



Viewing Compensation Through a Shared Services Lens

By Louise Stoney, July 2021

Last month, the National Association for the Education of Young Children (NAEYC) released a brief on why and how states should use funding from the American Rescue Plan Act to increase compensation for the ECE workforce. The brief stressed the need for ongoing, sustainable wage increases and employee benefits—not just bonuses or hazard pay—and called for bold investments in funding focused on program stability and accountability designed for mixed delivery success.

NAEYC's recommendations are spot on. However, there is one missing ingredient that Opportunities Exchange feels is essential: strategies to effectively scale the sector. Even with supportive public policy most ECE businesses in the US are simply too small to effectively implement the actions proposed by NAEYC and other advocates. However, if viewed through a Shared Services lens, success is not only possible, but the field can position itself for incremental improvements over time.

ECE leaders frequently stress that child care teachers ought to earn wages comparable to teachers in the public K-12 education system. Yet the field fails to acknowledge that scale is a key ingredient

in K-12 education. We do not build schools with only four classrooms, a principal and an administrative staff; yet this typical in child care and also the staffing model included in most ECE cost modeling methodologies. Stable and lasting wage increases for child care teachers will require a fresh look at policies that were built on—and continue to reinforce—the current failed business model of a small child care program that operates independently.

Success requires a new level of thinking, one that goes beyond calls for increased rates and payment practices to reach the root problem of scale. If we want teachers to earn decent wages and have meaningful jobs, we need to challenge some long-held beliefs about program structure, roles, and responsibilities. We need to empower teachers (in classrooms and home-based programs) to lead, and support them with scaled administration and web-based technology that makes their job easier while also collecting essential data. We need clear incentives to shift spending from administration to teaching, and new pathways so that accountability is possible for all programs—even those that are small and under-resourced. Without question, increased funding and improved payment practices are needed. But increased spending, without systemic reform, is simply not enough.

[Click Here to Download the Issue Brief](#)

Join us at the [National Shared Services Conference](#), where NAEYC President Rhian Evans-Allvin, will deliver the Keynote presentation on **Teacher Compensation, Power to the Profession, and Shared Services.**



The banner features the Opportunities Exchange logo on the left, which consists of two overlapping circles in shades of green and blue. The main text reads "2021 NATIONAL SHARED SERVICES Technical Conference" in white and yellow. To the right is a graphic of a lightbulb with a yellow glow, sitting inside a red silhouette of a human head. The words "THINK BIG" are written in white and yellow above the lightbulb. Below the main text, it says "September 29—October 1, 2021 | Austin, TX" and "Register Now!" in white and blue. The background is a dark blue gradient that transitions to a solid orange at the bottom.



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