

WHAT IS SHARED SERVICES?

Improving child care business models

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HIGHLIGHTS

- *Child care providers often operate in isolation.*
- *Shared Services is a promising strategy for improving the quality of child care programs while also strengthening their business models.*

In recent years, 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. One such strategy is Shared Services, a framework to strengthen systems at the provider level where skilled staff and resources are shared among a network of center- and/or home-based providers. This model allows child care providers to leverage economies of scale by pooling resources with other providers for common needs. These models can be implemented statewide offering a broad set of services and information or, more often, they can be implemented regionally with a deeper, targeted scope of services.

Shared Services can take many forms, and it allows child care providers to focus on what is most important: providing the highest quality care possible for children.¹ 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.

One way in which providers can share services is to use the same child care management software. It is important that providers within the same Local Workforce Development Boards (Local Boards) use the same software. This allows the Local Board to support more providers, provide technical assistance, and maximize the provider's return on their investment. Child care providers can use the software to collect and analyze financial data. Local Boards can also help with this data analysis. Combined with quality initiatives, these management supports can help providers operate more efficiently and bring in more revenue.

To learn more about Shared Services in Texas, visit www.childrenatrisk.org/shared-services.

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NOTES:

1. CHILDREN AT RISK. (2018). Improving the quality of child care through economies of scale. Retrieved from http://childrenatrisk.org/wp-content/uploads/2018/01/Shared-Services-for-Texas_January-2018.pdf



CHILDREN AT RISK is a Texas based research and advocacy organization. Our mission is to serve as a catalyst for change to improve the quality of life for children through strategic research, public policy analysis, education, collaboration, and advocacy.

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