You Expect Me to Change?

The Role of Change Management in Shared Services Work

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Agenda

- Brief Overview of Richmond Area Services Alliance (RASA)
- What the Data tells us about Needed Change
- Change Resistance Factors
- Moving toward Best Practices (aka – Leading Change)
- Discussion
Richmond launches a Shared Service Alliance

- Community Factors caused program closure
- VECF raised grant $$ to launch an Alliance
- CA selected as Hub; 3 founding members
- Procare selected as Common data platform
- First 6 months: Collecting data: Iron Triangle and staffing

What the Data Tells us about Needed Change

<table>
<thead>
<tr>
<th>Allocation of Personnel budget</th>
<th>Enrollment Rates</th>
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<tr>
<td><strong>Allocation of Personnel</strong></td>
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<tr>
<td>Support</td>
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<tr>
<td>Direct</td>
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<td>Admin</td>
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<tr>
<td>35%</td>
<td>75%</td>
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<tr>
<td>17%</td>
<td>89%</td>
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<td>48%</td>
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What the Data Tells us about Needed Change

Fees cover the cost of care

Addressing Revenue

- Decrease bad debt
- Reconciling subsidy reimbursement
- Increased reimbursement rate through licensure
- Re-set tuition rates

Recommended Change

- Fully implement Procare to save labor time and improve accuracies and collections
- Reduce the # of non-classroom staff (>20%) by improving business efficiencies
- Reduce the gap between cost of care and revenue
- Improve enrollment rates to 90-95%
### Change Resistance Factors

#### Relationships
- ECE staff driven by relationship rather than data

#### Classroom Environment
- Staff-child ratios kept low for teacher preference/classroom challenges

#### Technology Aversion
- Automated sign-in/collections viewed as impersonal

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### Change Resistance Factors (continued)

#### Family well being
- Families will be harmed by enforcing payment policies, adjusting tuition

#### Trust
- Unwilling to turn over financial management/confidential data (salaries) to an outside entity

#### Loyalty
- Reluctance to separate from long serving staff to improve efficiency
Moving toward Best Practices: Leading Change

It Takes Time

Phases of Implementation
• Exploration
• Installation
• Initial Implementation
• Full Implementation takes a minimum of 2-3yrs.

Recruit/Select Wisely

• Who has the qualifications (academic, experience)?
• What personal characteristics are needed (e.g., willingness to learn something new, try something new, knowledge of the field, willingness to challenge status quo, innovate)?
• Are there extra demands for those who are selected?
Leadership Qualities

Essential characteristics of individuals who lead the organizations involved:

- Who is the strong leader?
- Does this leader have access to the right data?
- Will this leader make decisions and support infrastructure that is needed to change?

Preparation and Training

- Has groundwork been laid in the ECE community?
- Are potential Alliance members ready?
- How do we formally introduce this to participants?
- How will we provide participants with opportunities to practice doing things differently while receiving feedback in a safe environment?
Moving toward Best Practices: 
Leading Change

Measuring Impact: Programs

Data (business metrics) to help with program decisions
- Iron Triangle
- Staff Resource Allocation
- Cash Flow

Classroom/child Outcomes measures
- Classroom scores (CLASS, ECERS)

Measuring Impact: Individuals

Data to help with performance management
- What data will indicate that participants have acquired new skills?
- What data will evaluate the effectiveness of coaches, consultants, mentors?
- What data will evaluate child outcomes improvement?
Where Does the Data Lead?

- Decisions about the use of resources (subsidize change resistant behavior)
- Expectations about timeframe for change
- The role of funders in driving change

Discussion

Questions?
- Comments?
- Ideas?
More Resources

Opportunities Exchange website:

https://opportunities-exchange.org

• Profiles of current Alliances
• Tools such as templates of management agreements
• Articles and presentations
• Videos and multi-media