5. IDENTIFY AND RECRUIT PROVIDER MEMBERS

Alliances come together in many different ways. When a group of providers initiates a Shared Services Alliance, they self-select into the group. In some instances, a third-party entity serves as a catalyst to incubate an Alliance. When this happens, an initial group of providers will be selected to work as the “founding members”. No matter how they enter the Alliance, providers must recognize and embrace the following principles:

- Participating programs must be willing to operate differently than in the past, including a willingness to re-configure and possibly reduce the number of administrative staff positions.
- Trust among and between members and the Hub(s) must be present, or must be quickly established, as 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.

It can be helpful to begin with organizations familiar with each other and/or the Hub organization(s), perhaps through a community organization, or provider network. Sometimes it makes sense to start small, such as a partnership of 3-5 providers, and gradually expand the Alliance as experience and confidence increase.

Because Shared Services is a different operating framework than is typical, potential Alliance members, and their boards, must be open to changing the way they operate. This may include issues such as staffing strategies, sharing data and information with others (the Hub, and other Alliance members), and working on issues collaboratively with other providers. A common misperception is to assume that local ECE providers are competitors, and therefore not viable partners in an Alliance. On the contrary, centers and home-based providers who participate in Alliances quickly learn that fellow providers often share similar needs and resources, and that it is possible – and indeed could be beneficial to everyone – to work together toward common goals.

Identifying Early Childhood Education providers for a Shared Services Alliance

Many factors and characteristics contribute to the likelihood of a provider experiencing success through membership in an Alliance. The singular most important factor, however, is a provider’s **interest in, and willingness and ability to change**.

Change requires **honesty** in assessing where you are now so that you can take steps toward where you want to go.
• Can you be honest with others about the operation of your child care program?
• Are you comfortable sharing data about your program, even data that doesn’t reflect positively on you?

Change requires a vision for where you want to go.
• Are you ready to acknowledge that the current method of operating your program isn’t working?
• Do you believe that there can be a better way?
• Are you committed to providing quality services to children and their families?

Change requires a willingness to make the hard decisions.
• In order to support both quality and sustainability, ECE programs must access and use every available resource efficiently and effectively; this can sometimes mean making difficult decisions, including:
  o Terminating services for families who do not pay and are unwilling to work with the provider to address the problem
  o Re-assigning or downsizing staff based on reduced administrative needs
  o Making data driven business decisions that may result in changed relationships, i.e. – selecting a different food vendor, insurance broker, etc., if there are significant savings and other benefits from an alternative
It is important to define criteria for Alliance membership/partnership, both initially and as the Alliance grows. A key role that an Alliance can play is to demonstrate – to families and funders – how its members differ from other providers because they are part of a larger whole. To effectively differentiate by quality, it is important to select a measure that articulates the difference clearly. In states with Quality Rating and Improvement Systems (QRIS), an Alliance can require all members to participate in the QRIS and select a specific rating level as the standard to which all members should aspire. Selecting QRIS as the quality standard often has the additional benefit of ensuring that Alliance members have increased access to technical assistance and funding linked to quality. In states with no QRIS, or where QRIS is voluntary and not widely utilized, other quality measurements can be used, such as:

- Classroom Assessments, based on Environmental Rating Scales (ITERS, ECERS, and FCCERS), CLASS or another standardized tool
- Quality measurements implemented by state or local government ECE agencies
- Accreditation by national organizations, such as NAEYC, or participation in an accreditation facilitation initiative

Value Proposition
While establishing membership criteria is important, a Hub must also articulate a value proposition, or explicit benefit to the provider, in order to interest eligible providers in membership. The value proposition focuses on what services the members receive and what benefits they can be expected to experience thanks to these services.
The graphic below illustrates how an Alliance improves the financial position for a child care center serving 65 children.

SJCC saved $52k in direct costs

collections moved from 13%-0% in month one, increasing cash flow and preventing financial loss.

408 labor hours saved

RASA financial benefits realized within two months

St. James Children’s Center (0 to 100 capacity) Center Self-Study

St. James Children’s Center reinvested their savings into a new 401k retirement plan for their staff, increased medical benefits, and offered raises and bonuses to employees.

RASA membership fee varies based on organization size and needs.

CA Human Services operates as the “hub” for RASA, which is supported by Virginia Early Childhood Foundation. Learn more: cahumanservices.org/innovating-change

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www.oppex.org
This graphic helps illustrate how business software and back-office services improve provider sustainability:

<table>
<thead>
<tr>
<th>Provider uses the Alliance-wide CCMS</th>
<th>Hub helps providers convert to 100% electronic payment for families -- which creates invoices, tracks payments, and improves collections</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hub pulls attendance data from CCMS and manage or reconcile subsidy billing</td>
<td>Providers receive payment faster; the Hub addresses any errors so providers receive full payment</td>
</tr>
<tr>
<td>Software tracks expenses - including payroll- and payments</td>
<td>Providers receive financial reports and work with a coach to make decisions to strengthen their businesses</td>
</tr>
<tr>
<td>Hub supports provider website, marketing + electronic tools for enrollment + wait list</td>
<td>Providers can better predict when children will leave + can fill vacancies much faster, maintaining max enrollment</td>
</tr>
<tr>
<td>Hub provides access to bulk purchasing of food and supplies</td>
<td>Providers have lower costs and save time on shopping for food and supplies</td>
</tr>
<tr>
<td>Hub supports authentic child assessment through digital tools</td>
<td>Providers are able to collect, report, and use child outcome data to impact teaching practice and meet the needs of individual children</td>
</tr>
</tbody>
</table>
Marketing

Once the Hub has determined the parameters around provider membership, the Hub will need to create a provider recruitment strategy, based on membership goals and related marketing materials. The Hub will then define the elements of and messaging for the promotional campaign, including: Facebook posts, Email, Newsletters, Website, Informational Sessions. *(Providers may need to see this multiple times before they decide to say yes).* Both the “voice” of the campaign – how the message is delivered – and the benefits of membership – the key message – will need to be considered.

The following screenshots from a Shared Service Alliance Hub clearly articulate the Value Proposition:

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**Spend more time engaging with teachers, children, and families. Let us tackle the administrative tasks.**

As the director of a child care center, your responsibilities are vast. But your resources are likely limited. The Richmond Area Shared Service Alliance, or RASA, enables centers like yours to focus on activities - such as teacher development, family engagement, and center quality — that are essential to your mission...and your passion.
You’re the backbone of your organization. But, you’re wearing (way) too many hats.

In addition to your educational and leadership responsibilities, being a center director often involves facility management, resolving personnel issues, payment collection, system troubleshooting, and many other administrative tasks. It’s not sustainable! Directors who are spread too thin experience:

- high staff turnover
- facilities in disrepair
- teachers with limited development opportunities
- feeling stressed and totally overwhelmed

Consider it “done” when you bring in RASA:

- Bill tuition
- Handle past due payments
- Run financial reports
- Process A/P
- Process A/R
- Post job announcements
- Sort resumes
- Set up interviews
- Phone screen for new hires
- Reference checks for staff
- Background checks
- Check child checks for compliance
- Run payroll
- Troubleshoot computer

Retain teachers and counselors

Improve the quality of services and employment continuity. Gain back time from the endless cycle of hiring.

Increase 401k and medical

Keep current employees comfortable and financially secure. Award bonuses for employment longevity.

Offer professional development

Keep your key talent trained, focused, and fully informed with day-to-day and offsite training programs.