Making the Case for Productivity
February 11, 2016

Presented by:
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To control background noise:

- If connected via **phone**, please mute your phone line.

- If using **online audio** there is a mute button at the top left near the participant names.
The community of practice

• Overarching topic: – The role RCCs can play to support SEAs in advancing productivity.
• Productivity: How to better leverage existing monies toward greater outcomes for students.

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• Five initial webinars
• Optional one on one calls with RCC/SEA and Edunomics Lab staff for additional support on a specific project
Five webinars: All at 1 EST, 10 PST.

- Thursday, February 11 – The role of SEAs in making the case for productivity
- Thursday, February 25 – What information systems are needed, and how should they be used?
- Thursday, March 3 – What changes in state funding and regulatory structures work best to support productivity?
- Thursday, March 10 – What leverage do SEAs have to influence costs in districts?
- Thursday, March 24 – How can SEAs make sure district and school leaders pursue productivity?
Participants from across the country

- American Institutes of Research
- Midwest Comprehensive Center
- Northeast Comprehensive Center
- RMC Research Corporation
- South Central Regional Comprehensive Center
- WestEd
What is the productivity lens?

Why does it matter?

What role will states play?
What is productivity?

Productivity involves increasing outcomes for a given expenditure.

Outcomes

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Inputs ($)

Efficiency generally refers to achieving the same outcomes at a lower expenditure.
Entering Phase 3 in Ed $

- Phase #1: Leveling Up
- Phase #2: “Best practices” spending
- Phase #3: Leveraging school effects
What has happened to staff over the years?

adults per 1,000 students

Based on author’s calculations from BLS, NEA and NCES data, 2012.
Productivity Pop Quiz

What is the current average expenditure per student in US public education?

~$13,000 per pupil
Modest relationship between spending and outcomes.

Data from Center for American Progress, ROI study.
Entering Phase 3 in Ed $

- Phase #1: Leveling Up
- Phase #2: “Best practices” spending
- Phase #3: Leveraging school effects
Productivity Pop Quiz

Two schools with roughly the same mix of students can spend the same amount money and get different results.

A. True  B. False
All WA Elementary Schools with > 75% F/RL

Math performance

Per pupil Spending (avg. $10,200)
Two schools with roughly the same mix of students can spend the same amount money *in the same way* and get different results.

A. True                B. False
All WA Elementary Schools with > 75% F/RL

Per pupil Spending (avg. $10,200)
Consider rural districts of similar size, poverty level:

- 1400-2000 students
- 40-60% FRL
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- 1400-2000 students
- 40-60% FRL

ROI Superstars
What’s the secret sauce for ROI superstars?

1. Can we explain it with demographics, size or other measurable district characteristics? Yes  No

2. Is it about aggregate spending patterns? Yes  No

<table>
<thead>
<tr>
<th>Percent Spent On:</th>
<th>Rural ROI Superstars</th>
<th>All Other Rural Districts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td></td>
<td>60%</td>
</tr>
<tr>
<td>Student/Staff Support</td>
<td></td>
<td>8%</td>
</tr>
<tr>
<td>Administration</td>
<td></td>
<td>11%</td>
</tr>
<tr>
<td>Ops, Food, Other</td>
<td></td>
<td>20%</td>
</tr>
</tbody>
</table>
Entering Phase 3 in Ed $

• Phase #1: Leveling Up
• Phase #2: “Best practices” spending
• Phase #3: Leveraging school effects
Why does productivity matter?

Gap by 2017 is 9.1%

Current spending trajectory (assumes no incremental reforms)

Likely revenues
Here we are:

⇒ Factor costs are escalating faster than revenues.

⇒ We now know that it school effects matter.

⇒ The result: Poor relationship between spending and outcomes.

= the Productivity Lens
Productivity Pop Quiz

$600 Billion
Who decides how to spend it?

Legislatures?
Secretary of Education?
SEAs?
District and school leaders?
1. Build information systems that districts and schools can use to fuel productivity gains.

2. School finance formulas:
   a. Prioritize flexibility so that districts and schools are free to try new delivery models.
   b. Fund students not delivery models.

3. Use SEA leverage (including certification, tools, etc.) to affect costs, enable productivity improvements.

4. Drive a focus on productivity from the SEA.
**Messaging productivity**

- Reconnect *spending with outcomes* throughout the system and for everyone in every role.
- Help leaders:
  - Understand costs and value
  - Look for tradeoffs and look for opportunities
  - Leverage labor toward greatest outcomes
  - Empower school staff to do what’s best for students
  - Embrace the challenge
All WA Elementary Schools with > 75% F/RL

Math performance

Per pupil Spending (avg. $10,200)
Discussion
Reminder – Upcoming Webinar Sessions

• Thursday, February 11 – What role can SEAs play in making the case for productivity?
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Additional Opportunities

1. Optional one-on-one calls with RCC/SEA and Edunomics Lab staff for additional support on a specific project.
   • These are optional. Please email Amanda Warco at amanda.warco@georgetown.edu if you know you are interested.

2. Webinar Topics
   • We’ll cover other topics based on the group’s interest and needs.
   • Let us know if you have requests!
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