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# Preface

## Purpose

In these times, when money for education is very tight and many states and districts are cutting education budgets, the links between the resource side of education reform and school improvement have become one of the most critical issues for sustaining our nation's schools. Without a more effective use of the education dollar, current fiscal constraints and funding cuts could lead to battles over money, ineffective across-the-board budget cuts, and a lower-quality education system, all with a negative impact on student learning.

This book is intended to show pathways through this current fiscal mess by linking what is known about improving schools and student performance to more effective and efficient resource-use practices. This is not a conceptual book about what possibly could be done in a hypothesized future, such as giving all parents vouchers to choose the school they want their children to attend, eliminating collective bargaining so teacher compensation can be cut, or shifting to contract public schools. This book is about concrete, specific actions that can be taken now, without major changes in the organization and governance of America's school systems. Debates about these long-term changes in the American education system should occur, but state, district, and school leaders and all teachers need ideas and strategies they can implement now, not in some ideal or newly conceptualized future. The proposed changes represent tough decisions for school leaders and will not be sustained unless school leaders are given political support by school boards, the public, political leaders outside of education, and teacher unions.

To weather current fiscal storms, effective resource-use practices must be connected to the overall education improvement (or, in some cases, turnaround strategy), the budget that exists (state and district leaders must deal with the budget they have, not the budget they'd

like to have), and the talent needed to execute the improvement or turnaround strategy. Put differently, to boost student performance, each district and school needs an improvement strategy, resource allocation and use practices that undergird that strategy, and the teacher, principal, and central office talent needed to implement the strategy. All three are important and all three will be addressed here. In fact, this book is the only one in the country that addresses all three issues (as well as others) in comprehensive, coherent, and specific ways. The book also suggests that the time has arrived to tap the power of technology, as nearly all K–12 school programs today can be accessed online.

## **Audience**

The audience for this book includes teachers, principals and other education administrators, school boards, teacher unions, local political leaders, and state policymakers—in short, everyone now struggling with how to confront the severe revenue shortages in the public sector while maintaining the momentum for education reform and continuing to improve student achievement and close achievement gaps. The book is anchored in a *Plan of Action*, which discusses how schools can improve and includes multiple, specific ideas for better resource use that will be of high interest to educators in schools making micro-decisions on school organization and resource allocation as well as education leaders at the district and state levels who are making macro-decisions about school budgeting and human capital management strategies. In several chapters, the book identifies how these local actions can be reinforced or structured by state policies and regulations. Thus, the book will be of interest to schools and districts as well as state education and political leaders. As such, the book also could function as a supplement in education administration courses, including school improvement, the principalship, education budgeting, and school finance.

## **Organization**

The book begins with an overview chapter on what is known about improving and turning around schools and student performance, while subsequent chapters address specific issues—such as resources, strategic budgeting, educator talent, and technology—related to those specific improvement strategies. The book does not simply address ways to reduce budgets or do things more efficiently but also

relates all recommendations back to the Plan of Action developed in the first chapter. The book has a separate chapter on issues relating to teacher and principal talent, including a section on new approaches to teacher compensation and a section on teacher pensions; the latter suggests a better and more economically efficient way to structure teacher pensions that does not just shift the entire burden of having a pension onto the backs of educators. The book concludes with a separate chapter that addresses how to set priorities for situations that require budget cuts, which is the situation for many districts and schools around the country. Thus, although the book stresses changes that can be made in the use of fiscal resources in the short term, it also addresses some long-term issues such as teacher salary structures and pensions and the potential for more use of technology in providing educational services.

### **1. A Plan of Action: Turning Around Low-Performing and Enhancing High-Performing Schools**

Chapter 1 draws from my own research (Odden, 2009; Odden & Archibald, 2009) as well as ongoing research by others (e.g., Blankstein, 2010; Chenoweth, 2007; Miles & Frank, 2008) on what it takes to dramatically improve student performance and reduce the achievement gaps that plague too many school systems. It identifies 12 strategies that have emerged from a wide range of literature, including the turn-around literature from the last few years. The strategies discussed include the following:

- analyzing initial data to understand the current performance context (i.e., creating a sense of urgency for retaining the focus on boosting student performance even in tough fiscal times)
- setting specific, numeric, and high goals and using those goals to drive resource allocation priorities
- selecting a curriculum program and developing a view of effective instruction practice, with more specific comments on the characteristics of effective reading programs
- understanding the trade-offs between core subjects (reading/English/language arts, mathematics, science, history, and foreign language) and electives, the use of time and school schedules, and the emergence of career-technical programs to replace the old vocational education programs
- developing formative and benchmark assessments and using data to improve instructional practice
- organizing teacher work into collaborative teams

- completing ongoing, comprehensive professional development, which includes the use of instructional coaches
- developing strategies for struggling students including Tier 1, 2, and 3 strategies in the Response to Intervention approach to students who need extra help
- utilizing leadership
- using teacher, principal, and central office talent

## **2. The Resource Needs of the Plan of Action**

Chapter 2 addresses in very specific terms the resource needs and costs of each of the strategies discussed in Chapter 1. It ends with a brief description of how the full resource needs of all the strategies discussed in Chapter 1 can be linked to state school-funding formulas to determine one way of calculating an adequate level of education spending (Odden & Picus, 2008; Odden, Picus, & Goetz 2010). By making this link, the chapter links the micro-issues of effective resource needs to the macro-issues of state school finance policy. Each of the major resource recommendations includes a citation to a randomized control trial that finds the individual strategy to positively impact student achievement and to a randomized control trail that finds all of these recommendations together to boost student learning.

## **3. Targeting Resources to Student Learning When Budgets Are Tight**

This chapter discusses multiple possibilities both for cutting back budgets in strategic ways and for targeting resources to the all the elements of the Plan of Action—regardless of the budget context. It first discusses the cost increase pressures that bear down on schools and consume budget dollars in good and bad fiscal times. It then shows how districts and schools that have more than the resources described in Chapter 2 could cut back to the levels recommended in that chapter, with the argument being that such cuts would have little or no impact on student learning. Then Chapter 3 discusses how schools and districts can be nimble and strategic about using the resources they have. Chapter 3 identifies flexibilities schools actually have in setting class sizes and multiple variations of class size that reflect efficient use of resources as well as support high levels of student achievement, including the costs (and savings) of lowering/raising class sizes by one to three students. It discusses the cost elements of school schedules; the differential costs associated

with having six-, seven-, and eight-period days; and the links among cost, school schedules, and teacher individual plan time and collaborative team time. It discusses how and why some districts spend significantly more on electives than core courses (Roza, 2010), and the modest costs of emerging high-quality career-technical programs such as Project Lead the Way. It addresses the costs of formative (or *short cycle*) and benchmark assessments, and the specific costs of various ways to structure Tier 2 interventions such as tutoring in groups of one to five students and extended-day and summer school programs. It identifies research that shows that if high-quality core instruction is provided to all students (Tier 1), followed by effective Tier 2 strategies, then the incidents of students needing special education services can drop by 50 percent, thus reducing the costs of special education.

#### **4. Recruiting, Developing, and Compensating Top Educator Talent: Local Practices and Supporting State Policies**

Chapter 4 addresses educator talent. It includes three focused sections: one on recruiting and retaining educator talent, a second on revising teacher salary structures, and a third on revising educator pensions (both their structure and who pays for them).

The talent section summarizes new approaches for how schools and districts can acquire the teacher, principal, and central office talent needed to implement rigorous, comprehensive, robust, and effective educational improvement strategies. Drawing from my new book that analyzes these issues in more depth (Odden, 2011a), the chapter then addresses teacher and principal talent acquisition, motivation and development, evaluation, and retention and their key state policy implications. This section also discusses the costs of partnering with new talent organizations such as Teach For America and The New Teacher Project to recruit better teacher talent, the costs of professional development issues related to new and more comprehensive ways to evaluate teachers (and the core costs of these approaches), and the specifics of the cost aspects of cutting staff by effectiveness rather than seniority.

The next section addresses teacher compensation and the appropriate state role in stimulating new strategic directions in redesigning teacher salary schedules. It links the measures of effectiveness discussed in the first section of this chapter to new ways to pay teachers for knowledge and skills (rather than experience and education), for teaching in content areas experiencing teacher shortages,

and for teaching in high-poverty/low-performing schools. The chapter also discusses the costs of these new approaches to teacher pay as well as the sources of funding districts can use to fund these new compensation strategies, arguing that the prime source for funding new approaches to teacher compensation is the current salary budget.

Finally, the last section of this chapter discusses educator pensions and the emerging literature on their costs and unequal benefits in the context of pressures across the country to rein in pension costs and make them more equitable as well as more predictable for teachers, principals, and other educators. Defined benefit public pensions are under attack both because they provide more predictable pensions than do 401(k)-type defined contribution plans and because many are underfunded (though mainly because states have not appropriated their share each year). It discusses the issue of educators artificially inflating their final average year salaries (thus increasing their pension payouts) and shows how public pensions primarily reward employees who stay in one education system for their entire work life and shortchange those who are more mobile, which is more characteristic of workers today. Though the prime policy shift across the country is to drop defined benefit programs and replace them with 401(k)-type pension programs, which shifts the responsibility for pensions from the public to the individual, an emerging hybrid approach—the cash balance pension—controls costs, links pension payouts to earnings over the lifetime of an individual, and balances individual and organization (the government, in the case of educators) responsibility for pensions. This section reviews all these issues and recommends that states move to the cash balance approach, which seems to be the fairest, most affordable, and most economically sound new approach to providing individuals with pensions.

## **5. Computers and Technology in Education: Costs and Online Options**

Chapter 5 provides an overview of the various online learning options that have evolved and are being used in the K–12 education system. The first part of the chapter specifies the costs of equipping schools with sufficient computer technologies so that, if desired, curriculum and instructional delivery can fully tap the power of computer technologies. The second part of the chapter describes the accelerating use of online programs to deliver education services and then describes the key features and costs of three major categories of online

educational programming: state virtual schools, private sector programs such as K12 Inc. and Connections Academy, and “blended instruction,” which is a combination of brick-and-mortar schooling and online programming. This part of the chapter notes that most Advanced Placement (AP) programs are now available online at modest cost. The chapter argues that the Internet and computer technologies that exist today already offer ways to educate many (though not all) students that are both as effective as a regular classroom and cost much less, and suggests that in these tight fiscal times states, districts, and schools should seriously consider incorporating these technological possibilities into their curriculum and instructional strategies.

## **6. When Budget Cuts Are Necessary**

The last chapter is a summary, bringing all the strategies discussed in the book together to address the issues of what to do if, after resource reallocation, restructuring school programs, and implementing every possible efficiency, budget cuts are still needed. Issues addressed include (a) salary freezes as opposed to salary schedule freezes, (b) increasing employee contributions to health and pension benefits, (c) increasing class size by modest amounts, (d) changing school schedules from seven- and eight-period days to six-period days, (e) dismissing educators based on effectiveness rather than on seniority, and so on. The chapter describes how these changes can be made for a handsomely funded elementary school, a low-funded high school, and a modestly funded middle school, as examples of how different schools can engage in the strategic budgeting process even when dollars must be cut. The goal of this chapter is to show how budget cuts can be made without negatively impacting the core instructional program and while retaining fairness between public sector costs and educator salaries and benefits when there is a broader economic slowdown, simultaneously possibly improving both the effectiveness and efficiency of the education dollar.

In short, the book is a guide for principals and education system leaders through the fiscal thicket they face for the next several years. It offers detailed guidance for how to link strategies that will boost student learning to budget practices, how budget cuts can be made while retaining a powerful instructional improvement program, and where new dollars could be invested in strategic ways. The book also identifies the current financial pressures that the public places on schools, which erodes the fiscal ability of school leaders to implement the strategies outlined in the book, and argues in many places

for broader political and public support for the tough decisions detailed in the book, because educators cannot make the tough—but necessary—budget decisions required unless the political community supports them.