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INTERVIEW

Managing in Times of Fiscal Uncertainty: An Interview with Tom Payzant

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Managing in Times of Fiscal Uncertainty: An Interview with Tom Payzant

WITH OVER 35 YEARS OF EXPERIENCE in the superintendency, Dr. Tom Payzant has managed through myriad challenges and many economic cycles in different communities spanning the United States. Currently a professor of practice at Harvard University's Graduate School of Education, Tom Payzant served as superintendent of the Boston Public Schools for eleven years, and has served as superintendent in San Diego, Oklahoma City, Eugene, OR, and Springfield, PA. Under the Clinton Administration, Payzant was appointed to serve as assistant secretary for Elementary and Secondary Education with the United States Department of Education. Over the past decade, Payzant has led a number of significant system reform efforts that have helped narrow the achievement gap and increase student performance on both state and national assessment exams. His work has been recognized by educators at the regional and national levels. In addition, he serves as a Senior Advisor to the District Management Council (DMC).

In this edited interview with DMC's Dr. Joseph Scherer, Dr. Payzant reflects on his experiences managing through good times and bad, and offers his insights about managing through this current fiscal crisis. Payzant calls for a focus on the district's core mission and work, and urges school leaders to communicate a sense of optimism and to focus on delivering results for students.

Given the seriousness of the current financial crisis, what will be the immediate and long-term impact on school districts? And, how does the current situation differ from the past?

The current economic crisis certainly will have a much broader and deeper impact than other downturns as this crisis is a global crisis. But as I think about my more than thirty-five years in the superintendency, there are always cycles that we must weather. One of the biggest challenges of running a public school district during a downturn is that 80% of most school district budgets are in people, with the highest percentage of that 80% going to teachers and principals and other adults working in the schools. If you have to make reductions, you can only go so far in cutting the other 20%. The bottom line is that when school opens, you need to

have a teacher in every classroom. The number of students who are coming to school doesn't change just because there is a recession; in fact, in my opinion, we are likely to see an increase in public school enrollment. People argue that you can have larger class size, but in many states, such as Florida, there are caps on class size. If this is the case, it creates a real limit to your options as a manager.

Having said that, in 2003-2004 in Boston, we had to make deep cuts—\$85 million in cuts over two years. There was no way to make that level of cost cuts without cutting a significant number of positions. We had to cut 700 positions; 400 of those were teaching positions and 300 were at the central office and other areas. There are no easy answers. But, as you review your options, the focus has to remain on the classroom and the core work. We have to hold that sacred as long as we can without paring away there. ▷

In retrospect would you have done anything differently in Boston in 2003-2004?

No, but there were tough consequences. In Boston, we had over the prior four to five years done a great deal of work on literacy and math using coaches. Because of the fiscal situation, we did have to cut back significantly, but we did not eliminate coaching completely.

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Any lessons learned?

One thing that really did help sustain us in Boston during that period was that we had secured major multi-year grants from national funders, which provided a buffer. Securing funds that are committed for a span of time is very important in weathering tough times.

The current economic crisis raises a number of emotional, psychological, and social issues. How do you see these playing out in school districts?

To the extent there is a squeeze on federal dollars for housing and support for low-income families, there will be a trickle-down effect. The governors in most states are already revising the budgets, which they put together just a few months ago for the next fiscal year, which starts in July. At a time when families are hardest hit, there will be fewer resources. If things are not good at home, that affects our students. However, the positive thing about schools is they will continue. They will continue to have teachers in classrooms for children. For the fundamental 6 ½ hours a day of school from August/September until May/June, the schools are there for the children. It may be

that the schools are the bright spots of the day during these tough times. We have to take a positive approach. We have to communicate to our students that school is going to continue to provide them with all the support we can. We must communicate that their education is essential and that we are going to be accountable for results.

As the crisis deepens, the degrees of freedom that a public leader might have to address critical issues might actually increase. Can reforms be effectively implemented during these challenging times?

It's the old saw that difficult times provide both challenges and opportunities. These challenging times force the conversation. It forces a hard look at programs. We have to examine the extent to which our programs are aligned with the objective of moving all students to a higher level of achievement and narrowing the achievement gap, which is the main goal of every urban school district and the right one in my opinion.

We are very good in school districts and schools and as educators at making lists of what we want to do, and we are very bad at dropping things off the existing list to make room for new and better uses of the dollars that really align with our core strategies. There has been a movement away from a tighter and simpler plan of what schools should do. It is a struggle when every special interest group shows up and says give me mine—parent organizations, special education, gifted learners, athletics, music. The politics demand that elected officials show interest or support for every special interest group. I remember when I was not quite twelve years old and had the opportunity to watch the national political conventions which were televised for the first time. The focus of the convention was on developing a platform and reaching consensus on the issues addressed in it. It was on the last day of the convention that the nomination for President was concluded with the expectation that the candidate would campaign and sell the party platform to the American people. We now know how difficult it is to get agreement on a coherent platform because there are so many special interest groups that insist on candidates' committing to their interest.

I think about the challenge when I look at strategic plans that many school districts now create. They are often more than a hundred pages long because they try to do too much and reflect the concerns of dozens of different interest groups. I think it is important with change and improvement strategies to allocate resources to go deep in a few areas that will make a positive difference for teaching and learning rather than superficially in many.

I have always believed that superintendents should be advocates for all children, and advocate for the resources necessary to do the best they can for each child. But, I also believe that once the budget is set, you have to take a leadership position to do the best you can with what you have and stop whining. Then, at the next budget cycle, put your advocacy hat back on and try to get more dollars. And, of course, the equity issue is another piece of this challenge, because in urban (and some suburban and rural) schools, there will be students who need more support. Equal amounts for every child won't get us to equity. As leaders, we need to be a champion for the students that need the most support and help, but at the same time you have the responsibility to look after all the students.

You suggest that the current economic crisis may provide an opportunity to focus on the right issues and shed some distractions. What advice do you give your graduate students at Harvard?

How do you move from your vision to a theory of action as a school leader? You have to start by being clear about your destination. I ask my students to finish this statement: "Every student in my district should graduate from high school ready to..." I get an amazing array of suggestions for completing the sentence that range from readiness for some kind of post-secondary education and preparation for good jobs to understanding the responsibilities of citizenship.

For me, the goal is that every student in my district should graduate from high school ready to attend college without remediation. The research is increasingly clear that a lot of the students that are starting college are not finishing. It is frustrating for high school graduates to start college and not be ready to take college level courses, and they often

drop out. And, for the nation, remediation is expensive at a cost of more than two billion dollars per year.

Americans must realize that the stakes are very high. In the early 1990s, a National Commission on the Skills of the American Workforce identified the major workforce challenge to be low skill, low wage jobs moving offshore to places where the same low skill jobs could be done at lower wages. Two years ago, a new commission identified our current workforce challenges in its report "Tough Choices or Tough Times." Now at every skill level, America is competing with lower wages elsewhere and the impact of automation. With automation, technology, and the internet, location doesn't matter anymore. For every job lost in America today, nine are automated and one moves offshore. There is more competition around the world. The challenge for America is to produce more high skill workers that will bring innovation, creativity, and cutting edge ideas to the fore, which must continue to be our strength to keep us competitive.

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What advice do you have for those that are currently leading school districts?

Leaders at the district and school level have to get out and communicate that we are going to do our very best to make the experience for every child a positive one. We are doing the best we can with the resources we have. You may have to make adjustments in terms of what you cut, but you can't cut back on the number of hours in the school day. We have to convey the message and expectation that we can't waste time and we aren't going to waste your children's time. We have to focus on what is most important—the effectiveness of teaching and the learning outcomes in every classroom. ▷

Might we see any creative change in the relationship between the school district and its employees?

It comes back to context. I think there will be creative solutions in some places and not in others. I've always worked in states that have collective bargaining agreements. I think that unions will continue to view their role to be to serve their members well, and the question comes down to whether to keep wages and benefits for members at the expense of some jobs, or take cutbacks in wages and benefits and maybe keep more jobs. My experience is that jobs will go, but not the benefits.

“In bad times, you’re going to have to make some particularly tough choices. Use it as an opportunity to revisit what is most important for children and use data and evidence, not emotion and political pressure as you review your programs and your budgets.”

As an example of a creative approach, shortly after you arrived in Boston you implemented a review of special education programs that achieved some cost-savings. Can you tell us about that?

When I arrived as Superintendent of Boston, 22.5% of our students were in Special Ed. The district had 1,000 students in outplacement, and we were able to cut that number in half with significant cost-savings. About half of the transportation budget is spent on Special Ed, so efficiencies were also achieved there.

Our strategy was to develop programs that were as good if not better than outplacement programs. We developed programs that almost cut in half the

number of students in outplacement. There are several schools that have outstanding inclusion models, but it has been very hard to replicate, in large part because of the reluctance of teachers and principals to take it on. One of the things we did in Boston was to cluster students to create sufficient scale in a given location for a certain group of students.

Having served as assistant secretary for Elementary and Secondary Education with the U.S. Department of Education under President Clinton, you know well what Washington/the Department of Education can and cannot do. Is there anything the federal government should be doing to help districts especially during this challenging time?

From the perspective of the school districts, it is critical for the federal government to address unemployment. If jobs are not there, there is a trickle-down effect on districts and the community. The federal government’s taking action to extend unemployment benefits will be very important.

In terms of federal funding of education, I think the question is whether we can maintain the current levels of federal funding, which has never accounted for more than 6-7% of the overall expenditure on pre-K-12 education. I hope that the level of federal funding will not decline over the next year or two. Given the challenges to the federal budget and the challenges of the current economic environment, I just don’t see major new money going into education until we have a better sense of where the economy is headed.

What initiatives do you think we will see from the federal level?

The good news is that the president-elect has education on his list of the top five most important issues to address. My own view is that all five are extraordinarily important issues—the economy, the war, healthcare, energy, and education. As someone who has spent my whole life in education and who cares deeply about education, I would love to see

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education move up the list of priorities. However, if I were in the president-elect's shoes, I would try to protect the resources which support the federal legislation that addresses equity and attempt to acquire new resources to help states, districts, and schools address major human capital challenges, address the needs of underperforming schools with high concentrations of low-income children, and invest in early childhood education.

As for NCLB, I think there will be a mixed response in Congress. I think there will be some effort in both houses to do something with education legislation, but I will be surprised if there is time and traction to move it up on the agenda given everything else on the plate of this new Congress. I think there will be some new proposals, but whether actual bills will get on the floor and get approved and be on the president's desk seems to be a long shot.

In closing what is your advice to school leaders trying to navigate this difficult period?

The challenge for district and school leaders is to be advocates for gaining resources for all children. In my career, there have never been enough dollars to do all that I thought was necessary, but in bad times, you're going to have to make some particularly tough choices. Use it as an opportunity to revisit what is most important for children and use data and evidence, not emotion and political pressure

as you review your programs and your budgets. Try to recognize that these things are cyclical and there will be brighter days ahead. Even in good times, do the best you can with what you have. As a leader, you can't let people keep whining after the budget is set and when the reality is clear. □

Tom Payzant is currently Professor of Practice at the Harvard Graduate School of Education. Prior to that, he served as superintendent of the Boston Public Schools for eleven years. Payzant has also served as superintendent in San Diego, Oklahoma City, Eugene, OR and Springfield, PA. Under the Clinton Administration, Payzant served as assistant secretary for Elementary and Secondary Education with the United States Department of Education. In 1998, he was named Massachusetts Superintendent of the Year. In 2004, he received the Richard R. Green Award for Excellence in Urban Education from the Council on Great City Schools. Governing Magazine named Payzant one of eight "Public Officials of the Year" in 2005. Payzant also received the McGraw Prize for his leadership of the San Diego school system from 1982 through 1983.



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