

## Modernizing Child Care Management

Software startup Child Care Seer partners with Toptal to transform the child care industry's antiquated operational model.



Unprecedented enterprise resource planning (ERP) software creates labor efficiencies resulting in a better experience for caregivers, children, and parents.

### 66

If you want to fail fast, do it the other way. If you want to succeed, use Toptal.

**Tom Callahan**Founder of Child Care Seer

#### **The Client**

Child Care Seer software automates scheduling, waitlist management, billing, payment, reporting, and family communication for child care providers.

### The Challenge

Founder Tom Callahan saw the potential to improve the service level and profitability of the child care industry. He required highly skilled experts to bring his software and app to market.

#### **The Services**

Toptal Developers
Toptal Designers
Toptal Teams

#### **The Result**

The custom-curated Toptal team of specialists helped bring Child Care Seer software to market in record time, significantly affecting business profitability.

#### **Partner**

## stripe

## The high price of child care

Parents are faced with countless decisions in the course of child-rearing duties, perhaps none more critical than how to arrange early childhood care. Many working parents know the aggravation of taking their child to a day care facility, only to be turned away due to an unpredicted staffing shortage. A domino effect ensues, causing parents to miss work or take unpaid leave, which in aggregate has an overwhelming impact on the US economy.

In a 2019 report, the US child care market size was valued at \$54.3 billion and expected to grow at a compound annual growth rate of 3.9% from 2020 to 2027. COVID-19 proved to be an enormous burden on an already challenged industry, causing many child care providers to close their programs for weeks and months at a time, or close altogether. A US Chamber of Commerce survey showed that as of early 2021, almost two-thirds of child care centers were struggling to break even.

The impact of this instability is farreaching. Parents of young children are losing \$13 billion a year due to child care disruption, with women feeling the brunt of the impact. Collectively, over 50% of families with young children experienced some decline in household income when child care was unavailable.

Most early child care centers have an old-fashioned, low-tech approach to operational elements such as scheduling and payment, causing further frustration to parents. For example, your child may only need care three days a week, but traditional child care centers require you to pay for the entire week.

Family vacation on the books? You'll pay for that time as well, even though no service was rendered.

"I love building things from scratch.

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Tom CallahanFounder of Child Care Seer

Conditions like these caused founder Tom Callahan to reimagine the operational structure of his newly acquired investment: a local early child care provider. "I'm a serial entrepreneur," he says. "I love building

things from scratch. I love to recreate the vision of a business, build it to a certain size, then sell it to someone and start again."

Callahan wanted to invest in a local business that would enrich his community. After considering many options, he opted to buy a long-established child care center located directly next to the local mall. The historical owner, a woman who simply loved caring for children, had completely eschewed computers, and had last updated her processes in 1984. After hiring an experienced director, Callahan immersed himself in the business, excited to reimagine it from end to end.



Tom Callahan, Founder, Child Care Seer

## The thing of the future

"I've run large technical companies," says Callahan. "My degree is in electrical engineering. I've programmed about anything one can program over my career, moved into management, and eventually became CEO. The real truth to the story is that my joy in life is solving complex problems. The harder it is, the more people say you can't solve them, the more I want to solve them. That has always been my real driving force, the money and everything else is a side effect of chasing the passion of solving the best puzzle I can find."

He would soon discover that the industry-leading child care management software left much to be desired, and he set out to solve the puzzle.

"I could not find anything that managed labor costs proactively," says Callahan. "All I could find was timesheet software. I thought that was a very inefficient use of labor. We're leaving so much money on the table, and we're not providing the best community service we could." Callahan knew he could create a flexible system that would better serve teachers, parents, and kids—and bring about labor efficiencies that would increase profit.

"People want their schedules at least a week ahead," says Callahan. "The idea of Child Care Seer comes from essentially that, the desire to have much more flexible offerings to market. The idea is, if we manage this labor more efficiently, we can achieve more profitability at marketcompetitive pricing. Then we can pay our teachers more. Because if we're generating more operating profit, I can afford to have betterqualified teachers than my competition. That is the inspiration, the spark, and now a couple years later, the product Child Care Seer."

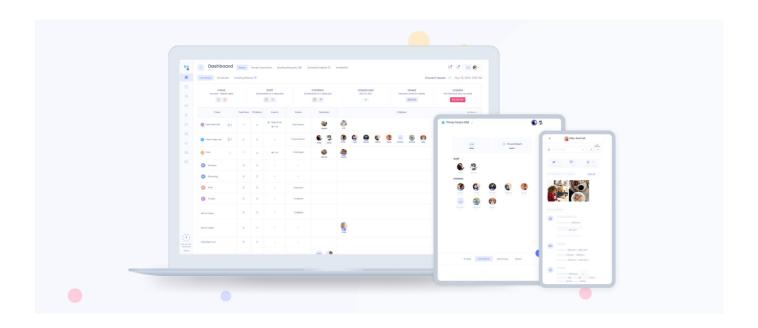
Calling on his programming experience, Callahan developed a prototype in Django. While he was pleased with his model, he knew he would need expert support to bring his idea to fruition. "I quickly realized

there was no way I was going to keep up with the vision I had for this product. Right? I could not have the vision, run my businesses, and write the code." Callahan considered several options, including hiring a team, offshore outsourcing, and calling in former colleagues to assist. "That search is where I came across Toptal," he states. "Toptal's model was very unique and definitely resonated with me in terms of my vision."

"The harder it is, the more people say you can't solve them, the more I want to solve them."

#### - Tom Callahan

He continues, "The Toptal model is the thing of the future. It requires a customer who really wants to finance their product correctly. The model doesn't work well for companies that just want to get the cheapest people they can find ... the other people look like they're cheaper, but in total cost of ownership, they are not cheaper."



## **Unmatched expertise**

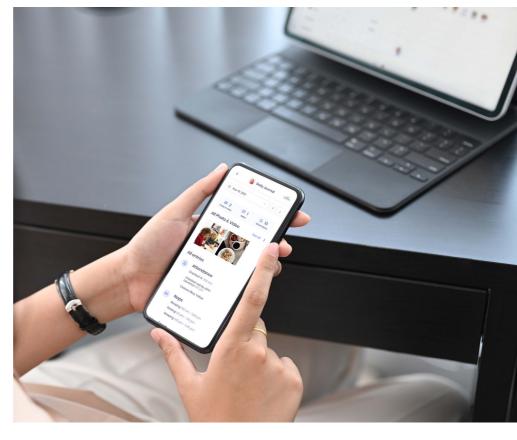
Once Callahan contacted Toptal, he was quickly connected with Stephanie Currier, a delivery manager on Toptal's core team, who has since moved on to become Toptal's AVP of Teams. Currier assembled a blue-chip team and took Callahan through a two-week process to assess his needs and define his vision of success. The anchor of the team is Alex Weekes, a tenured project manager in Toptal's worldclass talent network. Although he's worked across a wide array of industries, Weekes found himself particularly excited about this project.

"The way that it was presented—
the way that Tom has approached
this and his big vision for things—
was really exciting to me," Weekes
says. "I could tell that from the outset
we were aligned in our way of thinking
and our approach to business, to
startups. Tom approached it with an
enterprise resource planning perspective and introduced the idea of
hourly care, which has lots of permutations down the line as to how the
system can learn and optimize as well.
And this is something that wasn't done
even by the large incumbents."

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Alex WeekesProject Manager, Toptal

Keeping Callahan's vision in mind, Currier and Weekes curated a team of experts to include both front- and back-end developers, QA engineers, mobile developers, DevOps specialists,



The Child Care Seer platform allows parents to customize their children's schedules.

and designers. Sasha Pozdnyakova, a seasoned product designer in Toptal's network proved to be a critical part of the team. With advanced degrees in information design and user-system interaction, Pozdnyakova brought tremendous value to the project. "Sasha is by far the best UX designer I have ever worked with in my life," says Callahan. "She's a huge part of the success of building this product to market. She natively has the skills to understand the customer and the logic to tell the engineers how to do it. And to find that in one person... that's a hard combination." Weekes concurs, saying "She's incredible. And she's got a really good understanding of approaching

things from a problem perspective. So she looks at the problem, tries to understand the problem statement, and designs off that basis."

Pozdnyakova defined and prioritized elements of the project, working side by side with developers to design both the desktop and application offerings. "I had so many things to think of, to explore," she says. "New features, new directions, and how we were progressing toward our goals." Twice-weekly business analysis sessions with the core team were crucial in keeping the team rowing in the right direction. "We wanted to discuss the key topics and answer, why are we doing it? What is the problem? How can we solve it?"

## **Building the best product**

His background in programming made Callahan an exacting appraiser when it came to the development team. Ivan Bakhtsin, the lead developer on the project, was able to meet and surpass Callahan's high expectations. Navigating the back end of the build, Bakhtsin used ASP.NET to leverage its frameworks for Microsoft SQL server and Amazon Web Services to host the entire configuration. Bakhtsin was also responsible for integrating the Stripe payment structure the team selected for the critical task of safely facilitating users' payments. Bakhtsin was delighted with the ease of the integration. "I only had to go to the Discord chat one or two times," he says. "This reflects that they did a great job with their documentation, which is really extensive and describes all the interesting cases, all the tricky parts that may happen," he continues. "Most of the time. I was able to find everything I needed in the documentation, but when I did reach out, their team was responsive and helpful."

Leading the front-end work was Parham Saidi, a software engineer with a passion for startups. In lockstep with his teammates, Saidi picked up where Bakhtsin left off, applying his experience in Vue.js to build a front end that works seamlessly with the API.

The caliber of the development talent Toptal provided exceeded even Callahan's already high expectations. He says "they both have a very can-do attitude. They want to win; they're very competitive. They're trying to build the best product." More than just technical expertise, the developers played an essential advisory role. Weekes reflected on the team dynamic, saying about Callahan, "He wants to hear feedback, and the feedback he gets, from especially those three, Sasha, Ivan, and Parham, has been phenomenal throughout." Bakhtsin concurs, adding "I think he trusts us because he sees that we care. We care for the project, and we do care about our craft and about the product itself and its future."



Ivan Bakhtsin, Software Developer, Toptaler since 2019



Parham Saidi, Software Developer, Toptaler since 2019

## Win, win, win

The future is bright for Child Care Seer. The team continues to build features mapped out on Callahan's "vision pathway" while he focuses on market penetration. "Flexible care is what I talk about," he says. "It's what I call a win, win, win. You win as a parent because your child is cared for only when you need it, saving money. You win as a teacher because you can make more money and work fewer hours. And as a

business, we're operating more efficiently at higher operating profit per hour." Callahan sees tremendous potential in customizing the enterprise resource planning platform for various other industries with hourly employees.

Callahan knows he made the right choice when he partnered with Toptal. "I'm very, very, positive on Toptal. I was not kidding that in some other life, I would be selling your product to the right type of customer. I really

strongly believe in your model."
Summing it up, he adds, "If you want to fail fast, do it the other way. If you want to succeed, use Toptal."

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- Tom Callahan



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