INDEPENDENT REVIEW OF THE SCHOOL BASED MANAGEMENT PILOT

Summary Report

Department of Education and Communities

October 2011
Acknowledgments

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Margaret Thomas, Andrew Hawkins, Fiona Christian, Marita Merlene & Consuelo de Meyrick
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<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACT</td>
<td>Australian Capital Territory</td>
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<tr>
<td>AP</td>
<td>Assistant Principal</td>
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<tr>
<td>BER</td>
<td>Building Education Revolution</td>
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<td>CT</td>
<td>Classroom Teacher</td>
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<td>DER</td>
<td>Digital Education Revolution</td>
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<td>DP</td>
<td>Deputy Principal</td>
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<td>ESL</td>
<td>English as a Second Language</td>
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<td>FTE</td>
<td>Full Time Equivalent</td>
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<td>G&amp;T</td>
<td>Gifted and talented</td>
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<td>GA</td>
<td>General assistant</td>
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<td>HR</td>
<td>Human resources</td>
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<td>HSC</td>
<td>Higher School Certificate</td>
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<td>HT</td>
<td>Head teacher</td>
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<td>ICT</td>
<td>Information Communication Technology</td>
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<td>LMBR</td>
<td>Learning Management and Business Reform Program</td>
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<td>LSO</td>
<td>Learning Support Officer</td>
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<td>NAB</td>
<td>National Australia Bank</td>
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<td>NAPLAN</td>
<td>National Assessment Program - Literacy and Numeracy</td>
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<td>NP</td>
<td>National Partnership</td>
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<td>NSW</td>
<td>New South Wales</td>
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<td>OH&amp;S</td>
<td>Occupational Health and Safety</td>
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<td>P&amp;C</td>
<td>Parents and Citizens Association</td>
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<td>PARS</td>
<td>Principal Annual Review schedule</td>
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<td>PEC</td>
<td>Primary Executive Council</td>
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<td>PD</td>
<td>Professional development</td>
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<td>PLP</td>
<td>Professional learning plan</td>
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<td>QT</td>
<td>Quality Teaching</td>
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<td>RFF</td>
<td>Relief from face to face</td>
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<td>RPT</td>
<td>Resource Planning Tool</td>
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<td>SALM</td>
<td>Student Administration and Learning Management software</td>
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<td>SAS</td>
<td>School administrative staff</td>
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<td>SASS</td>
<td>School administrative support staff</td>
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<td>SBM</td>
<td>School Based Management</td>
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<td>SC</td>
<td>School Certificate</td>
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<td>SED</td>
<td>School Education Director</td>
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<td>SES</td>
<td>Socioeconomic status</td>
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<td>SLSO</td>
<td>Student Learning Support Officer</td>
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<td>SPOG</td>
<td>Schools Pilot Oversight Group</td>
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<td>STLA</td>
<td>Support teacher learning assistance</td>
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<tr>
<td>TARS</td>
<td>Teacher annual review schedule</td>
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<td>TPL</td>
<td>Teacher professional learning</td>
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<td>WA</td>
<td>Western Australia</td>
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Executive summary

The Department of Education and Communities (DEC) is conducting a two-year pilot of school based management in 47 NSW schools. Pilot schools have increased flexibility and authority for making local decisions. The NSW Government commissioned an Independent Public Review of the pilot, with a focus on obtaining the views of principals and capturing their experiences of the pilot.

The review found that school based management was successfully implemented in the pilot schools. The principals of these schools were innovative and creative in finding staffing solutions to better meet the needs of their schools. They were overwhelmingly positive about the benefits of school based management for their schools and had evidence of positive outcomes.

The principals highly valued flexibility to make decisions and ‘free up’ money. They would like more authority for staffing and budgets. Many want authority for most school decisions apart from assets management. Some want changes to current staffing and budget systems.

On the evidence of the pilot, crucial factors for school based management in NSW are:

- Schools need correct staffing and budget information for school based management—the current DEC information systems will need significant development to provide this.
- An accountability system based on existing positions, systems and structures will need to be developed. Principals will require some State Office support for their decision making, given the complex staffing and budget systems, legislative requirements and industrial agreements. Current staffing and budget systems will need to be reviewed.
- Principals need leadership and management skills and increased capacity for financial management is required for school based management—significant workforce development is needed to ensure that current and aspiring principals have the knowledge and skills for school based management.
- A clear model of school based management needs to be developed for NSW—information on the model will need to be communicated to all stakeholders to increased knowledge and manage expectations and concerns.

Implementing school based management in NSW faces significant cultural and organisational challenges including concerns of the Teachers Federation and some principals. Other challenges are the highly regulated staffing system, complex budget systems, and the likely difficulty of initiating change in a large system. A strategic approach should be developed to underpin the change needed to introduce school based management in NSW, based on sound theories for leading and managing change.
1. Introduction

1.1 Independent Public Review of the School Based Management Pilot

The Department of Education and Communities (DEC) is conducting a two-year pilot of school based management in 47 NSW schools (the School Based Management Pilot or 47 Schools Pilot). Schools participating in the pilot have increased flexibility and authority for making local decisions. The School Based Management Pilot is auspiced by the Schools Pilot Oversight Group (SPOG).

The NSW Government announced that an Independent Public Review of the School Based Pilot was to be undertaken and sought Expressions of Interest from organisations to undertake the Review. ARTD Consultants was selected to undertake the review. The independent review was commissioned to provide information on the operation and progress of the Pilot, and to ensure consultation and constructive feedback on its activities. The independent review commenced in July 2011 and concluded on 30th October 2011.

1.1.1 Review scope and focus

The terms of reference for the review were:

1. Areas of decision-making (functions and processes) for which principals and school communities should have greater responsibility

2. Implications that inform an improved accountability framework for principals and their communities that guarantees effective use of resources to achieve student outcomes and innovation

3. Information and system requirements to enable principals and school communities to meet local need and improve student outcomes

4. Capability and capacity requirements for principals and aspiring principals to successfully lead innovative schools, improve student learning and meet local needs, and an assessment of implications for staff in a more devolved system

5. Implications that inform a change readiness process and change management framework for schools and their communities prior to entering into a devolved management system.

The independent review was particularly focussed on obtaining the views of principals and capturing their experiences of the pilot.
Based on the terms of reference, the review was focussed around four key areas:

1. Responsibility, authority and decision making
2. Information and systems
3. Risk management and accountability
4. Capacity, capabilities, cultural and organisational change.

1.1.2 What the literature says about school based management

Most definitions of school based management find that it involves decentralising authority to the school level (Brus et al, 2011; Caldwell, 2005). McKinsey and Company have examined how the world’s best performing education systems keep improving and rate Australia as a country with a good education system that can aspire to greatness. They identify decentralisation of decision making to schools as a feature of school systems that move from good to great (McKinsey&Company, 2011).

The World Bank (Brus et al, 2011) recommends that the following factors be considered and defined when developing a model of school based management:

- Specify what is meant by school based management – the autonomy and accountability must be explicit
- Consider capacity issues
- Identify the timeframe for achieving school based management
- Establish process, output and outcome goals
- Publish the detail of the planning steps
- Base decisions on local evidence and select an evaluation method.

The Australian Capital Territory (ACT), Western Australia (WA) and Victoria have the longest histories of school based management approaches in Australia although there is evidence of some decentralisation in other States and Territories in recent years. The ACT has had a policy of school based management since 1976. Western Australia established a system of independent government schools and there are now 207 independent government schools in WA. Victorian schools have the highest level of autonomy in Australia (Caldwell, 2007) and are responsible for the selection, number and professional mix of staff within their budget constraints. They are responsible for 94 per cent of their budget.
1.2 Summary methods of the independent review

The independent review of the school based management pilot was conducted in three phases between July and October 2011. The phases and the methods were as follows (a more detailed description of the methods is in the full report):

Phase 1: Planning, consultation and data review

- Consultation with the Department and the Independent Public Review Reference Group
- Review of data and information available from the internal evaluation
- Review of Departmental systems and data supporting the 47 pilot schools
- Scan of the reference literature related to school based management
- Scoping interviews with all 12 members of the SPOG
- Group interview with five State Office staff.

Phase 2: Primary data collection

- Online survey of principals at all participating schools – 45 principals responded
- Follow up telephone interviews with principals in 19 schools
- Interviews with a representative of the P&C in 6 schools.

Phase 3: Synthesis, workshop and reporting

- Data analysis and synthesis
- Presentation of preliminary findings and workshop with the SPOG
- Draft Final Report
- Final Report.
2. Findings and conclusions

2.1 School based management was successfully implemented in the pilot schools

The pilot principals valued the new decision making authority they were given under the pilot and used it to implement creative staffing initiatives to better meet the needs of their school. Principals created new positions, employed new staff, and varied the roles of existing staff or extended their hours. A small number of the new positions created were non-establishment positions not normally available to schools, for example, business managers, a mechanic and a diversional therapist. Principals also used the flexibility in staffing positions to create special roles, even though the staff were nominally against an establishment position such as Year Advisor.

State Office data indicate that hundreds of approvals for staffing changes were given during the pilot. The data show that schools were slower to make appointments in the first year of the pilot but were extremely active in seeking approval for appointments in the second year. Principals were less confident in the early stages of the pilot due to lack of accurate data on staffing and budgets, and uncertainty about their authority, but gained confidence with successful implementation of initiatives.

Initiatives developed by schools can be classified across four main areas:

1. Quality teaching - supporting staff professional development, quality teaching and staff leadership.
2. Teaching and special programs - obtaining more staff, staff time and resources for teaching and special programs.
3. Student welfare - mentoring, coaching, and enhancing student welfare.
4. Management - enhancing school administration and management, school facilities and community relationships.

In several schools it was apparent that the principal had already been creative in trying to meet the school’s needs but the flexibility introduced under the pilot significantly enhanced the opportunities for creativity. Ninety-five percent of principals agreed that they would rather have, than not have, the decision making responsibilities of the pilot.

Conclusion 1

School based management was successfully implemented in the pilot schools. The principals of these schools had sought increased authority for making local decisions. They were innovative and creative in finding staffing solutions to better meet the needs of their schools.
2.2 Principals were overwhelmingly positive about the benefits

Principals were overwhelmingly positive about the benefits of participation in the pilot. All principals surveyed agreed that the pilot had led to concrete improvements at their school, and the vast majority agreed that the pilot enabled them to get the right staffing mix for their school’s needs and to do more for a lower cost, as shown in Figure 1.

**Figure 1: Principals' views of the benefits of the pilot**

Being part of the SBM [pilot] has had an outstanding result on the school. In addition to incredible growth in student learning outcomes, the flexibility to employ various members of staff or to ‘buy time’ for others have been invaluable.

The capacity of the school to improve outcomes for students was certainly increased through involvement in the SBM pilot.

Principals spoke very positively about the outcomes and benefits they had experienced.

There were four main areas in which the principals reported positive outcomes:

1. Literacy and numeracy outcomes
2. Other educational outcomes
3. Other student outcomes
4. Outcomes for staff
5. Other school outcomes.

Many principals implemented programs, activities and supports to improve student literacy and numeracy outcomes and most of these reported that internal assessment had demonstrated improvements. Some had NAPLAN and HSC results that demonstrated literacy and numeracy improvements for targeted students.
Employment of a middle years transition teacher—specifically focused on literacy and numeracy. Students in this class have significantly increased their ability in these areas.

Several principals spoke about the achievement of other educational outcomes.

**NSW Uni competition results, Multicultural Public Speaking successes**

The restructure of the leadership team here improved students’ continuity of learning, and resulted in better outcomes. From the survey we conducted, staff and parents all thought that the students’ needs were better met.

Several schools put initiatives in place to improve student welfare, school attendance and retention, and used their own school data to show that this had been achieved.

**Increased retention rates, earlier intervention for students with learning, curriculum and welfare needs.**

Student welfare needs are being far more adequately met by a collaborative team tracking student attendance, analysing student report data...

Principals noted benefits for their staff—increased enthusiasm and morale, satisfaction with the improvements in student outcomes, increased skills and confidence from improved professional development, increased leadership opportunities; and more time for face-to-face teaching or other roles. Across the school, the pilot encouraged creative thinking.

**Teachers developed knowledge, skills and confidence which led to higher student achievement.**

The flexibility to think differently, create new types of positions, to involve many staff in teams to drive curriculum provision K–12 across PEC, to provide greatly increased leadership opportunities for staff and students, to ensure greater curriculum continuity for students, were all made possible by our involvement in the pilot. It encouraged staff to free their thinking.

One principal believed the pilot was more trouble than it was worth as a result of industrial opposition to the pilot. Some principals were frustrated by the limitations of the staffing regulations and the lack of accurate data on staffing and budget.

**Conclusion 2**

Pilot principals were overwhelmingly positive about the benefits of school based management for their schools and had evidence of positive outcomes. The only negative impacts reported were those related to industrial opposition to the pilot.
2.3 Principals highly valued flexibility to make decisions and ‘free-up’ money

Flexibility for staffing decisions allowed under the pilot enabled principals to create ‘freed up’ money for different purposes or a later time.

_The roll-over of funds from the previous year provided the greatest ability to provide flexibility as the process was better understood and the estimates of available funds were more predictable._

This flexibility was highly valued, particularly in the absence of any ‘top-up’ funding. Half of the principals believed that initiatives put in place during the pilot were ‘equally due to ‘top up’ funding and increased flexibility’; while 34 per cent said that what they did was mostly or totally due to increased flexibility. All but four principals agreed that, ‘Regardless of any extra funding made available in the pilot, the school based management pilot means I can achieve better outcomes at my school’.

_The increased funding gave us the opportunity to source funds to have the confidence to try new initiatives. However, it is the increased flexibility that allowed us to explore things previously blocked._

_The percentage of ‘top-up’, while significant, simply provided an opportunity for us to think even further outside the square in order to come up with additional innovative support programs for our staff and students. Major initiatives would still have been possible as a result of the increased flexibility component._

Most principals who received ‘top up’ funding reported that their school would be negatively affected when this funding was withdrawn at the end of the pilot—‘Significant—we are already grappling with how we might sustain very successful programs without available funds’.

Removal of ‘top-up’ funding was not an issue for the principals who received very little or none at all—‘Little impact because our ‘top-up’ funding was minimal’.

While any type of additional funding is clearly welcomed, the vast majority of principals still valued increased flexibility for decision making, and those who did not receive ‘top-up’ funding valued the flexibility even more highly.

**Conclusion 3**

Principals highly valued flexibility to make decisions and ‘free up’ money. They appreciated ‘top-up’ funding but believed flexibility was crucial for achieving outcomes.
2.4 Clear communication to principals on devolved authority enables decision making

For many principals it was not clear at the start of the pilot what authority for decision making was allowed. Principals who had a clear idea of their authority at the start of the pilot strongly believed that they had achieved concrete improvements for their schools. It was clear that when principals had a sound understanding of the authority devolved to them, and accurate staffing and budget information, they were more confident in their decision making. Twenty percent of principals reported that it was not clear at the start of the pilot what was possible under school based management (Figure 2).

Figure 2: Principals’ understanding of what was possible

Some interviewees believed that direction and support from State Office could have been clearer.

*We didn’t really set clear boundaries. Gave them a ‘bias to yes’, we never said if you want to do this you can. [I] would be very surprised if it was clear at the start.* (SPOG member)

Principals were concerned that, due to lack of knowledge, some non-pilot principals may perceive school based management as an additional responsibility and workload, for which they would not receive adequate support.

Conclusion 4

Clear communication to principals and schools about the authority that has been devolved to them under school based management is crucial for empowering principals and giving them confidence to make decisions.
2.5 Clear information about school based management for all stakeholders is important

Some principals felt that other principals or teachers might also have negative perceptions of what school based management is trying to achieve, or there might be a school culture that is not ready for school based management.

If people in a school are ‘industrially minded’ this is a significant blocker to this type of venture. Our school has an independent decision making culture.

The stated concerns of the Teachers Federation were raised by many interviewees as a challenge for the introduction of school based management more broadly. While principals reported that many of their staff were reticent, or actually opposed to the pilot in the beginning, after they experienced the benefits for their school they were fully supportive. In a few schools there was continued staff and Teachers Federation opposition to the pilot and principals reported that this had a negative impact on their school’s experience.

Some State Office staff were also concerned about the impact on the system of a broader roll out of school based management, including potential difficulties for the Minister in answering questions in parliament and ensuring that the concerns of special interest groups could be managed.

Conclusion 5

Sound, clear information about school based management is crucial for managing the expectations and concerns of public education system stakeholders.
2.6 Information systems need to provide accurate data for schools

Principals and State Office interviewees universally agreed that reliable, accurate and timely data must be provided to schools under a school based management model to enable sound and responsible decision making. They also universally agreed that the current State Office staffing and financial management systems were inadequate for providing this information. On one hand State Office staff were concerned that schools might overrun their budgets, but on the other hand, schools were concerned about overspending their budgets because of inaccurate data supplied by State Office. The inability to provide schools with the necessary reliable and accurate data is a key risk for a roll-out of school based management.

Knowing exactly what the bottom line is—the support provided by the pilot team was excellent but the fact that there was a different picture from different areas of the department created anxiety that we would overrun [our budget] and end up having to supplement from school funds (which we don’t have).

State Office invested heavily in external business analysts who worked with State Office staff to provide the needed data and information to schools but this level of resourcing is not sustainable. State Office interviewees advised that there was investment and commitment to developing a new information system—Learning Management and Business Reform (LMBR) Program—and this will reportedly provide improved finance, student administration, human resource and payroll systems that could provide information for school based management. State Office developed a resource planning tool (RPT) to support principals’ decision making under the pilot, and this tool was revised and improved significantly during the pilot.

While there are still some principals who do not believe the RPT provides them with everything they need to manage the schools budget, the pilot has identified a ‘front end’ of information that is close to what principals need for school based management. The problem for State Office is to implement a data and information system—a ‘back end’—that supports the provision of accurate and reliable information to schools under a school based management model.

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<tr>
<td>Correct staffing and budget information at the school level is essential for school based management—the current DEC information systems will need significant development to provide this.</td>
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2.7 Principals would like more authority for school decisions

The vast majority of principals (96%) want to have the decision making responsibilities provided under the pilot. Most pilot principals felt that the majority of principals would be happy to have the decision making responsibilities of school based management, but some more strongly believed this than others. Principals were confident about making good decisions for their schools.

*If fiscally responsible, there’s no real risks. Principals have a high level of knowledge about their school and can make decisions. Can be assumed that each principal can make the decisions.*

**Staffing**

Principals believed creating the right staffing mix for their school was essential for achieving the best outcomes for students—they wanted the right team of teachers and executive staff for their school’s needs.

*I am particularly keen to have greater flexibility with staffing.*

*It’s always about staffing. Get this right and nothing else matters.*

Principals enjoyed the flexibility for staffing decisions they had under the pilot but a minority felt these did not go far enough. Several principals believed that the existing staffing rules limited their flexibility under the pilot and reported that they had not been able to create all the positions they wanted.

*We would still like further autonomy of staffing. There has not been any real flexibility due to staffing award constraints*

The heterogeneous staffing changes made under the pilot, linked clearly to a school’s identified needs, indicates that principals will create a staffing mix different to that dictated by the ‘one size fits all’ staffing approach of the current staffing formula. Many principals felt that there needed to be changes to the current staffing system, including the transfer system, to better meet the needs of schools.

*The critical issue is flexibility and not being restricted by the formula or pre-set plans.*

*I think there still needs to be a framework within which we work but we need to loosen up some of the staffing regulations. We need to be able to make more decisions at the school level without having to seek approval for every decision.*

**Budgets**

Principals requested more flexibility around budget decision making, saying they needed ‘...more flexibility in using the budget to implement programs suited to my school.’ Principals reported that lack of budget decision making flexibility was largely
due to the situation of tied program funding which resulted in less efficient and less effective use of resources.

In particular, schools wanted one-line budgets, or one or two buckets of funding. Some State Office interviewees also believed that one bucket of funding could be more easily and effectively managed.

**Other school decisions**

Many principals believed that they could make better use of their school’s maintenance funds and wanted greater authority for a larger part of the maintenance budget than allowed under the pilot. Most principals believed that it was inappropriate for principals on relatively short tenure at schools to take on decisions about assets. Nevertheless, some principals wanted more responsibility around funding for improvements such as those provided under the BER as they believed they could provide better value for money.

Occupational Health and Safety was the aspect of school management that most principals thought should remain the responsibility of head office.

**Conclusion 7**

| Principals would like more authority for staffing and budgets. Many want authority for most school decisions apart from assets management. Some want changes to current staffing and budget systems. |
2.8 Risk and accountability can be managed through existing systems

Many principals reported they were ready for additional responsibility and they understood the accountability that came with the extra decision making responsibility.

*Personally I think that if a school is accountable for the outcomes of the children – which we are, and the principal is – this model and greater accountability and greater responsibility but greater authority, go hand in hand.*

Many principals and some SPOG interviewees thought that principals were being held accountable for outcomes in their school while not having authority over the selection of staff, particularly teachers, which are the main inputs for achieving school outcomes.

*...we are asking Principals to achieve outcomes for students and be accountable for quality of teachers, but we don’t allow them to select staff so they don’t control this’ (SPOG member)*

Virtually all principals agreed that their staffing decisions were directly linked to their school plan—school plans were seen as an essential component of school management and therefore a useful tool in maintaining accountability. Several principals and SPOG interviewees indicated that school plans needed to be developed further to be an appropriate tool for ensuring accountability under school based management.

Several principals thought that the School Education Director (SED) could provide approvals and oversight accountability for a school’s staffing decisions and this would be more efficient than a centralised approval system.

*I think the SEDs have a role. It’s the system I’ve grown up with in my career. (I) like to have SEDs—they can oversee what is happening.*

*Any future model should have the SEDs closely involved.*

Some principals doubted whether the SED would have the time or the capabilities to play a stronger role in an accountability system under school based management. Some felt that other processes, either new or existing, such as the Principal Annual Review process (PARs), annual financial statements, external reviews, the Principals Liaison Officer or a State Office team could ensure accountability under school based management.

**Conclusion 8**

Risks and accountability can largely be managed through existing positions, systems and structures, but these will need some development. Principals will still require some State Office support for their decision making, given the complex staffing and budget systems, legislative requirements and industrial agreements.
2.9 Principals were strong leaders and managers but capabilities need to be developed for school based management and principals need support

The review clearly found that the pilot principals were inspirational leaders and creative thinkers who were committed to achieving the best possible outcomes for their schools. Principals were good communicators and were transparent in addressing the concerns of staff, thereby gaining their trust and support for the school’s participation in the pilot. Forty principals estimated that 80 per cent or more of their teachers supported the continuation of school based management in their school. Pilot principals also had a clear vision of what they wanted to achieve for their school and were confident they could successfully lead and manage their school (Figure 3).

Figure 3: Principals’ confidence to manage the school

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<th>Question</th>
<th>Percentage</th>
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<tr>
<td>I am confident I have the skills to manage a school staffing budget</td>
<td>47%</td>
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<tr>
<td>I feel empowered to make decisions about my school as a result of participating in the SBM pilot</td>
<td>53%</td>
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<tr>
<td>I feel supported to take risks trialling new things in my school as part of SBM</td>
<td>47%</td>
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There were a few principals who were less confident in their leadership skills and some pilot principals thought that a minority of other principals may not have the capabilities required for school based management.

*Every principal is different and whilst they are in the minority there are people who are leaders who don’t have the leadership or management skills or interpersonal skills to do the job well.*

All principals recognised the need for additional management skills to successfully adopt school based management. All principals believed that if school based management was instituted in all schools, the majority of principals would need upskilling. During the pilot a strong team was established in State Office to support the pilot principals and principals rated this support as excellent. They believed that similar support would be needed if school based management was rolled out more broadly, particularly in the early stages.
Both primary and secondary principals expressed the importance of training and suggested training workshops, one-to-one support, onsite mentoring and sharing lessons from the pilot. Principals felt that up-skilling principals, particularly those with less experience would help build their confidence and capabilities for the extra responsibilities of school based management. They suggested learning communities should be established and access provided to regionally based support personnel. Training in financial and budget management was believed to be most important.

*Training, training, training, and the confidence to know that it can work. Having support a phone call away is invaluable and utterly necessary.*

Sixty-one percent of principals agreed that access to a business manager would be necessary for school based management but the remainder disagreed. Those who believed they had the business and financial administration skills were satisfied that they could manage the additional financial management aspects of school based management without a business manager. A few of these principals however, found the time required for these tasks impacted on other aspects of their work. Others felt that they already had sufficient administrative staff to support them. In two cases, several schools in a community of schools shared the services of a business manager and this met their need for additional financial management support.

**Conclusion 9**

School based management requires principals with leadership and management skills as well as increased capacity for financial management in schools. Significant workforce development is needed to ensure that current and aspiring principals have the knowledge and skills for school based management.
2.10 Cultural and organisational challenges need to be addressed

Some principals felt that other principals or teachers might also have negative perceptions of what school based management is trying to achieve, or there might be a school culture that is not ready for school based management.

If people in a school are ‘industrially minded’ this is a significant blocker to this type of venture. Our school has an independent decision making culture.

Principals spoke about system wide barriers to a broader rollout beyond the 47 pilot plan schools. The most common barrier was current staffing agreements and the use of teacher transfers to fill positions in schools. Many principals felt that teachers were currently being transferred without consideration of whether they had the skills and experience that would be best suited to the school and its students. Principals felt that until they had more control over teacher recruitment, the full impact of school based management would not be realised. Some principals felt that the system was working against them.

Loved the pilot, it’s the start of what is possible. But it’s but just the tip of the iceberg in terms of freeing things up—were able to create positions, got good support. But still the monolithic structure made it hard to do all those things—no fault of the pilot team just the way it’s set up. [There was a] lot of approval to be sought—contrary to the aims and philosophy of the whole thing.

Several principals highlighted a lack of support for the pilot by the Teachers Federation as a cause of difficulties.

There was industrial opposition from outside—wasn’t very pleasant. I told staff we had nothing to lose.....

Also, our teaching staff were reticent and many objected to our participation, as directed by the NSW Teachers Federation

Nevertheless, most of the principals who mentioned Teachers Federation opposition eventually won the trust and support of their staff by consistently communicating and promoting the benefits of their school’s involvement in the pilot. In the longer term, principals found that when staff experienced the significant benefits, they were no longer opposed to the school’s involvement.

The NSW education system is a large system that will inevitably have considerable inertia and resistance to change. As one SPOG member said ‘there’s a significant mix in the level of appetite for change’.

Principals have already demonstrated a capacity for leading change. They believed there were opportunities to achieve better outcomes for their school under school based management and they had a vision of what they wanted to achieve and how. They
communicated this vision to their staff and they achieved a number of early successes that reinforced the value of the changes.

Several theories of organisational change are available providing evidence that a carefully planned approach to change management is more likely to bring about successful and sustained change. The McKinsey and Company work (McKinsey&Company, 2011) on improving school systems reports that successfully leading school systems towards better outcomes requires strong leadership and ongoing commitment. As identified by many of our interviewees, successful implementation of school based management will require a substantial increase in knowledge among all stakeholders so that concerns are addressed at an early stage and support is garnered for the move to more local decision making.

**Conclusion 10**

Significant cultural and organisational challenges to implementing school based management in NSW include concerns about its impact among the Teachers Federation and some principals. Other challenges include the highly regulated staffing system, complex budget systems, and the likely difficulty of initiating change in a large system.
3. Recommendations

On the basis of these findings and conclusions we recommend that:

School based management should be extended to other schools based on the potential opportunities for improving outcomes for students and schools. To implement this, a unique NSW model of school based management should be developed based on learnings from the pilot, experiences of other state and territory education systems and international experience.

If school based management is made available to other schools we make the following recommendations:

1. An evaluation strategy should be implemented to assess the roll out and impact of school based management. This will help to identify and address problems, identify achievements and improve the model.

2. Current public education, staffing and budget systems should be reviewed and modified to ensure that principals can have sufficient authority for staffing and budget decision making under the chosen model.

3. A comprehensive accountability system should be developed incorporating revised school planning and review processes and revised roles for School Education Directors.

4. DEC’s information management systems need to be upgraded to provide accurate staffing, budget and other information to schools—the LMBR Program should provide this.

5. Substantial workforce development initiatives should be implemented over a number of years to build the leadership and management skills and capabilities of principals and aspiring principals. Principals require structured support strategies such as mentoring and principal forums, particularly in the initial stages of adoption of school based management. School Education Directors may also need to develop skills and capabilities for their new roles.

6. A sustainable State Office support system needs to be established for principals and schools to ensure that schools can safely navigate staffing and budget systems and to ensure they comply with legislative and legal requirements.

7. Sound and clear information on the chosen school based management model should be disseminated to all stakeholders both inside and outside the education system in order to increase knowledge of school based management and manage concerns and expectations.
8. A strategic approach should be developed to underpin the cultural and organisational change needed to introduce school based management in NSW. This approach should be based on sound theories for leading and managing change.
### Appendix 1: Examples of initiatives and principals’ views of the benefits

#### Table A1.1 Staff changes in primary schools, high schools and central/special schools – examples from schools

<table>
<thead>
<tr>
<th>Staff changes</th>
<th>What the staff person/position did or enabled</th>
<th>What principals said the benefits were</th>
<th>Who benefited</th>
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</thead>
<tbody>
<tr>
<td>Primary Schools</td>
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</table>
| Additional classroom teachers | • Additional kindergarten class  
• Additional Year 5 class  
• Smaller class sizes (<20)                                                                 | ‘Kindergarten children are flourishing’; positive view of the school in the community; strong enrolments in the school; happy parents; happy teachers | Students, staff and parents                       |
| Released an AP                | Provided mentoring for beginning teachers based on quality teaching model            | Beginning teachers incorporating quality teaching elements into their teaching and learning programs     | Staff, students                                   |
| Employment of a literacy mentor | Provision of additional in-class support for early years teachers - mentor worked in classrooms supporting these teachers | Teachers overwhelmingly supportive of this support continuing.                                         | Staff, students                                   |
| Additional AP position        | • Leadership opportunities  
• Support to stages with large numbers of classes                                      | Classroom teachers promoted to APs  
Extra support for students                                                                           | Staff, students                                   |
| Extra IT support              | Expertise in technology administration                                              | Better access to technology for students                                                              | Students                                          |
| Additional SLSO position      | • Money collection  
• Teacher resource production  
• Occupational Therapy based 'Finger gym' program for Stage 1 students                  | • 1100 teaching and learning hours saved  
• Increase in the number and quality of additional resources being made available for teachers  
• Significant increases in 'writing readiness' and overall handwriting quality for Early Stage One and Stage One students as a result of their participation in Fingergym | Staff, students                                   |
<table>
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</table>
| New position of 'Boys relationships coach mentor' | Implementing major boy's education strategy to achieve curriculum engagement and increased boys literacy as per school plan | ▪ Massive reduction in playground incidents involving boys  
▪ Happier and safer playground for all students  
▪ Targeted boys more engaged in curriculum and particularly with literacy | Boy students, whole school |
| Two additional classroom teachers |  ▪ Smaller groups in literacy and numeracy  
▪ All RFF in afternoon allowing prime learning in morning sessions | ▪ Literacy and numeracy groups based on student level – allows students of similar ability to work together  
▪ Opportunities for teachers to team teach and work together  
▪ Address school focus on literacy | Students, staff |
| Three APs released for one day per week | ▪ For RFF  
▪ To plan together to target staff professional learning and alignment of programs with QT framework | Quality teaching and learning | Staff, students |
| Extra 0.4 classroom teacher | Coordinate gifted and talented program and conduct professional learning in this for other teachers | ▪ Support for students who would benefit from extension  
▪ Ensure sustainability as other teachers have increased knowledge in this area | Students, staff |
<p>| Increased number of SAS and GA hours | School and program support | School facilities better maintained providing a safer and more friendly learning environment. | Whole school |
| Business Manager | Freed up Principal and SAM time to focus on school based issues | More time available for SAM and principal | Staff |
| Introduced executive release for all executive | More time to support teachers and students under their supervision | Improved relationships between executive, their teams and their students - resulted in far more conducive and supportive learning environments, higher levels of assistance for student learning and welfare needs. | Staff, students |
| Employed Business Manager across Community of Schools | School administration, financial administration, OHS | | |</p>
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<tbody>
<tr>
<td><strong>High Schools</strong></td>
<td></td>
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</tr>
<tr>
<td>Employed Business Manager</td>
<td>• Financial administration and management&lt;br&gt;• Web page&lt;br&gt;• Improved email contacts with families</td>
<td>• Improved management of finance and better value for money&lt;br&gt;• Improved communication with families&lt;br&gt;• Improved planning and evaluation</td>
<td>Whole school, families</td>
</tr>
<tr>
<td>Extra HT</td>
<td>Support programs</td>
<td>• Better support for students with learning needs&lt;br&gt;• Increased PLPs&lt;br&gt;• Better transition&lt;br&gt;• Lot better value for money for Learning Support funding</td>
<td>Students, staff, whole school</td>
</tr>
<tr>
<td>Equivalent of two Year Advisor positions</td>
<td>• Boys mentoring program&lt;br&gt;• Girls mentoring program</td>
<td>• Improved engagement of senior boys and improved HSC results&lt;br&gt;• At risk girls coping better and have higher more positive profile in the school</td>
<td>Students</td>
</tr>
<tr>
<td>Appointed an attendance coordinator</td>
<td>Improved data on absent students and parents informed</td>
<td>Attendance is better managed and more data available to help eradicate truancy</td>
<td>Whole school</td>
</tr>
<tr>
<td>Employ 0.4 teacher</td>
<td>To manage ESL and international students</td>
<td>• More personalised assistance to international students&lt;br&gt;• School passed audit of international students with flying colours</td>
<td>Students, school</td>
</tr>
<tr>
<td>Employed business manager</td>
<td>Assistance with managing the school</td>
<td>• More effective balance between the dual roles of leading and managing within the school&lt;br&gt;• More effective support for head teachers in supporting teachers, through availability of senior executive in leadership rather than management</td>
<td>Staff</td>
</tr>
<tr>
<td>New DP</td>
<td>To manage the curriculum and welfare needs of Years 7,8,9</td>
<td>School assessment shows increased literacy and numeracy achievement in Years 7 &amp; 8</td>
<td>Students</td>
</tr>
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| Extra staff                         | Provide learning support for students with learning difficulties, as a result of increased numbers due to new school leaving age | ▪ Increased numbers of students getting learning support  
▪ Improved results and increased student engagement                                                  | Students                       |
| Creation of second DP               | ▪ To meet the welfare needs of students  
▪ Supporting overworked executive  
▪ Supporting professional learning needs of staff                                                   | ▪ More structured approach to managing the welfare needs of students  
▪ More sustainable approach to meeting the professional learning needs of staff                      | Students, staff               |
| Additional Student Welfare position | Supporting gifted and talented programs – selective enrichment stream in Year 7                                | Support for gifted and talented students                                                                  | Students                       |
| Created a second DP                 | ▪ Leading and managing the digital education revolution (DER)  
▪ Led the technology team  
▪ Designed the ICT professional learning program for staff                                           | ▪ Significantly enriched the learning needs of staff and students in terms of ICT, quality teaching and overall student engagement in learning.  
▪ Totally supported the management of processes and procedures in the school that have raised the bar and created a safe environment for learning. | Students, staff               |
| Extra Head Teacher, teaching and learning | Supported the literacy, numeracy, transition, GAT, learning support and welfare programs in the school.          | ▪ Reinvigorated the learning support team, facilitated professional learning for 30% of staff in Teaching English Literacy Language TELL  
▪ Massively resourced the homework centre with tutors in literacy and numeracy  
▪ Numerous learning support programs                                                                | Staff, students               |
| Additional GA time                  | Support for facilities and maintenance                                                                          | Improved facilities and maintenance management                                                           | Whole school                  |
| Employed a project officer          | To work with businesses and organisations to build links in biosciences which is school focus area              | Received a NAB grant and have students at work experience                                                | Students, whole school         |
| Increased GA time                   | ▪ Promotion of school  
▪ Improving look of school and learning                                                                       | ▪ Positive comments from visits and the public about school environment                                  | Whole school                  |
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<tr>
<td>Off-class AP</td>
<td>Working with all staff to improve QT practice</td>
<td>Anecdotal evidence of better student outcomes</td>
<td>Staff, students</td>
</tr>
</tbody>
</table>
| Three extra DPs | To drive improved middle school pedagogy, literacy and technology | ▪ Improved literacy and technology in classrooms  
▪ Improved teaching and learning in Stage 4  
▪ More literacy focus in programs and improved SC/HSC results  
▪ Helped change the culture of staff in favour of supportive in-class PD | Staff, students |
| Business Manager | School management and financial administration | ▪ Much improved OH&S systems.  
▪ Much improved financial situation for the school | Whole school |
| Employed a Transition Officer | Support students placed at risk due to the new leaving age | 18 students who would have received "N" Awards, completed all tasks required and successfully achieved a HSC (2010) In 2011 NO student received an "N" Award in the HSC | Students |
| Additional executive roles | ▪ Provided additional supports to students across student engagement, literacy, numeracy and performing arts  
▪ Earlier intervention for students with learning, curriculum and welfare needs | ▪ Increased retention rates  
▪ lower levels of HSC, Preliminary and School Certificate N determinations  
▪ Increased school retention rates, reduction in suspensions | |
<p>| Employed Business Manager across a community of schools | Financial administration and management | ▪ Brought about many savings and efficiencies and has taken our operation into the realms of business | |
| Pedagogical development teacher | Professional learning pedagogy | Improved Professional Learning in the area of Pedagogy / Teaching and Learning with staff | Staff |</p>
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<tr>
<td>Central or Special schools</td>
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<tr>
<td>Extra teachers</td>
<td>Separation of K1,2 classes; extra support for K6</td>
<td>Strengthened literacy and numeracy targets; Best Start data indicating Kindergarten students performing better than in previous years</td>
<td>Students</td>
</tr>
</tbody>
</table>
| Two SLSOs employed | ▪ Additional classroom support for students K-2  
▪ Supporting Student Well Being Program                                                                                 | Improved student work, improved behaviour and independence                                               | Students               |
| Employed trade staff – mechanic, | Broadening of vocational programs and opportunities for senior students                                        | Strong interest and enthusiasm of students for programs                                                   | Students               |
| Employed physiotherapist | Already employed – providing support to students with needs                                                       | Previously paid for position through external funding – gave stability for position                       | Staff, students        |
| Employed diversional therapist | Support Aboriginal students                                                                                     | Improved attendance, engagement of Aboriginal students                                                   | Students, families      |
References


