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EVALUATING SHARED SERVICES
Tracking progress to achieve business and pedagogical outcomes

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Shared Services Alliances are partnerships of early care and education (ECE) centers and homes that create an intentional, collaborative structure to share staff, information and resources. Alliances help ECE businesses strengthen their capacity—with both business and pedagogical leadership—to offer sustainable, high-quality care to children.

Evaluation can help ensure a Shared Service Alliance is operating as effectively as possible. A structured evaluation process provides practical information to understand current strengths and weaknesses and to guide continuous improvement.

WHY EVALUATION?

Evaluation is a systematic approach to improving effectiveness. It is typically not a one-time activity, but a continuous cycle of setting goals, collecting data that shows progress towards those goals, and identifying areas of improvement based on those results. By stepping through the cycle of evaluation, Alliances can help strengthen participating centers and homes as well as the Alliance as a whole, ultimately improving the quality and affordability of services for children and their families.

Evaluation generally falls into two categories. Formative evaluation provides ongoing feedback in order to drive ongoing improvement; for example, tracking how new fee collection strategies impact an organization's bad debt over time. Summative evaluation assesses an initiative at the end of a defined cycle to determine whether to continue or expand an initiative (such as implementation of a Shared Services strategy). Summative evaluation might assess how all the providers in an Alliance's portfolio improved on a key outcome, such as boosting enrollment and decreasing vacancy rates, during a particular period of time.

THE EVALUATION CYCLE

For Alliances and child care organizations, it's usually most effective to evaluate as an ongoing cycle rather than a one-time activity. Each step in the cycle addresses a specific set of questions. *(See graphic on next page.)*

GOAL SETTING AND PLANNING

The first step in the evaluation cycle is to identify the overall goals of the evaluation. Key questions to consider include:

- **What goals of the Shared Service initiative will be addressed in the evaluation?** For example, did providers save money or time? Did they increase revenue? Did they re-direct resources from administration to classroom? Did providers improve quality or instructional practices? Is the financial model of the Alliance sustainable?
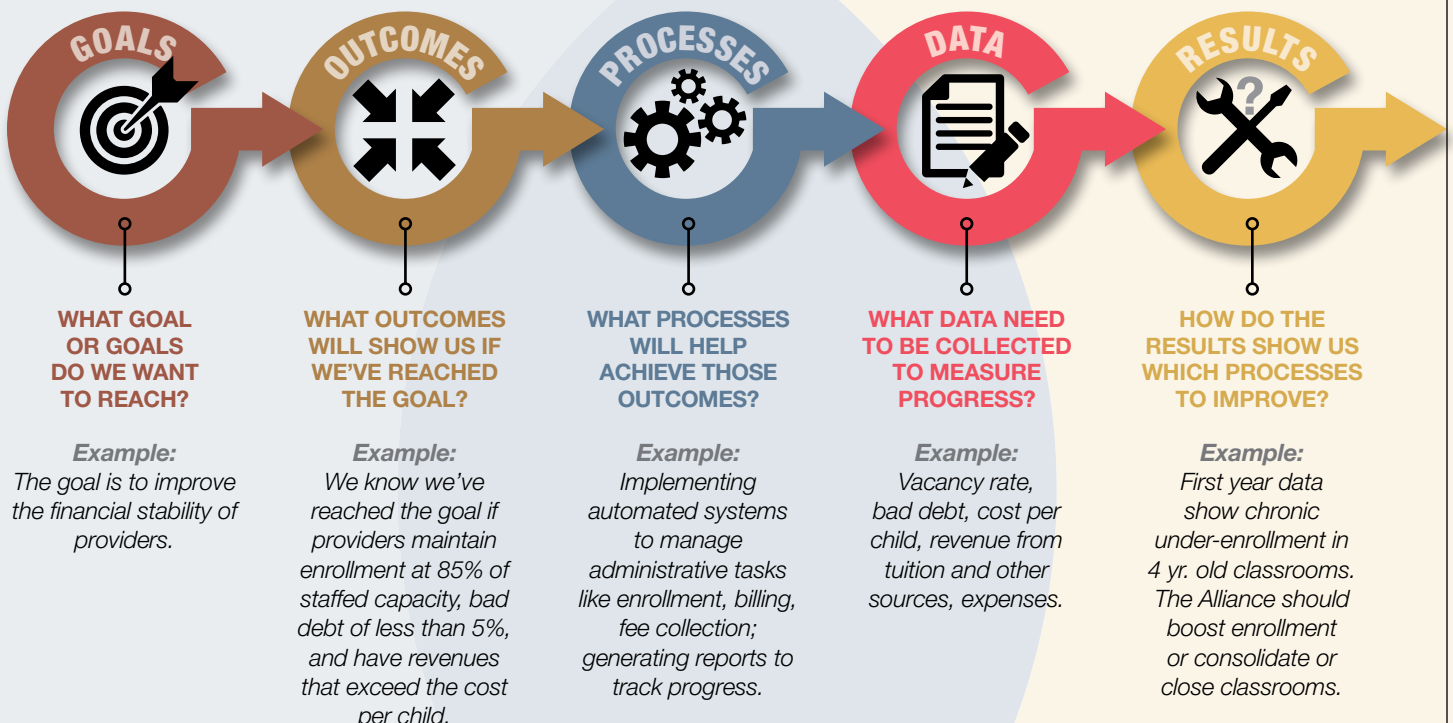
- **What is the scope of the evaluation?** Will all providers that participate in the Alliance also participate in the evaluation, or just a sample of them? Will other organizations (outside the Alliance) be included? What is the time frame of the evaluation and what resources are available?

- **What stakeholders should be involved?** Evaluations can require participation from child care administrators and teachers, funders, families, and content experts. How are these stakeholders being engaged in the evaluation process? What benefits, if any, will they receive from participating?

- **Who will use this evaluation?** Who is in a position to make change based on the evaluation? How will the results of the evaluation be communicated in order to facilitate change?

ARTICULATE HOW THE PROGRAM DRIVES POSITIVE OUTCOMES

Once the overall goals of the evaluation are identified, Alliances must clearly articulate how the initiative is intended to work. First, they must identify the inputs or resources (such as money, staff expertise, or community support) that go into a successful model. Next, they should identify the processes—such as financial management procedures—that are needed to convert those inputs into positive outcomes. Third, they should identify those short- and long-term outcomes that are essential to the overall goal of the program. Short-term outcomes might include teachers having more time for reflection and mentoring, while a longer-term outcome would be stronger kindergarten-readiness scores from children participating in an Alliance. Taking the time to articulate these assumptions helps ensure that necessary data is collected and that the evaluation is focused on the right goals and measurable outcomes.

Ideally, evaluation outcomes should reflect industry best practice. For example, an evaluation with the goal of boosting participation in web-based Shared Services should draw on existing knowledge about what factors drive increased participation in web-based platforms.

The Evaluation Cycle

GOALS

WHAT GOAL OR GOALS DO WE WANT TO REACH?

Example:
The goal is to improve the financial stability of providers.

OUTCOMES

WHAT OUTCOMES WILL SHOW US IF WE'VE REACHED THE GOAL?

Example:
We know we've reached the goal if providers maintain enrollment at 85% of staffed capacity, bad debt of less than 5%, and have revenues that exceed the cost per child.

PROCESSES

WHAT PROCESSES WILL HELP ACHIEVE THOSE OUTCOMES?

Example:
Implementing automated systems to manage administrative tasks like enrollment, billing, fee collection; generating reports to track progress.

DATA

WHAT DATA NEED TO BE COLLECTED TO MEASURE PROGRESS?

Example:
Vacancy rate, bad debt, cost per child, revenue from tuition and other sources, expenses.

RESULTS

HOW DO THE RESULTS SHOW US WHICH PROCESSES TO IMPROVE?

Example:
First year data show chronic under-enrollment in 4 yr. old classrooms. The Alliance should boost enrollment or consolidate or close classrooms.

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IDENTIFY METRICS AND COLLECT AND ANALYZE DATA

The first step of data collection is to identify measures that reflect the outcomes identified in the previous step. These measures must be feasible to collect given the time and resources available. Consider what data are available and when; who will need to participate in the data collection process; and what resources are available to collect and analyze data.

Evaluators should build in ways to easily collect data on an ongoing basis. For example, financial measures like bad debt and vacancies can be collected automatically as part of routine fiscal management and easily reported from automated child management systems. Classroom assessment data could be coordinated with an outside entity, such as the entity responsible for QRIS monitoring. Data on cost savings could potentially come from agency budgets or automated systems but might also require a survey. For evaluations that involve multiple programs, identifying standardized metrics (such as specific quality indicators) will make it easier to compare across programs.

IDENTIFY AREAS FOR GROWTH OR IMPROVEMENT

Collecting and analyzing data alone are not sufficient to drive improvement. In the final phase of the evaluation cycle, data collected are used to identify specific changes or improvements. For example, analysis of enrollment data could suggest a number of management changes including:

- Identifying a staff person to focus on keeping classrooms full.
- Developing procedures or finding automated systems to reduce paperwork so the enrollment process moves more quickly.
- Reducing or combining classrooms if data indicate that enrollment is not likely to increase in the near term.
- Re-structuring staffing to address a pattern of lower enrollment during the summer months.

Determining how to implement these changes may involve board members, industry experts, parents, community representatives, teachers, and funders. These stakeholders should consider questions such as:

- What is the quality of the data collected? Is it trustworthy enough to support decisions we wish to change?
- Who should be involved in the decision making process?
- Are the changes recommended feasible, from a financial, political, and logistical perspective?

Finally, evaluation results and recommendations should be communicated clearly both internally and externally. This step is key to building an organizational understanding of what is working and not working, and to gain the confidence and potential future support from outside stakeholders.

For more information on Shared Services and potential evaluation resources, see the Opportunities Exchange website.

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Libbie Poppick and Louise Stoney are partners at Opportunities Exchange, a nonprofit consulting group that focuses on development of Shared Service Alliances in the ECE sector. Libbie brings over 25 years of business, non-profit and private philanthropy experience to Shared Services. Louise has worked with state and local governments, foundations, ECE providers, industry intermediaries, research and advocacy groups in over 40 states.