

Shared Services: State Policy Approaches to Help Strengthen Early Care and Education for Infants & Toddlers

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Shared Services: State Policy Approaches to Help Strengthen Early Care and Education for Infants & Toddlers

Pritzker Children's Initiative
December 3, 2018

Presenters:
Karen Murrell
Sharon Easterling
Louise Stoney
Opportunities Exchange

Housekeeping

- All participants will be on mute during the call
- To ask questions, type them into the **Chat box**
 - Send chat to **“All participants”**
- Available on the Opportunities Exchange web site after the webinar:
 - Presentation **PowerPoint**
 - A **recording** of this webinar

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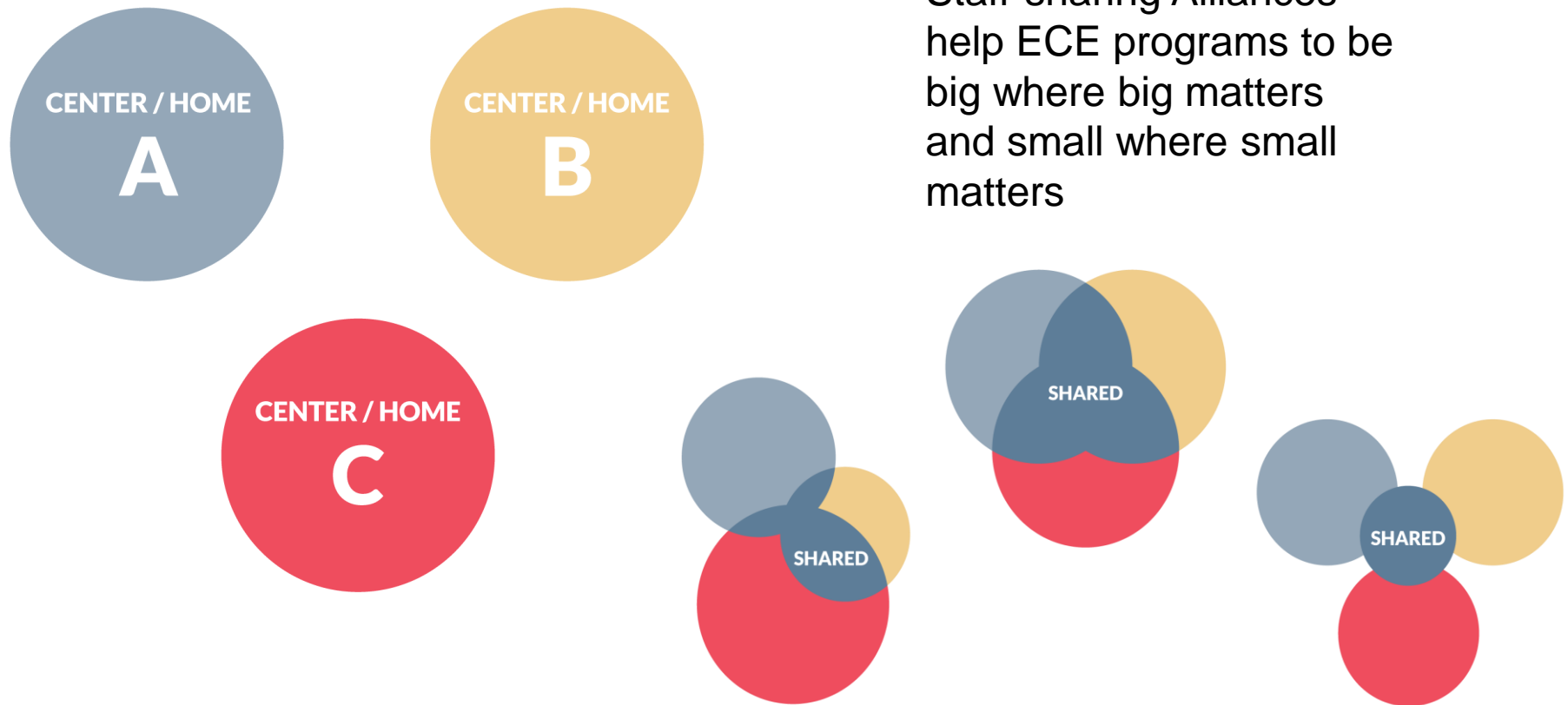


Agenda

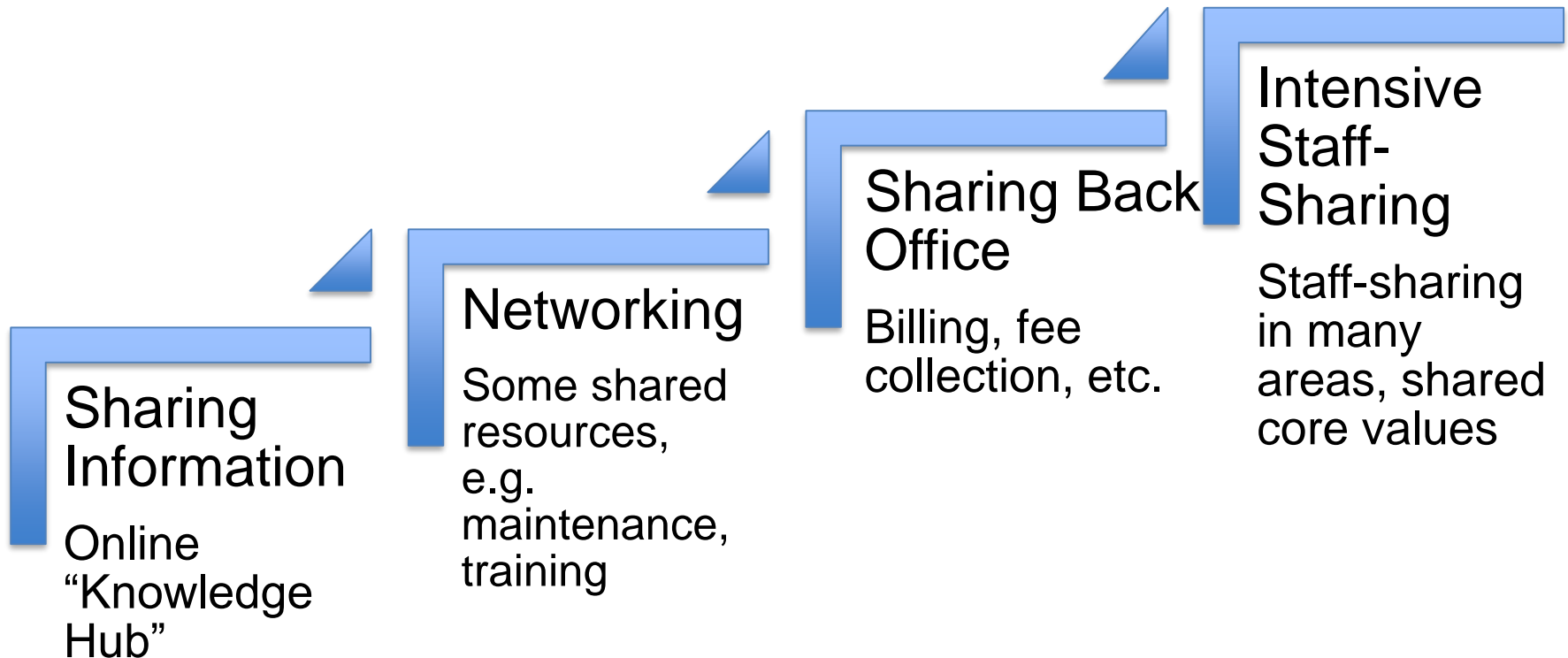
- ◆ Shared Services Goals + Approaches
- ◆ Policy Challenges
- ◆ Guiding Principles for Policy Reform
 - Encourage Automation
 - Re-think Staffing: Roles, Responsibilities, Requirements
 - Continuous Quality Improvement and Leadership
 - Business Leadership: Skilled Financial Management
- ◆ Additional Resources
- ◆ Technical Assistance for Pritzker Community Initiative Teams

Shared Services: Goals + Approaches

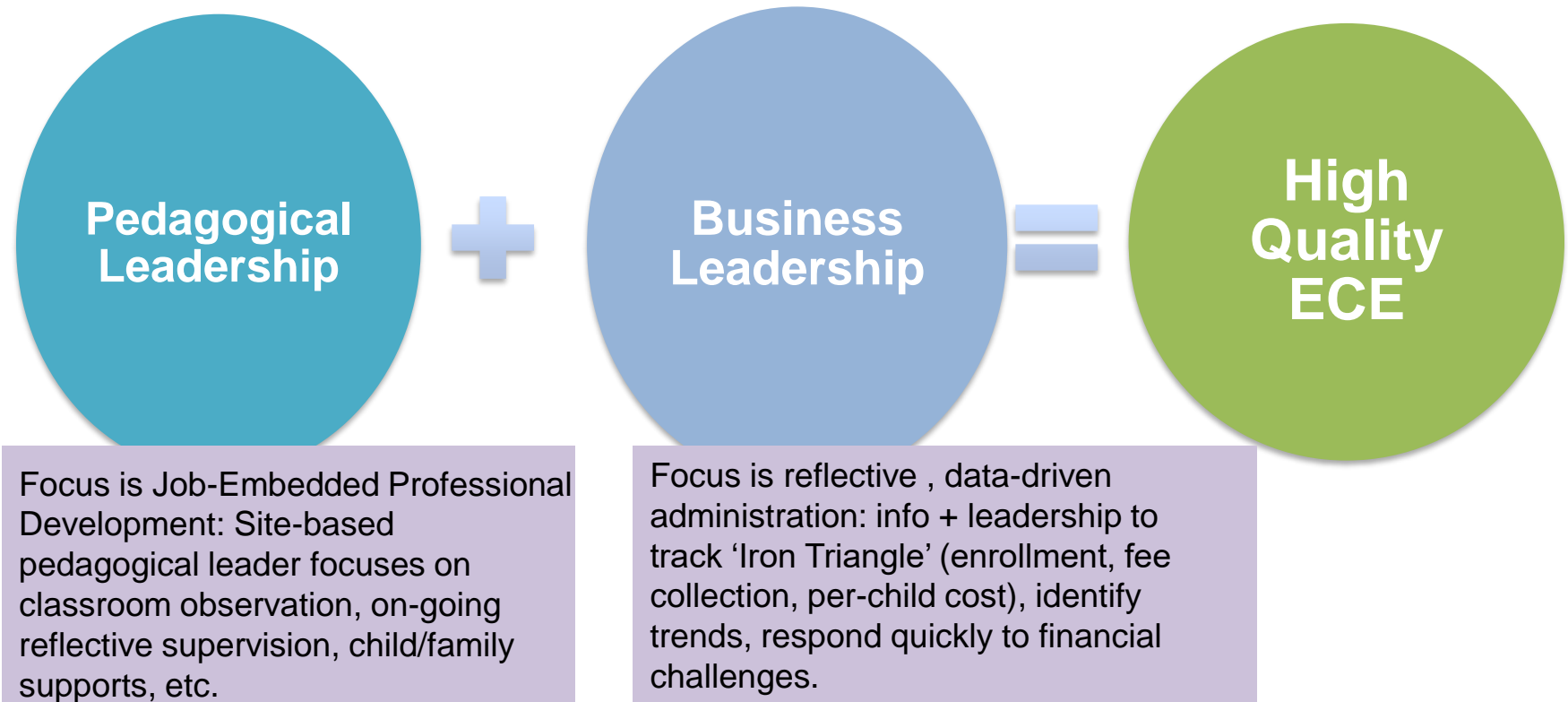
Leadership Capacity-Building: Sharing Staff + Resources



A Range of Approaches



Shared Services in Action: New Approach to Staffing & Leadership



Pedagogical Leadership: A New Approach to Professional Development

FROM → **TO**

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

Business Leadership: A New Approach to Program Administration

FROM → TO

Manual/paper recordkeeping that takes staff time and is susceptible to errors

- Integrated data systems track enrollment, attendance, billing with automation
- Seamless data transfers to reporting systems

Passive attendance in “business trainings”

- Active application of business principles to organizational financial management

Director or part-time bookkeeper managing finances

- Skilled financial manager able to generate timely information and analyze business metrics that matter most (Iron Triangle)

Innovation and Policy are Linked

Imagine if when the Smart Phone was invented....the FCC required:

- That phone numbers be authorized for homes and businesses, but not for individual people; or
- That Apple phones could only connect to Apple phones, Android to Android, etc.; or,
- That mobile apps were developed for each phone and limited to use only that brand of phone (Facebook only used on iPhone, YouTube on Android, etc.)

Under the above conditions, could Smart Phone technology have gone to scale so quickly?

Policy Challenges

The ECE Policy Challenge

Key issues:

- ◆ Current ECE policy can, inadvertently, pose barriers to innovative management and staffing strategies
- ◆ Regulatory & quality oversight typically assume single site-based operation with little reward for efficiency

Solutions found in re-thinking and considering changes in:

- ◆ Technology systems and reporting requirements
- ◆ Professional development and career lattice requirements
- ◆ Quality monitoring
- ◆ Financial management accountability

Who “drives” Shared Services?



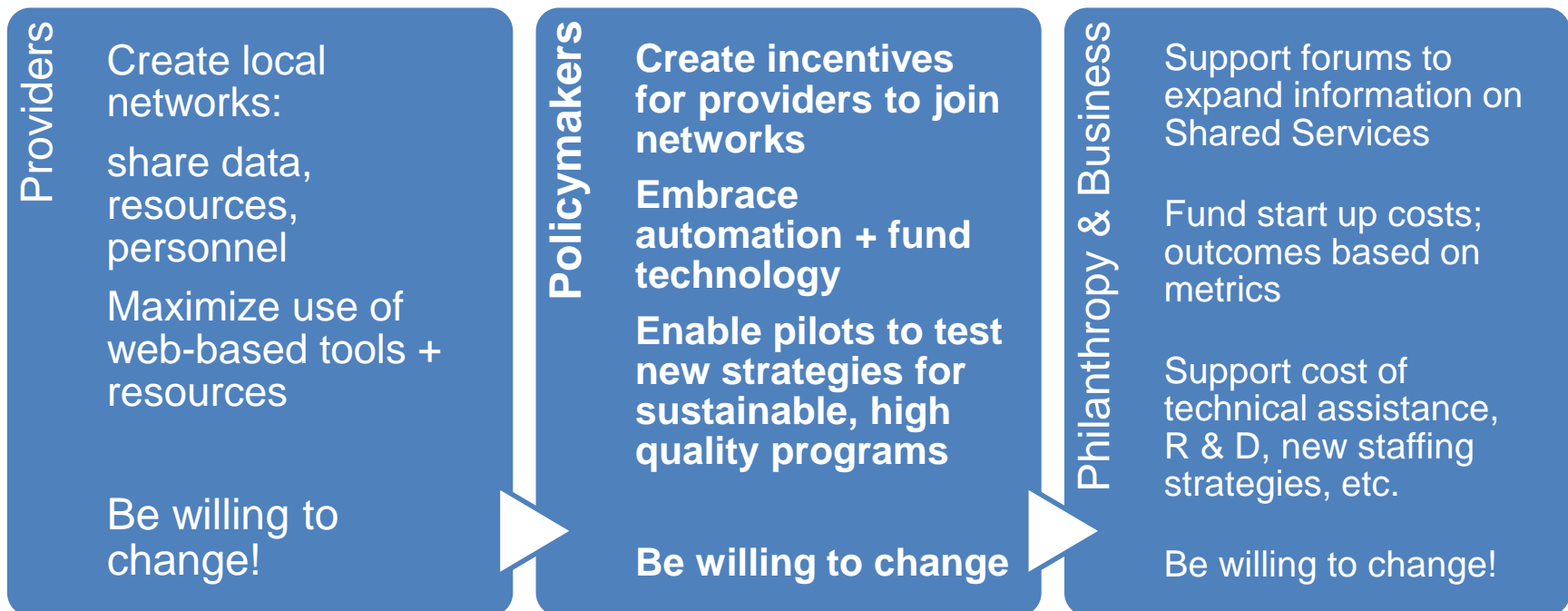
Top
down

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.



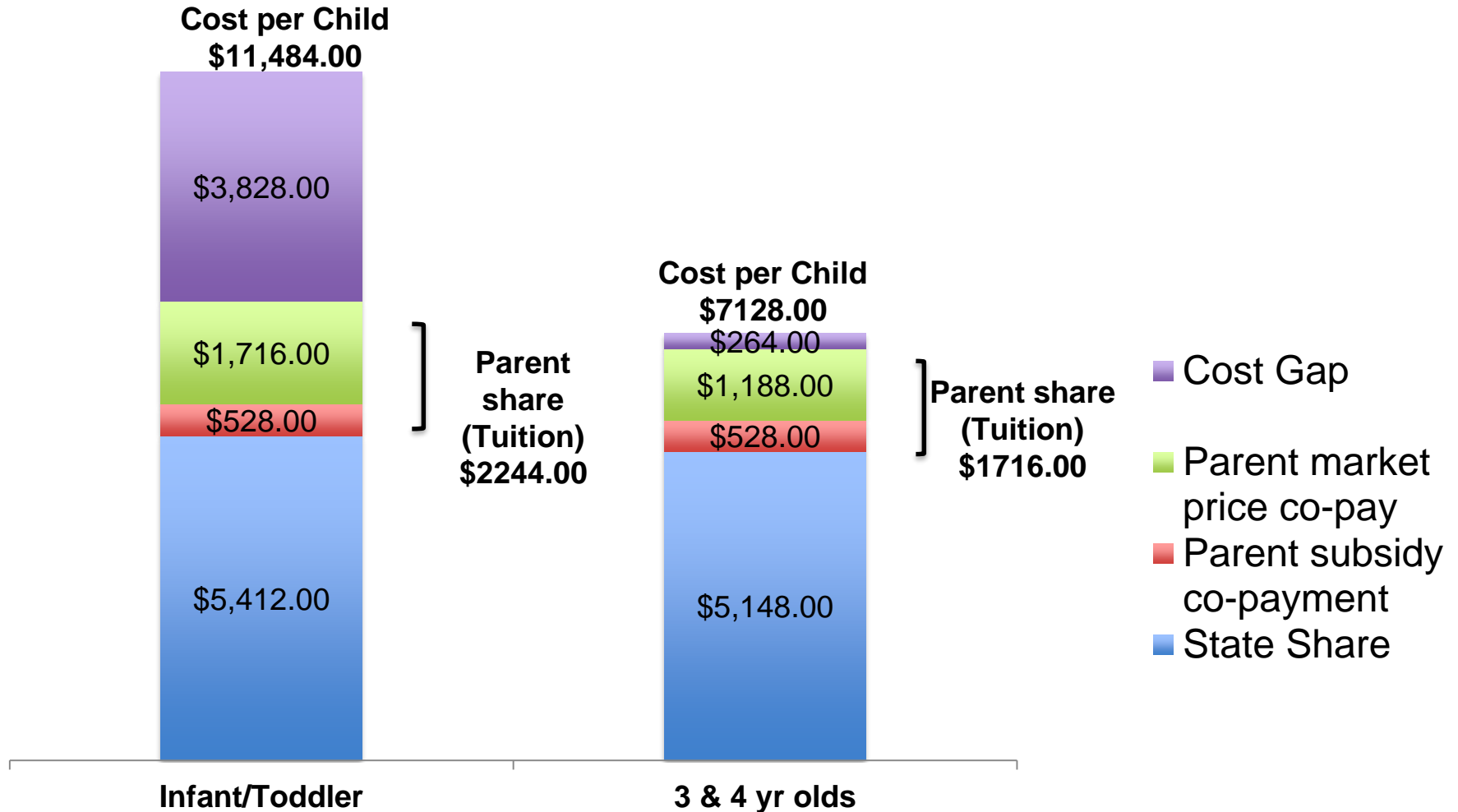
Bottom
up

Roles: Making Shared Services Work



The Cost of Child Care

(Hypothetical example, minimum quality; state CCDF subsidy)



Guiding Principles for Policy Reform

Guiding Principles for Policy Reform

- ◆ 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

Challenges for Providers

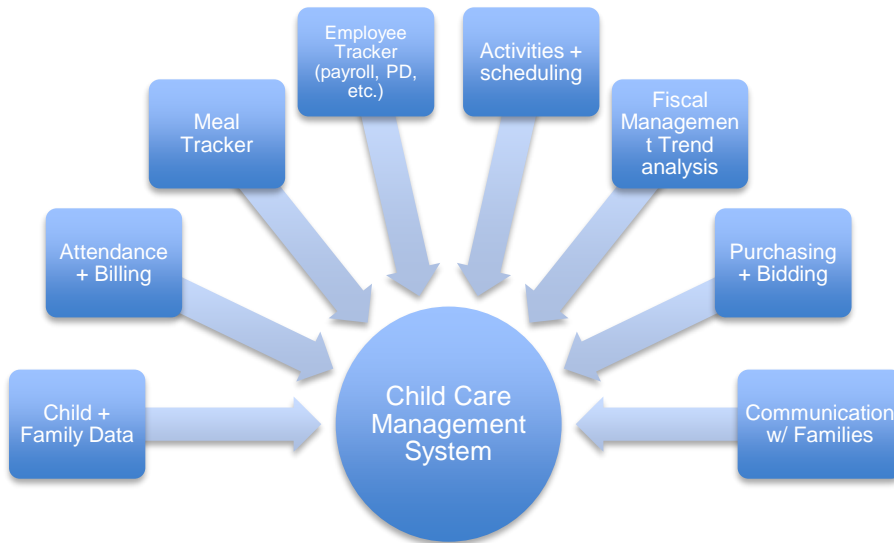
- ◆ Multiple data needs (regulators, funders, family/child, staff)
- ◆ No simple interface with data systems for public reporting, billing, accountability
- ◆ Manual processes and redundant tasks make overwhelming demands (limited time to focus)
- ◆ Under-resourced (and very price sensitive)
- ◆ Limited technology experience

Challenges for Government

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

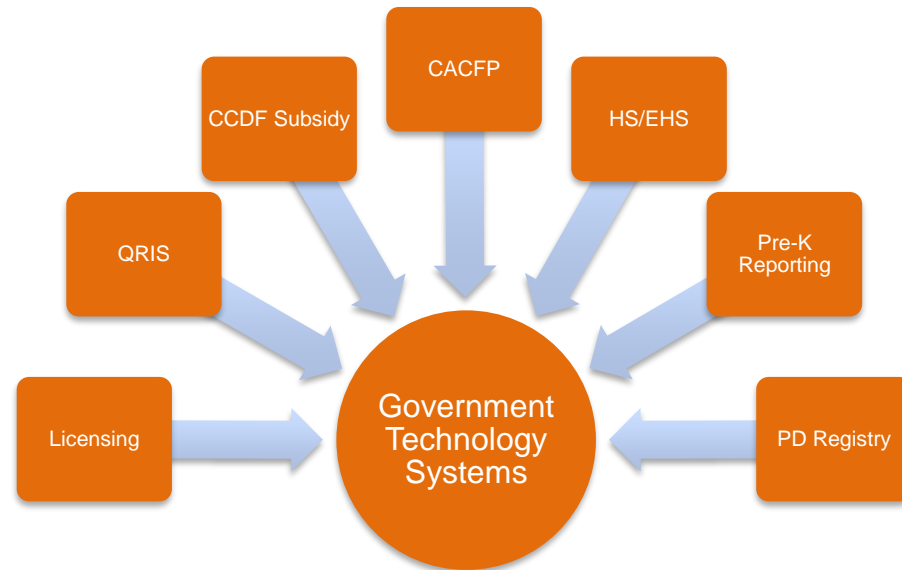
Encourage Automation: Technology Solutions

Technology Needs of Providers



Providers need technology to run their businesses efficiently, but most providers are not using a Child Management System (CMS)

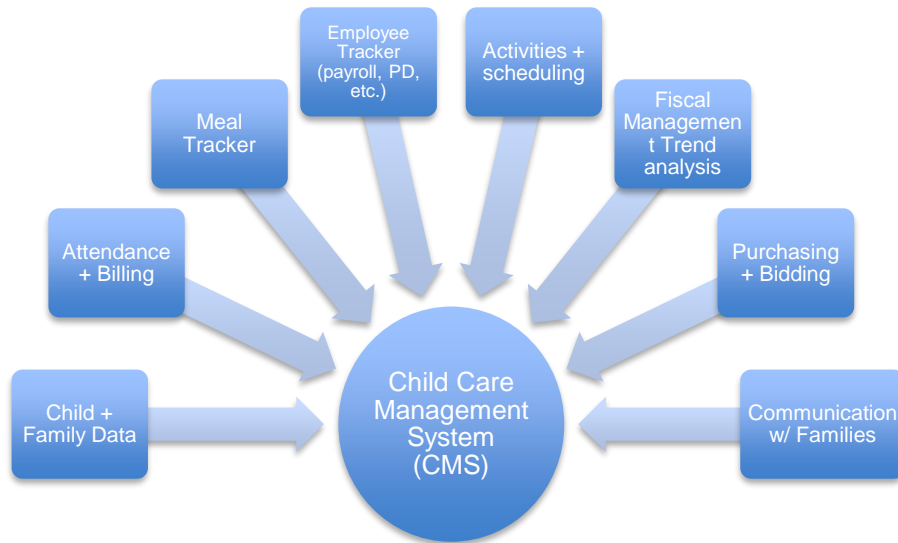
Technology Needs of Government



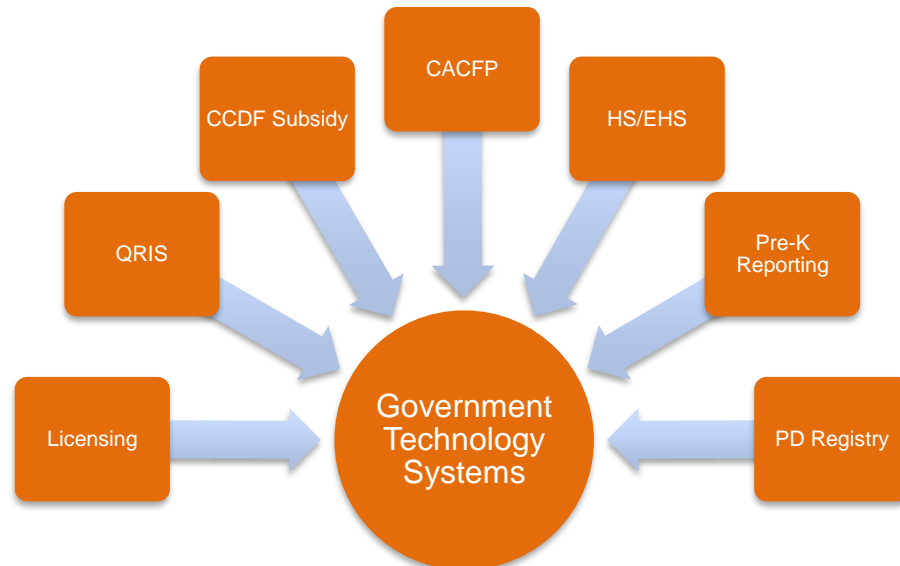
Government needs technology to run efficiently; unfortunately their systems are in silos + require providers to re-enter data into multiple systems

Encourage Automation: Technology Solutions

Technology Needs of Providers



Technology Needs of Government



Goal → transfer data seamlessly from one system to another

Policy Strategies to Encourage Automation

- ◆ Support for purchase/implementation of CMS software
- ◆ Allow third party administration for subsidy, CACFP, Pre-K, etc.
- ◆ Permit the development of API (Application Programming Interface) solutions by child care management systems so that data can be seamlessly transferred 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.)

Why Automation Matters for Infant/Toddler Settings

- ◆ Automation saves time, reduces errors, and often results in increased revenue – making it possible to free up dollars to narrow the cost vs. rate gap in infant-toddler care.
- ◆ Automation makes it much easier to calculate cost-per-child by age, so programs can clearly understand and track the cost vs. rate gap in infant-toddler care.
- ◆ Automation makes it easier and more likely that teachers will be able to document children’s development and communicate with parents and families.

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
- Small programs struggle to afford the cost of a skilled, full time director
- Directors wear too many hats; pedagogical leadership & business leadership require very different skills
- Many programs cannot afford the cost of providing staff with paid planning time; and/or have little or no access to substitutes/floaters to provide coverage

Why Professional Development/Staffing Innovation Matters for Infant/Toddler Settings

- ◆ The high cost of infant/toddler care is beyond the reach of most families; Shared Services, (including options like “micro-centers”), could lower costs with shared administration.
- ◆ Many staff who are good with babies feel challenged to secure college degrees/credentials; job-embedded professional development opportunities is a critically important option
- ◆ Staff turnover in infant/toddler rooms is often higher than with other ages. Burnout is common. Compensation is lowest among teachers that work with youngest children.
- ◆ Standards may require infant/toddler staff to hold education credentials, but content is often not relevant to Birth-3 and not tied to compensation increases.

Policy Strategies to Address Infant/ Toddler Staffing Challenges

- ◆ Encourage alternative pathways for professional development
 - Options to earn credit through Job-Embedded Professional Development (JEPD): site-based coaching, reflective supervision, communities of practice
 - More flexible college credit, via apprenticeship programs, credit for prior learning, site-based cohorts
- ◆ Encourage alternative staffing patterns
 - Permit shared leadership across a network of ‘micro-centers’
 - Allow Directors’ to specialize in business/pedagogical leadership to better support staff
 - Encourage shared floaters/subs via electronic records
 - Acknowledge value of shared staff in QRIS point systems

Guiding Principle #3

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

Continuous Quality Improvement Challenges

External Coaching is...

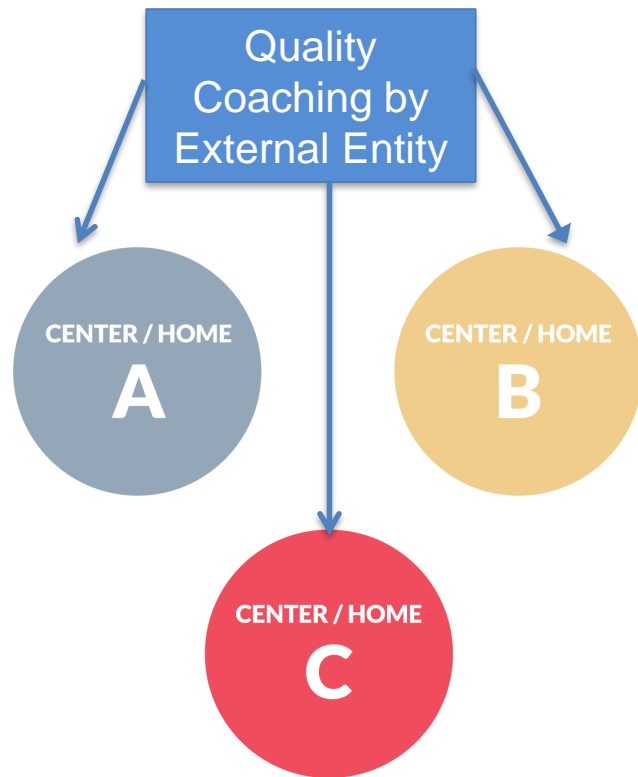
- ◆ Limited in time and content and doesn't allow for sustained relationships that focus on teaching
- ◆ Typically focused on a single classroom; not whole center

External Coaching is NOT...

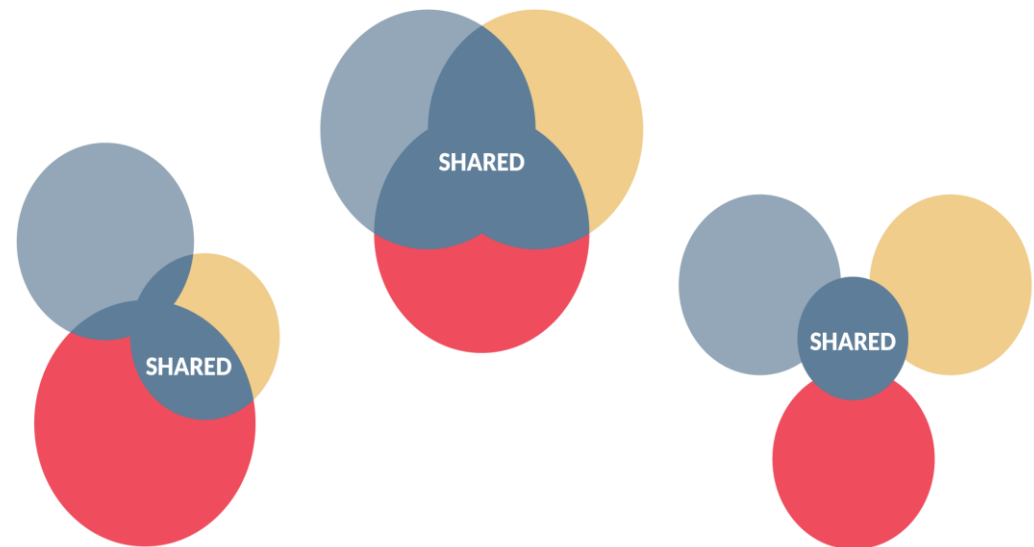
- ◆ Designed to build site-based (internal) pedagogical leadership
- ◆ Conducive to peer learning or sustained site-based “communities of practice”
- ◆ Useful in settings with high staff turnover (nor does it address fiscal or leadership issues that might help lower turnover)

Continuous Quality Improvement: A Network Approach

Traditional Approach to CQI



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



State Strategies to Encourage Shared Quality Improvement

- ◆ Allow Alliance/provider network to apply for funding to support an internal, shared pedagogical leader/coach
- ◆ Schedule external coaches or TA providers so that they serve centers and homes in ‘cohort’ groups and encourage collaborative work.
 - All sites in a multi-site center, Alliance or family child care network could be assigned the same coach
- ◆ Award QRIS points for internal “Communities of Practice” for teachers and site leaders
- ◆ Consider establishing a new pathway for QRIS rating that enables a multi-site ECE 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

New Policy Approaches for CQI in Infant/Toddler Settings

- ◆ If a Family Child Care Network has a job-embedded pedagogical leader (qualified supervisor/coach) who works with them on a regular basis, could this be considered an alternative to meeting education credential requirements (and a strategy to receive higher reimbursement rates where available)?
- ◆ Could a similar approach be used in infant/toddler classrooms in a center involved in an Alliance with a pedagogical leader.

Guiding Principle #4

Financial Administration:
Encourage Skilled Management Focused on
Efficiency and Accountability

Financial Administration Challenges

Current ECE policy is based on the assumption that child care markets work and small centers/homes can succeed. But...

- ◆ NAEYC accredited center must serve at least 100 children, maintain 95% enrollment, & fully collect all fees just to break even.
- ◆ Center sustainability requires constant focus on the “Iron Triangle” plus skilled leadership to track financial trends + benchmarks.
- ◆ Full, consistent enrollment and fee collection is essential to Family Child Care economic success.
- ◆ 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.

Financial Administration Challenges for Infant/Toddler Care

- ◆ Infant/toddler cost vs. rate gap is huge
 - Quantifying the gap and determining how many infant/toddler classrooms are fiscally possible requires careful planning and analysis.
- ◆ Negotiating appropriate infant/toddler reimbursement rates with third party funders requires precise, age-based cost data.
 - Many programs don't even know how much money they are losing on babies.

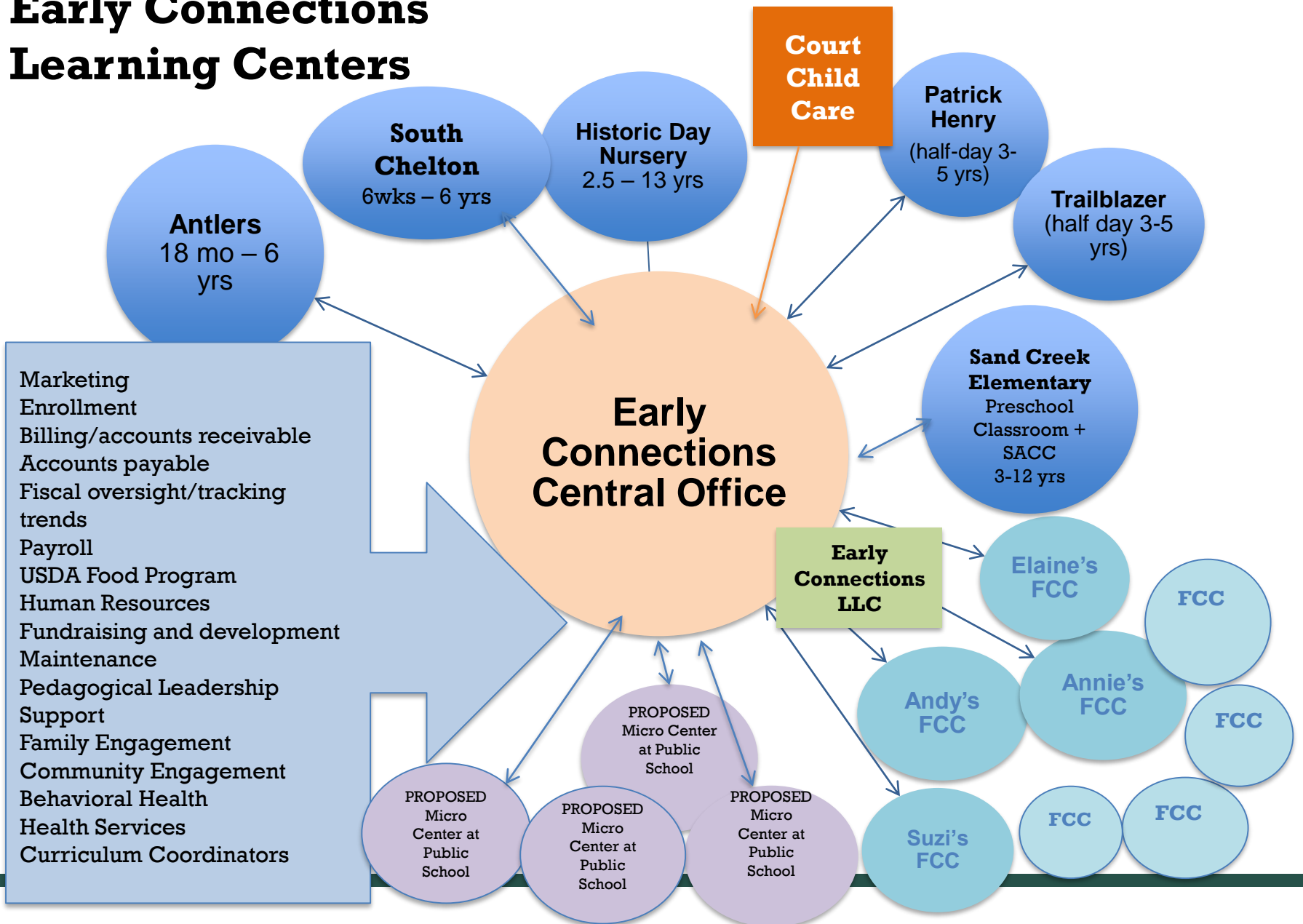
State Strategies to Encourage Skilled Fiscal Management

- ◆ Encourage professional fiscal management by enabling sites to share skilled administration; ensure that third party billing for all public funding streams is permitted
- ◆ Allow centers to separate business leadership from pedagogical leadership, and employ alternative leadership approaches vs. a cookie cutter definition of “site director”
- ◆ Provide 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

Strategies to Encourage Skilled Fiscal Management in Infant/Toddler settings

- ◆ Encourage new business models that focus on making high-quality infant/toddler care more efficient (e.g. ECLC ‘micro-center’ approach)
- ◆ Encourage subsidy contracts to Alliances/networks/multi-sites for infant/toddler slots – to help stabilize cash flow and revenue projection
- ◆ Use cost modeling to revise reimbursement rates, especially for infants and toddlers
- ◆ Use cost modeling to differentiate reimbursement rates, incentivizing providers that offer quality infant/toddler care

Early Connections Learning Centers



Summary: What States Can Do



Encourage Automation

- Support cost/use of CMS
- Allow centralized reporting & billing
- Enable data transfer through API's
- Maximize use of Shared Services on the web



Re-Think Staffing/PD

- Allow small sites to share leadership
- Create alternative pathways to credentials/ PD
- Support Directors' Credential to focus on Business/Ped Leadership



Continuous Quality Improvement

- Use "Quality set-aside" funds to build internal capacity through Pedagogical Leaders
- Enable "network" wide rating with site visit verification



Skilled Financial Management

- Support shared administration
- Reward efficient operations
- Link rates to cost of quality
- Fund subsidy slots through contracts with high quality networks

For More Information

- ◆ Opportunities Exchange website > “Shared Services Central” > “Policy”
- ◆ Preschool Development Block Grant (PDG-B5) Issue Brief
[Shared Services: A Strategy for Building Stronger Systems Among Early Care and Education Providers](#)
- ◆ Quality at Scale Across the US: Supporting Sustainable, High Quality ECE – [infographic](#), [white paper](#)
- ◆ [District of Columbia RFA](#): Shared Services Business Alliance for Family Child Care
- ◆ [RFP for Hub Selection](#) for a CT Family Child Care Business Alliance

Pritzker Children's Initiative: Opportunity to Apply for TA

- ◆ Technical Assistance for state or community teams to explore Shared Services as a strategy to address scale and sustainability in infant/toddler care.
- ◆ TA, provided by Opportunities Exchange, will be shaped in response to each team's needs.
- ◆ Qualification Process:
 - Participate in **both** webinar sessions
 - Shared Services 101 (Oct. 11) and State Policy Approaches to Help Strengthen ECE for Infants-Toddlers Webinar (Dec. 3)
 - Or demonstrate exposure to similar Shared Services information through participation in prior Opportunities Exchange conferences and/or webinars

Next Steps for Pritzker Children's Initiative Teams

Pritzker Children's Initiative: TA Application Process

- ◆ An application will be sent to those that participate in both webinars, on Tuesday, December 4th.
- ◆ Completed applications will be due to Opportunities Exchange by Monday, December 31st.
- ◆ Applications will be reviewed by Opportunities Exchange in January and February 2019.
- ◆ Finalists will be asked to participate in a telephone interview in early 2019.
- ◆ Teams will be notified by Friday, March 1st, 2019.

Pritzker Children's Initiative: TA Selection Priorities

Teams with the following characteristics:

- ◆ Demonstrate serious interest and willingness to change the way ECE business is typically conducted
- ◆ Mission-driven, focused on building community assets by strengthening business and/or pedagogical performance
- ◆ Willing to explore different models of sharing staff among centers/ECE organizations
- ◆ Have, or could build, trust among small providers, local funders, policy makers and others
- ◆ Willing to move quickly and take some risks

Resources

- ◆ Opportunities Exchange website:
www.opportunities-exchange.org
 - Profiles of current alliances
 - Tools, such as examples of management agreements
 - Articles and presentations
 - Videos and multi-media
- ◆ Social media:
 - Facebook: “Opportunities Exchange”
- ◆ Questions:
 - kmurrell@higherheightsconsulting.com

Next Steps

- ◆ Begin planning:
 - Use Opportunities Exchange website to develop a deeper understanding of the model
 - Begin to engage in conversation with State and City partners
 - Explore community readiness – perhaps host discussions, using webinar recording and/or handouts
 - Identify potential barriers and risks
 - Begin to identify potential hubs, participants, services, funders