## CHAPTER ONE

# Being Businesslike in a Caring Profession

### Chapter Summary

This chapter introduces the importance of businesslike relationships in family child care and the role that written contracts and policies play in those relationships. It explains the tools included in this book and on the accompanying CD to help you create your own customized contract and policies.

Anyone can love a child, but it requires more than love to properly take care of one—and it takes special skills and commitment to care for a group of children of different ages on a day-to-day basis over a long period of time. This is the job of today's family child care provider. It is a unique job that isn't comparable to any other profession.

As a family child care provider, you are a self-employed businessperson who has many responsibilities—caring for children, dealing with clients, and managing a business—all while continuing to care for your own family. Along with the rewards of running your own business, there are also risks involved, such as injury to children, damage to property, or becoming the target of a lawsuit. As every family child care provider knows, this job is far from simple.

## Learning to Balance Caring and Business

To be successful in your business, you will need to establish a professional, businesslike relationship with the parents of the children in your care. This means that you will need to take yourself and your work seriously and treat the parents of the children in your care as business clients, even if they are also friends or relatives. You will be most successful if you are able to distinguish and find a balance between the caring attention required for child care and the businesslike focus required for managing your business.

The purpose of this book is to help you find that balance by explaining how to use written contracts and policies to communicate more clearly and manage your business more smoothly. However, you don't have to follow every one of the suggestions that I make in this book. If the arrangements that you currently have with your clients are working well for you, that's

great. I'm not suggesting that you change anything that doesn't need fixing. I simply recommend that you take from this book the ideas that make sense to you.

On the other hand, over the years I've found that when a provider calls me for advice about a conflict she's having with a client, she often says, "I've been in business for years, and I've never had this kind of problem before!" Since she didn't anticipate the kind of problem that arose, it took her by surprise and she wasn't prepared to deal with it.

Throughout this book I'll provide examples of the kinds of problems and conflicts that can arise between family child care providers and their clients. If you've been in business for a while and haven't experienced these kinds of problems, the examples may give you food for thought—and I hope that they will help you prepare for, or even prevent, potential problems that might otherwise take you by surprise.

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#### Who Is This Book For?

For the purposes of this book, a "family child care provider" is anyone who works out of her home (or another home) caring for one or more children on behalf of the parents. She may only care for the children of relatives or close friends. She may be licensed, regulated, or certified, or she may be exempt from those rules. The information in this book applies to all family child care providers, regardless of their legal status.

Also, each state has different family child care regulations and legal terms; I will use the term "licensing" to refer to any state and local rules that regulate your business. By "licensed provider" I mean someone who meets her state and local regulations, and by "licensor" I mean the person (or agency) who enforces compliance with those rules.

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#### **Don't Treat Your Clients Like Friends**

Some family child care providers find it very difficult to talk about money, rules, or expectations with their clients. One factor that can greatly complicate this is growing so close to the children in your care that you become emotionally involved in their parents' personal lives. This is a mistake. No matter how close you get to your clients, you still have to meet your responsibilities as a business owner—and your clients don't share that priority.

Treating your clients as friends blurs your priorities and makes it more difficult to manage your business wisely. Do you advertise your business by asking "Need a friend?" Does your contract say "If you sign this, I'll be your friend?" Obviously not. By treating your clients as friends, you send the message that you expect them to treat you as a friend, rather than as a businessperson; this isn't what the client is paying you for and makes it difficult to maintain businesslike expectations.

### Parent or Client?

Most family child care providers refer to their clients as "parents"; however, this term refers to the parent-child relationship, not the parent-provider relationship. In this book, I'll use the term "client" when referring to the parent-provider relationship. A businessperson who provides a service does so on behalf of a *client*, and I encourage you to use this terminology. While this may seem too formal at first, it may help you to think more clearly about your business relationships and therefore be more successful in offering high-quality child care.

If you have ever felt disappointed that a client didn't return your overtures of friendship, bear in mind that the problem wasn't with the client. Your clients are looking for good child care, not a good friend. This doesn't mean that you can't have close relationships with your clients. You can go shopping together and do many of the things that friends do; however, you need to keep enough emotional distance that you don't abdicate your primary role as a business owner and caregiver.

On the other hand, you don't need to "go it alone," either. If you decide to make an effort to adopt a more professional attitude toward your business, ask your spouse and children for moral support. Explain the satisfaction you will feel at being a more successful business owner and child care provider, and how adopting more businesslike practices will improve your relationships with your clients, build your family's financial security, and enhance your peace of mind.

## **Do Your Clients Respect Your Business?**

Do you find that some of your clients don't seem to treat family child care as a business? If so, there may be several possible reasons why. The client may have no idea what you do all day, how much his children are learning, how you manage your time, or how many hours you really work.

The child care clients of today are the last generation that didn't have family child care experience as children, and this kind of business is unfamiliar to them. This means that you have a big job to do in explaining it to them. A potential client who enters a child care center can look around and see that it is like a school for small children; but family child care takes place in a private home that doesn't look like a school or business.

And yet, the single biggest reason why many clients don't treat family child care as a business is that their family child care provider doesn't act as if she is running one. Establishing a healthy business relationship by clearly communicating your rules and expectations is necessary for reducing and resolving conflicts and bringing you the respect you deserve and a written contract and policies are the most effective way to do that.

## You Set the Rules for Your Business

As a family child care provider, you are a self-employed businessperson. One of the biggest benefits of this line of work is that you are your own boss and no one's employee. This means that you set your rules and policies, not your clients. You can operate a highly- or loosely-structured program. You can serve hamburgers or vegetarian food. You can care only for infants or exclude them. You can have hundreds of rules that your clients must follow or only a few rules. The type of service that you offer is strictly up to you. This is how it works in any business; your clients don't set the rules for your business, just as you don't tell your bank how to run its operations.

The first step in establishing a businesslike relationship with your clients is deciding how you would like to run your business; once you know that, you can put your policies into written form so that your clients will know what to expect. For many family child care providers, this isn't an easy task. If you feel hesitant about deciding how to run your business, bear in mind that there's no one else to do it for you—there's no director, manager, or supervisor but you. Since it is your business, you are responsible for everything—you are the activity planner, cook, cleaner, rule maker and enforcer, bill collector, salesperson, and manager.

Although it may feel overwhelming to have to make all these business decisions in addition to caring for the children, it falls to you alone to establish and maintain a businesslike relationship with your clients. You are the only person who can set, communicate, and enforce the rules for your business. Your clients will never ask me to teach them a class called "how to pay your child care provider on time."

## What Are Contracts and Policies?

Unlike other books and sample contracts that you may have seen before, this book makes a clear distinction between contracts and policies, and recommends that you do likewise. Why is this important? Although I will explain the answer more fully in chapter 3, basically the advantage of keeping these documents separate is that this gives you maximum flexibility to change your policies when needed as well as maximum legal protection if you ever need to enforce the terms of your contract in court.

Since I will be using the terms *contract* and *policies* throughout this book, it may be help-ful at this point to explain just what I mean by them:

• A *contract* is a binding legal agreement between two people. If you agree to care for a child and the child's parent agrees to pay you for that care, you have made a verbal contract. If you put the contract in writing, it becomes a written contract. When you make a contract, both parties expect the other to live up to the terms of the agreement. If that promise is broken, either party is entitled to seek payment for damages. (In the case of a family child care contract, the parties can only seek damages for the failure of the client to pay or the failure of the provider to deliver child care as stipulated in the contract.)

• In a family child care business, your *policies* are the rules that state (preferably in writing) how you will care for the children, handle specific kinds of situations, and run your business. For example, family child care policies typically cover how the children will be disciplined, what activities will be offered to the children, when meals will be served, how children with special needs will be cared for, and how illnesses and other kinds of emergencies will be handled.

## Legal Disclaimer

You shouldn't consider the legal statements that I make in this book to be my official legal opinion or the last word on the subject. Every situation is different, and if you need legal advice, you should consult an attorney. If you have questions about the practices or legal requirements in your local area, you can ask other providers, your family child care provider organization, your Food Program sponsor, your licensor, or the child care resource and referral agencies in your area.

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## **Tools for Writing Your Agreements**

As an independent business owner, you are entitled to set up your contract and policies however you wish. The only constraint is that you cannot violate local, state, or federal law (see pages 66 and 75). Other than that, you are free to run your business as you wish. Since every family child care business is different, you'll need to decide for yourself what to put in your contract and policies; there isn't one set of terms that will work for everyone.

This book and the CD that comes with it include several tools to help you write your client agreements. In this book, Part II and Part III provide a detailed explanation of the terms and issues that you may want to cover in your contract and policies, including specific language that you can use. The appendixes of this book provide four samples that you can use as a model—three filled-in sample contracts and a sample policy handbook:

- The first sample contract uses only a few simple terms and is offered as a guide for those who prefer to use a basic and simple agreement.
- The second sample contract has more information and is written on an agreement form that you can order from Redleaf Press.
- The third sample contract is an example of a customized contract that you can create using the contract worksheets on the CD that comes with this book.
- The sample policy handbook in Appendix B is an example of a customized set of policies that you can create using the policy worksheets on the CD.

The three sample contracts in Appendix A are explained in more detail in chapter 3 (see page 27).

### The CD That Comes with This Book

To make it easier to create your client agreements, this book comes with a CD that contains editable text for the contract terms and policy options discussed in this book. You can save the files on the CD to your computer and then select the specific language that you want to use. The worksheets on this CD are based on a workbook created by Deloris Friske and Beth Mork, who are family child care providers with many years of experience.

To use the worksheets on the CD to create your contract and policies, first save the worksheet files on the CD to your computer. Open each file, and remove all the options that you don't want to use. Edit the remaining terms and add any other information needed for your business, then format the documents as you wish. You can also customize a copy of the forms for each client. Finally, print out the documents for your clients to sign. (For more detailed instructions, see "How to Use This CD" on the CD.)

### If You Are an Illegal or Unregulated Provider

You can still use written contracts for all the purposes described in this book even if you are an illegal or unregulated provider. However, your contract probably won't be enforceable in court unless you disclosed to the client that you were illegal or unlicensed at the time she signed the contract. If you misled the client about your status, a judge is likely to rule against you. If you informed the client of it, then it probably won't hurt you in court. The bottom line is that written contracts and policies offer the same benefits to illegal and exempt providers who disclose their status to their clients as they do to licensed providers.

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## **Contracts Are the Basis of Business Relationships**

In working with a business client, contracts and policies are used to establish the rules and expectations of the relationship; a businesslike relationship means that both parties follow those rules in good faith and treat each other with respect. On your part, this will require you to keep a certain emotional distance from your clients, which can be hard to do when you're so close to their children. However, that distance is necessary in order to provide the best care for the children and to ensure that you are fairly compensated for your work.

Being businesslike doesn't mean that you have to be rude or unsympathetic in order to deal successfully with your clients. There is no conflict between being a warm, caring person and presenting yourself in an organized, businesslike manner. When negotiating or enforcing a contract with a client, you can be tough without being cold-hearted. Being businesslike simply means sticking to your own rules and setting healthy limits. It is always appropriate to use assertive (rather than aggressive) behavior to state your policies and enforce your agreements. Although you can't please everyone, most of your clients will

come to trust you because you are showing that you have given careful thought to the business of caring for their children.

Although the primary purpose of this book is to explain how to create and enforce written contracts and policies to support your business, it's important to bear in mind that these documents aren't substitutes for good communication. In the next chapter I'll explain that these agreements are actually just one kind of communication tool that you can use to set businesslike expectations with your clients. That chapter will provide the foundation for Parts II and III, in which I will discuss how to write the terms in your contract and policies.