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SPOTLIGHT

Building Support for Tough Budget Decisions

Nine Steps to Align Values and Raise Achievement

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*Knowing the right thing to do
and creating the culture shift to
accomplish it go hand in hand.*

A close-up photograph of a child's feet and hands on a wooden deck. The child's right foot is flat on a wooden plank, while their left hand is reaching down to touch a smooth, light blue stone. Several other similar stones are scattered on the wooden planks in the foreground and background, creating a path-like pattern. The lighting is bright and natural, highlighting the textures of the wood and the smoothness of the stones.

Building Support for Tough Budget Decisions:

Nine Steps to Align Values
and Raise Achievement



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we all know that resources are increasingly scarce in school districts. Over the next several years, nearly every district will face tough budget decisions as they feel the effects of national and state deficits and the end of federal stimulus dollars. Over the last few years, there has been mounting energy around how to do *more with less* through technology-supported instruction, class-size management, scheduling efficiencies, new staffing patterns, school closures, etc. While some viable ideas have emerged, few have been implemented.

In the end, many districts have resorted to doing *less with less*, such as offering fewer electives, reducing administrator and support staff positions, delaying maintenance, postponing textbook adoptions, and increasing class sizes. These district leaders lament that the budgeting process doesn't allow them to make the resource changes they think best, and so they settle for the ones they can get approved. But, in fact, roadblocks to effective resource allocation can be pushed aside by aligning values, incentives, and teamwork—elements often ignored in the budgeting process.

Creating buy-in and support for bold, student-centered resource decisions will help districts better serve children and taxpayers in times of tight finances. Based on DMC's research in districts across the country and published accounts of success (and failure), we crafted a nine-step process for cultivating support for meaningful resource reallocation that goes beyond simply balancing a shrinking budget to actually raising student achievement. →

Know the Terrain

Before setting out on a long, arduous journey, well-prepared travelers carefully map out the route. They know not only their end destination, but what the roads have in store, major stopping points along the way, and potential headaches. When unexpected traffic jams or detours arise, prepared travelers are better equipped to cope with the challenges. Resource allocation is a complex journey, and the same rules apply. If district leaders know the landscape well and can anticipate where the roads will be the roughest, they are more likely to arrive at their destinations.

1 RECOGNIZE THAT BUILDING SMART BUDGETS IS BOTH TECHNICAL AND ADAPTIVE.

Virtually every superintendent we meet has several great ideas for trimming the budget in ways that don't jeopardize the district's strategy or focus on students. "We should shift money from unskilled paraprofessionals and add reading teachers," or "If only we redesigned the bus routes, we could afford to lengthen the school day," or "Why do we pay for higher ed credits? I wish we used that money for targeted in-district training and coaching." The list of ideas is often very long. These are all examples of thoughtful technical solutions to tight budgets.

But any superintendent or school board that has proposed significant resource allocations knows all too well the pushback that often comes from the

2 MAP THE CURRENT INCENTIVES AND VALUES.

Because adaptive changes involve shifting the beliefs and practices of team members, it is crucial first to know the baseline values and incentives in a district and to identify and avoid potential land mines. What do your key stakeholders really value? What are the sacred cows?

Incentives and motivations are often well below the surface. Few principals would publicly declare, "I would rather have 100 students in my building never learn to read than upset five of my staff members," but experience tells us that this is often the case. If implementing a new reading program requires demoting two literacy coaches back to the classroom, moving two longtime teachers to a new school, and laying off a beloved paraprofessional, then many principals will fight the change. An honest look at the incentives and motivations involved might reveal that the principal will be beseeched by his or her staff to protect the teachers impacted by the change or will jeopardize a longtime friendship with one of the dislocated teachers, all amid doubts about the efficacy of the new reading program. This is a lot of pain for little perceived gain. Given this calculus, the principal has a strong incentive to fight the change. Once the situation is understood from the principal's perspective, his or her reaction is understandable.

In framing discussions about resource allocation, it is important to be mindful of the values and incentives among stakeholder groups so that discussions and decisions can be structured to maximize support.

Knowing the right thing to do and creating the culture shift to accomplish it go hand in hand.

central office, school leaders, teachers, and parents. However, pushback can be supplanted with support by taking an adaptive change approach—an approach that creates a shift in thinking or perspective.

Addressing both technical and adaptive processes in resource allocation is a must. Knowing the right thing to do and creating the culture shift to accomplish it go hand in hand. Aligning incentives, values, and teamwork is the most powerful lever that district leaders can pull to facilitate adaptive change.

Technical vs. Adaptive Change

Technical changes involve implementing specific identifiable solutions to a challenge. Here, content expertise rules. Technical changes focus on improving processes and practices—in other words, doing something that is well understood, but doing it a bit better. For example, a car with worn-out brake pads requires technical fixes requiring the expertise of a mechanic. Redesigning a district’s school schedule so that fewer buses are required requires technical scheduling solutions.

Adaptive changes involve creating a shift in an organization’s thinking and practices. Stakeholders will have to break old habits, think differently, reassess old values, and redefine loyalties. Adaptive changes require that the people with the problem are also part of the solution.

Shifting the allegiance of building principals is a difficult but important adaptive change. Take the case of enrollment shifting between schools. Most principals, if they are candid, think of *their* staff and *their* students as their primary responsibility. They look after them and do what’s best for them. While this might seem like a good idea, it is better when principals worry about *all* staff and *all* children in the district. A school with declining enrollment should send staff to a school with growing enrollment, but the sending principal often resists losing “one of ours.” This view serves neither students nor the budget well, but simply reporting the enrollment figures (a technical solution) is insufficient to effect change. Changing mindsets (an adaptive solution) is also needed in order for real, sustainable change to occur.

3 DEVELOP TEAM BUY-IN THROUGH JOINT FACT-FINDING AND OPEN DIALOGUE.

A team approach is often crucial to developing and implementing smart budgets. In order to establish effective conditions for teamwork, teams need to first agree on the problem. When a superintendent suggests reducing foreign language staff or ending a program, it is presumably for good reason, but sometimes the superintendent is the only one who fully understands the reason. Is it because fewer students now take Latin, and so fewer staff are needed (the superintendent’s actual reason), or because Latin isn’t valued as much as Spanish (which may be the perception of the Latin teachers and the principals)?

An effective way to build a common understanding of the problem is through joint fact-finding. If everyone on a team shares in collecting the data, then team members will create a shared knowledge base that will drive fact-based decisions and set the stage for team buy-in. By asking the principals to collect the teaching loads of all staff in their building and gather enrollment figures by course, all key stakeholders will come to

understand that fewer students are taking Latin and that the district has more Latin teachers than needed. While the assistant superintendent could have gathered this information, there is value to having stakeholders collect and analyze the information themselves.

After the data is collected and shared, creating a safe environment to question the findings and implications is critical. A leader may be fearful of “opening Pandora’s box” by encouraging questions and pushback, but the questions exist. It is far better to discuss concerns openly than to have these discussions occur behind the scenes. Everyone should know that they are welcome to speak openly, but everyone should also know that once a decision is made, group support is an expected norm.

Consider Arlington Public Schools (MA), where the district saved over \$340,000 by shifting from librarians to library paraprofessionals in the elementary schools. The idea was initially opposed by all, and was dead on arrival. A year later, the district formed a fact-finding committee to collect data, review documents, and hold interviews. When the committee found that most librarians →

in the district had only part-time responsibilities but full-time positions, that little instruction took place during library period, and that few books were ever checked out, they were able to make more objective decisions based on their shared

knowledge. The committee ultimately supported the decision to shift toward paraprofessionals and to reallocate resources to other initiatives that would have greater impact on improving reading skills.

Do the Right Thing

All educators want to help children. Strategic resource allocation, if executed well, can be a key lever to raising student achievement and outcomes. By framing smart budgets as a tool to allow districts to do the right thing, district leaders can build support around seemingly unpopular decisions and create a path to success.

4 CONNECT DECISIONS TO DISTRICT PRIORITIES AND BE EXPLICIT ABOUT THE GAINS TO BE HAD AS A RESULT OF THESE DECISIONS.

In tight budgeting times, there will always be tradeoffs. In order to build broad-based support, it is important to view these tradeoffs with district values firmly in mind. Instead of focusing on line items, it is more productive to explicitly connect decisions to the district's priorities and to keep the focus on what is best for the district's students.

like after the tough decision is implemented. In the Arlington example, the pain was front and center: seven good people would not have a place in the district. The most compelling argument wasn't why these roles were not needed, but rather what could be had instead—a robust early-intervention reading program. Yes, the future holds less money, but it can also include 95% of students reading at grade level. Detailing a better future for students and keeping everyone focused on district priorities can fortify support for otherwise unpopular resource decisions. A smart budget can be the tool to student success, and that's an idea many can get behind.

5 BE BOLD AND COMPREHENSIVE.

Nearly every superintendent has wrestled with the question, "Do I play it safe and seek a bit of change, or do I try for comprehensive improvement?" When it comes to building support for resource decisions, bold, student-centered decisions can be just as easy or sometimes even easier than more timid measures. The pushback for trimming half a program versus its outright elimination is the same—vocal, forceful, and impassioned. Often, partial shifts in resources lead to watered-down new efforts with unimpressive outcomes. Minimal gains then discourage principals and key stakeholders. The pain is no longer worth the gain. A comprehensive plan is ultimately easier to support because people believe that students will actually benefit.

Principals and department heads hold the key to solidifying adaptive changes. After all, they are usually the ones most directly impacted by any resource allocation decisions.

Making smart but tough budget decisions is the hard work necessary to achieve the district's desired ends. One key way to build support is to focus on the gain and not just the pain; it is important to be explicit about what the district's future will look

When the Boston Public Schools (MA) decided to move toward a new funding model in 2010, they exemplified the power of bold, child-centered decision-making. The district knew that implementing weighted student funding would be transformational, but would require the district and all its schools to make difficult tradeoffs and to adjust to big swings in funding in some cases.

Yet, Boston Public Schools (BPS) was able to roll out this new funding plan with significant buy-in from stakeholders, including principals who would be most impacted by the change and had the most reasons to push back. The district accomplished this by starting with a bold commitment that centered on the equitable distribution of resources for Boston students; the objective nicely aligned to principals' sense of fairness. In the past, student enrollment drove funding more than student need did. For example, a school with a higher proportion of students with special needs or English language learners didn't receive greater funding despite greater needs. As the formulas for redistribution were developed, the district avoided half-measures and sought very high levels of equity and fairness. Significant dollars were reallocated to support high-needs students. When the temptation arose to redistribute a smaller amount of funds to minimize the change, the leadership resisted the urge. A system that is half equitable would have been harder to support.

6 BEND, BUT DON'T BREAK, THROUGH SMALL ADJUSTMENTS.

Bold decisions are the best place to start, but finding the right balance of give-and-take is critical to garnering support and successfully implementing child-centered resource allocation decisions. Watering down a bold plan can undermine critical support, but so can holding too rigidly to an idea. As big decisions are discussed, team members will have input and concerns. The goal isn't to talk away their concerns, but to address them and make adjustments as needed—as long as the changes don't dilute the project beyond its point of effectiveness. →

What Do Educators Value?

While each district creates a culture with unique values, there are several commonalities among educators. A nationally normed survey of values, the *TTI Personal Interests, Attitudes, and Values™*, was administered to over 600 educators. This assessment measured six values:

Social: appreciates making a difference for the greater good

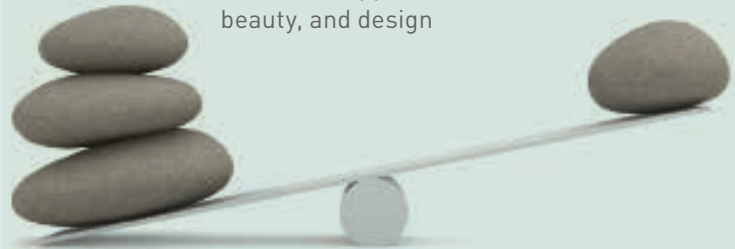
Theory: appreciates big ideas

Individual: aims to achieve a higher position or role

Tradition: appreciates a fixed and consistent way of doing things

Utility: appreciates value for money spent

Aesthetic: appreciates art, beauty, and design



Among superintendents and principals, the overwhelming majority ranked utility and aesthetic as the least important values, well below national norms for adults across a wide range of professions. Social values ranked very high.

Because utility or return on investment is not widely valued, resource allocation decisions can be problematic. It is therefore important to stay focused on the ultimate goal of improving outcomes for students given limited resources.

Drawing the line between bending to build support and destroying the value of the initiative can be difficult. “Bending” might mean rolling out a new plan over the course of two years, rather than a single year. Or, schools might be allowed to opt in to participate in a program during the first year. For example, when Hamilton County Public Schools (TN) decided to implement a new teacher evaluation program, Project COACH, they introduced the changes gradually, allowing schools to opt in for the first year. At first, only 25 schools chose to participate, but in short order 68 of the district’s 78 schools opted in for the first year. The success of the system in these schools built confidence and support among the remaining ten schools, and made full-scale implementation over a two-year period possible without changing the core of the new program. It also greatly reduced pushback during the first year, since the ten principals who were most reluctant weren’t required to get on board.

Other common ways to bend include phasing in by grade or level, or allowing staff to help define the training and support needed. Timing shifts in staffing to mirror staff turnover can greatly reduce pushback. Over time, the district migrates to the desired goal, with minimal impact on current staff. Unfortunately, in districts with low turnover, this option can be too slow to be good for kids.

Some bending can enhance support, but the bending must be done cautiously to avoid “breaking” the initiative. “Breaking” can take several forms, such as compromising a core component of a program in order to avoid controversy, or staffing an effort with people who don’t have the skills necessary for success. As obvious as this last pitfall sounds, it is very common. For example, many efforts to improve elementary math have been assigned to teachers who struggle with mastering the content themselves. Failed efforts waste funds and undermine future support.

Build Support through Strategic Communication

When tough choices are made, district leaders may not be able to make everyone happy. However, leaders and team members can use well-conceived communication strategies to increase district-wide buy-in. How much support a particular idea or change ultimately receives is, in part, a function of how well it is communicated.

7 ENGAGE AND ALIGN KEY STAKEHOLDERS.

Principals and department heads hold the key to solidifying adaptive changes. After all, they are usually the ones most directly impacted by any resource allocation decisions. Building administrators directly feel the impact of staff cuts and new programs but often aren’t enthusiastic about them. The foreign language department head is wounded professionally, and often personally, when Latin teachers are let go. So, it is imperative to focus on aligning incentives for principals and department heads to get their support for the reallocation of resources.

Broadly, there are four ways to align principals. First, district leaders must keep front and center that the ultimate goal is to raise student achievement. Often, district leaders assume that the value of the change is obvious and don’t spend enough time highlighting its benefits. This is especially true if the benefit is correcting a program with poor performance. A new program for dropout prevention may obviously be a good idea, but if it is replacing a very ineffective one, leaders can be reluctant to highlight the urgency for change because it means acknowledging the inadequacy of the current effort.



Second, districts can garner principal, department head, and community support by eliciting meaningful input into resource decisions. Fairfax County Public Schools' (VA) approach to resource reallocation highlights the benefits of seeking stakeholder input. As Fairfax County Public Schools faced \$18 million in cuts, it was forced to make a variety of allocation choices to help balance the budget. The district took unprecedented steps to engage the community, school board, and other key stakeholders in the budget process. They presented several options for reallocating resources in the district, and then asked stakeholders to weigh costs and benefits associated with each option and provide feedback to the district. Instead of simply pushing back, stakeholders were forced to consider the possible options and make choices.

Similarly, district leaders can ask principals to evaluate various options, weigh the tradeoffs, and help make the hard decisions, rather than have principals be bystanders having decisions foisted upon them. Principals will not only be better informed, but can personally attest that this was the best choice among difficult options. While some principals may not agree with the ultimate decision, they will have deeper understanding of the potential benefits and feel that they had a voice. This inclusion can empower principals to support the ultimate outcome of resource allocation decisions, as well as better communicate it to members of their schools and communities.

The third way to align principals is to give principals authority over resource allocation decisions and to incorporate effective resource allocation into principal evaluations. Explicitly making resource allocation, particularly as it relates to staffing, part of a principal's job description aligns incentives so that principals will have ownership over tough allocation decisions. When a district is trying to tightly manage class size to a given set of guidelines, for example, central office fights for staff reductions when enrollment declines, while principals fight to hang on to FTE. The incentives are in total conflict. If principals were given ownership of the issue and evaluated on staffing to

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guidelines, they might weigh in on who is reduced, but not on the need for a reduction.

The final way to align principal incentives is to reward principals for supporting bold resource allocation decisions. The reward isn't cash to take home, but cash to spend on their schools. One superintendent, determined to shift funds for a reading program but out of ideas on how to balance a shrinking budget and facing an unsupportive group of principals who had suffered through many cuts, turned to principal incentives. For every dollar that a principal recommended for trimming, half could be spent by the principal to support the →

4 Ways to Gain Principal Support for Resource Allocation



- 1 **Keep** the ultimate goal of raising student achievement front and center.
- 2 **Seek** principal input on weighing tradeoffs and making choices.
- 3 **Give** principals authority over resource allocation and incorporate resource allocation into principal evaluations.
- 4 **Reward** principals with cash for their schools in return for supporting bold resource allocation decisions.

district strategy as he or she saw fit. The balance was redirected toward reading efforts and closing the budget gap. After the initial shock and disbelief as to whether the offer would be honored, the principals eventually scoured their budgets for underutilized staff, old programs that could be eliminated, and creative ways to combine roles. Nearly every idea was solid, and some could never have been found by the central office. Equally important was that the changes were championed by the principals.

8 COMMUNICATE THE CONNECTION BETWEEN RESOURCE ALLOCATION CHANGES AND COMMUNITY AND DISTRICT VALUES.

Child-centered resource reallocation is not easy. Decisions directly affect people's lives, from staff to students. How a potential decision is communicated can determine whether there is sufficient support or not. Communication should be centered on the connection between the decision taken and the district's values and priorities. In Step 4,

we discussed the importance of examining tradeoffs with district values firmly in mind. Similarly, when it is time to communicate the decision more broadly, it is critical to make sure all stakeholders understand that tradeoffs had to be made, but the decision was taken with the objective of furthering the district's values and priorities.

Joint School District No. 2 (ID) was facing another round of deep budget cuts. As it looked to close the gap while serving students well, it looked to special education. It might seem odd that cutting staff who serve the neediest students could align with district values, but it did. Through joint fact-finding, the district learned that students with special needs were not achieving at high levels and that there was significant variability among special education staff in terms of how much time they spent with students each week. The decision to revamp academic support and reduce the number of speech therapists was discussed (correctly so) as an effort to help students and to create equity between similar staff. Both values resonated with many. While acknowledging how painful it is to reduce staff, the conversation stayed focused squarely on better achievement for students and equal workloads for teachers. If communication centers on resource allocation as not just a solution to a budget problem, but as an opportunity to improve results for children, then support grows.

9 MANY VOICES SHOULD COMMUNICATE A CONSISTENT MESSAGE.

It is important to remember that the superintendent is not the sole spokesman for resource allocation decisions. Parents and staff and even some school board members get their information through private conversations with principals, department heads, and teachers. This informal communication network often is the difference between support and defeat. It is not uncommon for principals and department heads to nod agreement at a cabinet meeting and then share with others that the cuts are ill-conceived and harmful to students. Therefore, an essential first step is to align internal communication to ensure that all school leaders relay a consistent message. As we discussed in Step 3, it is helpful to cultivate team buy-in from the outset; engaging the team in fact-finding and promoting open dialogue in the early stages aligns the team.

Once internal communication is well established, districts should employ a team approach to external communication. Rather than having a superintendent be the sole voice of a new budget, multiple members of the team should publicly communicate the resource allocation strategy, its benefits, and its alignment with district values. Many voices may make lighter and more effective work.

Smarter Budgets Are Possible

Decreasing costs and increasing student achievement are not opposing goals. Students can achieve during tight financial times, and resource reallocation can provide solutions to districts' existing achievement problems. The hardest part is winning support for these bold and necessary decisions. For resource allocation to be a solution rather than a problem, it must be backed by bold leadership, thoughtful planning, teamwork, and open communication. With these nine steps, districts can better allocate resources to better serve children. ♦

DMC Spotlight represents the collective thinking and approach of The District Management Council. This Spotlight was authored by Nathan Levenson and Bridget McNamara.