



Resourcing schools for the 21st century

Part 1: Principles

Brian J Caldwell

April 2006



Specialist Schools
and Academies Trust
EXCELLENCE AND DIVERSITY

Resourcing schools for the 21st century

Part 1: Principles

Author

Brian J Caldwell is managing director of Educational Transformations Pty Ltd and professorial fellow in the Faculty of Education at the University of Melbourne, where he served as Dean of Education from 1998 to 2004. He is associate director, International Networking for Educational Transformation (iNet) of the Specialist Schools and Academies Trust.

Editor

Peter Chambers

Mission

The Specialist Schools and Academies Trust works to give practical support to the transformation of secondary education in England by building and enabling a world-class network of innovative, high performing secondary schools in partnership with business and the wider community.

This publication

Audience

Leaders at all levels of education

Aim

The two pamphlets in this series are intended to present 'next practice' in allocating resources when the intention is to personalise learning. Part 1 (Brian Caldwell) outlines the principles that underpin the effort. Student-focused planning models shape the approach in Part 2 (Jim Spinks).

iNet Principal Supporters



The world's local bank

© Specialist Schools and Academies Trust, 2006

Abstracting is permitted with acknowledgement to the source. For other copying or general enquiries contact:

Specialist Schools and Academies Trust, 16th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP

Tel: 020 7802 2300 Fax: 020 7802 2345 Email: info@ssatrust.org.uk

Websites: www.ssat-inet.net www.schoolsnetwork.org.uk

Charity no. 296729 Registered in England. Company no. 2124695

Printed by Dexter Graphics, 3-5 Sandpit Road, Dartford, Kent DA1 5BU

ISBN 1-905150-48-2

Foreword

The work of Brian Caldwell and Jim Spinks has contributed considerably to educational reform internationally. The Self Managing series greatly influenced headteachers who wanted to lead reform in their schools, developing the capacity to give students a high quality education. The authors' partnership provides the strength of a world class academic working with a highly successful school principal.

iNet has brought together a renowned group of academics to work with school leaders and practitioners to develop the thinking and practice in all aspects of education, but with a strong emphasis on leadership and personalising learning. In a new series of pamphlets and workshops, Brian Caldwell and Jim Spinks are exploring the practice and principles of resourcing the 21st century school.

Their work complements and supports the work of David Hargreaves on personalising learning, and provides a framework for educational leaders to adopt in order to achieve educational transformation. School leaders will be able to share their thinking and practice with colleagues internationally. Brian Caldwell and Jim Spinks, through iNet, will provide school leaders with international benchmarks of next practice, best practice and enduring principles for resourcing schools for the 21st century.

This work is part of a professional journey that enables the education profession to take the lead in transforming schools. We are delighted that Brian and Jim are leading and working with you to take this work forward.

A handwritten signature in black ink that reads "Sue Williamson". The signature is written in a cursive, flowing style.

Sue Williamson
Director of Leadership and Innovation,
Specialist Schools and Academies Trust

Contents

- 1 Foreword

- 3 Preface

- Chapter 1
- 5 **Next practice: first principles**

- Chapter 2
- 18 **Best practice: core principles**

- Chapter 3
- 38 **Fast forward: enduring principles**

- Annex
- 46 **Twenty principles of resource allocation in the 21st century**

- 49 References

Preface

This is the first of two pamphlets under the title of *Resourcing schools for the 21st century*. This is Part 1, outlining the principles that underpin the effort. Part 2 by Jim Spinks describes and illustrates models for allocating resources to schools. In particular, it addresses the allocation of resources within schools that have the authority and responsibility to match resources to their unique mix of needs so as to personalise learning.

Taking the two parts together, this is our fifth collaboration which started in 1986 with the release of our first book, *Policy making and planning for school effectiveness: A guide to collaborative school management*. That book was the outcome of the Australia-wide Effective Resource Allocation in Schools Project, which aimed to determine approaches to the allocation of resources in effective schools. It was updated and republished as *The self-managing school* in 1988, coinciding with the Education Reform Act in the UK. The centrepiece was a model for the allocation of resources, pioneered by Jim Spinks at Rosebery District High School in Tasmania, and honed to suit a range of settings after more than 50 workshops for about 5000 school leaders in Victoria. We conducted many more workshops in several countries and learned much about leadership, hence the title of our next book *Leading the self-managing school* in 1992. We monitored implementation in a wide variety of schools. The shifting of focus to the student, led to *Beyond the self-managing school* in 1998.

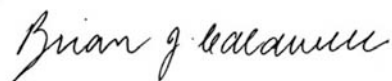
We have continued our collaboration along parallel tracks in recent years. I have been studying how self-managing schools were taking shape around the world in the early years of the 21st century. The outcome was three pamphlets in the iNet series of the Specialist Schools and Academies Trust (SSAT): *Re-imagining the self-managing school* (2004), *The new enterprise logic of schools* (2005) and *Exhilarating leadership* (2006). These have been expanded and combined into *Re-imagining educational leadership*, due to be published in

June 2006. The integrating theme is that henceforth the most important unit of organisation is the student – not the classroom, not the school and not the school system.

Jim Spinks has been engaged as a researcher and consultant in further developing the funding mechanism for self-managing schools. The needs-based approach that attracted international attention in the mid to late 1990s required an update, and Jim was part of the research team that accomplished the task. His current work is concerned with resources for personalising learning, with particular attention to those with special education needs.

It was time to bring our work together again, and we were delighted to receive SSAT's commission to write these two pamphlets and conduct workshops on the theme in England and Northern Ireland. More will be conducted for iNet Australia. We do so in the realisation that simply allocating more money to schools from the public purse may not suffice if the aim is to secure high levels of achievement for all students in all settings. Resources must be defined more broadly to include intellectual capital (the knowledge and skill of teachers and those who support them) and social capital (the support of the wider community). All of these resources must be targeted to priorities determined on the basis of skilful diagnosis of need.

This first pamphlet in the combination is dedicated to Sue Williamson, SSAT's Director of Leadership and Affiliation Networks, who served as an outstanding headteacher at Monks' Dyke Technology College in Louth, Lincolnshire, and models a global outlook in the transformation of schools.



Brian J Caldwell
Melbourne, April 2006

Chapter 1 Next practice: first principles

No reform in education can succeed without appropriate resources to support the endeavour. Initiatives such as *Every Child Matters* in England, *No Child Left Behind* in the United States, and the *Blueprint for Government Schools* in Victoria are certain to fail if the level and mix of resources are not right.

Traditionally such a statement would be assumed to mean more money is needed from government. It would be needed to reduce class sizes, or to fund a national programme of in-service training for teachers about a preferred approach to curriculum or pedagogy, or to provide an incentive for schools to take on a new project related to the reform. All of these may be desired by policymakers (who include these time-honoured approaches in their election manifestos) and by practitioners, for the size of the school budget often determines salary levels for school heads and is an indicator of success in the eyes of the community.

The focus on money as the chief resource for schools has not resulted in expectations being achieved to any great extent. In a message often greeted by puzzlement or even anger, the Hoover Institution's Eric Hanushek has demonstrated that increases in funding for schools have, with few exceptions, had little impact on educational outcomes over many decades: "The aggregate picture is consistent with a variety of other studies indicating that resources alone have not yielded any systematic returns in terms of student performance. The character of reform efforts can largely be described as "same operations with greater intensity" (Hanushek, 2004, p12).

Governments despair when their supposedly well-conceived programmes do not succeed, often blaming teachers who are perceived as unresponsive, incompetent or both. Schools are frustrated because they feel their best efforts have not been supported. Schools and school systems continue to search for the magic formula for the allocation of funds both among and within schools so that expectations can be achieved.

These disappointments are largely the result of a narrow view of resources and adherence to a status quo view of the way schools and school systems should be led and managed. They reflect what may be described as an 'old enterprise logic of schools' (Caldwell, 2005a, 2006). This is similar to Hanushek's explanation of lack of impact: 'same operations with greater intensity'.

The 'new enterprise logic' and the adoption or adaptation of the Organisation for Economic Co-operation and Development's re-schooling scenarios (OECD, 2001) will yield a different and much richer view of the nature of resource. Money is important but the key issues are what is purchased, the kinds of resources there are to choose from and which resources are most important if expectations are to be achieved.

What are the most important resources if expectations are to be achieved? The view that the key unit of organisation is the school system, the school or the classroom (particularly the latter) has brought limited success. It has resulted in the student-teacher ratio becoming an important indicator for governments at election time, teacher unions and teachers – who find that their best efforts do not attract deep support from all stakeholders. Success is indicated by the number of new teachers hired, or the extent to which student-teacher ratios have been lowered, together with some broad brush indicators of learning outcomes, such as average performance in tests. These include international test series such the Programme for International Student Assessment (PISA) or Trends in Mathematics and Science Study (TIMSS); and national or local benchmarks like the number of students receiving five good passes in the General Certificate of Secondary Education (GCSE) in England, or the percentage of students who reach a

particular level in the curriculum and standards framework, as measured by the Achievement Improvement Monitor (AIM) in Victoria, Australia.

What is needed? A new mechanism, a new view of resources, application of all a community's resources, and a sense of urgency.

A new mechanism should allocate resources recognising that the key unit of organisation is the student, not the classroom or school or school system.

The view of resources should pay more than lip service to intellectual capital. It should account more accurately and comprehensively for the knowledge and skills of every person who supports the learning enterprise, and ensure that all concerned attain and remain at the forefront in terms of their capacity.

Education requires the application of all the resources of a community, not just government and not just money. This is where the notion of social capital comes in. It has been undervalued and under-utilised in the past. There is still no systematic way to measure the level of social capital that supports the school.

A sense of urgency, accompanied by an unprecedented campaign of action, is needed to replace the appalling facilities in which much of the learning and teaching occurs in many countries. Resources in the form of infrastructure still reflect a 19th century factory or industrial model – the old enterprise logic.

The good news is that this broader view of resources is now being adopted in some countries as governments and the wider community recognise that the current system is not working (England is a particularly interesting example). This pamphlet is intended as a starting point for schools to take on the implications of these developments, as they seek to develop and sustain an approach to the allocation of resources that is appropriate to the 21st century.

Following a 2005 Education White Paper (Secretary for Education and Skills, 2005), Parliament in England is considering a new education bill that provides for every school to have the opportunity to acquire a trust, employ their own staff and manage their own assets. Trusts may support a number of schools. These schools will acquire the flexibility of specialist schools and academies. Local authorities will have an important strategic role in establishing and expanding schools, responding to the needs and aspirations of students and parents, and helping to drive up standards. The tipping point has been passed as far as specialist secondary schools are concerned, with a consistent 11% gain over non-specialist schools in achievement in the GCSE. The improvement is proportionately greatest in schools in challenging circumstances.

This publication, the first of two, outlines the principles that should underpin the resourcing of schools in the 21st century. Its companion volume (Spinks, 2006) outlines models of best practice in the allocation of resources to and within schools. Together these two pamphlets will help those seeking to improve the process of resource allocation at all levels of schools and school systems. They are also the starting point for a series of workshops to be held in the UK and Australia that will generate more examples of good practice reflecting these principles. The outcome is likely to be a further publication for wide dissemination.

The rest of this chapter addresses some underlying assumptions, summarised at the end as ‘first principles’, on: the agenda for transformation, personalising learning, self-management of schools, the new enterprise logic of schools, and the emergence of philanthropy and social entrepreneurship as key driving forces for success.

Agenda for transformation

It is important that the scale of the challenge is appreciated. It is not allocation of resources for improvement. It is allocation of resources for transformation.

Transformation is defined as significant, systematic and sustained change that results in high levels of achievement by

all students in all settings, thus contributing to the well being of the individual and of society. The nature of this achievement, and how it is measured, varies from setting to setting and is invariably contentious. Transformation for all students in all settings has never been accomplished in any society in the history of education. It has, however, been accomplished in some settings. These successes involved particular approaches to the allocation of resources.

This pamphlet aims to identify the principles that underpin these approaches so as to guide the efforts of all schools and school systems to achieve success in transforming education.

Personalising learning

At the heart of the theme ‘all students in all settings’ is the importance of personalising the learning experience. Shoshanna Zuboff and Jim Maxmin coined the concept of ‘new enterprise logic’ in describing what is required in every organisation, public and private. As far as schools are concerned, they declared that ‘parents want their children to be recognised and treated as individuals’ (Zuboff and Maxmin, 2004, p152). Tom Peters included education in his general call to ‘re-imagine’. ‘Teachers need enough time and flexibility to get to know kids as individuals. Teaching is about one and only one thing: Getting to know the child’ (Peters, 2003, p284).

The Department for Education and Skills in England made the case for transformation through personalising learning in *Five year strategy for children and learners* (DfES, 2004): ‘Over the last 60 years, a fundamental recasting of industry, employment, technology and society has transformed the requirement for education and training – not only driving the education system, but introducing new ideas about lifelong learning, personalised education, and self-directed learning. And the story has been of taking a system designed to deliver a basic minimum entitlement and elaborating it to respond to these increasingly sophisticated (and rapidly changing) demands.

‘The central characteristic of such a new system will be personalisation – so that the system fits the individual rather than the individual having to fit the system. This is not a vague

liberal notion of letting people have what they want. It is about having a system which will genuinely give high standards for all – the best possible quality of children’s services, which recognises individual needs and circumstances; the most effective teaching at school which builds a detailed picture of what each child already knows and how they learn, to help them go further; and, as young people begin to train for work, a system that recognises individual aptitudes and provides as many tailored paths to employment as there are people and jobs. And the corollary of this is that the system must be freer and more diverse – with more flexibility to help meet individual needs; and more choices between courses and types of providers, so that there really are different and personalised opportunities available’ (DfES, 2004, p4).

The five-year strategy contains a range of approaches to personalising learning, including the use of information and communications technology, individualised assessment for diagnosis, the planning of learning experiences for each student, and the provision of children’s services to support the work of teachers as they endeavour to meet the needs of each learner. David Hargreaves has written six pamphlets for the Specialist Schools and Academies Trust organised around ‘gateways’ for personalising learning.

Michael Keating, the former head of the Department of Prime Minister and Cabinet in Australia, made the following observation: ‘The reforms of public administration affecting service delivery stemmed fundamentally from public dissatisfaction with many of the services provided. The major problems were their lack of responsiveness to the particular needs of the individual client or customer . . . society has become more educated and wealthy and its individual members have developed greater independence and become more individualistic . . . This individualistic society is both more demanding and more critical of service provision’ (Keating, 2004, p77).

Self-managing schools

It is inconceivable that an agenda for transformation through personalising learning could be achieved without a high level of decentralisation in decision-making. Schools will be self-managing.

'A self-managing school is a school in a system of education to which there has been decentralised a significant amount of authority and responsibility to make decisions related to the allocation of resources within a centrally determined framework of goals, policies, standards and accountabilities.' (Caldwell and Spinks, 1998, pp4-5).

Critics or sceptics have suggested that self-management has not had an impact on learning. This may have been true in the early stages when capacities at the school level were limited, especially in the absence of a strong database and a strategy to make the link to learning. Evidence is now strong. Ludger Woessmann (formerly at the University of Kiel and now head of the department of human capital and structural change at the Ifo Institute for Economics in Munich) undertook a comprehensive study of why students in some countries did better in TIMSS. He found a powerful connection between decentralisation of decision-making to the school level and student achievement (Woessmann, 2001). The connection has been affirmed in subsequent results in PISA. Andreas Schleicher, head of the indicators and analysis division at OECD, identified decentralisation as one of several policy levers for student achievement. He found (Schleicher, 2004), in the best performing countries:

- Decentralised decision-making is combined with devices to ensure a fair distribution of educational opportunities
- The provision of standards and curricula at national / sub-national levels is combined with advanced evaluation systems
- Process-oriented assessments and / or centralised final examinations are complemented with individual reports and feedback mechanisms on student learning progress

- Schools and teachers have explicit strategies and approaches for teaching heterogeneous groups of learners
- Students are offered a variety of extra-curricular activities
- Schools offer students differentiated support structures
- Institutional differentiation is introduced, if at all, at later stages
- Effective support systems are located at individual school level or in specialised support institutions
- Teacher training schemes are selective
- The training of pre-school personnel is closely integrated with the professional development of teachers
- Continuing professional development is a core part of the system
- Special attention is paid to the professional development of school management personnel

More evidence about the link to learning is reported elsewhere (Caldwell and Spinks, 1998; Caldwell, 2002; Caldwell, 2003; Caldwell, 2005b).

The new enterprise logic of schools

A review of developments in the self-management of schools in 2004 (Caldwell, 2004) found that best practice had outstripped initial expectations. It had become a key mechanism in efforts to achieve the transformation of schools. Nine workshops in four countries in the first half of 2005 revealed how success had been achieved (see Caldwell, 2005a for an account of these workshops). The concept of 'new enterprise logic' was adapted from Zuboff and Maxmin (2004); its key elements are:

1. The student is the most important unit of organisation – not the classroom, not the school, and not the school system – and there are consequent changes in approaches to learning and teaching and their support
2. Schools cannot achieve expectations for transformation by acting alone or operating in a line of support from the centre

of a school system to the level of the school, classroom or student. Horizontal approaches are more important than vertical approaches, although the latter will continue to have an important role to play. The success of a school depends on its capacity to join networks or federations to share knowledge, address problems and pool resources

3. Leadership is distributed between schools in networks and federations as well as within schools
4. Networks and federations involve individuals, agencies, institutions and organisations across public and private sectors in educational and non-educational settings. Leaders and managers share a responsibility to identify and then effectively and efficiently deploy the support needed in schools. Synergies do not just happen of their own accord. Personnel and other resources are allocated to energise and sustain them
5. These conditions require new approaches to resource allocation. A simple formula allocation to schools based on the size and nature of the school, with sub-allocations based on equity considerations, is not sufficient. New allocations take account of developments in the personalising of learning and the networking of expertise and support
6. Knowledge management takes its place beside traditional management functions related to curriculum, facilities, pedagogy, personnel and technology
7. Intellectual capital and social capital are as important as other forms of capital related to facilities and finance
8. New standards of governance are expected of schools and the various networks and federations in which they participate. These standards are important in the likely shift from dependence and self-management to autonomy and self-government
9. Further adaptation is needed as more learning occurs outside the school, and it becomes just one of several major places for learning in a network of educational provision. The image of the self-managing school continues to change

10. The sagacity of leaders and managers in successful self-managing schools is likely to be the chief resource in preparing others if transformation in a short time and on a large scale is the goal (Caldwell, 2004, pp75-76)

This pamphlet addresses item 5 in this list. Intellectual capital in item 7 refers to the ‘talent, skills, know-how, know-what, and relationships – and machines and networks that embody them – that can be used to create wealth’ (Stewart). Or, in the case of schools, to enhance learning.

Knowledge management in item 6 refers to the creation, dissemination and utilisation of knowledge to improve learning and teaching, and to guide decision-making in every domain of professional practice. Building intellectual capital and sustaining it through a comprehensive approach to knowledge management are the hallmarks of successful organisations in a knowledge society. Few schools have developed a systematic approach beyond selecting qualified teachers and providing occasional in-service days.

Fukuyama (1995) defined social capital as ‘the ability of people to work together for common purposes’. A school has social capital to the extent that it is part of a mutually supporting network of individuals, organisations, agencies and institutions. As in other organisations in western society, schools’ social capital became weak in the second half of the 20th century (Putnam, 2000). The challenge is to support schools as they seek to (re)build their social capital. An impressive achievement in England is that more than 2400 of about 3100 secondary schools have secured cash or in-kind support from thousands of individuals, organisations, agencies and institutions to become specialist schools. The new education bill will extend the opportunity for schools or networks of schools to secure such support.

The rise of philanthropy and the social entrepreneur

These are dramatic developments, considering that schools in England had little support of this kind barely a decade ago. In many respects they are benefiting from the rise of philanthropy which has its counterparts in other countries. A recent edition of *The Economist* (2006) documented the trends.

‘Giving away money has never been so fashionable among the rich and famous’, with Bill Gates leading the way in providing \$31 billion to the Bill and Melinda Gates Foundation. Most of the funds are directed at health but there are some for education, with Cambridge University in England and a host of school projects receiving grants, and other programmes focusing on small schools in the United States. Among developed countries, the United States leads the way, followed by Canada, Britain, the Netherlands, Sweden, France, Japan, Germany and Italy. ‘Britain’s government has recently been trying to foster the philanthropic spirit, and other European countries are starting to follow suit,’ *The Economist* noted. ‘Even in China, the government seems keen to build up a non-profit sector that caters to social needs.’ The trend is barely discernible in Australia.

Traditional approaches to philanthropy have many shortcomings. A preferred approach calls for a major role for ‘social entrepreneurs’ who can operate in an infrastructure that is ‘the philanthropic equivalent of stock markets, investment banks, research houses, management consultants and so on’. Moreover, ‘philanthropists need to behave more like investors who seek to maximise their social return’. This was the style of the transforming philanthropies set up by Carnegie and Rockefeller. *The Economist* documented the rise of the social entrepreneur and highlights the work of Ashoka, a global investment organisation. It notes: social entrepreneurs now rub shoulders with the business and political elite at the World Economic Forum in Davos. The field is now taken seriously in academic circles, as illustrated in the endowment of the Skoll Centre for Social Entrepreneurship at Oxford University. Harvard Business School entered the field 12 years ago.

Bornstein (2004) wrote the engagingly titled *How to change the world: social entrepreneurs and the power of new ideas*. He describes social entrepreneurs as ‘transformative forces: people with new ideas to address major problems who are relentless in the pursuit of their visions, people who simply will not take no for an answer, who will not give up until they have spread their ideas as far as they possibly can’ (p1). He contends that social

entrepreneurs have existed throughout the ages: 'St. Francis of Assisi, founder of the Franciscan Order, would qualify as a social entrepreneur, having built multiple organisations that advanced social pattern changes in his field' (p2). Bornstein estimates that in the 1990s, the number of registered international citizen organisations increased from 6000 to 26,000 (p4).

The Economist concluded: 'much remains to be done before today's beneficent billionaires can claim to follow in the footsteps of such giants of giving as Carnegie, Rockefeller and Rowntree'. It calls for better measurement of outcomes, greater transparency, and improved accountability.

Secondary schools in England are benefiting from the rise of philanthropy, and many will have experienced its shortcomings. There is little doubt that providing a place for philanthropy and social entrepreneurship is part of 'next practice' in allocating resources in schools of the 21st century. This is especially important within the framework of the new education bill that provides for trusts and more autonomy for schools.

First principles

Several principles emerge from the analysis in this chapter. They underpin the development of 'next practice' in resource allocation.

1. A transformation in approaches to the allocation of resources is required if the transformation of schools is to be achieved in the 21st century
2. The driving force behind the transformation of schools and approaches to the allocation of resources is that from now on the most important unit of organisation is the student rather than the classroom, school or school system. It is a prerequisite that schools be self-managing
3. Reliance on a steadily increasing pool of public funds, with much of the effort focused on mechanisms for the allocation of money, will not achieve transformation
4. There are currently few accounts of good practice in building intellectual and social capital in schools. It is important that new approaches to resource allocation take account of their value

5. Next practice in providing resources to schools must take account of the rise of philanthropy and social entrepreneurship

These principles are simply the starting point. The most important are the 'core principles', which are addressed in chapter 2.



Specialist Schools
and Academies Trust
EXCELLENCE AND DIVERSITY

Members of iNet can download the
full publication from
www.ssat-inet.net/library.aspx

For information about joining iNet
visit
www.ssat-inet.net/joininet.aspx

To buy the publication visit
<https://secure.ssatrust.org.uk/eshop>