INDEPENDENT REVIEW OF THE
SCHOOL BASED MANAGEMENT
PILOT

Final report

Department of
Education and Communities

October 2011
Acknowledgments

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## Abbreviations and acronyms

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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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<tr>
<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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<tr>
<td>ESL</td>
<td>English as a Second Language</td>
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<tr>
<td>FTE</td>
<td>Full Time Equivalent</td>
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<tr>
<td>G&amp;T</td>
<td>Gifted and talented</td>
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<tr>
<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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<tr>
<td>Abbreviation</td>
<td>Description</td>
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<tr>
<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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<tr>
<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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<td>TARS</td>
<td>Teacher annual review schedule</td>
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<tr>
<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

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).

Independent Public Review

The NSW Government commissioned an Independent Public Review of the School Based Management Pilot by ARTD Consultants. Based on the Terms of Reference, the review concentrated on four key areas: 1) responsibility, authority and decision making; 2) risk management and accountability; 3) information and systems; and 4) capacity, capabilities, cultural and organisational change. The independent review was particularly focussed on obtaining the views of principals and capturing their experiences of the pilot. The reviewers collected primary data from members of the SPOG, pilot school principals and a small number of Parents and Citizens association (P&C) representatives. They reviewed data and information available from the internal evaluation of the pilot, and analysed State Office data on pilot initiatives. This report presents the methods, findings, conclusions and recommendations of the independent review.

Findings

Greater responsibility, authority and decision making are valued and utilised

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.

Pilot initiatives covered four broad areas of school activity: 1) supporting staff professional development, quality teaching and staff leadership; 2) increased staff and resources for teaching and special programs; 3) mentoring, coaching and enhancing student welfare; and 4) enhancing school administration and management, school facilities and community relationships. Primary and high schools implemented similar types of initiatives. Central and special schools were more likely to employ para-professionals for vocational or support programs.
Principals reported that they achieved improvements in literacy and numeracy for targeted students, increased school engagement and educational outcomes for students, provided better student welfare support, increased support and opportunities for staff, enhanced quality of teaching and learning, and improved management of the school. Principals were gathering evidence of their achievements through national testing data, School Certificate and Higher School Certificate results, and internal school data on student performance, absenteeism, and enrolments, and through staff and parent surveys.

All principals recognised that school based management created a need for additional financial management skills and they met this need through their own skills or those of existing staff, or through employing appropriately skilled administrative staff or business managers. About one third of schools had access to a business manager during the pilot.

The vast majority of principals want to retain the flexible decision making provided under the school based management pilot and the resulting ability to ‘free up’ money for new initiatives. ‘Top-up’ funding provided to schools whose average teacher salary was below the state average provided significant additional benefits that would be impacted when the additional funding is withdrawn. Nevertheless, most of those who received ‘top-up’ funding believed that flexibility was at least as important for achieving outcomes as the additional funds.

Many principals sought increased responsibility for local decisions beyond those provided under the pilot. They particularly sought more authority for staffing decisions as they believed that achieving the right mix of staff for their school was essential for achieving the best outcomes. Many principals wanted a more flexible staffing system and the ability to select staff for their school, while a few did not want any changes to existing systems.

Principals also wanted increased authority for budget management and most wanted flexibility in managing maintenance and cleaning, while only some wanted to manage school assets. In particular, schools wanted one-line budgets, or one or two buckets of funding, as they believed this would result in more efficient and effective use of resources.

**Accountability is accepted**

Principals accept that authority and accountability go hand in hand and view accountability for decision making as integral to school based management. Principals accept that they are responsible and accountable for their school’s performance and welcomed the accountability associated with school based management. While principals talked about taking risks in making new decisions, these were based on sound information about their school’s needs. They did not perceive that there were any additional risks associated with school based management. Principals believed that existing systems and processes such as school plans, the role of the School Education
Director, performance reviews and yearly financial statements would provide sufficient scope for managing accountability under school based management. To ensure accountability with any roll-out of school based management these processes will need some development together with a clearly defined system of accountability.

**Pilot highlighted need for investment in information and systems**

It is clear that principals who have authority for making local decisions need accurate and reliable information about their school particularly around the main decision making areas of staffing and finances. All those who participated in the review agreed that the current State Office information system is not able to provide this data without unsustainable investment and support from external business analysts. The inability to provide schools with reliable and accurate data is a key risk for a roll-out of school based management.

During the pilot a resource planning tool (RPT) was developed that provides ‘front-end’ data to schools that is close to meeting their needs but still has some problems with providing truly accurate data due to the limitations of the State Office ‘back-end’ data systems. It is anticipated that the LMBR will deliver a system that will meet the education system’s needs for information into the future.

**Workforce development is needed to build capacity**

Pilot principals presented as inspirational leaders and creative thinkers who were committed to achieving the best possible outcomes for their schools. Some saw themselves as both educational leaders and managers of a business. Pilot principals had confidence in their own skills for managing their school but many felt the need for additional training and support to succeed in school based management. Many of the pilot principals believed that other principals might not have the skills and confidence to undertake school based management. A substantial program of professional development would therefore be required to up-skill principals for school based management.

Principals highly valued the support they received from State Office during the pilot and believed that similar support would be needed by other principals taking on authority for local decision making. Despite some initial resistance, school staff were largely supportive of school based management in their schools.

There are a number of cultural and organisational challenges within schools and within the system for achieving more local decision making. These include: current lack of knowledge about school based management amongst many stakeholders, including principals themselves; apparent concerns amongst principals of negative impacts of school based management on their roles; stated concerns of the Teachers Federation; regulations and systems that are not conducive to local decision making; and inertia in a large complex system.
Ten key conclusions

The independent review of the school based management pilot has ten key conclusions.

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. 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.

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.

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.

5. Sound, clear information about school based management is crucial for managing the expectations and concerns of public education system stakeholders.

6. 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.

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.

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.

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.
10. Significant cultural and organisational challenges to implementing school based management in NSW include industrial 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.

**Recommendations for the future of school based management in NSW**

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.
1. Introduction

1.1 How the Independent Public Review of the school based management pilot was implemented

1.1.1 School Based Management Pilot

The DEC has been piloting a program of increased local decision making in schools for staffing and budgets: the School Based Management Pilot (the pilot) or the 47 Schools Pilot. Forty seven schools of various types and sizes and located across NSW have been involved in the pilot over two years, concluding at the end of 2011.

The School Based Management Pilot allows schools increased flexibility and authority in decisions about their management, including human, material and financial resources. All 47 schools in the pilot are engaged in managing both staff and financial resources in new ways. They have much more detailed staffing and financial information than other schools. The main focus remains on teaching and learning improvement and the main objective of using the new management tools is to vary the mix of staff to suit particular needs. ‘Flexible’ staffing appointments under the pilot are temporary up to the end of 2011.

All pilot schools must endeavour to align resources more closely with their school’s needs but each school is finding unique solutions to their requirements. Decisions are being based on an understanding of the total (including staff salaries) financial position of the school. Some schools in the pilot are working together in groups, sharing financial and staff resources, including shared staff mix variations.

The pilot was intended to provide information about important reforms in public education, based on the premise that decisions are best made as close to the point of implementation as practicable and that local decision making may offer maximum relevance to the needs of individual students and staff.

1.1.2 Current NSW context

New South Wales has a primarily centralised approach to managing government schools. The NSW Government is committed to moving more decision making to schools and local communities and is currently undertaking a state-wide consultation process on empowering local public schools and the ‘Local Schools, Local Decisions’ policy. The School Based Management Pilot was implemented to assess the benefits of a more decentralised approach to school management.
1.2 What the literature says about school based management

This summary of what the national and international literature says about school based management is based on the literature review completed by the internal evaluation team and our own review of the key documents.

1.2.1 What is 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). Since there are several models of school based management operating around the world, defining the features of a model before adoption is important. The World Bank 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 World Bank reports that most countries whose students perform well give schools substantial authority to shape local education provision, allocate and manage resources.

An OECD report also provides evidence that school autonomy relates positively to the performance of school systems while greater responsibility in managing resources appears to be unrelated to student performance. (OECD, 2010). While there are numerous school systems across the world that have introduced decentralised school based management models there is still a paucity of data available on outcomes.

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).

1.2.2 Where school based management has been tried in Australia

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 and this was extended to whole budget management responsibility and facilities management in 1997. In Western Australia a system of independent government schools was established and these schools have greater budgetary control and select their own staff. Western Australia has 207 independent government schools using this system.

Victorian schools have the highest level of autonomy in Australia (Caldwell, 2007). Schools are responsible for the selection, number and professional mix of staff within their budget constraints and are they are responsible for 94 per cent of their budget. Their model also involves School Councils in decision making.

1.2.3 Independent Public Review commissioned

The NSW Government announced that an Independent Public Review of the 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 31st October 2011.

1.2.4 Terms of Reference

The following Terms of Reference were established for the review.

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 guarantee 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.
1.2.5 Review scope and focus

The review encompassed the 47 schools in the pilot and drew on existing DEC data as well as original data collected from principals, P&C representatives and members of the School Pilot Oversight Group.

The independent review particularly aimed to obtain the views of principals and to capture their experiences of the pilot. All the principals were invited and encouraged to contribute to the review. The principal survey enabled the review to quantify support for the pilot, while qualitative data provided more detailed information on principals’ experiences. Principals reported on the outcomes of the pilot for their school and the evidence they were gathering about those outcomes, but the review itself was not designed to collect that evidence. The review’s scope was also limited to a small number of interviews with representatives of P&C associations which were designed to provide some additional perspectives on the impact of the pilot initiatives but not to represent the views of all P&C associations in pilot schools.

Based on the terms of reference, the review concentrated on 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.

1.3 Summary of methods

The independent review 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 Appendix 2):

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
- Interim Report (incorporating the Project Plan).
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 six 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.

1.3.1 Confidence in the findings

The reviewers are confident that the methods captured the views and experiences of the pilot principals and provided comprehensive and systematic data on the impact of the pilot for participating principals and schools. We are also confident that the review highlighted important issues and challenges that need to be addressed in a broader rollout of school based management in NSW. Confidence in the review’s findings provides a sound basis for its conclusions and recommendations.
2. Principals used their new authority to meet needs in their school

2.1 Principals understood their increased authority

Principals who elected to participate in the pilot understood the opportunities it provided for making new and creative decisions to benefit their school. The survey data shows that those who were most clear about the opportunities available to them at the beginning of the pilot were also more positive about its outcomes.

During the two-year pilot principals gained confidence in using their increased authority, particularly as more reliable and accurate data on their staffing and finances became available.

A couple of principals who came into schools midway through the pilot were particularly unsure of their authority under the pilot and felt this was not adequately explained to them when they took up their positions.

2.2 How principals described their school’s pilot initiatives

There are two ways of looking at the initiatives schools implemented—as a series of staff appointments; and as a number of creative initiatives with heterogeneous characteristics in terms of use of staff and resources. The diverse approaches principals used makes categorising the initiatives difficult and this may well be the point. Principals designed their initiatives to meet the specific needs and requirements of their students and their school to produce the best possible outcomes. In this report we use the State Office data and information from the internal evaluation to describe the staffing changes but we primarily use the principals’ descriptions to demonstrate the breadth of initiatives, what was achieved, and what benefits were identified.

2.2.1 How information on initiatives was sourced

The review primarily used survey data for descriptions of school initiatives—all but two principals completed the survey. It also used interview data from 19 principals—one of whom had not completed the survey. In most cases, principals described clearly what they had done, what they achieved, and what they believed the benefits and outcomes were for students and the school. In some cases their descriptions were less clear. We have prepared a table which maps a large number of the initiatives, what they achieved and how the benefits were described by principals—the table is in Appendix 3. The mapping exercise was not intended to provide an exhaustive list of everything that was done but rather to demonstrate the breadth of initiatives and the links made by principals between those initiatives and the outcomes they observed.
In the subsequent sections of this chapter, we describe the types of initiatives implemented under the pilot and the outcomes principals believed they achieved.

### 2.2.2 Significant numbers of staffing changes

State Office data indicate that hundreds of approvals for staffing changes were given during the pilot. The data shows 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. The vast majority of appointments were for establishment positions and there were 9.11 FTE non-establishment roles created in 2011 and 2.69 FTE created in 2010. The numbers of FTE Deputy Principals, classroom teachers, Head Teachers and School Learning Support Officers increased significantly increased in 2011.

Staffing changes described by principals can be classified into four main strategies.

- Creating new positions
- Employing new staff
- Varying the roles of existing staff
- Extending hours of existing staff.

Principals were sometimes keen to free up staff from existing responsibilities so that they could better meet identified needs such as extra time for face-to-face teaching.

> Essentially it allowed the TIME for teachers to do things. I am particularly keen on being able to employ para-professionals and SASS to undertake administrative roles to release trained teachers and teacher leaders to spend more time on their core business of teaching, or teaching and leading within a school.

In other cases, teaching staff were given more time away from face-to-face teaching to develop and implement programs to benefit the school.

Most new staff were employed to take up establishment positions but some principals created new non-establishment positions not usually available to schools—these included business managers, a mechanic, a physiotherapist and a diversional therapist. Principals also used the flexibility in staffing positions to create new titles for special roles, even though the staff were nominally against an establishment position such as Year Advisor.
2.2.3 Additional skills and resources in financial management were needed in most schools

All principals recognised the need for additional management skills and resources under school based management. 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 2010, three primary schools and two high schools appointed business managers but by late 2011 there were 10 schools with either full or part-time business managers—four primary schools and six high schools. One business manager supported a community of primary and high schools. The appointment of business managers is particularly interesting because these are non-establishment positions and there were mixed views about the extent to which they were needed under a model of school based management.

Principals who felt they did not have the skills or interest in the detailed aspects of financial management sought to employ a business manager or a more skilled administrative manager. Some principals had other staff, such as deputy principals or skilled administration officers, with additional financial management expertise. While the majority of principals (62%) agreed that they would need access to a business manager for school based management to work effectively, only 30 per cent strongly agreed and many disagreed (39%). The vast majority of principals agreed that they would be able to free up enough funds to access a business manager if they needed one as shown in Figure 2.1.

Figure 2.1 Access to a business manager

<table>
<thead>
<tr>
<th>Access to a business manager is, or would be, necessary for SBM to work effectively in my school</th>
</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Flexibility in the use of my schools budget frees up enough funds to access the services of a business manager if I needed one (this does not necessarily mean enough to pay a full time staff member, but enough to...</th>
</tr>
</thead>
<tbody>
<tr>
<td>13%</td>
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</table>

Overall, it is clear that most schools will need additional skills and capacity for financial management under school based management. Flexibility provided under a school
based management model should provide principals with the ability to make their own decisions about how the school meets its needs for these additional skills.

2.2.4 Schools identified needs and developed appropriate initiatives

While the initiatives developed by schools were heterogeneous, they 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 each of these areas principals had identified specific needs for their staff, students, school community and the school as a whole. A graphic display of words used by principals in describing their initiatives is shown in Figure 2.2. It shows that principals were focussed on the key business of schools in implementing change under the pilot.

Figure 2.2 Graphic display of the most common words used by principals in describing their initiatives

Note: Size of words reflects number of times used overall by the 45 surveyed principals.
2.2.5 Different types of schools implemented similar initiatives

There were very few differences between the types of initiatives implemented—both primary and high schools implemented similar types of initiatives. Although the actual positions created had different titles they were essentially designed to achieve similar aims.

Rural schools were in a different position to metropolitan schools in that they were less able to employ casual teachers, but they used available funds to implement other initiatives and programs.

The main difference observed between schools was the greater number of para-professional positions created by central and special schools. These positions were specifically designed to meet the unique needs of these schools such as vocational and support programs. They enabled these schools to achieve outcomes that were not possible through establishment positions.

Only a few schools instituted initiatives around cleaning, maintenance or asset management and this is discussed further in Section 3.

2.3 Limitations to achievements under the pilot

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.

As we have a fixed staffing formula we were not allowed to amalgamate AP’s positions to create a second non-teaching DP’s position. Sad! There were other options however the HR legislative rules were not flexible enough to accommodate our thinking.

Most principals who reported not being able to achieve all their objectives said that this was due to the limitations of the staffing system. In particular, they were not able to keep excellent casual staff employed during the pilot, lost the opportunity to employ staff due to a long wait for approval, and had to employ someone full time when they only really needed a part time position.

A few principals reported that some initiatives, including a lunchtime activities program, did not work as well as planned.
3. Principals identified significant benefits resulting from their participation in the pilot

3.1 School based management: a positive experience for schools

Principals were overwhelmingly positive about the benefits of participation in the pilot for their school and this was documented in both the survey and interviews. All principals surveyed agreed that the pilot had led to concrete improvements at their school and 69 per cent strongly agreed with this as shown in Figure 3.1.

Figure 3.1 Overall impacts of the pilot for schools

![Figure 3.1](image)

Most principals 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. The principals spoke very positively in interviews about the outcomes and benefits they had experienced. The following quotes exemplify the overall benefits as identified by the majority of principals.

*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 has been invaluable.*

*The 47 school pilot was a journey of discovery....I have never been able to be so creative and flexible in staffing—can ensure improved outcomes for students. I was able to take risks that have now been permanently embedded into my staffing.*
The capacity of the school to improve outcomes for students was certainly increased through involvement in the SBM pilot.

It has been a huge learning curve but one with very positive outcomes for the kids.

Several of the more creative principals believed that the pilot had enabled them to make the changes they had been trying to make previously.

...I would suggest that the project allowed principals to do officially what they have been doing for a long time unofficially.

3.1.1 Few ‘negatives’ associated with participation in the pilot

Only one principal believed the pilot was more trouble that it was worth. When interviewed, this principal explained that the Teachers Federation had encouraged teachers to vote against the school’s participation in the pilot. The Federation had instigated legal action over the principal’s response to the claims and this was ongoing.

The only other negatives of participation for principals were not having as much flexibility under the pilot as desired and not receiving the data and information they needed to make decisions. These are discussed in more detail in later sections.

3.2 Principals’ data produce evidence of positive outcomes

Principals were attempting to gather evidence from a variety of sources to validate their positive perceptions of the pilot. The main sources are listed below.

- Reading recovery data
- National testing, NAPLAN
- School Certificate and Higher School Certificate results
- Diagnostic testing
- Feedback from parent surveys, staff surveys
- School data showing
  - increased enrolments
  - reduced discipline problems
  - improved student attendance data
- Principal and staff observations
- Informal feedback from parents and community.
Due to the pilot’s short time frame and the late start that many principals made due to a lack of accurate budget data early in the pilot, a number of principals reported that they were still awaiting data on student outcomes from testing results such as NAPLAN and the HSC. Principals who had put initiatives in place targeting particular groups of students were particularly looking for direct outcomes from those initiatives.

3.3 Principals identify benefits of school based management

Schools identified a wide variety of benefits ranging from improved literacy, as evidenced by NAPLAN results, to more attractive school grounds. The main areas in which outcomes were reported are

- literacy and numeracy outcomes
- other educational outcomes
- other student outcomes
- outcomes for staff
- other school outcomes.

A comprehensive list of examples of initiatives and benefits identified by schools is provided in Table A1.1 in Appendix 3.

3.3.1 Literacy and numeracy outcomes

Many principals implemented programs, activities and supports to improve literacy and numeracy outcomes for students and most of these reported that internal assessment had shown literacy and numeracy improvements. This was particularly so where classes or groups of students had been targeted and these results could be closely monitored. In a few cases, efforts to improve literacy and numeracy outcomes in 2010 had led to improvement in NAPLAN results in 2011.

*We have had an increase from 28 per cent to 67 per cent in students achieving at or above grade level in reading and a 58 per cent drop in students who are 12 months or more below grade level. Maths data has been collected this year but we do not have any comparative data at this stage. Writing data has also been collected.*

*Literacy and numeracy results are evident in the improvement in NAPLAN results in 2011.*

*Our NAPLAN results have gone through the roof! We are up to or above the state averages for the first time ever.*

*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*
Many principals however, indicated that marked improvements in literacy and numeracy may take some time and others noted that literacy and numeracy outcomes were not the sole measure by which they judged improvements in their school.

3.3.2 Educational outcomes across school curriculum

Several principals spoke about the achievement of educational outcomes other than direct improvements in literacy and numeracy.

*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.*

*Our results have improved—our results are sensational. Five years ago would not have dreamt we could get to where we are in terms of our results.*

In a few cases, principals observed that gradual improvements in school outcomes over a number of years accelerated during the pilot.

3.3.3 Student benefits in welfare, attendance and retention

Many initiatives were related to student outcomes that impact on educational achievement but were not directly measured by educational outcomes. Several schools put initiatives in place to improve student welfare, school attendance and retention, and used their own school data to assess if this had been achieved. Principals also spoke positively about these outcomes for their students.

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

*Student attendance rates have improved, negative behaviours have decreased, external testing results have improved.*

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

3.3.4 Outcomes for staff

Principals were overwhelmingly positive about the benefits of the pilot for their staff. They noted increased enthusiasm and morale, satisfaction with the improvements in student outcomes, increased skills and confidence related to improved professional development, increased leadership opportunities, increased involvement in decision making and more time both for face-to-face teaching and other school roles.
Teachers developed knowledge, skills and confidence which led to higher student achievement.

Staff morale is high.

Greater staff ownership of projects because they ‘have to work’ and the staff are much more committed to ensuring their success.

Happier and engaged staff.

3.3.5  Broader school outcomes

In general, the review found there were more opportunities for students, and that the school environment and atmosphere had been enhanced during the pilot. Some principals had received more positive comments from parents and the public. A few schools believed that increased enrolments were a result of the improved learning environment they had been able to achieve under the pilot.

...Organisation is tight, parents are highly supportive, the list goes on....

School environment has been enhanced due to the support of the Business Manager position.

...Commenced combined choral and instrumental program—80 plus students involved.

The ability to initiate and implement more substantial gifted and talented programs within the secondary setting, has generated greater interest from our school’s local community and partner primary schools.

As one principal said—‘Just look at our school’.

3.3.6  Other benefits of school based management: creative thinking and leadership

The pilot encouraged creative thinking, not just among principals but among other staff as well.

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.

Initiatives in many schools increased leadership opportunities and purposefully built leadership capacity amongst school staff, including senior executive staff, teachers and administrative staff.
4. ‘Top-up’ funding

4.1 Schools received different amounts and types of funding during the Pilot

4.1.1 How ‘top-up’ funding was allocated

Pilot schools received quite different amounts of additional funding during the pilot—from none at all to hundreds of thousands of dollars. Additional funding was provided to schools based on whether their school’s average teacher salary was below the state average. Those schools with below state average salary received ‘top-up’ funding to bring them up to the budget received by schools whose average teacher salary was at the average. Therefore some schools received large amounts of ‘top-up’ funding and others received none. The yearly ‘top-up’ funding for the 20 schools who received it ranged from $2,900 to $388,000, obviously varying by school size as well as by divergence from state average salaries. Those schools with an average teacher salary above the average were not disadvantaged financially during the pilot.

‘Top-up’ funding had the potential to ‘muddy the waters’ in relation to the outcomes of the pilot as it is obvious that more money equals more initiatives and potential for greater benefits.

4.1.2 Impact of withdrawing ‘top-up’ funding

It was not surprising that most principals who received additional ‘top up’ funding reported that their school would be negatively affected when this funding was withdrawn at the end of the pilot. Descriptions of the negative impact ranged from mild impacts—‘more conservative approach to initiatives’—to severe impacts—‘I believe that for my school it would be catastrophic’ and lots of reactions in between.

The major negative impacts of loss of ‘top-up’ funding included

- loss of programs and initiatives
- loss of positions and actual staff, including a business manager
- increased workloads for remaining staff
- step backwards from profoundly positive impacts of the pilot.

Principals said:

>The initiatives that we put in place wouldn’t be able to run and the work load would dramatically increase.
Significant—we are already grappling with how we might sustain very successful programs without available funds.

Loss of staff who provide additional support for student outcomes. Inability to fund a Business Manager.

Some principals were more philosophical about the changes associated with the end of the pilot; ‘None really if that was known ahead of schedule; all ‘top up’ is always nice and appreciated, however, not a given. Can plan if know ahead’. Another principal said, ‘We learn to lead and manage our school within available resources’.

While some principals were clear about the difference between ‘top-up’ funding and ‘freed-up’ funds, it was apparent that some principals viewed all money available during the pilot as ‘extra money’ and their comments were about the loss of all these 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.

No effect because we did not get any. I believe there should be NO ‘top-up’ funding.

Information from State Office confirms that broad scale implementation of school based management would not involve the type of ‘top-up’ some schools received under the pilot so it is helpful to know that many principals believed that flexibility without extra money still meant positive outcomes for their schools.

4.1.3 Principals valued the pilot flexibility as well as ‘top-up’ funding

Principals had different views about the impact of the ‘top-up’ funding. Half of the 45 principals surveyed 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’ and 51 per cent strongly agreed.

Many of the principals who received ‘top-up’ funding talked about the importance of the flexibility provided during the pilot in achieving outcomes.

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.

Top-up funding is only a minor part of the pilot. Withdrawal of such funding would have an impact but it would not undermine the pilot.

Some of the ‘cream’ would disappear, however major initiatives would still be possible as result of the flexible staffing component.

The ‘top-up’ funding received was more important for some principals than for others.

‘Top-up allowed us to make real changes. Other non ‘top-up’ initiatives were smaller...and provided little real change.

We only used the ‘top-up’ funding because we weren’t in a position to use funds created from staffing flexibility.

I believe that whilst increased flexibility is important with getting the right mix of staff in the school, having the ‘top-up’ allowed us to employ additional ‘above establishment’ staff.

**Figure 4.1 How principals rated the value of ‘top-up’ funding versus flexibility**

Schools with ‘top-up’ funding were more likely to report in the survey that they thought their budgets were accurate at the start of the pilot and they were clear at the beginning about what was possible—no doubt knowing additional funds were available made things easier at the start of the pilot. ‘Top-up’ schools also thought that access to a business manager wasn’t necessary. This is possibly because they did not perceive the need identified by some non ‘top-up’ principals for high-level skills to create and manage ‘freed up’ resources.
It was not surprising that principals who did not receive ‘top-up’ funding were more likely to rate flexibility as more important than ‘top-up’ funding, compared to those who did receive ‘top-up’ funding. Nevertheless, only 15 per cent of those who received ‘top-up’ funding believed that their outcomes were mostly due to the extra funding.

4.1.4 National Partnership funding

Benefits were also potentially confounded by National Partnership (NP) funding provided to some participating schools. As with ‘top-up’ funding, the availability of NP funding enhanced schools’ experience of the pilot since the flexible decision making enabled them to be more innovative in using the funds.

*The flexibility of the pilot at my school was supported significantly by both the Low SES and National Partnership (literacy) funding.*

*Hard to say [what impact of withdrawal of ‘top-up’ funding will be] as we are moving to NP funding for four years.*

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 additional funding valued the flexibility even more highly.

4.2 Flexible staffing decisions free up money for schools

Flexibility for staffing decisions allowed under the pilot enabled principals to create ‘freed up’ money for different purposes or a later time. This flexibility was highly valued, particularly in the absence of any ‘top-up’ funding.

*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.*

*Under the pilot as it currently works our school was not financially disadvantaged because the average teacher salary was higher than the state average, and we were still able to draw upon savings from the staff leave budget to supplement or support programs. If this situation was to change then it would change our views re effectiveness remarkably.*

*We had a significant number of unfilled vacancies etc. where savings were made in a variety of ways and redirected as part of the pilot.*
5. Principals want increased authority and flexibility to make decisions for their schools

5.1 Principals want to make decisions for their schools

The vast majority of principals (96%) want to have the decision making responsibilities provided under the pilot. Principals in pilot schools were given flexibility to make staffing decisions for their school and all principals highly regarded this flexibility. 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. Overall, 81 per cent of principals were satisfied with the amount of decision making allowed under the pilot but some were more satisfied than others. A number of principals (19%) were not satisfied with the amount of decision making allowed 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. Only 13 per cent felt that other principals would not be happy to have school based management responsibility—some pilot principals believed that other principals may be wary of the increased responsibility.

“If they are happy working within the system the way it works now they would view it [SBM] as extra work or extra scary responsibility.”

Many participants in this review reported that some principals in the system were concerned about the impact of school based management on the principal’s role.

5.2 Principals want more authority for staffing decisions

5.2.1 Some thought that flexibility for staffing decisions was limited under the pilot

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”
As the program went along the flexibility around staffing appeared to decrease, e.g. we wanted to make an appointment to a librarian position but were unable to do this, similarly we were limited in terms of what we could do with a HT position.

As we have a fixed staffing formula we were not allowed to amalgamate AP’s positions to create a second non-teaching DP’s position. Sad! There were other options however the HR legislative rules were not flexible enough to accommodate our thinking.

5.2.2 Principals wanted to create the right mix of staffing and select the right people for their schools

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.

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

The one-size fits all system doesn’t work and staffing based solely on enrolment numbers rather than the needs of a school may be something that could be looked at.

When given more authority, there was a lot of variation in strategies, which supports the need for flexibility over and above any additional resources and a ‘one size fits all’ approach’ (SPOG member).

All principals perceived staffing as the critical variable for achieving outcomes and most wanted more flexibility and authority for appointing staff.

I am particularly keen to have greater flexibility with staffing.

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

Access to a budget and staffing flexibility to determine the best ‘fit’ for my school in terms of staff expertise, staff qualities which would enhance a teaching and learning team.

Many principals saw identifying local needs and creating the right mix of staff to meet those needs as the key to achieving the best outcomes.

The major issue here lies wholly and solely with principals being able to identify and recruit staff who best suit their local needs
We’re the ones that know our population, we know our kids, we know our needs. Having it imposed—either the staffing imposed, or the selection—that person doesn’t always resonate with the targets of the school.

5.2.3 Some wanted changes to existing staffing systems

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.

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.

We must give Principals the ability to choose staff from a suite of options.

My belief is if they want to transfer into something they can apply that’s fine—let them apply with other people. I think transfer points is just silly.

I want a greater say in employing staff but I want to be part of a DET staffing system that backs me up, not dictates to me.

Some principals appeared less sure that existing systems needed to change and one was particularly sure that they should not change.

There should be centralised staffing—we must protect priority and incentive system or you will get dying schools. Priority, nominated and compassionate [transfers] must be retained.

Several principals reported that the current system of addressing poor staff performance was inadequate and they would like to see this improved. Principals views on terminating staff were not specifically sought in the review, and only one principal indicated wanting to have responsibility for terminating poorly performing staff. Most principals believed that if they had more authority for making staffing decisions there would be fewer under-performing staff in their school. As one principal said— 1f we could hire, why would I want to fire them, I had the choice to get them here!

A need for gradual change within a framework of support provided by the Department was identified by some.
5.3 Principals would like more authority for budget management

5.3.1 Current budget systems limit flexibility for decision making

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 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.

I want one bucket of money—our school gets all the special programs. I showed them how I put it all in one bucket—$30k and $10k from two places may do nothing separately, $40k does.

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.

I would include all dollars into one flexible bucket that schools would plan for to achieve things that are important for their school and then hold them accountable for achieving that’ (SPOG member).

One person believed that under the Local Schools, Local Decisions policy, there would be one bucket of funding for schools. Some principals and SPOG members talked about the need for a checking system, or back-up for budget decisions, that would be provided by State Office. Accountability systems are discussed in section 6 of this report.

5.4 Principals have mixed views on authority for maintenance, cleaning and assets

Principals were less interested in making decisions about maintenance or cleaning, mainly because they had only a small amount of money with which to make decisions and therefore had limited capacity to make savings and achieve benefits for the school.

I do not believe that significant flexibility has happened in relation to school maintenance or cleaning and do not believe that significant improvements have occurred in these areas.

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.
The AMU still insisted on the use of public works to manage simple projects such as painting a room, therefore taking funds away from schools. Self management of simple projects would have provided far better and efficient use of funds for maintenance and stretched the dollar much further.

As shown in Figure 5.1, the majority of principals wanted to retain the flexibility they did have under the pilot for maintenance and cleaning.

**Figure 5.1 Views on flexibility for maintenance and cleaning decisions**

![Figure 5.1](image)

5.4.1 Few principals want authority for assets management decisions

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.

5.4.2 Few aspects of managing schools should remain the responsibility of State Office

Occupational Health and Safety was the aspect of school management that most principals thought should remain the responsibility of head office as shown in Figure 5.3. Nevertheless, a couple of principals reported they were in a better position to oversee OHS issues having business managers employed under the pilot.

Principals were divided on whether State Office should manage repairs but only a minority thought that State Office should select or engage staff and contractors, manage staff performance, or manage school finances and budgets.
Figure 5.2 Views about which aspects of school management should remain the responsibility of head office

- OH&S
- Managing repairs
- Engaging staff and contractors
- Performance management of staff
- Staff and contractor selection
- Financial management
- Budgeting
6. Principals accept that authority and accountability go hand in hand

6.1 Pilot principals view accountability as integral to school based management

Many principals reported they were ready for additional responsibility, particularly for staffing decisions, and they understood the accountability that came with the extra decision making responsibility. Several principals reported feeling accountable for most or all of what happened in their school, even if legally they were not fully accountable. One principal believed that under the current education system they were not really being held accountable, whereas accountability would be strengthened under school based management. Sometimes principals used the terms responsibility and accountability interchangeably.

If you’ve got the guts to try it and then you do, you’ve got to take responsibility for it.

Bigger one is instilling confidence of school leaders to take on more local decisions and more local autonomy and so forth....but still conscious of the accountability and responsibility that goes with that.

Staffing is the most critical decision making area, and I’m happy to have full responsibility for this.

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.

You’re going to be highly accountable by virtue of all the money you’re managing for a start—if you don’t do that well....

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 those school outcomes.

Frustrating—you are being held accountable for results but aren’t accountable for the inputs.

....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)
Until there is autonomy over selection of staff, the department should continue
to hold responsibility over all

One thing I’m dead against is more accountability without more authority
because it’s like a half-baked 47 schools

While some principals were eager to take responsibility for everything that happened in
their school others felt that the principal and State Office should be jointly responsible
for what happened in the school. For example, one principal said ‘...the school and DEC
have a shared/joint responsibility and as we are dealing with public funds the strong
accountability should continue as a school and system responsibility.’

Some State Office staff had concerns about how accountability could be managed under
a school based management model. Several principals felt that State Office staff did not
trust them to make good local decisions. Principals on the other hand 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.

6.2 Existing management systems can be used but may need
some development

6.2.1 School plans are important in accountability

Most principals had already established clear links between their school plans and the
initiatives implemented under the pilot. School plans were seen as an essential
component of school management and therefore a useful tool in maintaining
accountability under school based management.

If you have good information, you can develop really good plans that become
the basis of accountability for the year.

Any organisation must plan—we are doing a three-year strategic plan. How
should I be accountable for the plan? It’s about what I achieve—it’s
accountability for what I achieve.

Virtually all principals agreed that their staffing decisions were directly linked to their
school plan, and that the school plan included an assessment of the school’s needs, as
shown in Figure 6.1.
**Figure 6.1** Links between school plans and school based management decisions

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Tend to agree</th>
<th>Tend to disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
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<tbody>
<tr>
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<td></td>
<td></td>
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<td>43%</td>
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<td>10%</td>
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Several principals and SPOG interviewees indicated that while school plans were important in an accountability system they needed to be developed further to be an appropriate tool for ensuring accountability under school based management. It seemed that school plans were used variably—some said that their school plans were comprehensive and others that they only contained the goals to be achieved in the following year. School plans are used in conjunction with other processes such as the Principal Annual Review Process (PARS) and annual financial statements, and this could be part of an accountability system.

*Key instrument of accountability should be the School Management Plan – that is the contract between the school and the public resources used... The school plan is a critical instrument that we need to do a lot more work on to get right’ (SPOG member).*

*School plan should be my performance document – could be further developed, say where we are spending the money.*

*School plan provides accountability along with financial statements.*

**6.2.2 School Education Directors and Regional Directors could play a role in managing accountability under school based management**

Many principals talked about their School Education Director’s (SED’s) current roles and responsibilities and future potential roles of their SED under school based management, particularly their role in maintaining accountability for local decisions. SEDs currently review and agree school plans, and undertake the PARS. Several principals thought that the 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.

SED involvement as through the PARS process.

It should be part of the PARS schedule for those schools that are involved and should be written into the management plan that SEDs sign off on. Reviews of the plan would need to be discussed as needed with SEDs.

Most SPOG interviewees also thought that the SED could play a role in managing accountability under school based management.

Principal is protected from the risk of trying to do too much. SED can question and raise issues etc. This gives them (principal) protection and support so they don’t put themselves at risk of violating some policy constraint or legislative constraint. It’s [the school plan] a mechanism for accountability. If signed off jointly by the Principal and SED, then it is explicitly the job of the school to execute that plan. If school fails then SED will want to know why. (SPOG member.)

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. One principal in particular felt that the SED role would need to be revised and that people with the skills required for a position central to an accountability system would need to be recruited. The majority of principals (74%) thought that responsibility for line management for accountability and providing support to schools should be separate—rather than both roles being performed by the SED.

On paper have a role but I don’t think they do... SED is superfluous ...the SED has no power at all, it’s just a link—and principals respect that.

I query whether the SED would have the time to be able to manage the accountability and tracking required to monitor individual schools through this process.

I worry about the role that SEDs have—way too reactive. I don’t think they’re in a position to provide education leadership at the moment because of the other demands of their position... I don’t believe SEDs have the knowledge and skills to act as checks on decisions and provide support for schools. They’re not attracting the best people—there’s not enough financial incentive.

Principals had mixed views on their SED’s role in supporting the school during the pilot, with 55 per cent agreeing that the SED had helped them to maximise the benefits and the remainder disagreeing. It was suggested that many SEDs did not really understand
what the pilot. Some SEDs interviewed as part of the internal evaluation reported that schools had not sought their engagement or approval for pilot initiatives.

6.2.3 Other mechanisms for ensuring accountability for decisions under a school based management model have been suggested

Some felt that other processes, either new or existing, could ensure accountability under school based management. These included external reviews, the Principals Liaison Officer and a special team to check accountability.

On top of that if had a school review process in place where each school was required to have external review...every four to five years or more if school not travelling well.

Could be built into the OH&S reporting, facilities report to provide a better picture of the school.

Need a special team set up to check accountability, a checking process...to make sure they are okay, doing everything correctly.

6.2.4 Models of accountability need to be investigated

It is clear that new model of accountability needs to be developed to be fully compatible with school based management but this could be based on existing structures and processes, as described above. While recognising the need for good accountability mechanisms, principals wanted to ensure that accountability under school based management did not involve an extra reporting burden that would take them away from the business of leading and managing the school. State Office anxiety around accountability indicates that care needs to be taken to minimise the burden of new accountability mechanisms on principals.
7. Good information and information systems are needed for school based management

7.1 Staffing and financial data and information was provided to schools to enable sound and responsible decision making

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. SPOG interviewees indicated that the current information system was 20 years old, operating on the DOS system, and staffing and finance data were not connected.

Consequently, accurate and reliable data could not be provided to schools at the start of the pilot. As a result, State Office invested heavily in external business analysts who worked with State Office staff to provide the data and information to schools. While the data now available to schools is immeasurably improved compared to the start of the pilot, there are still problems with data accuracy. State Office staff confirmed that providing appropriate information to principals under the pilot had cost around $1.2 million. This level of resourcing was not sustainable and therefore this level of information could not be provided to schools using current information systems.

The lack of accurate data in the pilot’s first year caused anxiety among principals; they were worried about overrunning their budgets and were reluctant to make decisions.

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).

....Can’t plan in a fog. Budgets were changing by $100,000 from month to month (SPOG member)

Data and information accuracy provided to schools improved over the pilot so that in 2011 principals had more confidence to make decisions. In the survey, principals who were most positive about the outcomes of the pilot believed that they had accurate data on their school establishment budgets.
### 7.1.1 The Resource Planning Tool supported decision making

State Office developed a resource planning tool to support principals' decision making under the pilot. This tool went through several revisions and many principals struggled to understand it. A few schools reported that their business managers or highly skilled administrative staff worked with State Office to correct errors in the Resource Planning Tool (RPT).

*Most difficulties were based around the accuracy of the amount of any surplus/deficit we had, however, these were all resolved as the RPT was changed, improved and updated by the support staff of the pilot.*

Over the life of the project, the business analysts and State Office staff significantly improved the RPT to the extent that most principals agreed that they had accurate data on their schools management budget, as shown in Figure 7.1.

**Figure 7.1 Views on information provided by State Office and the RPT**

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.
7.2 **New data systems will need to be developed to support school based management**

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.

State Office interviewees advised that there was investment and commitment in a new information system that would bring the education information system into the 21st century. This development is known as the Learning Management and Business Reform (LMBR) Program and will reportedly provide finance, student administration, human resource and payroll systems.

State Office interviewees, and the principals who mentioned it, believed that the new systems arising from LMBR, if configured adequately for the future, would provide the data and information needed by principals under school based management.

> I think LMBR and SALM will help as the department should have its information at its finger tips.

> LMBR - systems needed for HR and finance to talk to each other (SPOG member).

SPOG interviewees gave variable predictions of when the new information system would be ready ranging from one to three years.
8. Pilot principals had particular skills and abilities

8.1 Pilot principals were leaders and creative thinkers

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. In several schools it was apparent that the principal had already been creative in trying to meeting the school’s needs but the flexibility introduced under the pilot significantly enhanced the opportunities for creativity. A few principals saw the opportunities provided by the pilot as a chance to build the creativity and leadership capabilities of all their staff. They gave staff the opportunity to put forward ideas for improving school outcomes and make them happen. They created leadership teams to drive the school forward and included those staff with leadership qualities regardless of their age or tenure.

The leadership qualities of principals was also evident in their ability to gain the support and trust of their staff for the school’s participation in the pilot and their ability to achieve positive outcomes further enhanced the support they received from their staff. They were good communicators, kept everyone informed and were transparent in addressing the concerns of staff that were reticent, or openly opposed to the school’s participation in the pilot.

Pilot principals also had a clear vision of what they wanted to achieve for their school. The pilot enabled them to work much more effectively towards achieving their vision for the school. They were fully aware of what was possible under the pilot but also fully prepared to take on the responsibility and accountability associated with school based management. They also tended to have a strong commitment to school planning; as leaders with a vision and commitment they were able to achieve significant positive outcomes in their schools.

A few principals had somewhat less vision about the possibilities under the pilot and showed less creativity in undertaking initiatives.

8.2 Pilot principals had confidence in their own skills

Principals were confident in their ability to manage their schools. With one or two exceptions, they believed they had the confidence to manage a staffing budget, make decisions about their school and take risk trialling new things as shown in Figure 8.1.
The review identified the qualities of pilot principals that enabled them to achieve positive outcomes but it is not known to what extent other principals would have these qualities. The average age of school executive staff is very high indicating that these staff may soon be leaving the education system—some interviewees emphasised the need to focus on developing aspiring leaders within schools. A few pilot principals thought that 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.

It is highly likely that principals will need significant professional development, and possibly revised selection criteria will be required to ensure that all principals have the skills necessary to lead their schools under a school based management model.

**8.3 Some principals saw themselves as business managers as well as educational leaders**

Several principals felt that the role required being able to manage the school as a business, in addition to providing educational leadership.

The extra responsibilities for principals are something that a greater majority of principals are scared of, and that frightens them. I don’t think they understand that schools now are a professional business—running schools is producing the best possible you can for every child in that school. That’s a business and you have to change and be business like.

Either an educator or a business manager, why this dichotomy? There should be an accreditation for managing a school- business administration should be
part of that. You don’t just get a well trained classroom teacher to manage a $10 million business. (SPOG member)

Principals who believed they had skills in financial and business management enjoyed the opportunities provided by the pilot to undertake more financial management and saw this as an important component of managing their schools. Principals who did not have skills thought they should have oversight of the school budget and employ skilled staff to manage the technical details. A few principals saw educational leadership and school management as two separate roles and wanted to focus on educational leadership rather than school management.
9. Most principals need support to undertake school based management

9.1 Principals received highly valued State Office support under the pilot

A strong team was established in State Office to support the pilot principals and principals rated the support this team provided as excellent. Schools also interacted with the School Staffing Unit within Human Resources (HR) which provided advice and guidance for staffing changes proposed by principals and ultimately gave approval for these proposals. During the pilot very few of the schools proposals for staffing changes were rejected by the School Staffing Unit and 53 per cent of principals rated their support as excellent. A few principals felt that there were still barriers to implementing school based staffing decisions due to State Office attitudes or restrictive staffing practices.

Figure 9.1 Principals’ rating of the support received from State Office

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 I know [name] found the support through the Pilot was great—just a phone call away. The service was outstanding, but it was outstanding because they wanted it to work.
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Not all principals felt they got the support they needed and they were frustrated with the slow approval process for proposals, different information coming from different
parts of State Office and a perception that State Office staff did not fully understand the pilot or did not trust the principals to make good decisions.

*Finance Directorate was too slow to approve proposals.*

*Assets management unit was a little/ slow reluctant to embrace the concept in the early stages of the program and at times, showed some misunderstandings as to the negotiation/ flexibility component of the school in the decision making process.*

Some SPOG interviewees also 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)*

*We said we’d rather teach you how to fish than give you a fish, but then we kept sending them different parts of the fishing rod without an instruction manual. Many may well think-just give me the fish!(SPOG member)*

*Despite the best efforts of the pilot team, there have been many frustrations related to staffing and finance. Simple change requests for staff which were fully funded by the school have been declined, despite this being the wish of the school.*

*Unknown rules and processes which the Office of Schools has but are little known to schools... wider understanding of the pilot by the DEC staffing officers, improvements in the process to create ‘new’ roles and positions in DEC.*

Principals who were most positive about the changes in their schools also agreed that the Schools Pilot Team provided a clear vision of what could be achieved and that they were supported to take risks in trialling new things. Several principals noted that the outstanding support provided to pilot schools was unlikely to continue but that similar support for schools would be needed if school based management was rolled out (see section 9.5).

### 9.1.1 There was some lack of clarity of what was possible under the pilot

For many principals it was not clear at the start of the pilot what authority for decision making was allowed. Twenty percent of principals reported that it was not clear at the start of the pilot what was possible under school based management but towards the end of the pilot all principals agreed that they understood what was possible (Figure 9.2). 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.
9.2 **Staff in pilot schools were predominantly supportive**

Overall, principals reported significant support from their staff for their school’s participation in the pilot. Forty principals who answered the survey question estimated that 80 per cent or more of their teachers supported school based management continuing with only four indicating that less than 80 per cent of staff were supportive. Two of these four schools reported in interviews that there had been extensive negative influence on their staff’s views as a result of contact with the Teachers Federation. Similarly only four principals thought that their teachers were not confident that school based management would lead to better student outcomes. All but one principal thought staff were keen to contribute to school based management decisions (Figure 9.3).

Data gathered from teachers as part of the internal evaluation confirmed that teachers believed that the pilot had resulted in positive outcomes for their school. Teachers
reported increased input into school decisions, an increased culture of learning and a focus on supporting students to achieve better outcomes.

9.3 Parent and community support

Principals believed that decisions made and changes to school learning environments and outcomes should be transparent and there should be an open dialogue with the P&C, communicating what changes will look like for the school and intended benefits. Most principals kept their Parents and Citizens organisation (P&C) well informed about the school’s pilot initiatives but did not believe that the P&C should have authority for decision making.

Figure 9.4 shows that nearly all principals agreed their parents and P&C were consulted about their school plan and the decisions made under the pilot. This was supported in the interviews with P&C representatives.

A few principals had not consulted with the parent community and this was mostly because they had no active P&C, but they reported the school had goals to involve their parent community more in the school and to re-establish an active P&C.

Figure 9.4 Principals perception of support and involvement of the school community

P&C representatives interviewed supported their principal’s approach. They generally agreed that the P&C and parents in general had been informed about the school’s involvement in the pilot through meetings and school newsletters. P&C interviewees said they had not been asked to contribute to decision making but that there was good and open communication with the principal and they could raise issues when needed.
Our community is forward thinking, and there was mainly enthusiasm for what we were doing.

Those P&C representatives we spoke to were very positive about the outcomes of the pilot for their school. One person commented that the pilot program has given the teachers ‘a whole wealth of opportunities’ including being ‘able to take on more leadership roles’. She said ‘I think the kids benefit, I think the teachers have benefited. I think the whole school is better for it.’ Another said, ‘We have come out of it with good results and things that we can use for the future’.

These are highly intelligent, proficient people and they are capable of managing their own budgets...And the school burns a bit more brightly, because they have been able to use the money where they know they needed it.

No one that we spoke with thought that there were drawbacks about the program. One noted that there had been some controversy about one of their school’s decisions, but that the controversy had been external, not within the school.

9.4 Professional development and support will be required to transition to a school based management model in NSW

Both primary and secondary principals expressed the importance of training and support for the future of school based management. They suggested training workshops, one-to-one support, onsite mentoring and sharing lessons from the pilot as methods for building capacity and enabling support for school based management. Principals felt that up-skilling principals, particularly those with less experience would help build their confidence and capacity to take on the extra responsibilities of school based management. The review found widespread support for drawing on the experiences and lessons of pilot principals and sharing these with new principals through mentoring programs, linking principals from pilot schools with new schools and looking at how successful initiatives might be applied in other schools.

Support and training was said to be necessary, not just as new schools became involved in the school based management pilot, but ongoing support and training that principals could draw on. A number of principals mentioned principal forums as an opportunity for sharing information and learning from what others had done. Pilot principals expressed satisfaction with the support provided, some suggested the support team should remain operational to provide training to principals, build their capacity and confidence to implement and manage new initiatives in their school.

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

We need to get teachers at the ‘grass roots’ in all other schools on board by showing them the myriad of examples whereby their colleagues in the 47 schools have been able to have their working conditions improved and the
Principals reported that most support and professional development and training for principals, deputies or aspiring principals should focus on financial and budget management. Principals suggested tailoring support packages for those with differing levels of expertise. Others suggested learning communities should be established and access provided to regionally based support personnel. The financial tool RPT was said to be quite complex but the training received during the pilot was seen as very good. Managing the budget could prove difficult for new or less experienced principals without correct support provided at a local or regional level. As one principal said, ‘If you’re going to give the principal more accountability and authority the backup systems have to be way better than they are at the moment’.

Schools need guidelines and regionally based support personnel (potentially including collegial support groups) to help them to understand where they stand in relation to industrial relation matters.

> Providing us with a clear understanding of what is required legally and then giving us some room to be creative and meet our community needs.

> Training, structured processes, tools and frameworks to operate within that to ensure we meet industrial accountabilities.

Many believed instilling confidence in principals to take on more responsibilities for local decisions should be central to any training and development approach introduced to support school based management. As one principal said, ‘principals need to understand the process and have the confidence they can do it’.

Intensive initial training to ensure principals are capable of managing the extra decision making responsibilities of school based management was believed to be imperative. More widespread workforce development and ongoing tailored support were only slightly less important. Several principals suggested a mentoring system where principals more experienced with school based management mentored principals new to it.
10. There are cultural and organisational challenges to implementing change

10.1 Challenges both inside and outside the education system

10.1.1 School system and staff challenges

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. Principals might be wary of taking on that responsibility and some may not have the skills required to undertake this new role effectively. A number of principals felt that school based management required particular skills that some principals would not have. It also required a shift from the ‘traditional mindset’ of the principal’s role.

> The only risk is principals who haven’t got the ability to do it, which would be many. Principals who haven’t got the concepts and the knowledge or the ability to step outside the square.

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.

In general, principals felt that that some of their peers may feel extremely apprehensive about the additional responsibilities of school based management, particularly given potential for significant ramifications if their decision was the subject of a staff or union dispute. Principals need to be confident in their decision making authority and willing to be responsible and accountable—some felt that this would be a challenge for some school leaders.

> The biggest [challenge] is instilling confidence of school leaders to take on more local decisions and more autonomy and so forth... but still conscious of the accountability and responsibility that goes with that.

10.1.2 System wide barriers to change

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. Principals raised concerns including claims of direct opposition to the pilot and creating adverse media publicity.

*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.

SPOG members also recognised that industrial unions could cause difficulties and were particularly concerned about the risk of having issues forwarded to the Industrial Relations Commission.

*Another challenge is industrial relations—for example, doing away with a teacher-librarian brought the ire of the Union. These things can wind up in the Industrial Relations Commission. (SPOG member)*

While the Teachers Federation raised objections to the pilot and to specific initiatives undertaken by schools, no issues involved the Industrial Relations Commission during the trial.

Principals felt that there was a lack of trust between State Office and school principals. On the other hand some State Office staff were concerned about how many current principals would have an interest in undertaking school based management, given that the pilot principals were handpicked.

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’.
A few State Office staff were also concerned about the difficulties of reporting on public education matters to the Minister and answering questions in parliament if decision making authority is devolved to schools. It is likely that information about school based management would need to be broadly disseminated across the community to address stakeholder concerns and support the introduction of more local decision making.

10.2 Cultural and organisational change requires vision, leadership and commitment

It was clear from the review that significant cultural and organisational change will be required to decentralise decision making and introduce school based management. 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 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.

As the World Bank recommends (Bruns et al, 2011), a well-defined model of school based management needs to be established and a timeframe and planned steps developed for the change process. A staged approach could be implemented with those schools keen to seek improvements through school based management taking on local decision making first, followed by those who need more time to learn about and develop the necessary skills. Both the 47 pilot schools and other early adopters of local decision making could provide direction and support for broader dissemination across the system.
Appendix 1: Review questions

Based on the Terms of Reference, the stated focus, and the scope of the Pilot, a more detailed set of questions for the Review to address were agreed with the Independent Review Reference Group. In collecting and analysing evidence, the independent review aimed to answer the following questions:

Responsibility, authority and decision making

1. How did principals and schools use their increased authority?
   a. What outcomes were they aiming to achieve and why?
   b. What evidence is there that the planned outcomes have been achieved or are likely to be achieved in the short, medium or longer term?
2. What barriers did principals and schools face in using their increased authority?
   What factors enabled principals and schools to use their increased authority?
   a. Which barriers and enablers were related to the principal, school and school community?
   b. Which barriers and enablers were related to the Department?
   c. Which barriers and enablers were related to other external factors?
3. In what areas of decision making, beyond those devolved to schools in the pilot, do principals and schools want increased authority and why?
4. What areas of decision making do principals, school communities and Departmental staff think should remain the responsibility of the Department?

Risk management and accountability

5. What risks associated with the devolution of authority for decision making to schools were identified during the pilot?
   a. for schools, their staff and students?
   b. for the school community?
   c. for the Minister and the Government?
   d. for the Department?
   e. for the wider community?
6. If risks were identified how were they managed during the pilot?
7. If risks were identified during the pilot, what are the implications for schools, the Department and the wider community if a model of devolved authority for decision making was implemented in more schools, or in all government schools in NSW?
8. How has accountability for decision making changed as a result of devolution of authority for decision making to schools in the pilot?
a. How do principals view their accountability in the pilot model of devolved authority to schools? What are their views on appropriate accountability mechanisms for school based management?

b. What views do senior Departmental officers hold about accountability mechanisms for decision making by principals and schools in the Pilot model of devolved authority?

c. What views do representatives of school communities hold about accountability mechanisms in the pilot model of devolved authority to schools?

9. If accountability issues arose in the implementation of the pilot, what are the implications for schools, the Department and the wider community if a model of devolved authority for decision making was implemented in more schools, or in all government schools in NSW?

Information and systems

10. What additional human resource and financial information did schools receive from the Department to support their decision making?

   a. To what extent was this adequate? What other information would be desirable for schools to operate effectively in a devolved management system?

   b. How well were schools able to access and use the information?

   c. What impact did providing this information have on the Department?

11. What other information, systems or processes, do schools need to identify local need and implement initiatives in a school based management model?

12. Since the schools in the pilot required new information to operate effectively, what systems would be needed to supply schools with this required information if a model of devolved authority for decision making was implemented in more schools, or in all government schools in NSW?

Capacity, capabilities, cultural and organisational change

13. What new skills and capabilities did pilot principals and schools need to operate effectively?

   a. In what ways were new skills and capabilities developed or provided?

   b. Were pilot principals and schools adequately supported to obtain new skills and capabilities?

   c. What capacity gaps were identified by schools?

14. What additional resources were made available to schools in the pilot?

   a. How important were those additional resources for meeting capacity gaps and achieving outcomes?

   b. To what extent were gains made by pilot schools during the pilot due to additional resources (‘topped up’ school establishment budgets)
c. To what extent were gains made by the pilot schools unrelated to additional resources (i.e. more efficient and effective use of existing resources)?

15. To what extent did the pilot school based management system require cultural change?
   a. Within schools and school communities?
   b. Within the Department?
   c. In the wider community?

16. Was cultural change achieved? How was it achieved?

17. To what extent did the pilot school based management system require organisational change?
   a. Within schools?
   b. Within the Department?

18. Was organisational change achieved? How was it achieved?

19. If cultural and organisational change were required for successful implementation of the pilot, what are the implications for schools, the Department and the wider community if a model of devolved authority for decision making was implemented in more schools, or in all government schools in NSW?

20. What are the implications from the pilot findings for a change management framework and change management processes for schools, communities and the Department—prior to entering into a more devolved management system with more school based decision making?
Appendix 2  Methods of the independent review

The independent review of the School Based Management Pilot (SBMP) was conducted in three phases between July and October 2011.

Phase 1: Planning, consultation and data review

The purpose of phase one was to ensure that the evaluation obtained the information required by the department for the review. This involved the evaluators understanding the nature of the pilot and refining the review questions.

Consultation with the review steering committee

Phase one commenced with a series of meetings with the review steering committee to confirm the review terms of reference and review questions. During this initial period we received the progress report on the internal review of the SMBP. We also received background information about the project and data from the schools pilot team.

Interviews with the Schools pilot Oversight Group (SPOG)

We interviewed all members of the Schools Pilot Oversight Group (SPOG) \( (n=12) \) using a semi-structured interview guide (appendix 6). Interviews covered overall impressions, concerns and perceived challenges of SBMP. We asked SPOG members about the decision making powers devolved and the impacts on the state office of providing the necessary support to Principals and importantly, about appropriate accountability processes. We asked SPOG members for their perceptions about the factors associated with success in the pilot and the system level factors driving change towards more devolved management.

Schools pilot Oversight Group (SPOG)

- Greg Prior (Chair)  
  Deputy Director-General  
- Peter Riordan  
  Deputy Director-General, Workforce Management and Systems Improvement  
- Hugo Harmstorf  
  A/Deputy Director-General, Finance And Infrastructure  
- Heather Hukins  
  R/General Manager, Better Schools Program  
- Trish Kelly  
  General Manager, Human Resources  
- Stephen Loquet  
  Chief Information Officer, Information Technology Directorate  
- Michael McMahon  
  General Manager, LMBR  
- Bill Middleton  
  Director, Audit  
- Phillip Peace  
  Chief Financial Officer
Final Report Independent Review of the School Based Management Pilot

- Maurice Brunning: Senior Project Officer
- Michelle Reincastle: Director, Schools Finance
- Max Smith: Senior Manager, Student Engagement and Program Evaluation

A group telephone conference with other key state office staff was held on 21 September to gather additional views about the pilot. Attendees at this meeting were:

- Philip Gordon: Human Resources
- Tim Lloyd: R/Assistant Director, Staffing Services
- Masih-Ul Haque: Leader, School Based Salaries, Management and Accounting
- Raelene McKenzie: Senior Finance Officer
- Garry Key: Manager, School and Regional Financial Operations

**Desktop review of internal evaluation and Department documents**

We received the following documents and data from the Department and the internal evaluation team:

- Raw data from interviews with principals, school administration managers, and business managers
- Transcripts from key stakeholder interviews
- Data collection instruments
- Report of school proposals and stories (“Vague Notions” Becoming Reality)
- School Human Resource statistical reports (as at Feb 11 & Aug 11)
- School Role Variance Reports (budgets)
- Draft literature review produced by the internal evaluation team
- Budget, spending and variance data analysis for pilot schools in 2010 and 2011 provided by the Schools Pilot Team.

The evaluators identified key references from the literature and were provided with several other reference documents, as well as the first draft of a literature review being undertaken by the internal evaluation team. The evaluators reviewed the following publications:

- NSW Department of Education and Communities (2011), Local Schools Local Decisions, August (and the associated media release)

At the end of phase 1 (19 August 2011), ARTD delivered an Interim Report including the Project Plan to guide the review.

**Phase 2: Primary data collection**

In phase two we used findings from phase one to develop and implement an online survey of all principals participating in the pilot, interview a sample of principals and interview representatives from selected school communities.

**Online survey of principals at participating schools (n=47)**

The aim of the principal survey was to gather data on the attitudes and experiences of all principals participating in SBM. This provided quantitative and qualitative data about the pilot. The survey of school principals included questions about

- the aims and outcomes of their schools' initiatives, including any evidence of positive change
- their experiences implementing the pilot in their schools
- their perceptions of the overall benefits of the pilot for their school and the broader school community
- any unintended effects of the pilot, both positive and negative
- their views of the implications of school based management for the Department and other schools.

A draft survey was pilot tested with two principals (a third agreed but was unable to be involved in the time available). The survey was amended as a result of this testing. Some
items were deleted, some were added and some question text and response options amended to ensure clarity.

A .pdf of the online survey instrument is appended as Appendix 4.

The survey was delivered to all 47 pilot school principals on 30 August 2011. Each principal received information about the review and their own link to the online survey. Principals were given two weeks to respond to the survey. ARTD sent a reminder to all non-respondents on 5 September. During the week of 12 September ARTD phoned all remaining non-respondents to check their capacity to complete the survey. By 18 September we had received surveys from 46 principals (98% response rate). One principal submitted a survey with no answers to any questions.

There were 29 (62%) principals who had been a principal for more than five years. Only 5 (11%) had been a principal for less than one year. Similarly, 25 (53%) had been at their current school for five years or more and only 6 (13%) had been at their current school for less than 12 months.

**Interviews with selected principals of participating schools (n=19)**

To gain a more in-depth understanding of the SBMP we conducted interviews with a purposive sample of 19 principals.

The selection of principals to be interviewed was based primarily on their answers to survey questions. We selected seven principals who held the most positive attitudes to the pilot. We selected a further seven who held the most negative views about the pilot. We then selected five additional principals from regions and school types (Secondary P1 & P2 and primary P1-P5) missing in the original selection to ensure we obtained interview information from all school types and regions.

The interview instrument was a semi-structured interview guide designed primarily to gain a more in-depth understanding of issues raised by Principals in their survey responses and to increase our understanding of how the pilot was implemented in schools. Prior to interviews we reviewed principals’ survey responses and checked information about that school contained in the *Vague notions becoming reality* document provided by the Schools Pilot Team.

The interview was focused on obtaining a better understanding of Principals’ views on

- Responsibility
- Support
- Accountability
- Outcomes
- System change
The interview guide is appended as Appendix 5.

All interviews were conducted by phone during September 2011. We contacted all Principals to arrange a convenient time for the interview. For some this was after business hours or during school holidays. Interviews lasted between 45 mins and 1 ½ hours.

**Interviews with representatives of the school community (n=7)**

We asked Principals participating in interviews to nominate a member of the school community for us to interview. Principals were asked to nominate either the president of the schools P&C, or if not available, some other representative of the school community. Some Principals reported there were few if any members of the school community that were sufficiently aware of the pilot. In consultation with the review reference group it was agreed to reduce the number of interviews. We interviewed representatives from seven school communities.

The aim of these interviews was to obtain some information about consultation with the school community and corroborating evidence about the way the pilot was implemented or outcomes achieved in a sample of schools.

The interview guide is appended as Appendix 6.

**Confidentiality of survey and interview data**

All survey and interview data is held in confidence by the evaluators. Survey responses were linked to individual respondents to allow us to cross reference responses with other data about each school. However, survey respondents and interviewees were informed that the attitudes expressed would remain strictly confidential and would not be released to the department. All respondents agreed that any factual statements about what happened at their school may be linked to their school.

**Data analysis**

Data analysis was conducted using Microsoft Excel, Microsoft Access and IBM SPSS 19 (for quantitative data) and QSR NVIVO 9 (for qualitative data).

Survey data was analysed first by frequency counts for individual survey items. We then conducted cross tabs for key variables. We compared differences between groups, such as primary schools and secondary schools, or schools expecting top-up funding or not expecting top-up funding. We also measured the strength of association between survey items to identify key attitudes associated with success.

There are no ‘statistically significant’ differences reported because we surveyed the entire population of 47 schools (response rate 98%) rather than a random sample. As these schools cannot be considered to represent a statistically representative sample of all schools in NSW it is not possible to extrapolate these findings to the wider school
population. In this sense the probability that any differences identified in the survey are real is 100 per cent (notwithstanding the inevitable measurement error associated with all survey instruments). While all differences were ‘statistically significant’ by definition, it is important to identify substantial and meaningful differences from small and meaningless differences.

To measure ‘substantial’ differences between groups we used a measure of effect size: Cohen’s d. This provides a measure of the magnitude of the difference between group means. We define ‘substantial difference’ where the effect size is 1 or greater, normally considered a large effect size. This is where the average response for group A is at least one unit high or lower on our scale than group B (after accounting for the amount of variability in answers to that item), in other words, where the standardised mean score is higher or lower by one unit on our 6 point scale from ‘strongly disagree’ to ‘strongly agree’.

We also measured ‘substantial’ associations or correlations between survey items to identify key attitudes associated with success. We used the non-parametric Spearman’s rho measure of correlation between survey items. We define ‘substantial associations’ where a 1 unit move in item A is associated with at least a positive or negative 0.4 unit move in item B. A correlation of 0 means no association, a correlation of 1 means a perfect association such that the items measure exactly the same thing. In short when you have a strong correlation of 0.4 or above between survey items it means as one attitudes to one item improves so do attitudes to the other (even if there is no direct causation between the two items). The correlation analysis allowed us to identify the three key factors (or technically, the three key survey items) associated with success at schools and the three key factors associated with the success of state office efforts.

Phase 3: Synthesis, workshop and reporting

The purpose of this phase was to bring together analyses of all data collected in the first two phases of the review, report on the findings and answers the review questions. Preliminary findings from this process were presented to the SPOG followed by a workshop to gain views further analysis required and implications for the final review report.

We have triangulated the different data sources to confirm or qualify findings emerging from each data source. In assessing evidence of outcomes for pilot schools, we looked initially for evidence of short term outcomes that can be directly linked to the initiatives implemented. We also examined the logic that links initiatives to more medium and longer term outcomes. Our synthesis focused on what has worked, for which schools, in what circumstances. This has allowed us to synthesise findings and answer the review questions.

The outcome and key deliverables of this phase were the draft report and final report (this document).
## Appendix 3: School pilot 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>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary Schools</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</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|
<p>| Extra staff                                               | Special programs                                                              | More students working on QuickSmart and MultiLit                                                        | Students                    |
| 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             |
| Full time IT mentor                                       | Worked in class with teachers and children to develop IT skills including basic computer proficiency (K-2) | Basic computer proficiency (K-2) - pre &amp; post checklist conducted indicating growth in student ability  | Students                    |
| Employed para-professional violin teacher                 | Support current music program                                                 | Greater number of students entering our extra-curricula string and band programs                        | Students                    |
| Teachers released for next year’s corporate programming and planning | More teacher time spent on programming and planning for kids                  | More strategic approaches to teaching and improved outcomes                                           | Staff, students             |
| Short-term casual staff                                   | Home to school communication                                                   | Enhanced home-school communication leading to greater parent participation in school decision-making    | Parents                     |
| 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             |</p>
<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>
</tr>
</thead>
<tbody>
<tr>
<td>Two days per week extra STLA support</td>
<td>Working in classrooms with students with needs</td>
<td>Extra numbers of children being supported</td>
<td>Students</td>
</tr>
<tr>
<td>Additional AP position</td>
<td>▪ Leadership opportunities</td>
<td>Classroom teachers promoted to APs</td>
<td>Staff, students</td>
</tr>
<tr>
<td></td>
<td>▪ Support to stages with large numbers of classes</td>
<td>Extra support for students</td>
<td></td>
</tr>
<tr>
<td>Off-class AP</td>
<td>Working with all teaching staff to improve QT practice</td>
<td>Anecdotal data of better outcomes for students</td>
<td>Staff, students</td>
</tr>
<tr>
<td>Extra IT support</td>
<td>Expertise in technology administration</td>
<td>Better access to technology for students</td>
<td>Students</td>
</tr>
<tr>
<td>Non-teaching AP position</td>
<td>Designed and implemented teacher professional learning directly in support of the achievement of targets within the School Plan.</td>
<td>Teacher participation in increased professional learning</td>
<td>Staff</td>
</tr>
<tr>
<td>Created ‘Special Roles and Responsibilities’ release position</td>
<td>Released classroom teachers from face-to-face teaching to carry out school wide responsibilities</td>
<td>Increased staff morale due to decreased personal time spent on special events, programs and activities</td>
<td>Staff</td>
</tr>
<tr>
<td>Additional SLSO position</td>
<td>▪ Money collection</td>
<td>1,100 teaching and learning hours saved</td>
<td>Staff, students</td>
</tr>
<tr>
<td></td>
<td>▪ Teacher resource production</td>
<td>Increase in the number and quality of additional resources being made available for teachers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Occupational Therapy based ‘Finger gym’ program for Stage 1 students</td>
<td>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</td>
<td></td>
</tr>
<tr>
<td>New position of ‘Boys relationships coach mentor’</td>
<td>Implementing major boy’s education strategy to achieve curriculum engagement and increased boys literacy as per school plan</td>
<td>Massive reduction in playground incidents involving boys</td>
<td>Boy students, whole school</td>
</tr>
<tr>
<td>Stage 3 executive released for one day per week from mid term 3 through term 4 for student welfare program</td>
<td>Designed high school transition program for Year 6 students in consultation with local high schools</td>
<td>Aimed to de-mystify high school life for Year 6 students</td>
<td>Students</td>
</tr>
<tr>
<td>Created ‘School Technology Evaluation and Support Officer’ – released staff</td>
<td>To conduct a school wide hardware audit and oversee repairs and replacements</td>
<td>Enabled school to commence the new school year with a fully functional network, three computer labs and all classrooms’</td>
<td>Whole school</td>
</tr>
<tr>
<td>Staff changes</td>
<td>What the staff person/position did or enabled</td>
<td>What principals said the benefits were</td>
<td>Who benefited</td>
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<tr>
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</tr>
<tr>
<td>member for 2 days per week for 15 weeks</td>
<td>interactive whiteboards serviced and ready to go.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two additional classroom teachers</td>
<td>Smaller groups in literacy and numeracy</td>
<td>Literacy and numeracy groups based on student level – allows students of similar ability to work together</td>
<td>Students, staff</td>
</tr>
<tr>
<td></td>
<td>All RFF in afternoon allowing prime learning in morning sessions</td>
<td>Opportunities for teachers to team teach and work together</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Address school focus on literacy</td>
<td></td>
</tr>
<tr>
<td>Three APs released for one day per week</td>
<td>For RFF</td>
<td>Quality teaching and learning</td>
<td>Staff, students</td>
</tr>
<tr>
<td></td>
<td>To plan together to target staff professional learning and alignment of programs with QT framework</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extra 0.4 classroom teacher</td>
<td>Coordinate gifted and talented program and conduct professional learning in this for other teachers</td>
<td>Support for students who would benefit from extension</td>
<td>Students, staff</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ensure sustainability as other teachers have increased knowledge in this area</td>
<td></td>
</tr>
<tr>
<td>Part-time teachers with specialist skills released</td>
<td>To implement fine motor skills program and sports skill development</td>
<td>Staff, student and parent surveys show school community overwhelmingly positive about the results</td>
<td>Students, staff, parents</td>
</tr>
<tr>
<td></td>
<td>To support music program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased number of SAS and GA hours</td>
<td>School and program support</td>
<td>School facilities better maintained providing a safer and friendlier learning environment.</td>
<td>Whole school</td>
</tr>
<tr>
<td>Additional release from teaching for leadership team</td>
<td>To carry out their negotiated additional responsibilities and leadership portfolios</td>
<td>More time available for additional responsibilities of leadership team</td>
<td>Staff</td>
</tr>
<tr>
<td>Additional teaching and SAS staff</td>
<td>Facilitate special literacy programs</td>
<td>Greater balance in literacy and support programs which we were able to deliver across the whole week rather than in single day concentrations</td>
<td>Students, staff</td>
</tr>
<tr>
<td></td>
<td>Strengthen learning support and ESL programs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Manager</td>
<td>Freed up Principal and SAM time to focus on school based issues</td>
<td>More time available for SAM and principal</td>
<td>Staff</td>
</tr>
<tr>
<td>Extra GA time</td>
<td>To complete tasks around the school</td>
<td>Improved school appearance</td>
<td>Whole school</td>
</tr>
<tr>
<td>Additional LSO time</td>
<td>Additional time to complete funding support</td>
<td>More students have been provided with funding support</td>
<td>Students</td>
</tr>
<tr>
<td>Staff changes</td>
<td>What the staff person/position did or enabled</td>
<td>What principals said the benefits were</td>
<td>Who benefited</td>
</tr>
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</tr>
<tr>
<td>Introduced executive release for all executive</td>
<td>More time to support teachers and students under their supervision</td>
<td>Improved relationships between executive, their teams and their students - resulted in far more conducive and supportive learning environments within each classroom and higher levels of assistance for student learning and welfare needs.</td>
<td>Staff, students</td>
</tr>
<tr>
<td>Employed Business Manager across Community of Schools</td>
<td>School administration, financial administration, OHS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High Schools</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employed Business Manager</td>
<td>• Financial administration and management</td>
<td>• Improved management of finance and better value for money</td>
<td>Whole school, families</td>
</tr>
<tr>
<td></td>
<td>• Web page</td>
<td>• Improved communication with families</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Improved email contacts with families</td>
<td>• Improved planning and evaluation</td>
<td></td>
</tr>
<tr>
<td>Extra HT</td>
<td>Support programs</td>
<td>• Better support for students with learning needs</td>
<td>Students, staff, whole school</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Increased PLPs</td>
<td></td>
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<td></td>
<td></td>
<td>• Better transition</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Lot better value for money for Learning Support funding</td>
<td></td>
</tr>
<tr>
<td>New positions equivalent to Year Advisors</td>
<td>Engage with staff on specific programs</td>
<td>• Better support for Aboriginal students</td>
<td>Students, staff</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Development of boys education policy and procedures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Development of G&amp;T policy and procedures</td>
<td></td>
</tr>
<tr>
<td>Equivalent of two Year Advisor positions</td>
<td>• Boys mentoring program</td>
<td>• Improved engagement of senior boys and improved HSC results</td>
<td>Students</td>
</tr>
<tr>
<td></td>
<td>• Girls mentoring program</td>
<td>• At risk girls coping better and have higher more positive profile in the school</td>
<td></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</td>
<td>Students, school</td>
</tr>
<tr>
<td>Staff changes</td>
<td>What the staff person/position did or enabled</td>
<td>What principals said the benefits were</td>
<td>Who benefited</td>
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<tr>
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<td>----------------------------------------------------------------------------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Employed part-time gardener</td>
<td>Improve the school grounds</td>
<td>Gardens look better</td>
<td>Whole school</td>
</tr>
</tbody>
</table>
| Employed business manager             | Assistance with managing the school            | ▪ More effective balance between the dual roles of leading and managing within the school  
▪ More effective support for head teachers in supporting teachers, through availability of senior executive in leadership rather than management | Staff               |
| Employed a middle years transition teacher | Focussed on literacy and numeracy – individual learning plans to meet targets | Students in the class have significantly increased their abilities in literacy and numeracy | Students            |
| New DP                                | To manage the curriculum and welfare needs of Years 7–9 | School assessment shows increased literacy and numeracy achievement in Years 7&8 | Students            |
| 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 | Staff, students     |
<table>
<thead>
<tr>
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<th>Who benefited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Placed vacant positions on hold and employed young teachers</td>
<td>To achieve a balance of experienced and beginning teachers</td>
<td>Young teachers have re-energised the teaching and learning programs within faculty areas and adopted leaderships roles</td>
<td>Staff</td>
</tr>
<tr>
<td>Additional GA time</td>
<td>Support for facilities and maintenance</td>
<td>Improved facilities and maintenance management</td>
<td>Whole school</td>
</tr>
<tr>
<td>Additional SASS time</td>
<td>To support the hospitality kitchen</td>
<td>Longer opening hours of the hospitality kitchen with cafe and coffee shop</td>
<td>Students, whole school</td>
</tr>
<tr>
<td>Employed a project officer</td>
<td>To work with businesses and organisations to build links in biosciences which is school focus area</td>
<td>Received a NAB grant and have students at work experience</td>
<td>Students, whole school</td>
</tr>
<tr>
<td>Staffed an Enterprise Centre and Operations Office</td>
<td>▪ Increased senior school support ▪ Day-to-day relief ▪ Specific learning programs</td>
<td>▪ Increased school retention and attainment for senior students ▪ Increased senior executive focus on improving student learning ▪ Improved, low cost public relations ▪ Highly praised student-parent transition team interviews</td>
<td>Students</td>
</tr>
<tr>
<td>Increased GA time</td>
<td>▪ Promotion of school ▪ Improving look of school and learning environments</td>
<td>▪ Positive comments from visits and the public about school environment ▪ Increased enrolments from feeder schools and local private school</td>
<td>Whole school</td>
</tr>
<tr>
<td>Appointed DP</td>
<td>NP program administration – literacy and numeracy programs</td>
<td>Increased learning outcomes in numeracy</td>
<td>Students</td>
</tr>
<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>
<tr>
<td>Three extra DPs</td>
<td>To drive improved middle school pedagogy, literacy and technology</td>
<td>▪ 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</td>
<td>Staff, students</td>
</tr>
<tr>
<td>Staff changes</td>
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<td>Who benefited</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>Business Manager</td>
<td>School management and financial administration</td>
<td>• Much improved OH&amp;S systems.</td>
<td>Whole school</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Much improved financial situation for the school</td>
<td></td>
</tr>
<tr>
<td>Employed a Transition Officer</td>
<td>Support students placed at risk due to the new leaving age</td>
<td>18 students who would have received &quot;N&quot; Awards, completed all tasks required and successfully achieved a HSC (2010) In 2011 NO student received an &quot;N&quot; Award in the HSC</td>
<td>Students</td>
</tr>
<tr>
<td>Additional executive roles</td>
<td>• Provided additional supports to students across student engagement, literacy, numeracy and performing arts</td>
<td>• Increased retention rates</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Earlier intervention for students with learning, curriculum and welfare needs</td>
<td>• lower levels of HSC, Preliminary and School Certificate N determinations</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Increased school retention rates, reduction in suspensions</td>
<td></td>
</tr>
<tr>
<td>Employed Business Manager across a community of schools</td>
<td>Financial administration and management</td>
<td>• Brought about many savings and efficiencies and has taken our operation into the realms of business</td>
<td></td>
</tr>
<tr>
<td>Community engagement position</td>
<td>Community liaison and engagement</td>
<td>Strengthened relations with parents, business and the community</td>
<td>Parents, whole school</td>
</tr>
<tr>
<td>Pedagogical development teacher</td>
<td>Professional learning pedagogy</td>
<td>Improved Professional Learning in the area of Pedagogy / Teaching and Learning with staff</td>
<td>Staff</td>
</tr>
<tr>
<td>ICT Pedagogy teacher</td>
<td>• ICT network and capacity</td>
<td>• Improved school network - leading to increased ICT capabilities and a decrease in associated stress for staff</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• School promotion</td>
<td>• Improved communication and promotion of the school</td>
<td></td>
</tr>
</tbody>
</table>

### Central or Special schools

<p>| Extra teachers | Separation of K1,2 classes; extra support for K6 | Strengthened literacy and numeracy targets; Best Start data indicating Kindergarten students performing better than in previous years | Students |</p>
<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>
</tr>
</thead>
<tbody>
<tr>
<td>Two SLSOs employed</td>
<td>- Additional classroom support for students K-2&lt;br&gt;- Supporting Student Well Being Program</td>
<td>Improved student work, improved behaviour and independence</td>
<td></td>
</tr>
<tr>
<td>Employed trade staff – mechanic,</td>
<td>Broadening of vocational programs and opportunities for senior students</td>
<td>Strong interest and enthusiasm of students for programs</td>
<td>Students</td>
</tr>
<tr>
<td>Employed physiotherapist</td>
<td>Already employed – providing support to students with needs</td>
<td>Previously paid for position through external funding – gave stability for position</td>
<td>Staff, students</td>
</tr>
<tr>
<td>Changed HT into DP</td>
<td>DP on executive to support principal</td>
<td>First time principal has had experienced person on the executive</td>
<td>Staff</td>
</tr>
<tr>
<td>Employed diversional therapist</td>
<td>Support Aboriginal students</td>
<td>Improved attendance, engagement of Aboriginal students</td>
<td>Students, families</td>
</tr>
</tbody>
</table>
**Table A1.2  Other changes in primary schools, high schools and central/special schools – examples from schools**

<table>
<thead>
<tr>
<th>Other initiatives</th>
<th>What the initiative did or enabled</th>
<th>What principals said the benefits were</th>
<th>Who benefited</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary Schools</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employed external experts to assist in staff development</td>
<td>Support for large number of new scheme teachers</td>
<td>Strengthening teacher capacity ensured quality teaching and improved learning outcomes</td>
<td>Teachers, students</td>
</tr>
<tr>
<td>Significant funds added to professional learning budget</td>
<td>Enhanced professional development opportunities for staff</td>
<td>Grades working more cohesively due to increased opportunities for cooperative planning and common professional learning experiences. Increased frequency of professional dialogue in the staff room.</td>
<td>Teachers, students</td>
</tr>
<tr>
<td>Changed method of Library organisation and delivery</td>
<td>Students more engaged</td>
<td>Greater usage of school library/increased use of computers by students for skill based enquiries.</td>
<td>Students</td>
</tr>
</tbody>
</table>
| Attention to school grounds                                | Improved school grounds                                        | • Safer and more conducive learning environments  
• Positive impact on community perception of the school | Whole school                   |
| New cleaning schedule                                      | Better met the cleaning needs of the school                    | Improved school appearance                                                | Whole school                   |
| Lunchtime activities program                               | Huge numbers of students participated in activities            | Reduced discipline and suspension statistics                               | Whole school                   |
| Support of learning community                              | Commenced choral and instrumental program                      | 80 plus students involved                                                  | Students, whole school          |
| **High Schools**                                           |                                                                 |                                                                            |                                |
| Specific project support                                   | For welfare tracking systems and design of the curriculum in response to new school leaving age | Increased support for these projects                                      | Students, staff                |
| Planned Teacher Professional Learning resources             | To support priorities set out in the School Plan 2009-2011     | Enhanced quality teaching                                                  | Staff, students                |
Appendix 4: Principal survey
### Appendix 5: Principal interview guide

Thank you for agreeing to this interview with us about your experiences as a Principal in one of the 47 schools participating in the school based management pilot. As you know ARTD Consultants is undertaking the Independent Review of the School Based Management Pilot, commonly called the 47 Schools Pilot. I anticipate that this interview will take around 30-50 minutes, depending on how much you have to tell me.

#### Responsibility

<table>
<thead>
<tr>
<th>Prompts:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Firstly...</td>
<td></td>
</tr>
<tr>
<td>Based on your experiences to date which school decisions do you want to be responsible for? And why is that?</td>
<td></td>
</tr>
<tr>
<td>And secondly ....</td>
<td></td>
</tr>
<tr>
<td>What are the school decisions you don't want to be responsible for and what are the reasons for not wanting responsibility for those decisions?</td>
<td></td>
</tr>
</tbody>
</table>

#### Support

<table>
<thead>
<tr>
<th>Prompts:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>As a principal taking on additional responsibilities for making decisions for your school to what extent did you need support in the following areas:</td>
<td></td>
</tr>
<tr>
<td>A. reliable, accurate and timely data?</td>
<td></td>
</tr>
<tr>
<td>B. What about training or mentoring for yourself?</td>
<td></td>
</tr>
<tr>
<td>C. How important were in school resources such as a Business Manager or additional Administrative staff</td>
<td></td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>How would you like to see support being provided to Principals in the future if local decision making is introduced more broadly?</td>
<td></td>
</tr>
<tr>
<td>What else needs to happen to ensure school principals have the knowledge, skills, confidence and resources to make the best possible decisions for their schools?</td>
<td></td>
</tr>
<tr>
<td>What other support might be required for aspiring principals or other teachers who want to take more responsibility in a school based management system?</td>
<td></td>
</tr>
</tbody>
</table>
### Accountability

In a school based management approach some decisions will be devolved to schools—if you were the Department, how would you keep Principals accountable for the different decisions they make?

**Prompts:**
- [if interviewee cites the approval process for decisions]—How would you keep Principals accountable for implementing approved decisions?
- Do you think the school plan could play a role in managing accountability issues under a school based management model?
- Do you think the school community has any role in managing accountability?
- What role, if any, do you think School Education Directors or Regional Directors could have in accountability processes?

### Outcomes

We are interested in understanding the links between the decisions that were made by Principals and the outcomes that can be directly linked to those decisions. Can you describe the links between the three or so most important decisions you believe you made as part of the pilot and the student outcomes that have, or you believe will result from those decisions?

**Prompts:**
- To what extent was ‘top-up’ funding above your establishment budget important for achieving outcomes?
- How much might you have achieved if you didn’t receive ‘top-up’ funding?
- What will happen if your ‘top-up’ funding is discontinued?
- How might you explain to a sceptical Principal who has not experienced school based management and increased authority for decision making, what the benefits have been for your school?

### System change

In any major change process there may be organisational, cultural or systemic barriers to the change. So....firstly...

What do you think were the cultural, attitudinal, organisational or other changes that were
required, and/or occurred in your school, as part of your involvement in the Pilot?

And secondly.....

What do you think are the barriers the NSW education system will face in moving to more local decision making and how do you think these barriers might be overcome?
Appendix 6: SPOG member interview guide

1. Before we get started, can you tell me what, in your view, has been the most positive aspect of the School-Based management pilot so far? Prompt: what are the most positive outcomes in your view?

2. From your perspective as a member of the School Pilot Oversight Group (SPOG) are there any things about the school-based management pilot that particularly concern you?

3. From your perspective, what have been the major challenges for the Department in implementing the Pilot?

4. How useful have the decision making powers devolved to schools been in empowering principals to meet learning and school community needs?
   a. How have systems and processes for supporting pilot schools' decision-making impacted on the Department?
   b. What other areas of greater autonomy would help Principals achieve better outcomes for students, teachers and communities?
   c. What are some of the capacity and capability requirements for Principals to use their increased autonomy?

5. In a devolved management system, as in the pilot, what key accountability processes are needed to give the department, schools and the school community confidence about decisions made and the achievement of student learning outcomes?
   a. Are there any differences in the type of accountability required for the broader school community compared with the accountability to the Department?

6. What do you believe are the key reasons the devolved management system of the 47 Schools Pilot is working well in some schools but not in others?
   a. In your view, what are the key characteristics of a successful pilot school?
   b. What sort of short term changes in schools would demonstrate the success of the pilot to the Minister or external interest groups?

7. What do you believe are the key factors driving change towards more devolved management approaches in schools?
   a. Within schools and communities?
   b. Within the central governing agency?
   c. From elsewhere?

Thank you for your time.
ARTD Consultants is undertaking the Independent Review of the School Based Management Pilot, commonly called the 47 Schools Pilot. Thank you for agreeing to this interview with us about your experiences as a P&C representative and/or a parent in one of the 47 schools participating in the pilot. I anticipate that this interview will take around 15 minutes. I just have a few questions to cover and then I'll ask you if there is anything else you would like to add.

1. Firstly, I’d just like to ask you what you know about the School Based Management Pilot, or the 47 Schools pilot and your school’s participation in the pilot – it doesn’t matter if you don’t know much about it. Prompts: To what extent were the parent community informed about what was happening? Was there any opportunity for the parents or community to have input to staffing decisions that were made under the pilot?

2. What changes have you noticed in your school over the past 18 months? From your perspective, how have any changes benefited the school and the students? Prompts: What evidence is there of positive outcomes?

3. Do you think there have been any negative consequences of the school’s involvement in the 47 Schools Pilot?

4. Is there anything else you would like to say about your school or your Principal or the school based management model?
References


NSW Department of Education and Communities (2011), Local Schools Local Decisions, August (and the associated media release)

