SHARED SERVICES AND POLICY APPROACHES: AN OVERVIEW

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Who is Opportunities Exchange?

• Nonprofit consulting group working with ECE sector

• Mission: To improve outcomes for children by promoting the development of Shared Service Alliances
  
  • Technical assistance to ECE providers interested in transforming the business of early care and education
  
  • Work to shape public policy and public financing in ways that incentivize high quality care for young children
Shared Services: Our Core Values

• Every director deserves an administrative team.

• Every teacher deserves pedagogical leadership.

• Every child deserves a reflective teacher.
What is Shared Services?

• A management framework that lets programs be big *where big matters* and small *where small matters*

• A *Shared Services Alliance* is a membership organization through which Shared Services are provided.

• Each Shared Services Alliance responds to the unique needs and characteristic of that community

• All Alliances share the goal of strengthening business and pedagogical leadership by sharing staff, information and resources.

• Alliances can range in intensity from sharing knowledge and resources to sharing data and personnel
Leadership Capacity-Building: Sharing Staff + Resources
Theory of Change: Leadership Capacity-Building

Pedagogical Leadership
- Child development expertise
- Classroom coaching
- Teacher supervision
- Instructional leadership
- Child assessments

Business Leadership
- Full enrollment
- Fee collection
- Cost-per-child calculations
- Fundraising
- Reporting and compliance
- Staffing and structure

High Quality ECE

“Building adult capabilities improves child outcomes” (Jack Shonkoff)
What is Pedagogical Leadership?

- Pedagogical Leaders guide **teaching and learning** in their programs.
- These leaders encourage teachers to carefully **observe, listen, and study** together.
- They help colleagues to see themselves as **researchers** in the teaching and learning process.
Pedagogical Leadership: A New Approach to Professional Development

**FROM**

- Passive recipients of training
  - Internally driven
  - Program and Job embedded

- Goals and expectations established by others
  - Collaborative
  - Continuous Professional Learning and Improvement

- Compliance Orientation
  - Ownership of Professional Learning
  - Co-construction of Goals for Growth and Practice

**TO**
What is Business Leadership?

How programs manage the most important determinants of ECE business sustainability

Maximize Efficiencies – Review practices to ensure the best possible use of resources
Business Leadership: A New Approach to Program Administration

**FROM**
- Manual/paper recordkeeping that takes staff time and is susceptible to errors
- Passive attendance in “business trainings”
- Director or part-time bookkeeper managing finances

**TO**
- Integrated data systems track enrollment, attendance, billing with automation
- Seamless data transfers to reporting systems
- Active application of business principles to organizational financial management
- Skilled financial manager able to generate timely information and analyze business metrics that matter most (Iron Triangle)
The Policy Challenge

• Current policies and practices (licensing, QRIS, professional development, TA, etc.) mirror the impossible business model of small, independent providers with single director responsible for multiple tasks

• Accountability standards focus on inputs rather than outcomes

• Policies can, inadvertently, pose barriers to innovative management and staffing strategies
Policy Reform: Who owns Shared Services?

Shared Service initiatives thrive when there is a healthy balance between organic, provider-driven work and positive pressure from decision making bodies - funders, regulators, etc.
Policy Reform: Roles of Critical Sectors

**Providers**
Create local networks: share data, resources, personnel
- Maximize web-based tools + resources
Be willing to change!

**Policymakers**
Create incentives for providers to join networks
- Embrace automation + fund technology
- Enable pilots to test new strategies for sustainable, high quality programs
Be willing to change!

**Philanthropy & Business**
Support forums to expand information on Shared Services
- Help fund start up costs
- Support cost of technical assistance, R & D, new staffing strategies, etc.
Be willing to change!
Policy Reform: Guiding Principles

• The Paper Trail: Encourage Automation

• Professional Development and Staff Credentials: Re-think Roles, Responsibilities, Required Preparation

• Continuous Quality Improvement: Encourage and Support Leadership at all Levels

• Financial Administration: Encourage Skilled Management Focused on Efficiency and Accountability
Guiding Principle #1

The Paper Trail: Encourage Automation
Encourage Automation: Technology Challenges

Most ECE Providers Aren’t Using Technology Effectively

Provider

- Enrollment (Child Family data)
- Attendance (Subsidy billing)
  - Tuition collection
  - Food program
  - Staff records/Payroll
  - Scheduling
  - Communication w/Families

Government Reporting System(s)

- Licensing
  - QRS
  - CACFP
- CCDF Subsidy
- PD Registry
- HS/EHS
- PreK Reporting

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### Challenges for Providers
- Multiple data needs (regulators, funders, family/child, staff)
- No simple interface with technology for public reporting, billing, accountability
- Overwhelming demands (limited time to focus)
- Under-resourced (and very price sensitive)
- Limited technology experience

### Challenges for Government
- Focus on accountability, compliance, reporting
- Administrative silos = multiple automated systems with different definitions + data elements
- Complex process for technology revision
- Provider error/delay is common and leads to delayed or under-payment

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Encourage Automation: Technology Challenges
Encourage Automation: Technology Solutions

Technology Needs of Providers

- Meal Tracker
- Employee Tracker (payroll, PD, etc.)
- Activities + scheduling
- Fiscal Management Trend analysis
- Purchasing + Bidding
- Communication w/ Families
- Child Care Management System
- Attendance + Billing
- Child + Family Data

Technology Needs of Government

- CACFP
- HS/EHS
- Pre-K Reporting
- PD Registry
- Quality Improvement
- QRIS
- CCDF Subsidy
- Licensing

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State Strategies to Encourage Automation

- Support for purchase/implementation of CMS software
- Allow third party billing for subsidy, CACFP, Pre-K
- Permit the development of API solutions so that child care management systems can seamlessly transfer data into state systems
- Cloud-based Document Management Systems that allow Hubs to manage and the state to monitor
- Financial support + links to ECE Shared Resources (for tools and resources, QRIS supports, cost savings, etc.)
Guiding Principle #2

Professional Development and Staff Credentials:
Re-think Roles, Responsibilities, Required Preparation
Professional Development/Staffing Challenges

• External training events have limited impact on improving teaching practices

• High staff turnover requires constant re-training, loss of investment in both coaching and training

• Small programs struggle to afford the cost of a full time director; directors must wear too many hats

• Many programs cannot afford the cost of staff planning time; little or no access to substitutes/floaters to provide coverage
PD Systems: Re-think Roles, Responsibilities, Required Preparation

Pedagogical Leadership

How do we encourage and support JOB-EMBEDDED professional development? What staffing structures best support reflective teaching?

Business Leadership

How do we encourage reflective, DATA-DRIVEN administration? What knowledge, skills, staffing structure is needed?

High Quality ECE
State Strategies to Strengthen Pedagogical + Business Leadership

• Support Directors with PD (Credential) that encourages specialization and deep knowledge/skills in Pedagogical –OR– Business Leadership

• Offer options to learn about/implement Job-Embedded Professional Development (JEPD)

• Award training ‘credit’ for JEPD (site-based coaching, reflective supervision, communities of practice)

• Revise licensing and QRIS standards to focus on business and pedagogical leadership tasks, not seat time.
  • Make it possible for networked centers + homes to share staff
  • Acknowledge value of shared staff in QRIS point systems
Guiding Principle #3

Continuous Quality Improvement:
Encourage and Support Leadership at all Levels
“Supporting reflective practice at scale—across one site or multiple, linked sites—requires more than compliance with standards, or teachers with credentials, or a coach who comes to visit the center a few weeks a year.

Effective reflective practice requires an organizational structure that provides time and space for teachers to plan, organize, think, meet and talk about the complex task of caring for children.”

 Deb Curtis and Margie Carter, 2010
Continuous Quality Improvement
Challenges

External Coaching is...
- Limited in time and content and doesn’t allow for sustained relationships or focus on teaching
- Typically focused on a single classroom and not the whole center

External Coaching is NOT...
- Conducive to peer learning or sustained site-based “communities of practice”
- Effective in boosting instructional leadership scores (CLASS)
- Useful in settings with high staff turnover
Continuous Quality Improvement: A Network Approach

Traditional Approach to CQI

Quality Coaching by External Entity

Shared Services Approach:
focused on building INTERNAL CAPACITY for coaching and other quality support

CENTER / HOME A

CENTER / HOME B

CENTER / HOME C

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State Strategies to Encourage Shared Quality Improvement

- Allow an Alliance or network of providers to collectively apply for funding to support an internal, shared quality coach.
  - Dollars allocated for external coaching could be combined and re-directed to support coaching staff embedded in a program.

- When possible, schedule external coaches or TA providers so that they serve centers and homes in ‘cohort’ groups and encourage collaborative work.
  - e.g. all sites that are part of a multi-site center, Alliance or family child care network could be assigned the same coach

- Consider establishing a new pathway for QRIS rating that enables a multi-site early care and education organization or a Shared Service Alliance to apply for a rating collectively.
State Strategies to Encourage Shared CQI: How is it Possible?

What would it take for a network of affiliated centers or homes to collectively apply for a QRIS rating?

- Compliance paperwork provided by collaborative entity (Hub)
- Standards apply to network as a whole (not each site individually) which enables staff to be shared across sites and still accrue “points” on QRIS
- Quality verified by classroom assessments conducted at each participating site
- Rating is Alliance-wide and no classroom (or home) may have a score below the minimum threshold for QRIS level
Guiding Principle #4

Financial Administration: Encourage Skilled Management Focused on Efficiency and Accountability
Financial Administration Challenges

Current ECE policy is based on assumptions that child care markets work and small child care businesses can succeed.

- To meet NAEYC accreditation standards a center must serve at least 100 children, maintain enrollment at 95% or higher, and collect all fees in full just to break even.

- ECE financial sustainability requires constant focus on the “Iron Triangle” plus skilled leadership to track financial trends + benchmarks

- Most public child care $ is administered as vouchers, and based on market prices, which makes it difficult for a program to secure the stable revenue needed to provide high-quality.
Reflective Administration: Focus on Efficiency and Accountability

- Effective ECE business leaders have deep skills in administration and fiscal management

- Knowledge that goes far beyond the few generic college courses in administration that are typically required to obtain a Director Credential

- Effective ECE business leaders know how to gather + analyze key data, establish administrative benchmarks, track trends, predict and prevent fiscal challenges, stay focused on the Iron Triangle, and more
State Strategies to Encourage Skilled Fiscal Management

- Ensure that third party billing for all public funding streams is permitted
- Ensure that the definition of “site director” does not discourage shared administration
- Start-up funding for center-or home-based provider networks that share administrative staff
- Award priority points when providers collaboratively respond to an RFP for grants or contracts
- Contract with provider networks for slots, to strengthen sustainability
Putting it all Together: A Potential Pilot

• States could help develop and fund a pilot aimed at testing a Shared Services Alliance that:
  • Maximizes automation
  • Takes responsibility for compliance reporting data for all sites
  • Manages contracted slots for participating centers or homes
  • Models the benefits of shared staffing

• The pilot could be limited to top-quality providers that agree to:
  • Gather and track business + pedagogical metrics across sites
  • Work with state-level staff to identify and test new process and accountability measures linked to efficient operations
Summary: What States Can Do

Encourage Automation
- Encourage use of Child Management Systems and centralized (Hub) business services
- Link these to state reporting & billing
- Maximize use of Shared Services platform as a Resource and Knowledge Hub

Re-think Staffing
- Small sites share leadership
- Recognize time spent in reflective supervision or applied learning
- Focused/specialized Director PD (Credential) Business and Pedagogical

Continuous Quality Improvement
- Start-up funds, priority in grant applications
- Shared quality coaches
- Single quality rating for Network as a whole

Skilled Financial Management
- Iron Triangle as benchmark for sustainability
- Contract with networks for slots
- Encourage shared business leadership
For More Information

Visit the Opportunities Exchange website:

http://opportunities-exchange.org/

Examples of policy resources on the Shared Services Central page:

• Shared Services and Policy Approaches: An Overview
  Post URL when available

• CCDF Requirements and the ECE Shared Resources Knowledge Hub

• Quality at Scale Across the US: Supporting Sustainable, High Quality ECE