Dear Community Partners,

Texas advocates, researchers, child care providers, public officials, and other stakeholders have been working to improve the quality of child care and access to quality child care, especially for low-income families. While there is no silver bullet, using a Shared Services framework to strengthen systems at the provider level is a promising concept.

This week we released a report that explores various models of Shared Services and special considerations for Texas.

We hope this information can help us tackle long-standing challenges in the child care system.

Best,

Andy Canales
CHILDREN AT RISK
Director, Center for Social Measurement and Evaluation
Cost savings from a Shared Services approach can vary tremendously, but it is not uncommon for providers to save $10,000 or more each year. These savings can be direct, such as cost savings through vendors offering discounts to a group of child care providers. They can also be indirect, such as the hundreds or thousands of hours a director saves by operating more efficiently.

In Texas, there are approximately 15,000 child care centers and homes with the capacity to serve over 1 million children. These programs exist to provide quality learning opportunities to children from all backgrounds and enable parents to enter the workforce.
However, child care providers are not only responsible for the educational side of things such as teacher supervision and instructional leadership. They must also spend time and energy focusing on business infrastructure and finances.

As a result, many providers are overextended and find it impossible to become proficient at both the business and educational side of child care. These basic barriers make it even more challenging to provide quality care.

Shared Services can be part of the solution to the challenges facing our child care programs. This model focuses on sharing skilled staff and resources to provide business and pedagogical leadership among a network of center- and/or home-based providers.

Shared Services is accomplished through the creation of a Shared Services Alliance, which is a network of providers that band together to receive a Shared Service from one or more hub agencies to streamline processes and share resources.
a membership organization of child care providers who receive services. Each alliance has one or more "Hub" agency that provides services to the providers in the alliance. These services can range from shared professional development to bookkeeping to shared administrative staff.

In at least 28 states, and more than two dozen communities, early care and education leaders are using a Shared Services approach to help tackle long-standing challenges such as raising and sustaining program quality, increasing teacher compensation, and implementing sound business practices.

A Shared Services approach can help child care centers accomplish goals such as running more efficiently and increasing revenue through stronger business management. Below are examples of proven results that providers have experienced through implementing a Shared Services model.

Better data and school transitions that support outcomes tracking, reflective practice, and linkages with school districts.

More career opportunities and better working conditions, wages, and benefits for staff.

Higher-quality early childhood education and the ability to offer family support services.

Lower costs from economies of scale in business functions like payroll, benefits management, banking, janitorial, food services, and purchasing.

Professional fiscal management and economic strength of a larger organization makes it easier for very small businesses to weather economic ebbs and flows.
When it comes to Shared Services there is not one single solution for every community, but overall Texas is rich in resources to support a Shared Services approach.

When implementing a Shared Services framework, communities and stakeholders must keep in mind that it is a long-term, sustainable plan, so it often is slow moving. A successful Shared Services model requires a strong vision, collaborative leadership, and careful attention to coordination, structure, direction, and provider “buy-in” in order to be effective.
Finally, it requires visionary funders who are willing to make an investment that can produce lasting, meaningful change.

Whether you are a child care provider, a philanthropist, a business leader, or a public official, you can have a role in bringing Shared Services to Texas!

To learn more about how you can make an impact or to explore next steps, check out the full report.

If you have further questions, please contact Shay Everitt, Associate Director of Early Education at CHILDREN AT RISK, at (713) 869-7740 or via email at severitt@childrenatrisk.org.
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