

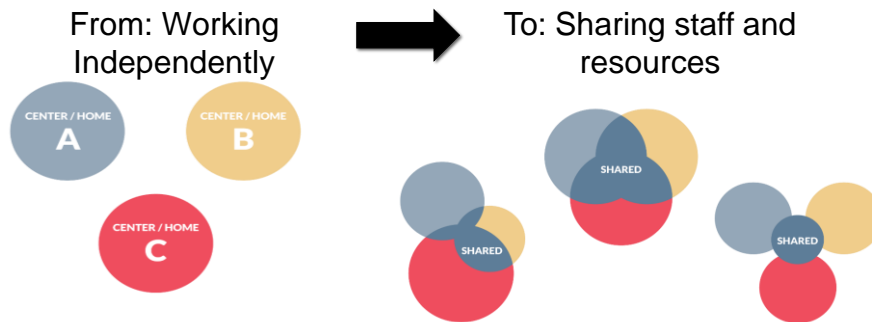
# Shared Services: Getting Started

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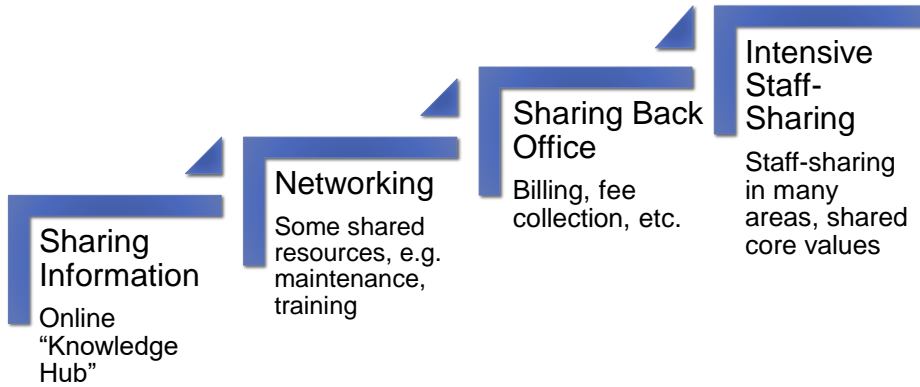
## A Strategy to Build Capacity



With Shared Services, programs can be **big** where big matters and **small** where small matters

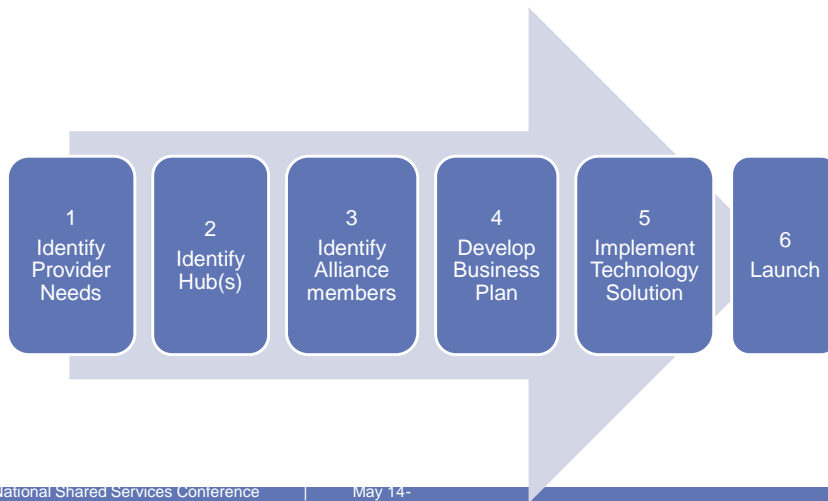
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# A Range of Approaches



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While every group and every community is different, the work to develop an Alliance usually involves the following steps:



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## 1. Understand Provider Needs

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- Are there too few high quality child care “slots” available?
- Are too many providers, especially of high quality, closing?
- Is there lack of sufficient qualified staff?
- Do providers lack capacity in business and administrative practices that could help increase revenues and reduce costs?
- What are the root causes of these issues?



## 1. Understand Provider Needs (cont'd)

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- Too-low subsidy and/or private tuition rates often cited as key source of problems, but reality often more complicated
- Important to sort out capacity issues for which Shared Services can provide a solution
- Variety of ways to learn about provider needs, e.g.:
  - Individual interviews
  - Online survey
  - Focus groups



## 2. Identify One or More Hubs

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Focus on organizations that have capacity/ability.

- ECE organizations that have key strengths in pedagogical and/or in business leadership, e.g.:
  - Large successful child care program
  - CCR&R or other child care intermediary
- Non-ECE organizations with vested interest in building ECE capacity, and strong in business practices, e.g.:
  - Back-office or property management organization
  - Community or family foundation with a deep local ECE connection
  - Human services agency whose mission “connects” to ECE



## Characteristics of Successful Hubs

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- Characteristics of successful hubs
  - Mission driven
  - Fiscally sound, efficient and effective
  - Willing to innovate
  - Supportive board
  - Effective, qualified staff
  - Trusted within the community
- Successful hub does NOT need to be:
  - Located in the community
  - ECE provider



### 3. Identify Interested Members

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However they come together, providers must recognize and embrace the following principles:

- Open to operating differently than in the past, including willingness to re-configure and possibly reduce staff
- Trust among and between members and the Hub(s) is present or quickly established
  - Members will need to share information and data, related to children/families, the organization, and financials, with the Hub for meaningful business leadership to occur.
- Shared values around program and quality issues



### 4. Develop a Business Plan

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Business Plan includes at least the following elements:

- Governance structure, including:
  - Roles/responsibilities of all partners
  - Structure – organization chart delineating relationships
- Description of initial services to be shared
- Staffing – who will do the work?
- Cost – start-up expense and at least 2 years' operating expense
- Metrics – what data tracked, how to measure success?
- Implementation timeline

## Alliance Sustainability

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## Alliance Sustainability

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Most Alliances need funding to support 3 essential phases:

- Planning/Feasibility study
  - Can be performed by staff from agencies interested in starting Alliance
  - Since limited staff time is often at issue, a planning grant can be helpful
- One-time startup costs, e.g.:
  - Hardware and IT support to create common technology platform for automating business practices and sharing data
  - Consulting services for meeting facilitation, drafting legal documents, etc.
- Initial operating expense
  - Cost of staff to gather financial data, analyze and report findings, develop action steps with member agency to reduce expense/increase revenue
  - Cost of staff for due diligence tasks to find cost-effective solutions for Alliance-wide needs



## Alliance Sustainability

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- Important ingredients in sustainability pathway: ability for member agencies to reduce expense, particularly the cost of administrative staff.
- Hub should be able to perform administrative tasks in less time and with fewer errors than administrative staff at each individual organization
- Through use of automation tools and economies of scale, the cost of these services driven considerably down
- **Members only benefit if they reduce administrative staff; failure to reduce staff (costs) at each member site will likely consign Alliance to failure.**



## 5. Implement Technology Solution

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- Improving the financial position of child care programs requires business leadership that helps reduce the cost of operations and improve revenue for member agencies.
- These tasks require Hubs to use business automation and data sharing tools to access financial and program information of each member agency
  - Alliance members must therefore utilize a cloud-based software system
  - Off-the-shelf systems such as ProCare, Smart Care, and others can meet Alliance technology needs



## OppEx Startup Resources

- [Shared Services Startup Kit](#) and [Multi-Site Startup Guide](#)
- Profiles of many Shared Service Alliances across the US at [Alliances in Action](#)
- Tools and Resource topics related to startup at [Shared Services Central](#)
- [Shared Services info-graphic](#) and [Shared Services 101](#) presentation
- [Shared Services Podcast](#): short talk on how and why Shared Services benefits the ECE industry



## Resources on OppEx Website

### “Shared Services Central”

- + Multimedia
- + Articles, Blogs, and Presentations
- + Shared Services 101
- + Alliance Design & Business Planning
- + Management Agreements
- + Governance and Organization Structure
- + Alliance Services & Activities
- + Web-based Alliance Tools
- + Business Leadership
- + Pedagogical Leadership
- + Job Descriptions & Organization Charts
- + Fundraising & Evaluation
- + Policy





## Battle Creek Shared Services Alliance

- **Launched:** 2017
- **Membership:** Launched with 3 centers; currently at 5 centers
- **Staffing:**
  - PT Education Coordinator
  - FT Billing Specialist
  - PT Pedagogical Leader
  - PT Ex. Director –Business
  - PT Ex. Director - Pedagogy
  - PT program manager/funder liaison
  - Alliance employs subs in the sub pool
- **Services:** Accounting; reporting; human resources support; tuition, subsidy, and CACFP billing; centralized marketing and enrollment; substitute pool; behavioral health supports; pedagogical coaching, training, curriculum and materials
- **Contact:** Mary Gehrig, mary@bccfoundation.org



## State Early Learning Alliance of New Hampshire

- **Launched** informally in 2006
- Hired staff in 2009 thanks to funding from United Way of the Greater Seacoast
- **Membership:** 35 members statewide
- **Staffing:** PT State Director, PT Coaching for centers
- **Services:** Web platform, discounts on insurances, heating fuel, electricity, copier leasing, trash removal and auditing. Human resource TA, legal services, vendor procurement and facility project bidding and project oversight, 24 Hour emergency maintenance hotline, property safety inspections. Discounted community college ECE and business courses and leadership workshops that are free to staff due to NH Job Training Fund grant (the center pays). Some discounts extend to staff and families, saving them each \$1,000+ per year.
- **Contact:** Cellissa Hoyt, choyt@earlylearningnh.org