandemic, pandemic, and post-pandemic periods, F (2, 356) = 4.16, p = .016, η^2 = .023. Tukey HSD post hoc comparisons showed that overall BAS scores were significantly lower in the post-pandemic period (M = 2.93, SD = 1.19) than in the pre-pandemic period (M = 3.35, SD = 1.23), with a mean difference of -0.41 (p = .023, η^2 = .02). The pre-pandemic versus pandemic comparison and the pandemic versus post-pandemic period comparisons showed decreased scores, but were not statistically significant.

Significant differences across assessment periods were also observed for item-level scores for Record keeping, F(2,356) = 7.34, p < .001, η2 = .04; Family Support and Engagement, F (2,356) = 7.40, p < .001, η^2 =.04; and Marketing and Community Relations, F(2,356) = 7.78, p < .001, η^2 = .04. For each item, the pre-pandemic sample had significantly higher mean scores than both the pandemic and post–pandemic samples. But the pandemic-period and post-pandemic scores did not differ significantly.

Table 1 presents item-level and overall BAS means and standard deviations across the three assessment periods, along with descriptive mean differences, omnibus F statistics, and effect sizes.

Table 1

BAS Scores by Time Period and One-Way ANOVA Results

BAS Item	*M (SD)*			Mean Difference			*F*	*η*2
	Pre-pandemic	During pandemic	Post-pandemic	Pre to During	During to Post	Pre to Post		
1. Qualifications and Professional Development	3.09 (2.04)	3.12 (2.04)	2.79 (1.97)	0.04	- 0.33	−0.29	0.90	0.01
2. Income and Benefits	2.91 (1.81)	2.63 (1.93)	2.47 (1.83)	−0.28	−0.16	−0.44	1.82	0.01
3. Work Environment	5.64 (2.05)	5.76 (1.94)	5.74 (2.05)	0.12	−0.02	0.10	0.14	0.00
4. Fiscal Management	2.21 (2.16)	1.94 (1.83)	1.92 (1.92)	−0.27	−0.02	−0.29	0.82	0.01
5. *Recordkeeping*	4.00 (1.90)	3.18 (2.13)	3.16 (2.01)	−0.82	−0.02	−0.84	7.34***	0.04
6. Risk Management	2.62 (1.77)	2.32 (1.72)	2.42 (1.68)	−0.30	0.10	−0.20	0.96	0.01
7. Provider-Family Communication	3.38 (2.04)	2.96 (1.82)	2.84 (2.13)	−0.42	−0.12	−0.54	2.54	0.01
8. *Family Support and Engagement*	3.18 (2.05)	2.31 (1.81)	2.45 (1.88)	−0.87	0.14	−0.73	7.40***	0.04
9. *Marketing and Community Relations*	3.74 (1.66)	3.17 (1.80)	2.91 (1.74)	−0.57	−0.26	−0.83	7.78***	0.04
10. Provider as employer	2.39 (1.54)	2.33 (1.73)	2.31 (1.90)	−0.06	−0.02	−0.08	0.04	<.00
Overall BAS score	3.35 (1.23)	3.00 (1.26)	2.93 (1.19)	−0.34	−0.07	−0.41	4.16*	0.02

Note. For Items 1–9 and the overall BAS score, *n* = 140 pre-pandemic, *n* = 108 during pandemic, and *n* = 111 post-pandemic (*N*=359); *df* = 2, 356. Item 10 is not applicable to programs with no paid staff; therefore, *n* = 85 pre-, *n* = 49 during, and *n* = 58 post-pandemic (*N* = 192); *df* = 2,189. * = omnibus ANOVA significance level *p* = 0.05, *** *p* <. 001.

All three of the significant BAS items showed a statistically significant difference between the pre-pandemic and during-pandemic period, as well as between the pre-pandemic and post-pandemic period. None of the items showed significant differences between the pandemic and post-pandemic periods. Taken together, the results show that the COVID-19 pandemic-period and post–public health emergency samples had lower average scores than the pre-pandemic sample on Recordkeeping, Family Support and Engagement, and Marketing and Community Relations. Because the analyses compare different cross-sectional samples, these differences should not be interpreted as within-program change or attributed solely to the pandemic.

Table 2

Significant Pairwise Comparisons for BAS Scores

BAS item	Post hoc test	Comparison	Mean Difference	*SE*	Adjusted *p*	95% CI
Recordkeeping	Games–Howell	Pre-pandemic – during	-0.82	0.26	.005	[0.21, 1.44]
	Games–Howell	Pre-pandemic – post-pandemic	-0.84	0.25	.003	[0.25, 1.43]
Family Support and Engagement	Tukey HSD	Pre-pandemic – during	-0.86	0.25	.002	[0.28, 1.44]
	Tukey HSD	Pre-pandemic – post-pandemic	-0.73	0.25	.009	[0.15, 1.30]
Marketing and Community Relations	Games–Howell	Pre-pandemic – during	-0.58	0.22	.027	[0.05, 1.10]
	Games–Howell	Pre-pandemic – post-pandemic	-0.83	0.22	< .001	[0.32, 1.34]
Overall BAS score	Tukey HSD	Pre-pandemic – post-pandemic	-0.41	0.16	0.02	[0.05, 0.78]

Note. Mean differences were calculated by subtracting the mean for the second-listed assessment period from the mean for the first-listed assessment period. Only statistically significant pairwise comparisons are shown. Adjusted *p* values and confidence intervals are from the post hoc test shown in the second column.

DISCUSSION AND LIMITATIONS

This study breaks new ground by examining differences in the quality of FCC business and professional practices across pre-pandemic, pandemic, and post-pandemic assessment samples. Overall BAS scores were significantly lower in the post-pandemic sample than in the pre-pandemic sample. Scores for three items—Recordkeeping, Family Support and Engagement, and Marketing and Community Relations—were significantly lower in both the pandemic and post-pandemic samples than in the pre-pandemic sample.

Overall BAS scores and the scores for the three items with significant omnibus tests did not differ significantly between the pandemic and post-pandemic samples. Taken together, the findings suggest that lower scores in selected areas of business and professional practice persisted in the post-pandemic sample, with no statistically significant differences between the pandemic and post-pandemic samples. However, the absence of significant differences does not suggest that scores stabilized. Because the analyses compare different cross-sectional samples, they describe differences across assessment periods rather than recovery, deterioration, or stability within individual FCC programs.

The BAS ratings were generally low across all three assessment periods, suggesting persistent challenges in FCC business and professional practices. Although post-pandemic averages were lower than pre-pandemic averages on 9 of the 10 BAS items, not all differences were statistically significant. The broader concern is therefore both the differences across periods and the consistently low quality of practices across samples.

The findings have implications for both practitioner support and system-level policy. Generally low BAS ratings across all three assessment periods underscore the need for sustained support for FCC business

and professional practices. Significantly lower scores in Recordkeeping, Family Support and Engagement, and Marketing and Community Relations in the pandemic and post-pandemic samples further identify potential priorities for targeted assistance. FCC professionals may benefit from individualized support in maintaining records, engaging families, and strengthening marketing and community partnerships, alongside broader assistance with fiscal management, budgeting, tax preparation, benefits navigation, and risk management.

Technical assistance alone, however, may be insufficient to address structural barriers to sustainable business practices. Policy priorities to consider include timely and adequate subsidy reimbursement, payment practices based on enrollment rather than attendance, access to affordable health and retirement benefits, and sustained investment in FCC networks and shared-services infrastructure. These supports may help create conditions in which FCC professionals can implement and sustain high-quality business practices.

Several limitations should guide interpretation of these findings. First, the analyses compared separate cross-sectional samples of FCC programs assessed before, during, and after the acute phase of the pandemic. The findings therefore describe differences across assessment samples rather than changes within individual programs over time. These differences may reflect variation in program, administrator, community, or state characteristics, as well as broader conditions during each assessment period. Second, the study cannot establish whether observed differences were attributable to the COVID-19 pandemic, the expiration of stabilization funding, or other contemporaneous policy and economic conditions.

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