# Description: APA logo- full

# **Investigating the Need for a Shared Services Organization for Preschool Providers in Three Communities**

The Strengthening Working Families Initiative (SWFI) Child Care Learning Community hired Augenblick, Palaich and Associates (APA) to conduct a market research survey identifying barriers preventing child care providers from entering the market or from expanding their services to serve more children. One of the Learning Community’s initiatives is to explore the creation of a shared services organization to address gaps in available care for areas with significant populations of low-income families that are considered child care deserts.

The first step of APA’s data collection effort was to collaborate with the SWFI Child Care Learning Committee to identify specific neighborhoods/communities to study within the overall geographic area of focus. APA and the Committee jointly identified three communities that qualify as child care deserts and also have some other demographic indicator of need. This included areas with relatively high child poverty levels, fast-growing numbers of young children, or specific immigrant populations. The three communities identified by APA and the Committee included: Montbello, Sun Valley, and Windsor.

To gather input on the potential for a new shared services organization to serve providers, APA conducted focus groups and interviews with unlicensed and licensed providers in the three identified geographic areas. A uniform protocol was created in order to ensure consistency in the content addressed during all focus group and interview discussions.

Overall, APA’s data gathering indicates that licensed providers throughout the three communities had a strong desire to participate in a shared services organization. This desire was true regardless of the specific community in which the provider was located or whether the provider was a family home or a center. Interviewed unlicensed providers identified significant barriers to sustaining or expanding their services that focused on systemic racial bias and fear of interacting with mainstream institutions. These are challenges that may be difficult for a new shared services organization to address and overcome. By contrast, licensed providers indicated that a shared services organization could help them remove not only maintain and greatly improve their existing services, but could potentially also help them expand the number of available child care slots they are able to offer.

# Key Findings

Based on feedback from providers participating in this study, APA therefore recommends establishing a single shared services organization for licensed providers that focuses initially on five key areas:

1. Providing **staffing assistance**, including a pool of pre-screened qualified teachers from which participating providers can choose and access to training or other supports to help existing teachers improve their credentials;
2. Creating and maintaining a **substitute teacher pool**, including exploration of the use of technology through computer and smart phone applications to facilitate providers ability to rapidly locate and secure reliable substitute teacher support;
3. Assistance with **establishing 401K plans** for staff of participating providers;
4. **Fundraising assistance**, including potentially support in identifying appropriate grant opportunities, training to help providers respond to appropriate opportunities, and direct support in writing grant applications as needed; and
5. **Supports for administrators and directors**, including:
   1. Creation of an online discussion forum,
   2. Support in keeping providers up to date on all developments and changes in state early childhood education regulations and requirements, through a newsletter; and
   3. Access to different levels of financial and business planning and support.

Some of these services, especially the sub pool, should be administered directly by the shared services organization, while others could be offered to providers by leveraging existing resources and shared service organizations in the Denver metro area. However, focusing at least initially on the provision of these high-priority requested supports to licensed providers will help ensure that a new shared services organization gets off to the strongest start possible. Such a strong start can help build strong word-of-mouth support among providers in the community which will help grow membership and participation. As such membership grows, the shared services organization could begin to address other challenges identified by participating licensed providers, while at the same time beginning to lay the ground work to help meet the pressing needs of unlicensed providers in the future. In this way the shared services organization can set itself up to be a solid support for existing providers as well as a mechanism to help fuel expansion of child care slots in the targeted communities.