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ABSTRACT

Growing out of a review of the process and outcome of the Hospital Employee Child Care Project (HECCP), an unsuccessful child care consortium, this manual was developed to help groups considering similar joint child care projects. After reading the manual, it is hoped that project initiators will be more sensitive to influences on the consortium, will be able to incorporate an interorganizational perspective in their plans, and will also have information to assist them in assessing the feasibility of developing a joint child care project in their community. Specifically, the discussion focuses on (1) issues of cooperation, economic utility, power, and conflict; (2) ways consortia can be viewed from the perspective of these issues; (3) how the issues may be demonstrated in a joint project; and (4) guidelines for similar projects. Also included in the document is HECCP's very brief final report and more extensive executive summary. Discussed in the summary are the background and objectives of HECCP, the outcome of the project, the decision to produce a manual for the benefit of others initiating similar projects, plans for disseminating the manual, and 26 recommendations and 9 points thought likely to be of interest to project planners submitting grant proposals. (RH)

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CHILD CARE CONSORTIUMS BY EMPLOYERS:

FOUR INTERORGANIZATIONAL ISSUES TO CONSIDER WHEN DEVELOPING A JOINT PROJECT

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INTRODUCTION

Employer sponsored child care is growing at a phenomenal rate; the number of private programs operating between 1978 and 1982 jumped from 105 to 415 (Burud, Collins, and Divine-Hawkins, 1983a). Although relatively few of these programs are consortium arrangements, there is great potential for this kind of child care since nearly two-thirds of all employed men and women work in small businesses (Adolf & Rose, 1982; Bader & Friedman, 1981). Small companies are frequently less able than their larger counterparts to sponsor child care services unless resources are combined. However, consortium participation is not limited to small companies. Both small and large organizations recognize the benefits of jointly sponsored child care programs.

The greater availability of resources (e.g., cash subsidies, real estate, office space, technical staff services, time, personal contacts, information, time, expertise, and products produced by a company such as lumber and food) necessary to develop a quality child care program is one benefit of a consortium arrangement (Adolf & Rose, 1982; Bader & Friedman, 1981; Esterline, 1976; New York State Committee, 1980; O'Toole, O'Toole, McMillan, & Lefton, 1972). A consortium provides some protection from the common problem of underutilization, since there is a large pool of parents and children to draw from even when the employee needs of an individual company change as children grow up (Adolf & Rose, 1982; Bader & Friedman, 1981; New York State Committee, 1980).

A joint venture among several organizations offers the advantage of shared risk-taking; one business is not solely responsible for the administrative and liability costs associated with a child care center. The consortium members do not have to be directly responsible for the administration of the child care program, but employers can influence administration and program quality through participation on an advisory or governing board (New York State Committee, 1980; North Carolina Dept. of Administration, 1980).

An awareness of the benefits associated with a child care consortium and the needs of employees may be sufficient incentives for employers to join. Consortium initiators may encourage employer participation with a description of the potential benefits. However, the need, desire, and even the expertise to plan and develop a quality child care program may not be sufficient to insure project success. Unfortunately, many coordination efforts never get beyond the planning stage (O'Toole et al., 1972). Any arrangement which includes two or more businesses can encounter problems associated with the related interorganizational issues of cooperation, economic utility, power, and conflict (Steingraph, 1976).

Frustrating and perhaps insurmountable roadblocks to success may occur if these four potent influences are not included in the plans for the child care consortium. To date, most information regarding employer-sponsored child care consortiums discusses the potential benefits to employers and employees, provides definitions and descriptions of alternatives, and presents examples of successful programs. However, knowledge of child care alternatives may not be sufficient to skillfully deal with interorganizational forces, an area which has been neglected in the literature.

The information presented in this manual will assist consortium initiators to view joint child care projects from an interorganizational perspective. The theoretical discussion of how interorganizational issues can influence the process and outcome of joint projects will be highlighted with examples of cooperation, economic utility, power, and conflict drawn from successful and unsuccessful child care consortiums.

HISTORY AND PURPOSE OF MANUAL

Throughout the manual, examples will be drawn from successful and unsuccessful child care consortiums to illustrate and clarify discussion of the four interorganizational issues. Since an unsuccessful child care consortium was the inspiration for this manual, the "Hospital Employee Child Care Project" will be the source of many illustrative examples. A brief summary will enable the reader to understand the examples within the context of the overall project. The reader can consult cited references for additional information on the other projects discussed in the manual.

Background and Origin of Project

In January 1982, Austin Child Guidance & Evaluation Center (ACGEC) informed the administrators of the six major hospitals in Austin that the Office of Human Development Services (HDS) was seeking preapplications for the funding of strategies for developing new sources of family support for working parents. The strategies were to emphasize methods for assisting parents to obtain and maintain adequate child

care arrangements and for demonstrating to employers the benefits of family-oriented practices (e.g., reduced turnover, reduced absenteeism and tardiness, increased productivity, enhanced recruitment, and improved employee morale). Four hospitals agreed to join ACGEC in the application.

HDS approved the preapplication request for a child care consortium and advised ACGEC to include the local provider of Head Start services in the project to eliminate duplication of services, maximize the value of federal funds, and provide access to expertise in child care. Child Incorporated was subcontracted to provide the requested child care services. A needs assessment was required to determine employees' needs and preferences for child care; Austin Families Incorporated won a bid to conduct the needs assessment and a longitudinal evaluation of the project.

Purpose and Goals of Project

HDS approved the proposal to create a joint hospital employee child care project in Austin involving three social service agencies (ACGEC, Austin Families, Inc., and Child, Inc.) and four private hospitals (Seton Medical Center, Shoal Creek, St. David's Community Hospital, and Holy Cross). The budget period for the $107,416.00 award was 9/30/82 through 2/28/84. The bulk of the award was budgeted

as start-up funds to lessen the problem of start-up lag and to enable the project to become stable while the participating hospitals decided how the child care project was to be ultimately organized and maintained following the demonstration period. The project participants hoped to create quality child care, improve parents' job performance, and thereby provide a private-sector model for employer-based child care.

Outcome of Project

Although the intention of the project was to see if a cooperative venture in employer-sponsored child care could succeed, such a venture was not successful despite everyone's efforts and good intentions. A year of searching and meetings did not yield an available child care site which was jointly acceptable to the hospital representatives. Agreement was reached on the initial services to offer after a year of negotiations and modifications to the initial suggestions made by the social service agencies.

Although the Hospital Employee Child Care Project was over as originally envisioned, a proposal was made to use a portion of the federal funds to partially fulfill an objective of the grant. In reviewing the process and outcome of the project, it became obvious that the participants

could share what had been learned with other consortiums. HDS approved the revision to produce a manual of information and suggestions for groups considering similar projects.

Purpose and Framework of Manual

The manual is intended as a useful tool for groups considering similar joint child care projects. After reading this manual, project initiators will be more sensitive to four potent influences on the consortium process and outcome and will be able to incorporate an interorganizational perspective in their consortium plans. Project initiators will also have information which can assist them in assessing the feasibility of developing a joint child care project in their community.

The discussion includes: ways consortiums can be viewed from the perspective of these four related issues; how cooperation, economic utility, power, and conflict may be demonstrated in a joint project; and guidelines for similar projects derived from the discussion of each interorganizational issue.

COOPERATION

Key Points

1. After a proposal for a child care consortium has been initiated, stew time must be allowed for the potential members to consider how great is their commitment.

2. Project planners are responsible for the structure and productivity of this time period.

3. Project planners can provide information on the general benefits of employer-supported child care and those specific to consortium ventures.

4. Probable costs and potential problems of employer-sponsored child care and consortium participation should be discussed during stew time.

5. Most company officials will need to be educated about the requirements for quality child care.

6. Two important responsibilities of project planners are to assist participants in clarifying both individual agency and joint consortium goals and to point out contradictory or conflicting goals.

7. A heavy requirement for financial and contractual commitment encourages prospective members to determine whether or not the costs to their individual agencies are outweighed by the benefits expected from consortium participation.

8. The sense of ownership for the project must be examined since it is a reflection of commitment to the project.

9. Cooperation within the consortium is influenced by the shared history of the participants; a history of competition can adversely affect the ability of participants to work together.

After a proposal for a child care consortium has been initiated, time must be allowed for the parties to "stew" and consider how great is their commitment to the project. During the initial stages of the project, the coordinator must proceed slowly in appreciation of the conservative nature of most companies (U.S. Dept. of Labor, 1982); assess the commitment of participants; and explain the costs and benefits of a joint project to potential participants (Hicks & Powell, 1983).

Stew Time

"Stew Time" is an active, thought-provoking time; it is a structured time period during which potential participants can carefully consider their commitment and interest in the project. The project planner is responsible for the structure and productivity of this time period (Orum, Note 9).

The project planner plays a very crucial role in the success of the joint venture since he/she sets the tone of the entire project. A persuasive, dynamic, and eloquent individual is needed to fill this role. The individual should be skilled in dealing with groups and respected by other

consortium members. The planner must firmly believe and have confidence in the consortium purpose and goals. In other words, a salesman with the ability to promote the project to potential members is required (Bryant, Note 1; Elder & Kazuk, 1982).

For example, a project (at the Wheeler Clinic in Plainville, Connecticut) which required the cooperation of many different service agencies on behalf of single fathers found the aid of a management consultant was invaluable. His skills in knowing how to contact, enter, and present information to members of the business community was instrumental in project success (Engelhardt, Note 3).

A coordination project for rehabilitative services witnessed the importance of individual leadership. One agency, nationally recognized as a leader in its field, used its contacts to communicate information, served as an informal adjudicator, was an "expressive" leader (i.e., smoothed ruffled feelings of members), acquired resources, and clarified values which the member agencies could realize through coordinated efforts (O'Toole et al., 1972).

The planner can structure stew time as follows:

1. Define the purpose and present the potential benefits of the project in an explicit way; use a

written and visual format (e.g., lists, charts, graphs, and so on).

2. Outline anticipated costs and any problems members may face.

3. Inform potential participants what will be expected of them. State the commitment (e.g., financial or contractual) and responsibilities they will be expected to assume if they join the project. If applicable, discuss the grant application process and associated responsibilities of potential participants.

4. State the type of coordination which is being planned. In most child care consortiums, there is no central authority present and autonomous organizations come together voluntarily, without the sanction of a governing body; the coordination is "unmanaged" or simply "voluntary" (Esterline, 1976).

5. Educate the potential participants about day care to dispel myths and misconceptions (i.e., what quality day care involves, types available, costs required).

6. Elicit clear goals from the consortium members; clarify contradictory expectations.

The first four points can be discussed individually with the potential participants by the planners who utilize their salesmanship talents to generate interest and excitement for the project. The first four points are reviewed and the last two points discussed in a group meeting. The group meeting will enable potential members to meet each other and if productive, can build a sense of group cohesiveness and cooperation. After they have had time (3 to 4 weeks) to consider the project and to have questions

answered individually, a meeting can be held for participants to make a shared commitment. At this meeting they should be required to sign a contract, demonstrate financial commitment, or provide a written statement of support (Orum, Note 9).

The initiators of the Sunnyvale Child Care Service Center divided the process of presenting the initial information into two stages. First they interviewed 100 corporate executives to determine what information they needed to make decisions about providing employer-sponsored child care. Five months later, the requested information was presented in a two day conference for the executives (Kosanovic, Note 6).

Benefits

The potential members can be provided with information on the general benefits of employer supported child care and those specific to consortium ventures. Differentiate between the two groups of benefits so the participants can clearly see the advantages of working together over providing child care alone. A persuasive presentation of the advantages may help solidify commitment to the project during the initial stages.

The general benefits of employer-sponsored child care include:

-- improved recruitment and retention ability (Perry, 1981; Purnell, 1977);

-- increased concentration and productivity on the job (Harrell, 1972; Nellum & Associates, 1969);

-- decreased absenteeism and turnover (Austin Families, Inc., 1982; Duncan, Note 2; Milkovich & Gomez, 1976);

-- improved company image and enhanced worker morale (Burke & Robinson, 1983; Burud, Collins & Divine-Hawkins, 1983a);

-- enhanced humanization of the workplace; and

-- increased tax write-offs available (Friedman, 1980).

The benefits specific to consortium participation include those previously discussed and summarized here:

-- greater availability of the resources necessary to develop a quality child care program;

-- some protection from underutilization of the program by employees;

-- shared responsibility for the administrative and liability costs associated with a child care center;

-- tax advantages which vary according to the type and amount of each firm's financial contribution (New York State committee, 1980); and

-- use of resources saved through coordination (O'Toole et al., 1972).

The Early Childhood Development Division of Texas sponsored a study of interorganizational coordination and found that

for every $1.00 spent on the coordination of thirteen demonstration projects, member agencies received an average of $35.00 in goods and services (Esterline, 1976).

The hospitals were drawn to the child care project by a combination of general and consortium specific benefits. Generally, the hospitals wanted to retain and attract hard-to-keep employees and to enhance employer-employee relationships. The availability of quality child care would meet an employee need and add to the employee benefit package. Consortium participation would increase the availability of necessary resources and protect against low utilization of the facility.

Although the Hospital Project was unsuccessful in establishing a child care program, the members felt some benefits were derived from participating in the consortium. The hospital representatives are more knowledgeable about the complexity of child care and the available options for single and group employer-sponsored child care. The needs assessment provided information on the child care needs and priorities of employees (e.g., sick care, night care, early morning care). Hospital employees are aware their employers pursued child care even though it was an unsuccessful venture. One hospital is pursuing a different

type of employer-sponsored child care through a demonstration voucher project. Additionally, firm professional links have developed between the three social service agencies.

Costs and Problems

Probable costs and potential problems of employer-sponsored child care and consortium participation can also be discussed during stew time. Members may be able to anticipate and avoid obstacles to project success if they have been forewarned. The major disadvantages are:

-- the high cost of quality care;

-- the possible inequity of child care as an employee benefit;

-- the problems of finding and maintaining quality day care personnel;

-- the question of financing;

-- the if and how of employer subsidy;

-- the concerns associated with licensing requirements, insurance costs, and legal liabilities (Friedman, 1980, 1983); and

-- the possibility of a prolonged search for a suitable site.

Project planners must acknowledge that it is difficult and time consuming to find a mutually acceptable site if the desired location falls within a residential area or

expensive commercial property. This is particularly an issue in growing communities with escalating property costs (Orum, Note 9). It took the Broadcasters' Child Development Center two years to find a site including six months (and significant legal fees) for a zoning variance. It was difficult to maintain enthusiasm over the long search process (Griffin, Note 5). The Shadelands Children's Center Consortium obtained its site, a vacant school building, after one year of lobbying and negotiation with the city council, the school board, and the local neighborhood association (Rush, Note 10).

Project coordinators can acknowledge that this problem may occur and perform an initial search to determine what is available in a centrally located area. The potential participants are informed of what is available and the approximate costs of each option. Potential participants can decide which, if any, of the options are acceptable and whether or not to join.

Competition for the public relations and other benefits of the consortium could develop between the members. Competition, decline in employee need or employer interest, and financial problems could lead to agency withdrawal from the consortium. The possible effects of the withdrawal

of support by one or more companies should be assessed:

-- Could the project continue without one or more of the member organizations?

-- Would there be a penalty for withdrawal from the project?

-- How could replacement companies be recruited?

Although threats of withdrawal were not a problem in the Hospital Project, future grant applicants may want to include a section on this problem.

The costs of possible project failure should also be weighed during stew time. The costs of the Hospital Project failure include the frustration of consortium members, the disappointment of employees, inadequate returns on time and money expenditures, and the strong reluctance expressed by some members to enter into future joint projects with the same group of organizations.

Education

In addition to presenting the advantages and disadvantages of participating in a joint child care project, most company officials will need information on what is required for quality child care. Quality child care is both expensive and labor intensive; approximately 80% of the cost of child care is wages (Friedman, 1980). The planner can familiarize members with child care by presenting slides or movies

on quality infant, toddler, preschool, and after-school care programs and discussing the related costs. Planners can discuss the differences between custodial and educational/developmental programs. The cost of child care should be realistically projected with figures on subsidized and nonsubsidized services included in the proposed budget (Weber & Tullos, 1979).

Project initiators can also dispel myths participants might have about child care. There tends to be an assumption by those unfamiliar with quality child care services that major expenditures can be offset by donations and the use of volunteers. Ms. Griffin (Note 5), who has been involved in starting several centers, warns against miscalculating the real costs of quality child care. It is better to invest in qualified staff, good staff-child ratios, and proper equipment than to risk the cost in dollars and program quality that come from high staff turnover and poor morale.

Goals

It is important to the success of any consortium to determine the depth and kind of commitment actors have to the project. The depth of commitment is closely associated with the goals held by the participants. Transitory commitment is reflected in short term goals; while a deeper

commitment is reflected in long term goals. For example, if the hospitals joined the consortium primarily as an immediate solution to the nursing labor shortage, there would have been less incentive to remain and work for project success after the labor problem was resolved.

The chance for success is greater if there are deeper commitments to project success such as joining because industry survival is at stake, company employees have specific child care needs, or the community needs 24 hour child care.

The Broadcasters' Child Development Center was started entirely by employees of competing broadcasting companies in the northwest area of Washington, D.C. to meet the needs of parents in the industry. The center is also open to neighborhood children. The center received financial support from five radio and television stations and the D.C. Chapter of the National Academy of Television Arts and Sciences (Griffin, Note 5; Reeves, 1982).

The City of Sunnyvale, California is in the heart of Silicon Valley, a hi-tech industrial area. The City Advisory Board on Human Services realized child care was inadequate and saw a large and rich industrial base to draw upon for support. The Advisory Board joined with the Private Industry

Council to plan initiatives for employers to become involved in child care for their employees. The result is the Sunnyvale Child Care Service Center with an enrollment of 220 children (infancy through second grade and after-school care to age nine) and a long waiting list (Kosanovic, Note 6).

The Council for Labor and Industry established the Children's Village in 1976 primarily for workers in the garment industry to help revitalize the industry, retain blue collar jobs, and enhance the economic health of Philadelphia (Bader & Friedman, 1981).

The commitment to success and a sense of ownership can be enhanced by formulating goals together for the consortium. The project coordinator could begin this process by pointing out similarities between individual agency goals. These similarities can become the basis for both short and long term consortium goals. The coordinator can point out which goals are realistic within the time and financial constraints of the consortium. A tentative timeline can be jointly developed for the goals; the expertise of the coordinator will insure the timeline is realistic (Pelosi, 1982). Using a timeline can create a sense of continuity and future orientation to the joint project.

Two important responsibilities of the project coordinator are to assist potential participants in clarifying both individual agency goals and joint consortium goals and to point out contradictory or conflicting goals. Why the goals are contradictory and which has priority must be determined to prevent later conflicts and possible project failure. Both individual and joint goals should be clearly stated, shared in written form, and periodically reviewed to verify the goals accurately reflect the interest and needs of consortium members and to resolve misunderstandings or discrepancies. (See Pelosi, 1982 for specific techniques on goal and expectation clarification and planning actions for the consortium.) Hidden or hazy individual goals can interfere with the achievement of joint goals.

There was some ambivalence and misunderstanding about the joint goals for the Hospital Project and discrepancy between some individual agency and consortium goals. This stalled progress on the project and caused frustration since members were unclear about which was the most appropriate option to pursue. For example, the hospitals wanted a high visibility program; there was concern that combining the Hospital Project with Head Start services (Child Inc.) would dilute the impact of hospital-sponsored child care on the employees and the community. This concern was in conflict

with the project objective to demonstrate a cost-effective, private-sector model for employer-supported child care since the inclusion of Child Inc. in-kind services and expertise enhanced the possibility of a cost-effective model and reduced the risk of underutilization of the services.

Commitment and Responsibilities

Inform prospective members what will be expected of them. State what kind of commitment (e.g., financial or contractual) and responsibilities they will be expected to assume if they join the project. When the roles and responsibilities of the actors are clearly defined in contractual form, confusion and conflict over who does what, and when can be lessened or avoided (Magrab, 1982).

The responsibilities and authority of the coordinator must be acknowledged and agreed upon by the other consortium members. Participants must remember that interagency coordination is just as vital an organizational activity as providing services or producing a product and deserves special consideration. It should be acknowledged in contractual form and have consortium resources of time, money, and manpower allocated to this activity. Coordination "cannot be done on a part-time, hit-or-miss basis" (p. 25, Esterline, 1976).

A prominent feature of successful child care consortiums around the country is the differentiation between sponsorship and actually operating the child care service. Most employers support the child care by providing subsidies (5-20%) for employee fees, in-kind contributions such as building maintenance or reduced rent, or renewable, annual grants. In addition, high-level administrators may serve on advisory boards. However, in most cases a competent director is hired to plan and administer the child care service itself. These distinct lines of authority contribute greatly to project success (Bryant, Note 1; Griffin, Note 5; Kosanovic, Note 6; Whitehead, Note 11).

Commitment to contractual responsibilities can be further solidified by a statement of penalties if obligations are not fulfilled. Several Hospital Project participants suggested that a heavy financial investment be required to join a consortium and that members would stand to lose this money if consortium responsibilities are not fulfilled. Financial investment insures commitment in the sense that once financial investment occurs, the investors (organizations) become accountable to someone such as board of directors, stock holders, or to whomever they are fiscally responsible (Esterline, Note 4).

A requirement for financial and contractual commitment encourages prospective members to assess whether or not costs to their individual agencies are outweighed by the benefits expected from consortium participation. Members will be forced to look ahead and make long range plans for the project if cost projections (e.g., pledges of in-kind services and subsidy) and responsibilities (e.g., participation on the advisory board) are included in the contract. Contracts can also establish the authority and decision-making power of members. A consortium model which requires democratic decision-making further encourages members to assume responsibility for the project (Magrab, 1982).

Historical Context

Cooperation within the consortium is influenced by the impetus for the project and the shared history of the participants. Both of these factors can affect the commitment of organizations to the joint child care project and the eventual outcome (Lauderdale, Note 7).

Sense of Ownership

The sense of ownership for the project must be examined since it is a reflection of commitment to the project. Determine if the project was externally or internally initiated. Were employers asked if they were interested in

sponsoring child care or did the employers and employees express an interest? To illustrate, the Broadcaster's consortium was internally initiated by a group of employees; the Director of Nursing at one hospital in the Texas Medical Center, Inc. proposed their consortium model. The Sunnyvale Child Care Service Center was promoted by the City Advisory Board and the Private Industry Council.

There may also be a greater sense of ownership if the employers have previously considered child care for their employees or have determined if this is a need of some employees. Before joining the Shadelands Consortium, Safeway (Supply Division) conducted their own internal survey which showed a need for child care assistance among employees (Rush, Note 10).

The project planner can assess the interest of administrators from their responses to a few questions. Their answers will indicate the potential acceptance or rejection of the child care project:

1. What are company policies and management practices in relation to family-related problems during worktime (U.S. Dept. of Labor, 1982)?
2. Is there routine collection of information related to child care needs?
3. Are supervisors keeping the administration informed about any data from employees related to this

problem? Does the administration ask supervisors to keep attuned to information related to child care needs?

4. What method does the administration have for maintaining personal contact with their employees regarding their needs and interests? (The hospitals use a "town meeting" format and reports from supervisors.)

5. Have they ever considered the feasibility of providing child care themselves or pursued joint child care? What was the outcome (Lauderdale, Note 7)?

Two hospitals had previously surveyed their employees for the level of interest and need for child care. Options for child care facilities were explored and pertinent literature was reviewed. The employers concluded there was a risk of underutilization of the services if they pursued child care alone. Three of the hospitals felt they did not have the resources to easily pursue employer-sponsored child care individually.

A transition from external to internal motivation and control of the project is necessary for the success and future of the project. There are no easy answers to when, how, or if such a transition can be made. But, the transition can be facilitated by demonstrating benefits to employers, encouraging joint formulation of goals for the consortium, informing potential participants of their short and

long term responsibilities, and developing a consortium model which requires joint decision making through an advisory board or board of directors.

The City of Sunnyvale and the Private Industry Council created incentives for industry involvement in child care by providing low-rent space and city funds to set up and market the child care program. Once the companies experienced the benefits, there was internal motivation for the companies to continue purchasing the services (Kosanovic, Note 6).

Shared History

Clues to the probable level of cooperation within the consortium can be obtained by placing the project in a social and historical context:

-- Is there any shared history among the potential participants?

-- Have the agencies ever worked together on a project?

-- Is there a history of cooperation or conflict?

-- Does their previous mutual history dispose them toward conflict or cooperation (Emery & Just, 1965; Lauderdale, Note 7)?

Planners can learn about the shared history by interviewing potential participants or a key informant during the very

early planning stages of the project. Using a key informant is an effective way to obtain information relevant to the historical context of the project. A community, business, or industry leader with awareness of the pertinent issues and objectivity may be willing to provide useful information. A physician who is knowledgeable about the medical/hospital community is an example of an informant for a joint hospital project. A city historian or a member of the city council could also be sources of useful and objective information (Lauderdale, Note 7).

The following exit interview questions elicited pertinent information from the Hospital Project participants. Project planners can modify and use these questions in interviews with key informants or potential consortium members:

1. Is (name of hospital) involved in any cooperative efforts with other hospitals or other organizations?

   a. Please describe them.

   b. How are decisions made about these projects? (Probe: What is the structure of the governing body?)

   c. If a conflict arises among the participating organizations, how is it resolved?

2. What kind of decision-making format or governing board structure would you recommend for a similar project? (Probe: How would you suggest conflicts be resolved?)

3. What is the history of relations between your hospital and the other hospitals who participated

in the child care project? (Probe: General climate, small or large conflict or cooperative efforts?)

4. Under what conditions have competitive hospitals in Austin cooperated? In what ways?

5. If the Austin hospitals are not engaging in cooperative efforts at present, what conditions do you think would be required for joint endeavors? What kind of specific projects?

Hospital Project planners were aware of some facets of the shared history of the hospitals at the beginning of the project; other information was obtained serendipitously throughout the project. The scrutiny of historical influences performed at the close of the project revealed information that would have been useful in designing the project.

Historically, hospitals in the same area are competitors since they provide similar health care services to the same community and recruit from the same labor pool (Akinbode & Clark, 1976). However, hospitals are also interdependent since they must take into account the policies, actions, and goals of other hospitals to achieve their own goals. The more limited the pool of patients, labor, and funds, the greater the interdependency and more intense the competition (Litwak & Hylton, 1962).

The hospitals share a history of cooperation and competition. The hospitals cooperate on health care issues such

as patient transfer agreements, emergency back up agreements, and joint educational services for staff members. While there has been some differentiation of services offered by the hospitals in Austin, there is still overlap and competition. One administrator described the hospitals as "fiercely independent" and determined to maintain a share of the health services market. Some representatives noted a recent decline in the "informal cooperative efforts" between the hospitals; the hospital administrators are "more aware" of the competitive environment in which they operate.

Although the ultimate goal may be to have local hospitals cooperating on a joint child care project, it may be necessary to reach this goal gradually. If there is a history of intense conflict between hospitals, it may be very difficult or impossible to overcome this competition and develop a child care program. Project planners may want to consider initially inviting one or two hospitals and several organizations from allied health fields (e.g., nursing homes and visiting nurse services) to join the consortium. Once the project is successfully underway, other hospitals and health organizations can be invited into the project as members with full rights and responsibilities. The entire process may take several years to achieve, a point which

requires special consideration by planners who submit grant proposals at the local, state, or federal level (Lauderdale, Note 7).

Competitive organizations are faced with the challenge of maintaining their individual autonomy while cooperating with each other in a consortium arrangement. Planners can acknowledge this challenge and assist agencies to maintain their autonomy. Members may prefer to subsidize different parts of the child care program; each company would be individually acknowledged for its support. The funded parts would make up a whole quality child care program. For example, TRW and Hewlett-Packard are competitors. Four subsidiaries of TRW provide ongoing support for the Sunnyvale Child Care Service Center, and Hewlett-Packard gave a grant for the outdoor play area. Employees from both companies have access to a quality child care program (Kosanovic, Note 6).

Consortium planners must also consider the existing social and economic conditions of the industry involved in the project. The goal of most organizations is to grow and increase the area served. The rapid growth of a city can be an opportunity to increase profits; consider the effect this could have on the cooperation and commitment to a

project which would benefit competitors within the same industry. Additionally, if a city or industry is declining, potential participants may be less likely to join a project which involves a financial risk or gamble (Emery & Trist, 1965; Orum, Note 9).

Ideally, project planners will be aware of the history of potential members and incorporate the information in plans for the consortium. If there is no shared history or a history of conflict and competition, planners can try to build a history of cooperation among the organizations (Lauderdale, Note 7). The likelihood of success and the time it will take to build a history of cooperation is influenced by the previous level of competition. Project planners can consider the following ideas and suggestions when building a history of cooperation:

1. Remember the goal is to build commitment to the present project by creating positive relationships and encouraging productive, constructive decision-making methods.

2. Call to mind other cooperative efforts that some or all of the participants were involved in.

3. Involve participants for the project in short-term, and simple ventures that have a high potential for successful resolution. Keep in mind that building a history takes time; use stepping stones made of much less risky ventures. (E.g., the organizations could draft a joint resolution to the state legislature in support of mandatory, care safety restraints for children.)

4. Create a pleasant feeling of accomplishment among the participants. If they have been competitors, you are actually trying to change the perceptions (opinions and attitudes) they have of each other. Build up a philosophy of cooperation and a history of successful completion of joint projects (Lauderdale, Note 7).

The Inter-Agency Coordination Study of early childhood service organizations in Texas found "effective coordination . . . does not take place in one fell swoop." Successful relationships are more likely to emerge incrementally and to grow with small, successful previous encounters. By participating in small steps toward coordination, each partner is able to see its positive aspects and accommodate its negative aspects (p. 19, Esterline, 1976).

ECONOMIC UTILITY

Key Points

1. Speaking the same language about the economic utility of a project is one way to demonstrate that the project planners appreciate the importance of this issue to administrators.

2. Potential members must determine if the noneconomic benefits are worth the actual costs of consortium participation.

3. A detailed cost analysis and budget of proposed child care services will assist employers to weigh the costs and benefits of consortium participation.

4. Project planners must address any employer concerns associated with providing child care as a benefit.

5. Employees are less likely to develop unrealistic expectations if they are kept informed of all the alternatives under consideration, receive periodic progress reports, are made aware of time and budget limitations, and participate in an advisory capacity.

Addressing the issue of economic utility includes preparing a budget and defining financial obligations (e.g., actual and in-kind) and benefits for participants; it simply is not good business to blindly buy into a venture. Additionally, financial projections, income statements, depreciation. cash flow and so on are part of the language of large corporations and businesses. Speaking the same language about the economic utility of a project is one way to demonstrate that the project planners appreciate the importance of this issue to administrators ("Selling daycare," 1981).

Economic Influences

Goals play an important part in determining the economic utility of the project to participants. Project planners can determine how many of the individual agency goals are related to economic benefits or problems, and if these are short or long term goals. If the major impetus for joining the project is related to short term economic goals, then obviously the future and success of the project could be in jeopardy.

There may be a tendency for some organizations to focus on the cost of maintaining high staff-child ratios in quality care programs since wages account for approximately

80% of the budget (Friedman, 1980; Whitehead, Note 11). Project planners can encourage agencies to look beyond short term economic costs and consider what will be the long term benefits of sponsoring quality child care for employees. Projecting long term benefits may be difficult for organizations such as those hospitals which have been traditionally concerned with short term crisis care and have only recently assumed a more future-oriented, wellness approach (Whitehead, Note 11).

When reviewing the economic aspects of the organizations' reasons for entering a project, look at the groups of employees they are targeting. The project planners should determine if employer-sponsored child care is the most viable and cost-effective way to retain or recruit these employees. Employers may prefer to pursue more cost-effective solutions to labor problems (U.S. Dept. of Labor, 1982).

Project planners should be aware of an important economic theme in assessing individual agency goals and commitment. Employers may perceive unionization as a threat to the stability and availability of their labor force. Unionization may be viewed as a common "enemy" to employers in the same industry and spur interest in a consortium venture. Employer-sponsored child care may be considered

a way to meet a need of their employees and simultaneously enhance their standing in the eyes of employees (Lauderdale, Note 7).

If the "threat of unionization" is real, this economic issue may be a reason for strong commitment to a joint child care project. If the "threat" is not real, but has been a major impetus for consortium involvement, employer participation and commitment may deteriorate. On the other hand, if a company is already unionized, child care for employees may become part of the union contract negotiations.

Since commitment is closely tied to the incentives to be in a project, the benefits to consortium participants should be explicitly stated and restated throughout the project. Project planners should emphasize both the economic and noneconomic benefits during stew time so potential participants can determine if the noneconomic benefits are worth the actual costs.

Budget

A detailed cost analysis and budget will assist employers to weigh the costs and benefits of consortium participation. The cost analysis should be very thorough and include

both start-up and operating costs; the proportion of costs to be covered by employer subsidies and user fees; in-kind services pledged by employers; and cost breakdown of proposed services (U.S. Dept. of Labor, 1982). The cost analysis can also include the financial benefits of opening the center to the community. This measure can increase the available pool of children and reduce the amount of employer subsidy needed to maintain the program (Kosanovic, Note 6). Opening the program to the community will increase the likelihood of operating the center at full capacity since it frequently takes at least a year to fully involve employees of the sponsoring companies. Additionally, opening the center to the community may be the first step in obtaining community support and approval for establishing the center in a local neighborhood (Rush, Note 10).

Start-up costs for a joint child care program include:

-- facility costs (e.g., buy, build, lease, renovate);
-- consultant fees;
-- needs assessment;
-- center equipment (e.g., classroom, playground, office, kitchen, and maintenance);
-- public relations and advertisement;
-- recruitment of children and staff
-- staff training; and

-- miscellaneous fees (for establishing a non-profit corporation, a corporation for profit or partnership, or a tax-exempt organization) (Adolf & Rose, 1982; North Carolina Dept. of Administration, 1981; U.S. Dept. of Labor, 1982).

Operating costs for the center include:

-- salaries and fringe benefits for staff members (e.g., director, caregivers, clerical staff, janitor, cook, bus driver, substitutes);

-- building operation and maintenance (e.g., rent, mortgage, property taxes, utilities, insurance);

-- program materials;

-- maintenance and clerical supplies;

-- kitchen and paper supplies;

-- liability and accident insurance;

-- staff development and training;

-- medical consultation;

-- psychological or development screening; and

-- emergency funds (U.S. Dept. of Labor, 1982; Weber & Tulloss, 1979).

Employers can subsidize the child care program with a variety of in-kind services including:

-- free use of the facility;

-- janitorial services;

-- food preparation services;

-- health screening;

-- laundry;

-- secretarial services;

-- maintenance and repair services;

-- utilities (Perry, 1979);

-- legal and accounting services;

-- public relations or advertisement services; and

-- building or design services (U.S. Dept. of Labor, 1982).

Centers which provide the special services needed by some employee groups (e.g., hospital staff members) such as evening, night, weekend, and holiday care, have higher operating costs than commercial centers which do not provide these services. Employer subsidy is needed so the centers can continue offering these special and expensive child care services at a reasonable cost to parents (Whitehead, Note 11).

Employee Benefit

Project planners need to address the concerns associated with providing child care as an employee benefit. Employees are less likely to develop unrealistic expectations about the child care if they are kept informed of all the alternatives under consideration, receive periodic progress reports through company newsletters and meetings (U.S. Dept. of Labor, 1982), and participate in an advisory capacity to

project planners. Employees should also be made aware of any time or budget limitations on the proposed child care services.

It would be particularly important to address the issue of sick child care during the discussion of employee benefits. A very strong interest in this issue was expressed by both employers and employees of the hospital project. Sick care is also a priority concern and problem for many other employers and employees. There are currently few viable and affordable solutions to the problem of sick child care for employees. See Sick Child Care (Parents in the Workplace, 1983) for a more detailed description of the problem, related issues, and current sick child care options.

The amount and kind of subsidy provided by companies will vary and be influenced by the profitability of a joint venture. The greater the difficulty a company has in retaining and recruiting qualified employees, the greater the level of subsidy. Employers who can save advertising dollars and reach their consumer audience by being associated with child care centers will provide a higher level of subsidy. Stride-Rite manufactures and sells children's shoes, and receives free advertising of its brand name

when the firm's support of child care centers is publicized (Weber & Tulloss, 1979).

Employers may be resistant to add child care to the existing employee benefit package if there is concern that the project will fail or be short term. Employers are understandably reluctant to include a temporary benefit since employees can be frustrated and disappointed when the service is terminated. If the service is an experiment or part of a time-limited demonstration project, this should be stated and periodically restated to employees. Restating the description and limitations of the proposed services becomes especially important when there is a high turnover in employees; misunderstandings and rumors can be eliminated or minimized.

Planners should address the apparent inequity of providing child care as an employee benefit ("Selling day care," 1981). The extent and seriousness of this problem will differ among companies. Generally, workers are sensitive to the special problems of working parents and realize that few benefits are taken advantage of by all employees (Adolf & Rose, 1982). Employers could offer child care as one of several options; employees could then choose which benefits they preferred. Whether or not most employees choose child care the presence of a center can enhance

humanization of the workplace and employee morale; parent and nonparent employees can benefit from employer-sponsored child care (Burud, Collins, & Divine-Hawkins, 1983 b; Hicks & Powell, 1983).

POWER

Key Points

1. Power can be defined as the capacity to limit the choices of others and can be measured by the resources accessible to the organization.

2. A consortium has a greater chance for success if the participants have similar levels of power and access to resources.

3. Powerful consortium members have a "fail safe" mechanism in the knowledge they have the resources to establish a child care center even if the group effort fails.

4. A common but historically effective method to insure commitment to a project is to require organizations to contribute funds in order to participate.

5. Representatives must be able to speak and make decisions for the organization; if not, progress could be slow or nonexistent.

Planners must understand the potential impact power can have on the process and outcome of the project. The comparative power of organizations within the consortium and the relative power of individuals within each organization can be assessed during the initial stages of the joint project.

Organizational Power

Power can be defined as the capacity to limit the choices of others and can be measured by the resources (e.g., time, expertise, money) accessible to the agency (Orum, Note 9). The possibility for cooperation within a consortium is greater if the parties have similar levels of power and access to resources. An agency with adequate power and resources to develop a child care program without help has less incentive to compromise so a mutually acceptable project can be developed (Akinbode & Clark, 1976; Orum, Note 9).

If the participants have equal power or access to resources, there is greater likelihood they will cooperate. One agency could not limit the choices of other consortium members or design a project suited just to its own needs since

the other members have the power to prevent this. There is also a realization that unless the agencies pull together, no one will have the desired service (Orum, Note 9). The inability of an organization to accomplish certain goals independently was found to be the primary motivation for voluntary, interagency coordination in the Texas study (Esterline, 1976).

The power and resources of the hospital members varied. One hospital had the financial resources to develop a center by itself. However, the hospitals felt they were dependent on each other for enough employees to utilize a center open 18 to 24 hours. Within the consortium, hospital members had a similar level of power since major decisions required the consensus of the hospitals. A consensus was required, since one hospital could not pledge the support of the others for the project. It was important to develop a project that was mutually acceptable, because the hospitals were to be responsible for the ongoing child care project after the funding period ended.

The hospital members had to reach a consensus on the project site and services within a deadline to utilize the federal funds. Unfortunately, the strongest consensus (i.e., a mutually acceptable and equally accessible single, leased

site for 24-hour care) was not possible due to the constraints of the real estate market. An acceptable compromise was not reached within the deadline, and the federal funds were lost.

The three social service agencies had expertise related to child care. The social service agencies had the power to influence the decision-making process by when and what information was presented. This power could have been wielded more often and with greater force during the initial planning stage of the project. More education about the cost and types of child care services (e.g., infant care, sick care, family day homes) might have facilitated the decision-making process of the hospital representatives.

The bigger powers have an advantage over their less powerful counterparts even with contractual commitment. They have a "fail-safe" mechanism in the knowledge they have the resources to establish a child care center even if the group effort fails (Orum, Note 9). The issue of uneven power is a reason for requiring each participant to make a "sacrifice" to enter the project. They would have something to lose if the project failed. A common but historically effective method is to require all members to contribute funds to participate. The more powerful organizations are forced to make a commitment to project success.

Someone in the company will be held accountable for the committed funds and be required to document project progress and participation to supervisors (Bryant, Note 1; Esterline, Note 4).

A distinction can be made between participants as consumers of services and designers of the project in considering the issue of power. If potential participants have unequal levels of power or access to needed resources, project planners may want to circumvent related problems. One effective way to avoid the problem is to define and determine the cost of established services for the participant/consumer. Financial commitment is required before the consumer has access to the services. The services are not dependent upon the participation of any one buyer; the service will continue even when buyers drop out. The consumers do not participate in the design of the services. They can buy the services as they exist or provide funds for services to be established by child care experts. Most child care consortiums operating today subscribe to this model.

For example, the Renilda Hilkemeyer Child Care Center (Texas Medical Center, Inc.) originally set up in 1968 by seven hospitals, now serves subsidized and nonsubsidized employees

from over twenty-three institutions. The administrative advisory board and a committee of fiscal staff attend to the administration and budget respectively of the center. However, the designing and operating of the center was placed in the hands of the director, who has a Master's level degree in Child Development (Whitehead, Note 11).

It is possible for organizations with different levels of power or access to resources to cooperate to achieve a mutual goal. When the existence of the organizations is threatened by a mutual, external threat or the organizations are dependent on each other for survival, then these groups may pull together and cooperate. The Council for Labor and Industry established the Children's Village in 1976 primarily for workers in the garment industry to help revitalize the industry, retain blue collar jobs, and enhance the economic health of Philadelphia (Bader & Friedman, 1981).

Individual Power

The power of prospective project members must be considered from the beginning; the selection process, qualifications, and responsibilities of individuals overseeing the project (i.e., governing board) should reflect an awareness of the impact power can have on the success or failure of

a joint project. Approach the highest level person (e.g., president, chairman, administrator, executive director) in the company with the invitation to join the project. Present a fairly complete proposal and introduce joining the project as a special opportunity for the company. Be eloquent but accurate in describing the unique role the company will play in the consortium. When top level management is personally interested in a project, company representatives to the consortium will be motivated to work together since they will be held accountable for project progress and outcome. The representatives must be able to speak and make decisions for the organization, or progress can be slow or nonexistent (Bryant, Note 1; Esterline, Note 4). The administrative advisory board to the Renilda Hilkemeyer Child Care Center in Houston is composed primarily of the vice-presidents or chief administrators of the subsidizing institutions (Whitehead, Note 11).

When coordination of mental health services for the project at the Wheeler Clinic in Connecticut encountered resistance from various agencies, top level administrators of those agencies were contacted for support. Only by clarifying the role for each agency with its director was the mandate for participation obtained and obstacles to cooperation overcome (Engelhardt, Note 3).

The representatives to the hospital project had different levels of authority within their organizations. Some were able to make decisions for their hospital; others had to verify decisions with administrators. This prolonged the decision making process and frustrated consortium members. Progress was sporadic, and decisions had to be "remade" at subsequent meetings based on the feedback from hospital administrators. Implementable decisions were made only when the hospital administrators were directly involved.

Other consortiums have found that success or failure was influenced by the level of authority involved from each member organization. Even after 18 months of involvement in the planning process, Middle Management level representatives were unable to obtain their companies' commitment to consortium management and the organizations dropped out of the project (Rush, Note 10). Members of a second project noted that they "had originally thought that the later stages of coordination would be handled, except for policy level decisions, by the lower level of staff of the agencies. However . . . the major work of coordination has continued to be the responsibility of top level leadership" (p. 60, O'Toole et al., 1972). A consortium forming in Albuquerque, New Mexico was initiated by the city; the mayor has obtained commitments from presidents of two private companies (McCabe, Note 8).

Although there are potential problems related to the inter-organizational issue of power, consortium planners should not lose sight of the positive aspects of this potent influence on project success. Coordinators can share how power is created or generated with other project members. "When organizations come together they can generate more power to attain goals than each could have attained by separate effort" (p. 61, O'Toole et al., 1972). Each agency then has access to the combined total of contacts held by those organizations in the network (O'Toole et al., 1972).

CONFLICT

Key Points

1. The consortium can be viewed as a new game which needs the rules and member roles to be clearly defined by administrators during stew time.

2. During the initial meetings, representatives from each organization state the purpose for joining and expected benefits of consortium participation. The planner guides the discussion to a consensus on project purpose, goals and priorities; member authority and responsibilities; decision-making model and governing procedures; and acceptable means to reach project goals.

3. Project planners should verify rather than assume there is a consensus on the purpose and structure of a federally funded project as described in the proposal.

4. Conflict can be resolved through negotiation by consortium members or mediation by the project planner or a consultant.

5. Mediators can assist consortium members to resolve conflicts themselves by analyzing and diagnosing the problem, providing accurate and relevant information, reducing interpersonal barriers, improving decision-making procedures, or increasing the options under consideration.

6. Potential sources of mediation experts include the local, regional, or state mental health and education agency; a local continuing education center; university departments of social work, sociology, industrial psychology, business administration, or educational psychology, and the federal grant agency.

Consortium planners can anticipate the occurrence of conflict by clearly defining rules and roles for participants, identifying potential sources of conflict, and including a process of conflict resolution in the framework of the consortium (Litwak & Hylton, 1962).

There are some conditions which predispose organizations to conflict including:

-- competition for scarce resources;

-- partial interdependence of organizations;

-- awareness the interdependence exists (Litwak & Hylton, 1962);

-- lack of domain consensus (overlap in services provided to the community);

-- draw similar or complementary resources from the same sources (hospital personnel from the same labor market);

-- provide similar services to same group;

-- provide similar services in the same area of the community;

-- dissimilar or narrow goals held for the consortium;

-- differences in criteria for division of consortium benefits among organizations; and.

-- a tendency for group goals to be sacrificed in favor of more narrow, self-serving goals of individual organizations (Akinbode & Clark, 1976).

The Consortium Game

A consortium can be viewed as a game which should have the roles and rules clearly defined during the initial meeting (Litwak & Hylton, 1962; Orum, Note 9). This is best accomplished by the chief administrators who may be the only agency members with the authority to make the necessary concessions to reach an agreement (Kriesberg, 1982). Once these ground rules are made and understood, there will be less confusion and clearer communication when delegates of the administrators attend consortium meetings. Clear ground rules are especially important when members are competitive; concern about protection of self interests and "turf" issues is lessened (Engelhardt, 1982, Note 3).

Agreement on consortium purpose and structure will help develop group cohesiveness and a sense of common purpose. Project planners can guide the discussion to a consensus on project purpose, goals, and priorities; member authority and responsibilities; decision-making model and governing procedures; and acceptable means to reach project goals. The planner can use a flipchart or blackboard to write statements made by each member so the participants' attention can be focused on similarities and differences (Pelosi, 1982).

Coordinators of federally funded projects may want to verify rather than assume members share the same interpretation of the objectives, tasks, responsibilities, budget, and timeline stated in the proposal. Even when members have individually read and agreed to participate in the project as stated in the proposal, it is advisable to jointly review and interpret the proposal. A consensus should be reached before action is taken, or a muddled picture of the project may result.

The hospital administrators were asked to express their goals and expectations of the project individually but not in a group. There was disagreement on how to achieve the purpose of the project, which services to initially offer, and which options to pursue in establishing a site. Priorities and preferences had to be established before decisions could be made to pursue an option; decisions were further delayed since the representatives had to verify choices with administrators.

Methods of Conflict Resolution

Members can include three levels of conflict resolution in consortium plans. Which level used will depend on the severity and duration of the conflict. Consortium members may be able to resolve the conflict through negotiation

among themselves; members may need the mediation services of the project planner; or participants may require the expertise of an individual who has experience in handling community relations problems or dealing with conflict among competing organizations (Orum, Note 9).

Consortium planners can anticipate the need for negotiation between members by establishing formal and informal lines of communication during the initial stages of the project. These clearly defined channels of communication can be helpful in resolving project conflicts and in facilitating interagency cooperation. The close cooperation and communication established between the Wheeler Clinic and the Family Relations Office of the Superior Court during the project has continued and resulted in more cooperative ventures, clarification of policies, and an enhanced working relationship. Court officers and clinicians can utilize this working relationship to clarify roles and tasks when "sticky" cases come to court (Engelhardt, Note 3).

Representatives with the authority to make necessary compromises will be required to quickly resolve the conflict between members (Jackson & King, 1983). Administrators need information to make sound decisions for the project. A trusted individual with the necessary information ready

at the appropriate times will facilitate decision-making. If the planner does not have this information, the administrators may need to consult an expert before making a joint decision (Kriesberg, 1982).

Several Hospital Project members suggested that the full authority and responsibility for decision-making should be held by the organizations who want to sponsor child care for their employees. The employers, with the guidance of the project planner, would decide when and who to consult to perform a needs assessment, analyze program costs, design a child care program, locate a facility, train program staff, or evaluate the program (U.S. Dept. of Labor, 1982).

When a consensus cannot be reached through employer negotiation, group cohesiveness, morale, and productivity may deteriorate. Project planners should be alert to the warning signals of apathy, tardiness, absences, inattentiveness, and open hostility and use their mediating skills to identify and resolve the underlying conflict (Magrab, 1982). It may be helpful for planners to keep in mind the central objective of mediation is to assist the employers to resolve the conflict themselves by reaching a mutually acceptable agreement. Planners can use a variety of methods to achieve this objective, including analyzing and diagnosing the

problem, providing accurate and relevant information; reducing interpersonal barriers, improving decision-making procedures, and increasing the options under consideration by the employers (Kriesberg, 1982).

Project planners can facilitate conflict resolution by informing consortium members of the likely consequences of each available option. The planner can elaborate and clarify the statements of the disagreeing parties and identify similarities between the expressed opinions and preferences (Litwak & Hylton, 1962). This can be done during or before a group meeting. When the planner meets individually with the consortium members, they have an opportunity to "let off steam," which can reduce the level of tension within the group. Planners can keep the lines of communication open between meetings with a written summary of member opinions and preferences and accepted or rejected options, and a list of decisions to be made at future meetings (Kriesberg, 1982; Magrab, 1982).

If members are in a stalemate over a vital point, the planner may suggest that members modify the decision-making process, temporarily table the problem and move on to a less controversial topic, or break the problem into smaller steps which can be more easily resolved. If members continue to be stuck, the planner can point out options the

members have not considered or encourage members to brainstorm solutions. The solutions are not evaluated until all ideas have been expressed. The members can then evaluate the solutions and identify feasible and mutually acceptable alternatives (Kriesberg, 1982). If the new alternative is a major change, it will probably require the sanction of the administrators, since they may not agree with the decisions made by their representatives. Urge the administrators to attend the next meeting with both verbal and written invitations which describe the alternatives under consideration. When a leased site could not be found in a location specified by the hospitals, several alternatives were discussed (e.g., build or purchase a single site or develop two sites) but a consensus was not reached until administrators met.

When the conflict continues despite the mediation efforts of the project planners, the services of an expert may be required to successfully resolve the conflict so the project can continue. This point becomes especially relevant when the project is on a deadline, as in the case of a federal grant.

Potential sources of mediation experts include local, regional or state mental health and education agencies;

a local continuing education center; university departments of social work, sociology, industrial psychology, business administration, or educational psychology (Magrab, 1982); or the federal grant agency if applicable (Orum, Note 9).

SUMMARY OF STRATEGIES FOR CONSORTIUM PLANNERS

Cooperation

1. After a proposal for a child care consortium has been initiated, stew time must be allowed for the potential members to consider how great is their commitment (Orum, Note 9).
2. Project planners are responsible for the structure and productivity of this time period. The planner can structure stew time as follows (Orum, Note 9):
   a. Define the purpose and present the potential benefits of the project in an explicit way; use a written and visual format (e.g., lists, charts, graphs, and so on).
   b. Outline anticipated costs and any problems members may face.
   c. Inform potential participants what will be expected of them. State the commitment (.e.g, financial or contractual) and responsibilities they will be expected to assume if they join the project. If applicable, discuss the grant application process and associated responsibilities of potential participants.

d. State the type of coordination which is being planned. In most child care consortiums, there is no central authority present and autonomous organizations come together voluntarily, without the sanction of a governing body; the coordination is "unmanaged" or simply "voluntary" (Esterline, 1976).

e. Educate the potential participants about day care to dispel myths and misconceptions (i.e., what quality day care involves, types available, costs required).

f. Elicit clear goals from the consortium; clarify contradictory expectations.

The first four points can be discussed individually with the potential participants by the planners, who utilize their salesmanship talents to generate interest and excitement for the project. The first four points are reviewed, and the last two points discussed in a group meeting.

3. The commitment to success and a sense of ownership can be enhanced by formulating goals together for the consortium. The project coordinator could begin this process by pointing out similarities between individual agency goals. These similarities can become

the basis for both short and long term consortium goals.

4. Two important responsibilities of the project coordinator are to assist potential participants in clarifying both individual agency goals and joint consortium goals and to point out contradictory or conflicting goals. Why the goals are contradictory and which has priority must be determined to prevent later conflicts and possible project failure.
5. A heavy requirement for financial and contractual commitment encourages prospective members to determine whether or not the costs to their individual agencies are outweighed by the benefits expected from consortium participation.
6. A sense of ownership for the project must be examined, since it is a reflection of commitment to the project. Cooperation within the consortium is also influenced by the shared history of the participants; a history of competition can adversely affect the ability of participants to work together (Lauderdale, Note 7).
7. If there is no shared history or a history of conflict and competition, planners can try to build a history of cooperation among the organizations (Lauderdale, Note 7):
   a. Remember the goal is to build commitment to the present project by creating positive relationships

and encouraging productive, constructive decision-making methods.

b. Call to mind other cooperative efforts that some or all of the participants were involved in.

c. Involve participants for the project in short-term and simple ventures that have a high potential for successful resolution. Keep in mind that building a history takes time; use stepping stones made of much less risky ventures. (E.g., the organizations could draft a joint resolution to the state legislature in support of mandatory, car safety restraints for children.)

d. Create a pleasant feeling of accomplishment among the participants. If they have been competitors, you are actually trying to change the perceptions (opinions and attitudes) they have of each other. Build up a philosophy of cooperation and a history of successful completion of joint projects.

Economic Utility

8. Speaking the same language about the economic utility of a project is one way to demonstrate that the project planners appreciate the importance of this issue to administrators ("Selling daycare," 1981).

9. Potential members must determine if the noneconomic benefits are worth the actual costs of consortium

participation. A detailed cost analysis and budget will assist employers to weigh the costs and benefits of consortium participation. The cost analysis should be very thorough and include both start-up and operating costs; the proportion of costs to be covered by employer subsidies and user fees; in-kind services pledged by employers; and cost breakdown of proposed services (U.S. Dept. of Labor, 1982).

10. Project planners must address any employer concerns associated with providing child care as a benefit, including the reluctance of employers to add child care to the existing employee benefit package if there is concern that the project will fail or be short term and the apparent inequity of providing child care as an employee benefit.

11. Employees are less likely to develop unrealistic expectations if they are kept informed of all the alternatives under consideration, receive periodic progress reports, are made aware of time and budget limitations, and participate in an advisory capacity to project planners.

Power

12. Power can be defined as the capacity to limit the choices of others and can be measured by the resources

(e.g., time, money, expertise) accessible to the agency. A consortium has a greater chance for success if the participants have similar levels of power and access to resources. One agency could not limit the choices of other consortium members or design a project suited just to its own needs since the other members have the power to prevent this. There is also a realization that, unless the agencies pull together, no one will have the desired service (Orum, Note 9).

13. The bigger powers have an advantage over their less powerful counterparts even with contractual commitment. They have a "fail-safe" mechanism in the knowledge they have the resources to establish a child care center even if the group effort fails (Orum, Note 9). The issue of uneven power is a reason for requiring each participant to make a "sacrifice" to enter the project. They would have something to lose if the project failed. A common but historically effective method is to require all members to contribute funds to participate.

14. A distinction can be made between participants as consumers of services and designers of the project in considering the issue of power. If potential participants have unequal levels of power or access to needed resources, project planners may want to circumvent related problems. One effective way to avoid

the problem is to define and determine the cost of established services for the participant/consumer. Financial commitment is required before the consumer has access to the services. The services are not dependent upon the participation of any one buyer; the service will continue even when buyers drop out.

Conflict

15. Consortium planners can anticipate the occurrence of conflict by clearly defining rules and roles for participants, identifying potential sources of conflict, and including a process of conflict resolution in the framework of the consortium (Litwak & Hylton, 1962).

16. A consortium can be viewed as a game which should have the roles and rules clearly defined during the initial meeting (Litwak & Hylton, 1962; Orum, Note 9). During the initial meetings, representatives from each organization state the purpose for joining and expected benefits of consortium participation. The planner guides the discussion to a consensus on project purpose, goals and priorities; member authority and responsibilities; decision-making model and governing procedures; and acceptable means to reach project goals.

17. Coordinators of federally funded projects may want to verify rather than assume members share the same interpretation of the objectives, tasks, responsibilities, budget, and timeline stated in the proposal. Even when members have individually read and agreed to participate in the project as stated in the proposal, it is advisable to jointly review and interpret the proposal. A consensus should be reached before action is taken, or a muddled picture of the project may result.

18. Conflict can be resolved through negotiation by consortium members or mediation by the project planner or a consultant.

19. When a consensus cannot be reached through employer negotiation, group cohesiveness, morale, and productivity may deteriorate. Project planners should be alert to the warning signals of apathy, tardiness, absences, inattentiveness, and open hostility and use their mediating skills to identify and resolve the underlying conflict (Magrab, 1982).

20. Mediators can assist consortium members to resolve conflicts themselves by analyzing and diagnosing the problem, providing accurate and relevant information, reducing interpersonal barriers, improving decision-making procedures, or increasing the options under consideration (Kriesberg, 1982).

21. Potential sources of mediation experts include the local, regional, or state mental health and education agency; a local continuing education center; university departments of social work, sociology, industrial psychology, business administration, or educational psychology (Magrab, 1982), and the federal grant agency (Orum, Note 9).

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6. Kosanovic, B., Director, Choices for Children, Sunnyvale, California. Personal communication, December 30, 1983.

7. Lauderdale, M., Associate Professor, The University of Texas at Austin, School of Social Work. Personal Communication, November 22, 1983, February 9, 1984.

8. McCabe, S., Department of Human Services, Albuquerque, New Mexico. Personal communication, January 24, 1984.

9. Orum, A., Professor, The University of Texas at Austin, Department of Sociology. Personal communication, November 7 & 22, 1983, December 20, 1983.

10. Rush, L., Director Employment Related Child Care Program, Contra Costa Children's Council, Concord, California. Personal communication, January 10, 1984.

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Hospital Employee Child Care Project #90CW670/01
Final Report (Jan.-March)

Austin Child Guidance and Evaluation Center
612 West Sixth Street
Austin, Texas 78701

Elizabeth L. Morgan
Project Coordinator

Prepared under OHDS/ACYF Grant #90CW670/01
Department of Health and Human Services
Office of Human Development Services
Administration for Children, Youth and Families

The focus of the final quarter has been on completing Child Care Consortiums by Employers: Four Interorganizational Issues to Consider When Developing a Joint Project, a manual of information and suggestions for groups considering joint child care projects. The manual has both theoretical and practical components. The theoretical framework is based on information presented by the consultants and gleaned from a review of pertinent literature. Examples which illustrate and clarify discussion of the four interorganizational issues were elicited during interviews with former Hospital Project members and with members of other group ventures.

The Austin Child Guidance and Evaluation Center (ACGEC) subcontracted with Anthony Orum, Ph.D. and Michael Lauderdale, Ph.D. (both with the University of Texas at Austin) for their services as Consultants for the Hospital Project. During the final quarter, they reviewed the final draft of the manual for clarity in presentation and application of the interorganizational issues and provided editorial suggestions.

Dr. Lauderdale also stated that at a future date, ACGEC could consider expanding the manual into a workbook. The workbook could "walk" project planners through the process of developing a consortium from an interorganizational perspective.

ACGEC also subcontracted with Ms. Diane Hawk Spearly for her services as a consultant. She has experience and contacts in the field of employer-sponsored child care. Ms. Spearly has participated in all phases of the manual development including gathering and reviewing information. Ms. Spearly is co-author of the manual.

The following individuals have also been generous with their time, suggestions, and verbal support. They reviewed the initial draft of the manual to verify the accuracy of their citations and to determine if they could provide additional examples or information.

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The interviews with members of other consortium ventures continued in January 1984; examples drawn from these interviews are included in the final draft of the manual.

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Please see the Executive Summary for the dissemination plan. The synopsis of the manual contents and listing of where copies can be obtained will be submitted to the listed organizations in late March after the manual has been reviewed by ERIC. If accepted, interested readers will be able to obtain reprints from ERIC also. A copy of the synopsis is attached.

Executive Summary 2/28/84
The Hospital Employee Child Care Project
#90CW670/01

Austin Child Guidance and Evaluation Center
612 West Sixth Street
Austin, Texas 78701

Elizabeth L. Morgan, M.A.
Project Coordinator

Prepared under OHDS/ACYF Grant #90CW670/01
Department of Health and Human Services
Office of Human Development Services
Administration for Children, Youth, and Families

Executive Summary

Background and Objectives of Project

In January 1982, Austin Child Guidance and Evaluation Center (ACGEC) informed the administrators of the six major hospitals in Austin that the Office of Human Development Services (HDS) was seeking preapplications for the funding of strategies for developing new sources of family support for working parents. The strategies were to emphasize methods for assisting parents to obtain and maintain adequate child care arrangements and for demonstrating to employers the benefits of family-oriented practices (e.g. reduced turnover, reduced absenteeism and tardiness, increased productivity, enhanced recruitment, and improved employee morale). Four hospitals agreed to join ACGEC in the application.

The hospital community was selected by ACGEC to participate in the project due to the great need for child care experienced by employees with 24 hour shift work and the problems experienced by employers trying to replace their highly trained technical staff who were absent or tardy due to child care problems.

HDS approved the preapplication request for a child care consortium and advised ACGEC to include the local provider of Head Start services in the project to eliminate duplication of services, maximize the value of federal funds, and provide access to expertise in child care. Child Incorporated was subcontracted to provide the requested child care services. A needs assessment was required to determine employees' needs and preferences for child care; Austin Families Incorporated won a bid to conduct the needs assessment and a longitudinal evaluation of the project.

HDS approved the proposal to create a joint hospital employee child care project in Austin involving the three social service agencies (ACGEC,

Austin Families Inc., and Child Inc.) and four private hospitals (Seton Medical Center, Shoal Creek, St. David's Community Hospital, and Holy Cross). The budget period for the $107,416.00 award was 9/30/83 through 2/28/84. The bulk of the award was budgeted as start up funds to ease the problem of start up lag and to enable the project to become stable while the participating hospitals decided how the child care project was to be ultimately organized and maintained following the demonstration period.

This project was considered innovative because it involved coordination of four hospitals and three social services and proposed to blend both center and family day home care. This blend was designed to meet the need of the individual employee by providing the stability of center care with the flexibility of family day homes.

The project participants hoped to create quality child care, improve parent's job performance, and thereby provide a private-sector model for employer-based child care. More specifically, the stated goals of this demonstration project were:

1) to provide initiative for working parents to continue participating in the economy with little worry concerning child-care arrangements;

2) to provide further emotional support for working families by offering a developmental and mental health child-care program. Such a program would include parenting classes, diagnostic educational and mental health screening and follow-up for those children needing further attention, and an in-class curriculum developed to enhance the child's current developmental potential;

3) to provide a model for cooperative private-sector emphasis on quality of family life through liberalized personnel policies, while providing the employers with measurable proof that these policies can be economically beneficial for their facilities (substantiating claims by measuring reductions in turnover and absenteeism, eased recruitment of medical personnel in the currently tight medical personnel market and reductions in turnover in night shift employees); and

4) to provide a model for an innovative cooperative private sector model for employer-based family support by allowing several facilities to combine resources.

Each of the three social service agencies had a project role which corresponded to the purpose and philosophy of the agency. The Austin Child Guidance and Evaluation Center is a private non-profit agency which has been in existence for over thirty years. The Austin Child Guidance and Evaluation Center provides multi-disciplinary assessment and treatment services to children and adolescents (0-17 years of age) who are experiencing emotional, behavioral, or developmental difficulties and is the only agency in the ten-county area dedicated exclusively to mental health needs of children, adolescents, and their families. ACGEC was grant administrator, project coordinator, and consultant for the developmental/mental health curriculum of the child care program.

Child Incorporated is a private non-profit corporation established for the purpose of conducting and researching projects related to day care and child development. Child Incorporated has been in existence for ten years. It currently operates sixteen child development centers and a family day home system which serves approximately 1,200 children. Child Incorporated utilizes a developmental approach in its operation of child care facilities. Child Incorporated was subcontracted to provide the requested child care services.

Austin Families Inc. was established as a private, non-profit corporation in 1978. The goal of Austin Families Inc., is the development of resources to respond to the unmet needs of Austin's working parents and their children. The role of Austin Families Inc. is to assist employers that are concerned about the impact that child care problems have on the workplace. Austin Families Inc. conducts child care feasibility studies, which assess the employees' child care needs and explore the costs and benefits of various child care benefit plans. Austin Families also works to expand the supply of high qualtiy care in the community, as well as

providing a telephone information and referral service--the Childcare Switchboard. Austin Families Inc. conducted the initial needs assessment and was subcontracted to conduct a longitudinal evaluation of the project.

The four area hospitals (Seton Medical Center, St. David's Community Hospital, Holy Cross Hospital, and Shoal Creek Hospital) agreed to support employee involvement and to help decide which child care services to offer based on the results of the needs assessment. The hospitals promised in-kind services to the center such as the services of the employee health nurse. The hospitals shared the responsibility of deciding how the ongoing child care project was to be organized, supported, and administered (e.g. nonprofit corporation, hospital subsidies) after the demonstration period. It was also proposed that the participating hospitals establish a jointly held account or contingency fund which would help to subsidize the cost of major equipment failures (e.g. air conditioning, plumbing), as well as other expenses related to developing high quality programming within the child care facility and day homes such as screening for developmental problems and parent training.

Outcome of Project

Although the intention of the project was to see if a cooperative venture in employer-sponsored child care could succeed, such a venture was not successful despite everyone's efforts and good intentions. A year of searching and meetings did not yield an available child care site which was jointly acceptable to the hospital representatives. Agreement was reached on the initial services to offer after a year of negotiations and modifications to the initial suggestions made by the social service agencies.

Although the Hospital Employee Child Care Project was over as originally envisioned, a proposal was made to use a portion of the federal

funds to partially fulfill an objective of the gran.. In reviewing the process and outcome of the project, it became obvious that the participants could share what had been learned with other consortiums. HDS approved the revision which addresses the fourth objective of the project: to provide an innovative cooperative model among the private sector for employer-based family support by allowing several facilities to combine resources. The goal of the revision was to produce a manual of information and suggestions for groups considering similar projects.

Change In Scope of Project

Child Care Consortiums By Employers: Four Interorganizational Issues to Consider When Developing a Joint Project is intended as a useful tool for groups considering similar joint child care projects. After reading the manual, project initiators will be more sensitive to four potent influences on the consortium process and outcome and will be able to incorporate an interorganizational perspective in their consortium plans. Project initiators will also have information which can assist them in assessing the feasibility of developing a joint child care project in their community.

The discussion includes: ways consortiums can be viewed from the perspective of these four related issues; how cooperation, economic utility, power, and conflict may be demonstrated in a joint project; and guidelines for similar projects derived from the discussion of each interorganizational issue.

The manual has both theoretical and practical components. The theoretical framework is based on information presented by the consultants and gleaned from a review of pertinent literature. Examples which illustrate and clarify discussion of the four interorganizational issues were elicited during interviews with former Hospital Project members and with members of other group ventures.

Members of other group ventures were requested to provide information on the origin of their project, structure of the governing board, procedures for decision making and conflict resolution, guidelines for financial and contractual commitment and descriptions and solutions for problems encountered.

The Austin Child Guidance and Evaluation Center (ACGEC) subcontracted with Anthony Orum, Ph.D. and Michael Lauderdale, Ph.D. for their services as Consultants for the Hospital Project. They provided suggestions on how to refine and strengthen the exit interview instruments to better obtain informative and candid responses from the project participants. They reviewed and edited the drafts of the manual for clarity in presentation and application of the interorganizational issues.

ACGEC also subcontracted with Ms. Diane Hawk Spearly for her services as a consultant. She has experience and contacts in the field of employer sponsored child care. It was more time and cost-effective for Ms. Spearly to assist with the data collection and analysis than for ACGEC to start this process from "scratch" or to request the assistance of Drs. Lauderdale and Orum. Ms. Spearly has participated in all phases of the manual development including gathering and reviewing information and editing the first through final drafts of the manual.

Members of the Hospital Project were interviewed during November and December 1983. Although some members were initially hesitant, those interviewed were candid about their perceptions of the project and generous with their suggestions for groups considering similar projects. The exit interviews also provided a sense of closure to the joint venture. The member agencies will be provided with a copy of the manual.

The following individuals have been generous with their time, suggestions, and verbal support. They agreed to review the initial draft of the manual

to verify the accuracy of their citations and to provide additional examples or information.

1. Donna Bryant
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   5614 HMC St.
   Houston, Texas 77021

These individuals were interviewed by telephone and provided information, suggestions, and examples which have been included in the manual:

7. Sally McCabe
   Department of Human Services
   City of Albuquerque
   P.O. Box 1293
   Albuquerque, New Mexico 87103

8. Louise Rush
   Contra Costa Children's Council
   2253 Concord Blvd.
   Concord, California 94520

The following individuals have expressed interest in and support for the manual and have requested a copy of the finished product. Ms. Friedman

provided the names of several individuals who have been involved in consortium negotiations.

9. Ida Bacase
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10. Joan Bergstrom, Ed.D.
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12. Dana Friedman
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13. Charles Pekow
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Mr. Pekow has stated he will briefly describe the manual and list where interested individuals can obtain copies of the manual in an upcoming edition of the newsletter.

Dissemination of Manual

The final report, executive summary, and manual will be submitted to these two clearinghouses:

1. Project SHARE
   P.O. Box 2309
   Rockville, Maryland 20852

2. ERIC
   805 West Pennsylvania Avenue
   Urbana, Illinois 61801-4897

Information about the manual will also be available through these two resource services:

3. Boulder Child Care Support Bibliography Center
   P.O. Box 791
   Boulder, Colorado 80306

The manual will be listed in the annotated bibliography of the center: reprints of the manual will be available at ten cents per page.

4. Catalyst Library
   Corporate Child Care Resources
   14E 60th Street
   New York, New York 10022

Although individual orders for copies of the manual will not be available through the Catalyst Library, information will be accessible through the on-line computer data base.

Of course copies of the manual can be obtained by contacting the Austin Child Guidance and Evaluation Center as long as the very limited supply lasts.

A synopsis of the manual contents and listing of where interested readers can obtain copies will be submitted to the following organizations for possible inclusion in upcoming editions of their publications:

5. National Association of Hospital Affiliated Child Care Programs
   c/o Mr. Mark Podolner
   Illinois Masonic Medical Center
   Lakeview Child Care Center
   900 W. Oakdale Avenue
   Chicago, Illinois 60657

6. SEDL Newsletter
   c/o Dr. Renato Espinoza
   Southwest Educational Developmental Laboratory
   211 E. 7th Street
   Austin, Texas 78701

7. Texas Institute for Families
   8002 Bellaire Blvd. #1122
   Houston, Texas 77036

8. Zero to Three Bulletin
   National Center for Clinical Infant Programs
   815 15th Street N.W. Suite 500
   Washington, DC 20005

9. Infant Parent Training Program & "Kid's Coalition Group"
   c/o Madeline Sutherland
   3804 Cherrywood
   Austin, Texas 78722

10. National Campaign for Child Daycare for Working Families
    P.O. Box 28687
    Washington, D.C. 20005

11. Friends of the Family
    Box 40845
    Washington, D.C. 20016

12. High/Scope Resource
    c/o The High/Scope Educational Research Foundation
    600 North River Street
    Ypsilanti, Michigan 48197-2898

13. Austin Association for the Education of Young Children
    c/o Mary Burson-Polston, President
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    Austin, Texas 78759

14. Texas Department of Human Resources
    Editor
    Texas Child Care Quarterly

15. National Association for the Education of Young Children
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    Washington, D.C. 20009

16. Denver Child Care Consortium
    c/o Cindy Wunderlich
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    Denver, Colorado 80210

17. The Bush Foundation Training Program in Child
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    Graduate School of Education
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18. Sue Durio, Editor
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19. Gwen Morgan
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Points to Consider

The following nine points will be of interest to project planners who submit grant proposals at the local, state, or federal level and are covered in greater detail in Child Care Consortiums By Employers: Four Interorganizational Issues To Consider When Developing A Joint Project.

1. Although the Hospital Project was unsuccessful in establishing a child care program, the members felt some benefits were derived from participating in the consortium. The hospital representatives are more knowledgeable about the complexity of child care and the available options for single and group employer-sponsored child care. The needs assessment provided information on the child care needs and priorities of employees (e.g. sick care, night care, early morning care). Hospital employees are aware their employers pursued child care even though it was an unsuccessful venture. One hospital is pursuing a different type of employer-sponsored child care through a demonstration voucher project. Additionally, firm professional links have developed between the three social service agencies.
2. The hospital members had to reach a consensus on the project site and services within a deadline to utilize the federal funds. Unfortunately, the strongest consensus (i.e. a mutually acceptable and equally accessible single, leased site for 24-hour care) was not possible due to the constraints of the real estate market. An acceptable compromise was not reached within the deadline and the federal funds were lost.
3. The hospital administrators were asked to express their goals and expectations of the project individually but not in a group. There was disagreement on how to achieve the purpose of the project, which services to initially offer, and which options to pursue in establishing a site. Priorities and preferences had to be established before decisions could be made to pursue an option; decisions were further delayed since the representatives had to verify choices with administrators.

4. There was some ambivalence and misunderstanding about the joint goals for the Hospital Project and discrepancy between some individual agency and consortium goals. This stalled progress on the project and caused frustration since members were unclear about which was the most appropriate option to pursue. For example, the hospitals wanted a high visibility program; there was concern that combining the Hospital Project with Head Start services (Child Inc.) would dilute the impact of hospital-sponsored child care on the employees and the community. This concern was in conflict with the project objective to demonstrate a cost-effective, private-sector model for employer-supported child care since the inclusion of Child Inc. in-kind services and expertise enhanced the possibility of a cost-effective model and reduced the risk of underutilization of the services.

5. Cooperation within any consortium is influenced by the impetus for the project and the shared history of the participants. Both of these factors can affect the commitment of organizations to the joint child care project and the eventual outcome. Hospital Project planners were aware of some facets of the shared history of the hospitals at the beginning of the project; other information was obtained serendipitiously throughout the project. The scrutiny of historical influences performed at the close of the project revealed information that would have been useful in designing the project.

The hospitals share a history of cooperation and competition. The hospitals cooperate on health care issues such as patient transfer agreements, emergency back up agreements, and joint educational services for staff members. While there has been some differentiation of services offered by the hospitals in Austin, there is still overlap and competition. One administrator described the hospitals as "fiercely independent" and

and determined to maintain a share of the health services market. Some representatives noted a recent decline in the "informal cooperative efforts" between the hospitals; the hospital administrators are "more aware" of the competitive environment in which they operate.

6. Although the ultimate goal may be to have local hospitals cooperating on a joint child care project, it may be necessary to reach this goal gradually. If there is a history of intense conflict between hospitals it may be very difficult or impossible to overcome this competition and develop a child care program. Project planners may want to consider initially inviting one or two hospitals and several organizations from allied health fields (eg. nursing homes and visiting nurse services) to join the consortium. Once the project is successfully underway, other hospitals and health organizations can be invited into the project as members with full rights and responsibilities. The entire process may take several years to achieve, a point which requires special consideration by planners who submit grant proposals at the local, state or federal level.

7. The representatives to the hospital project had different levels of authority within their organizations. Some were able to make decisions for their hospital, others had to verify decisions with administrators. This prolonged the decision making process and frustrated consortium members. Progress was sporadic and decisions had to be "remade" at subsequent meetings based on the feedback from hospital administrators. Implementable decisions were made only when the hospital administrators were directly involved.

8. The power and resources of the hospital members varied. One hospital had the financial resources to develop a center by itself. However, the hospitals felt they were dependent on each other for enough employees to

utilize a center open 18 to 24 hours. Within the consortium, hospital members had a similar level of power since major decisions required the consensus of the hospitals. A consensus was required since one hospital could not pledge the support of the others for the project. It was important to develop a project that was mutually acceptable because the hospitals were to be responsible for the ongoing child care project after the funding period ended.

9. The three social service agencies had expertise related to child care. The social service agencies had the power to influence the decision-making process by when and what information was presented. This power could have been wielded more often and with greater force during the initial planning stage of the project. More education about the cost and types of child care services (e.g. infant care, sick care, family day homes) might have facilitated the decision-making process of the hospital representatives.

Recommendations

These recommendations are covered in greater detail in the manual and will be of interest and use to consortium planners and members;

A. Cooperation

1. After a proposal for a child care consortium has been initiated, stew time must be allowed for the potential members to consider how great is their commitment.

2. Project planners are responsible for the structure and productivity of this time period.

3. Project planners can provide information on the general benefits of employer-supported child care and those specific to consortium ventures.

4. Probable costs and potential problems of employer-sponsored child care and consortium participation should be discussed during stew time.

5. Most company officials will need to be educated about the requirements for quality child care.

6. Two important responsibilities of project planners are to assist participants in clarifying both individual agency and joint consortium goals and to point out contradictory or conflicting goals.

7. A requirement for [illegible] and contractual commitment encourages prospective members [illegible]rmine whether or not the costs to their individual agencies a[illegible] weighed by the benefits expected from consortium participatio[illegible]

8. The sense of ownership for the project must be examined since it is a reflection of commitment to the project.

9. Cooperation within the [illegible]nsortium is influenced by the shared history of the participants; a [illegible]tory of competition can adversely affect the ability of participants to work together.

B. Economic Utility

1. Speaking the same language about the economic utility of a project is one way to demonstrate that the project planners appreciate the importance of this issue to administrators.

2. Potential members must determine if the noneconomic benefits are worth the actual costs of consortium participation.

3. A detailed cost analysis and budget of proposed child care services will assist employers to weigh the costs and benefits of consortium participation.

4. Project planners must address any employer concerns associated with providing child care as a benefit.

5. It would be particularly important to address the issue of sick child care during the discussion of employee benefits. A very strong interest in this issue was expressed by both employers and employees of the hospital project. Sick care is also a priority concern and problem for many other employers and employees. There are currently few viable and affordable solutions to the problem of sick child care for employees. See Sick Child Care (Parents in the Workplace, 1983) for a more detailed description of the problem, related issues, and current sick child care options.

6. Employees are less likely to develop unrealistic expectations if they are kept informed of all the alternatives under consideration, receive periodic progress reports, are made aware of time and budget limitations, and participate in an advisory capacity.

C. Power

1. Power can be defined as the capacity to limit the choices of others and can be measured by the resources accessible to the organization.

2. A consortium has a greater chance for success if the participants have similar levels of power and access to resources.

3. Powerful consortium members have a "fail safe" mechanism in the knowledge they have the resources to establish a child care center even if the group effort fails.

4. A common but historically effective method to insure commitment to a project is to require organizations to contribute funds in order to participate.

5. Representatives must be able to speak and make decisions for the organizations, if not progress could be slow or nonexistent.

D. Conflict

1. The consortium can be viewed as a new game which needs the rules and member roles to be clearly defined by administrators during stew time.

2. During the initial meetings, representatives from each organization states the purpose for joining and expected benefits of consortium participation. The planner guides the discussion to a consensus on project purpose, goals and priorities; member authority and responsibilities; decision-making model and governing procedures; and acceptable means to reach project goals.

3. Project planners should verify rather than assume there is a consensus on the purpose and structure of a federally funded project as described in the proposal.

4. Conflict can be resolved through negotiation by consortium members or mediation by the project planner or a consultant.

5. Mediators can assist consortium members to resolve conflicts themselves by analyzing and diagnosing the problem, providing accurate and relevant information, reducing interpersonal barriers, improving decision-making procedures, or increasing the options under consideration.

6. Potential sources of mediation experts include the local, regional, or state mental health and education agency; a local continuing education center; university departments of social work, sociology, industrial psychology, business administration, or educational psychology; and the federal grant agency.

Summary

Although the original intention of the Hospital Employee Child Care Project was to see if a cooperative venture in employer- sponsored child care could succeed, such a venture was not successful. In reviewing the process and outcome of the project, it became obvious that the participants could share what had been learned with other consortiums. HDS approved the revision to produce a manual of information and suggestions for groups considering similar projects. The result is a user-oriented manual with both theoretical and practical components: Child Care Consortiums By Employers: Four Interorganizational Issues To Consider When Developing a Joint Project.