



# The Strategic Role of Human Capital Management

2019 Leadership Development Meeting

April 25, 2019



District Management Group | Helping Schools and Students Thrive

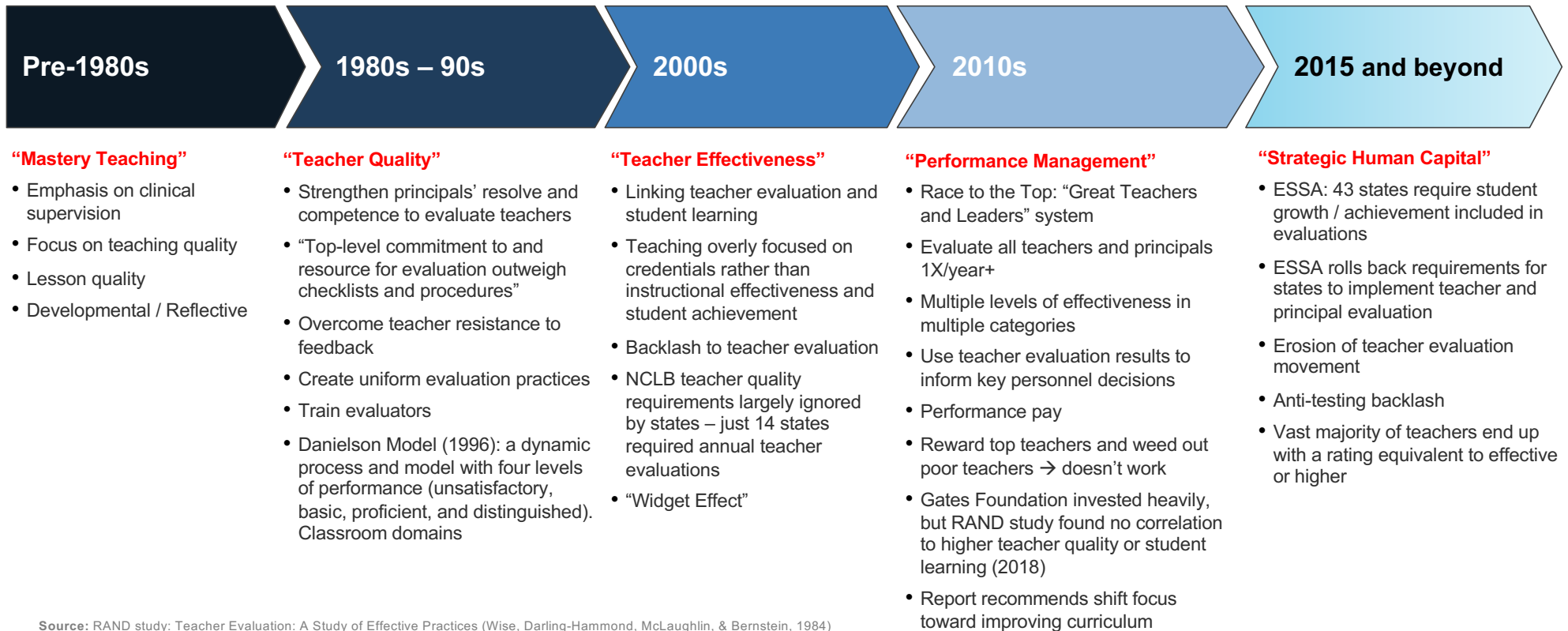
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# THE RIGHT STUFF



Many efforts for reform and strengthening educators have been initiated over the years.

## Human Capital Strategy Initiatives Over Time



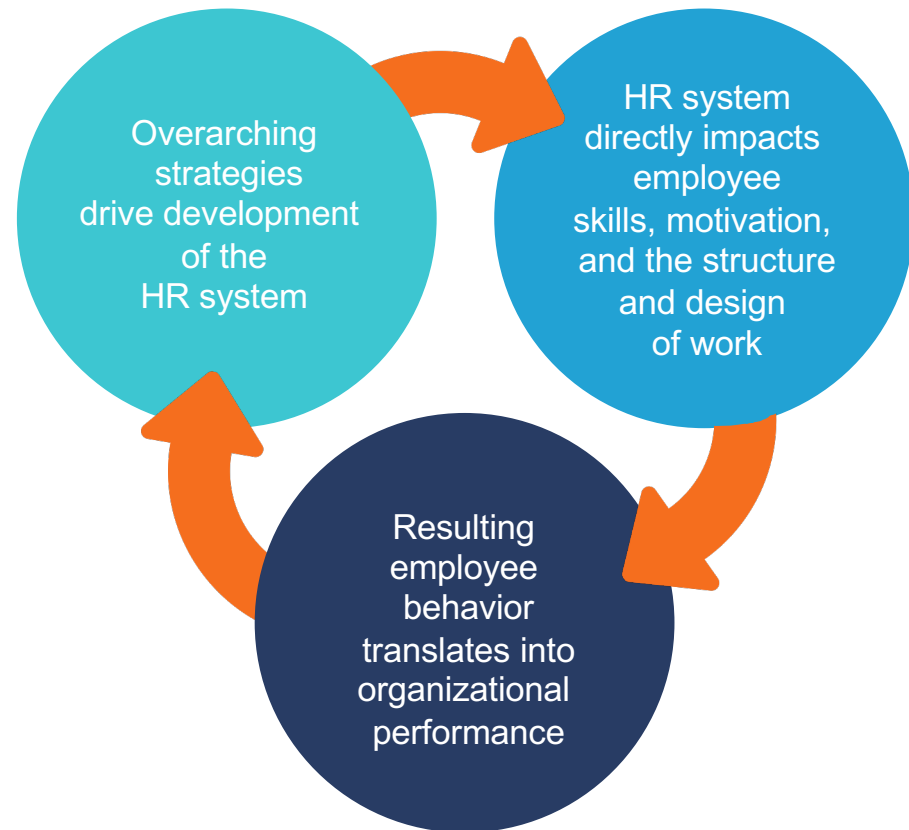
Source: RAND study: Teacher Evaluation: A Study of Effective Practices (Wise, Darling-Hammond, McLaughlin, & Bernstein, 1984)

## Changing environment and context necessitate (re)evaluating human capital strategy.

### Human Capital & Performance: A Causal Link

#### Environment / Context

- Student population
- Regulation
- Accountability
- Competition
- Technology
- “Political” environment
- Funding and compensation
- ....Others?



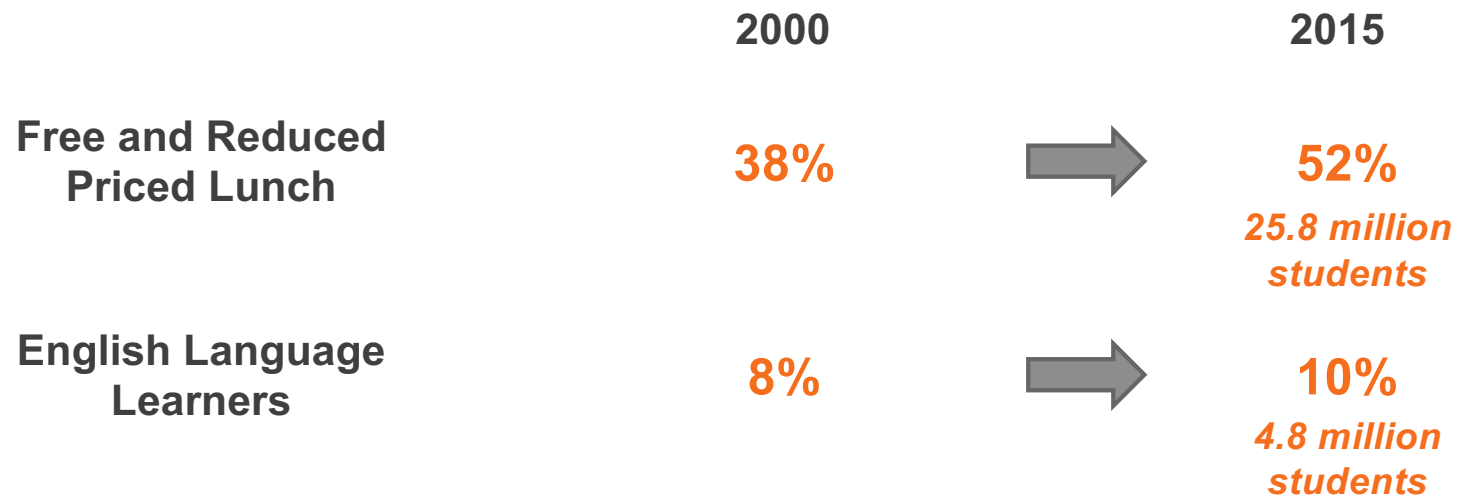
Source: Adapted from Becker Huselid 1998; Wright et al., 2005.



## Student demographics and need continue to change significantly.

### Select Student Populations as a Percent of All Students

2014-2015



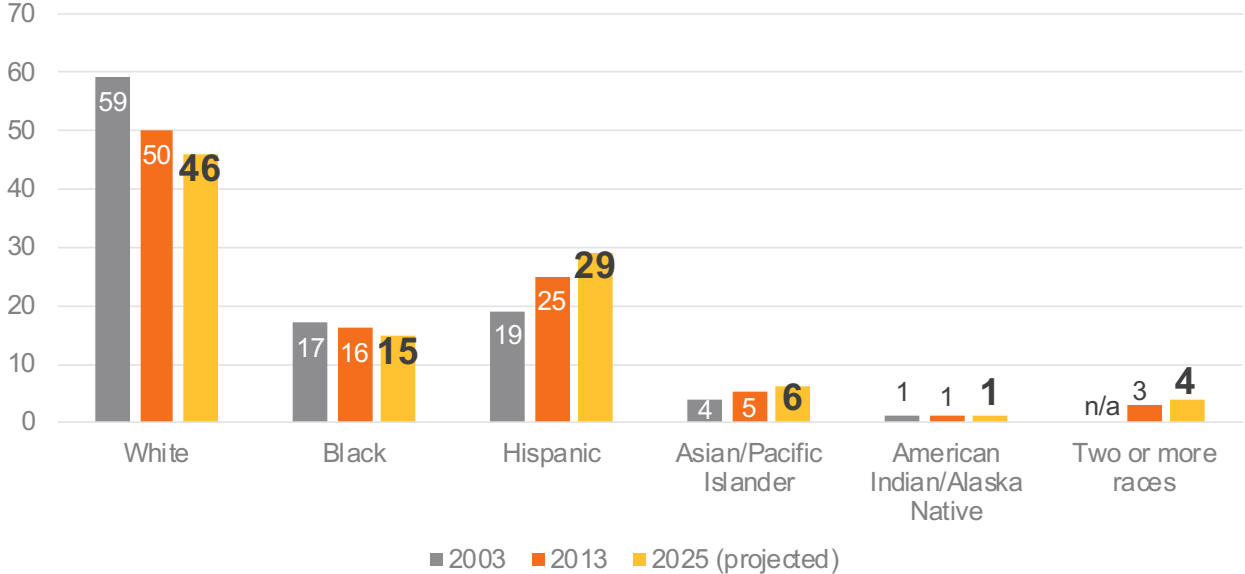
***With ~13% of students continuing to receive  
Special Education services (6.7 million)***

Source: National Center for Education Statistics.

# The student population is becoming more diverse, potentially already reaching “minority majority” status nationwide.

## Changes in Mix of Student Race / Ethnicity, ELL as a Percent of All Students

Percentage distribution of public school students enrolled in pre-kindergarten through 12th grade, by race/ethnicity: Fall 2003, fall 2013, and fall 2025



Source: National Center for Education Statistics.

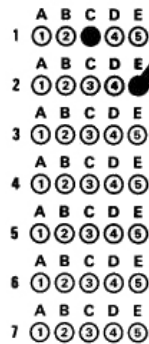
- The percentage of white students decreased from 59% to 50%, and the percentage of black students has gone down from 17% to 16%, from 2003-2013
- The percentage of Hispanic students rose from 19% to 25%, and Asian/Pacific Islander students went up from 4% to 5%
- The percentage of ELL public school students was 10% (4.8 million students) in 2015, up from 8% in 2000
- In 2015, the percentage of ELL students ranged from 1% in West Virginia to 21% in California

There is a growing need (and demand) for a more expansive definition of success.

## New Dimensions of Performance

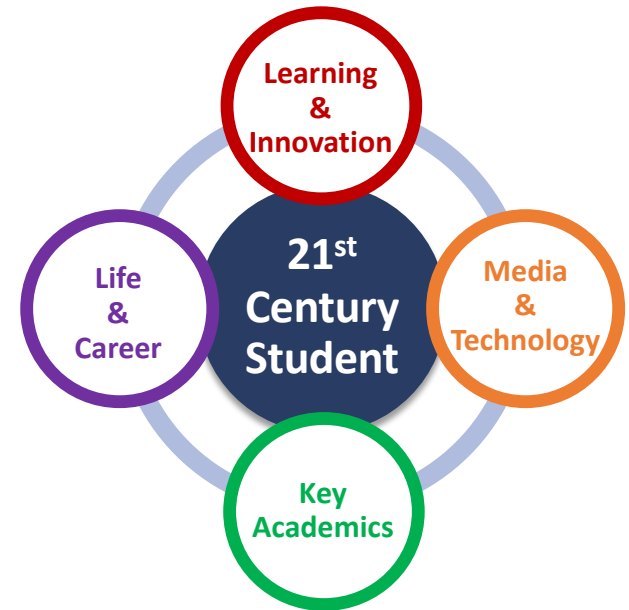
### Traditional Measures

- Test Scores
- College Acceptance
- Income



### New Measures

- Whole Child
- College Completion
- Competency Based
- Career Readiness





***What are some of the biggest environmental changes affecting your district?***

***What strategic priorities and initiatives do you have in place to respond? What else may you need to consider?***

## U.S. K-12 School District Human Capital Strategy to Date

- 1 More (and Better) Teachers
- 2 Increase Specialization
- 3 Develop and Train
- 4 Measure and Evaluate
- 5 .....Hope

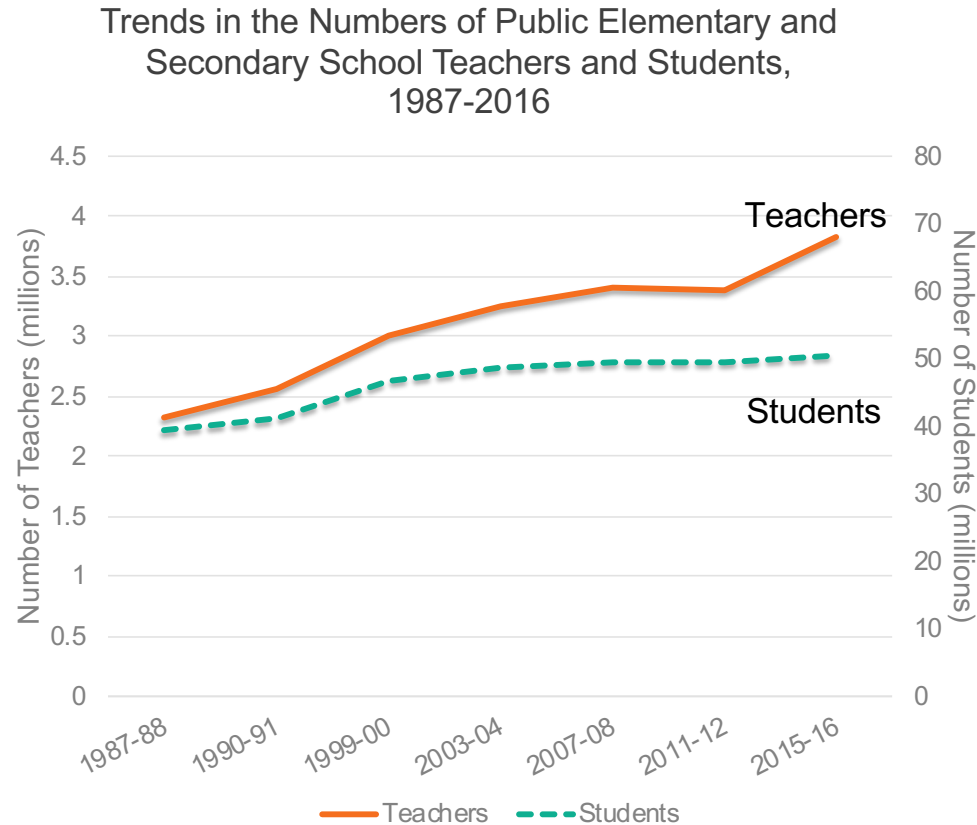


# 1

*More Teachers*



## The number of teachers in the U.S. has grown significantly...

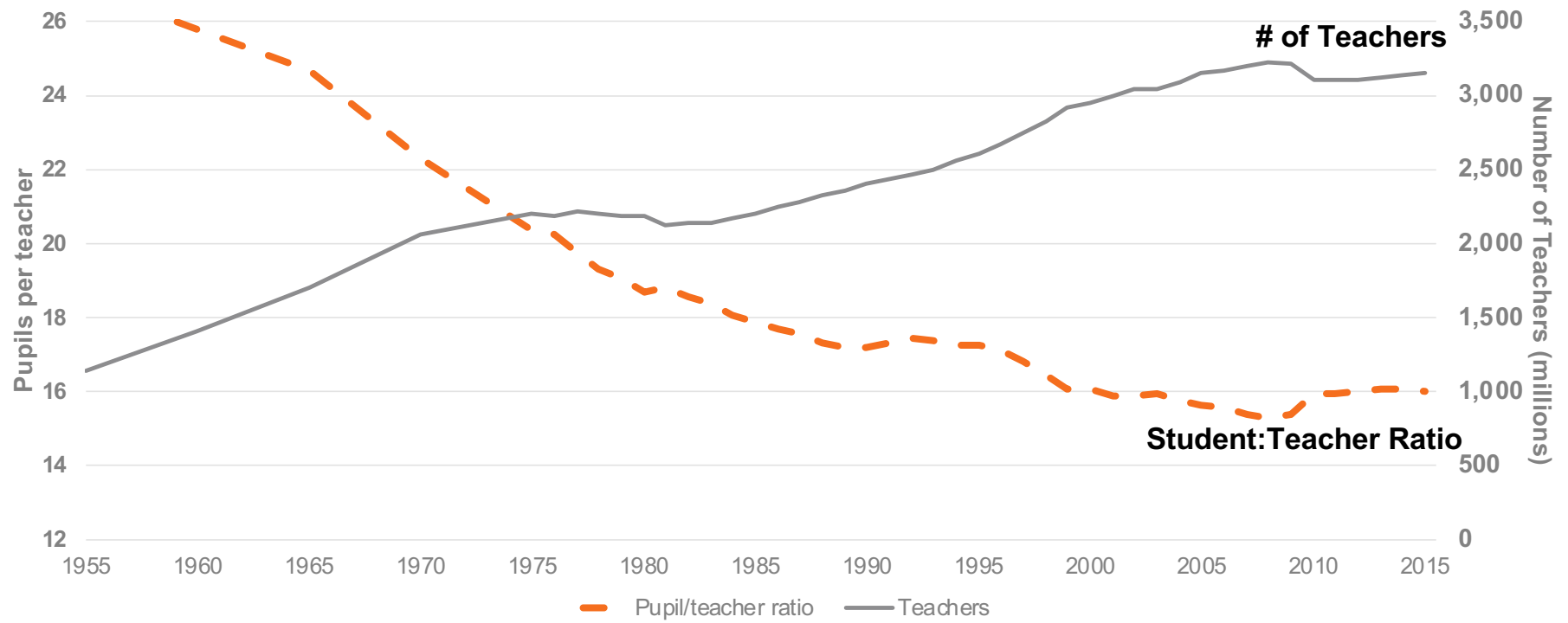


- From SY 1988 to SY 2016
- Public-school teacher population increased by **65%**
- K-12 student enrollment in public schools increased by **24%**
- Since SY 1988, the teacher force has gotten older, yet less experienced at teaching

Source: National Center for Education Statistics; Viadero, "Teacher Recruitment and Retention: It's Complicated," Education Week, January 23, 2018.

...driven by a desire for lower student:teacher ratio...

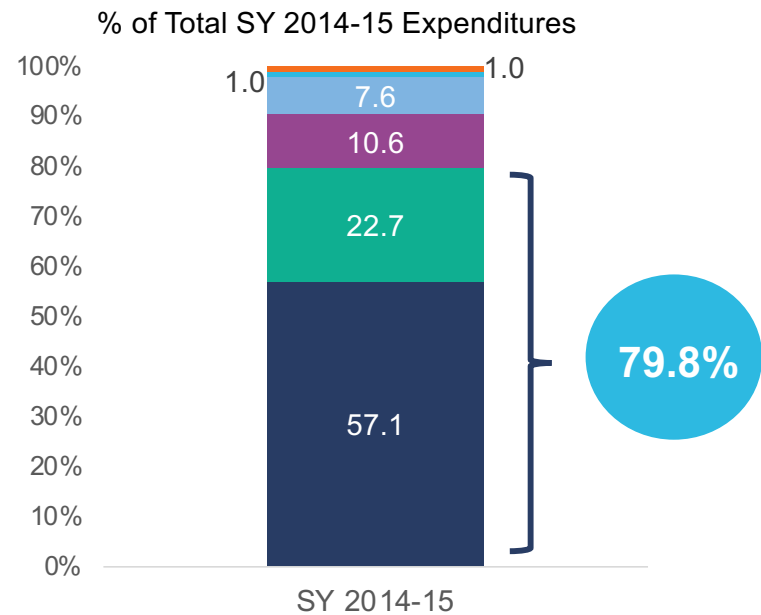
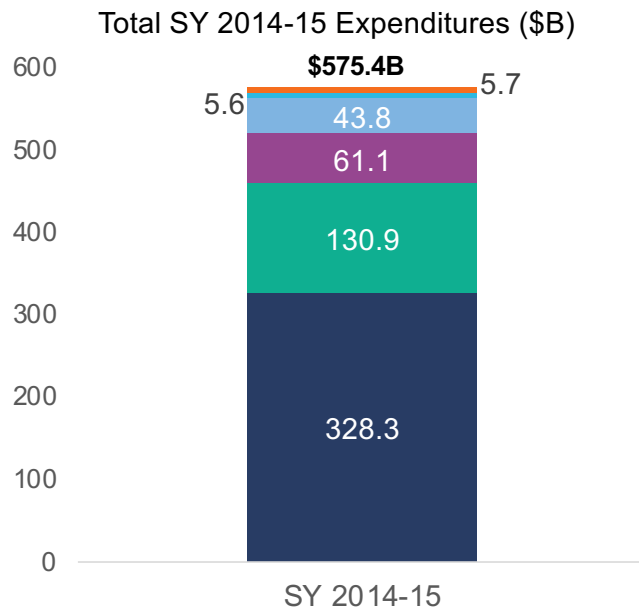
### Teachers per Student in Public Schools



National Center for Education Statistics; "Time and Learning in Schools: A National Profile," National Center on Time and Learning and Neag School of Education

...resulting in ~80% of U.S. K-12 public school system operating expenses committed to employee salaries and benefits.

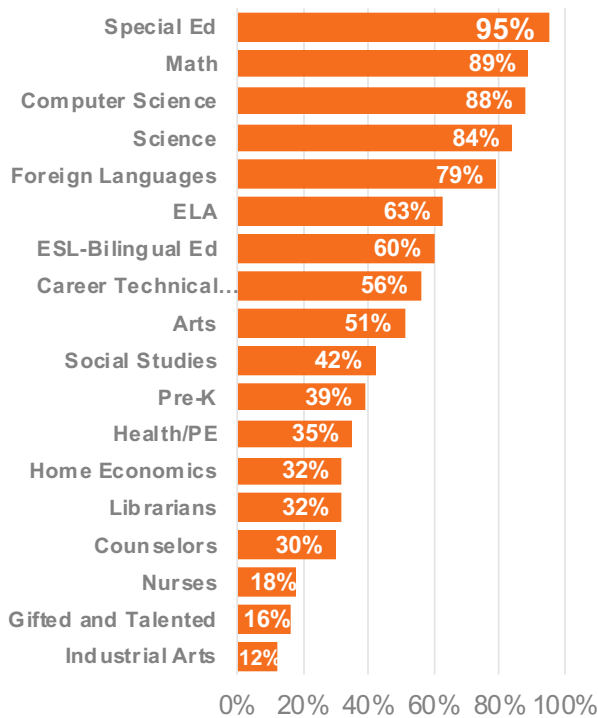
### U.S. K-12 Public School System Operating Expenses



Source: National Center for Education Statistics.

# Despite this growth, significant shortages remain, and hiring needs will continue to increase.

Percent of States and Territories Reporting Specialty-Specific Statewide Teacher Shortages, 2016-2018



## Teacher Shortages likely to get worse:



Rising student enrollment: +3 MM by 2030



Pressure to lower student:teacher ratios: additional 145,000 teachers needed from the current 16-to-1 to pre-recession ratios of 15.3 to 1.



High levels of teacher attrition: nearly 8% of the workforce annually, responsible for the largest share of annual demand—majority of them before retirement age

## Annual hiring needs



*Increase from ~260,000 in recent years*

Source: U.S. Department of Education Office of Postsecondary Education cited in Viadero, "Teacher Recruitment and Retention: It's Complicated," Education Week, January 23, 2018; TalentEd, "The teacher shortage is real," Talent Index report; Sutchter, Darling-Hammond, and Carver-Thomas, (2016), A Coming Crisis in Teaching? Teacher Supply, Demand, and Shortages in the U.S. (Palo Alto, CA: Learning Policy Institute).

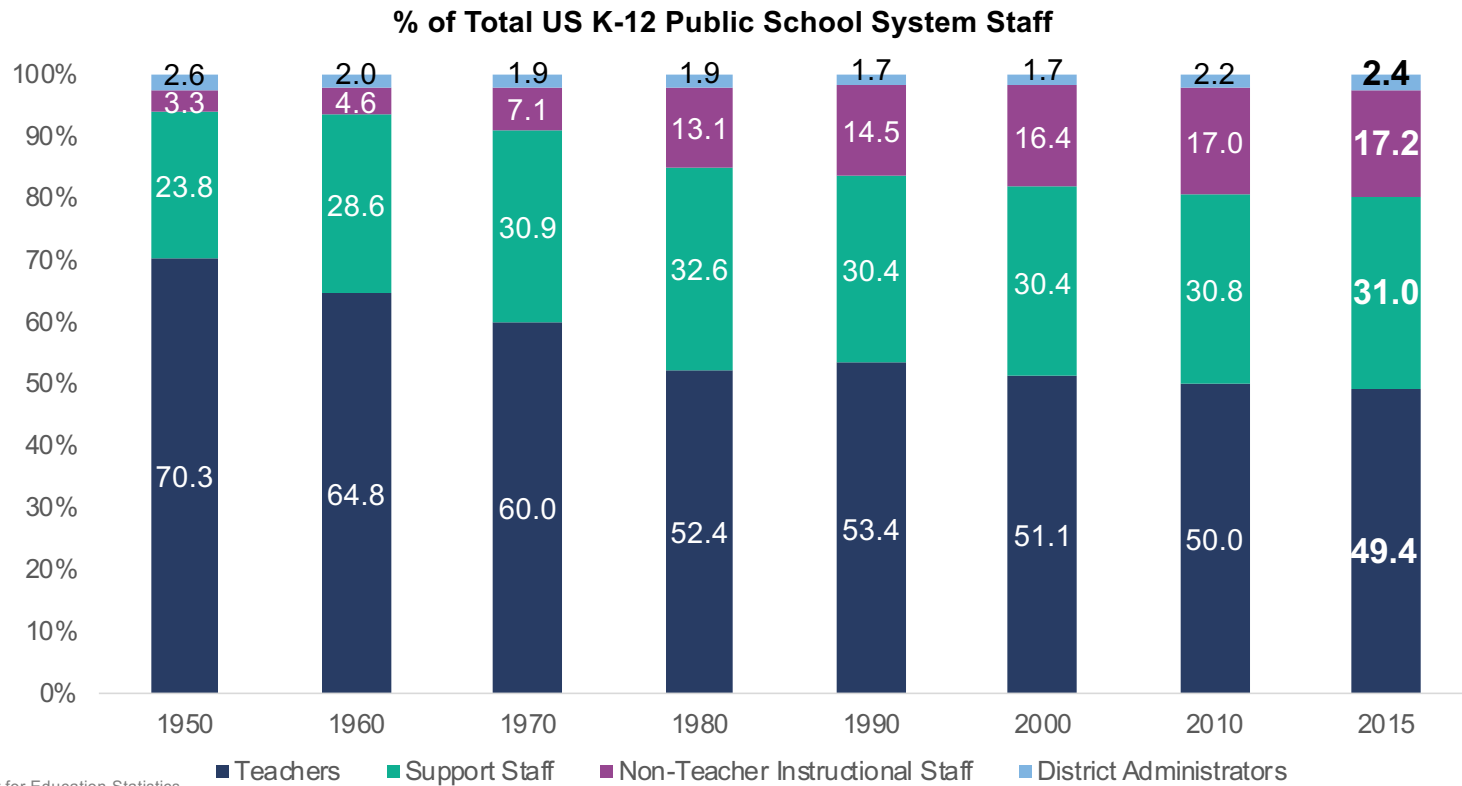


# *Increase Specialization*



Teachers now comprise ~50% of U.S. K-12 public school system staff, as additional instructional staff has continued to increase.

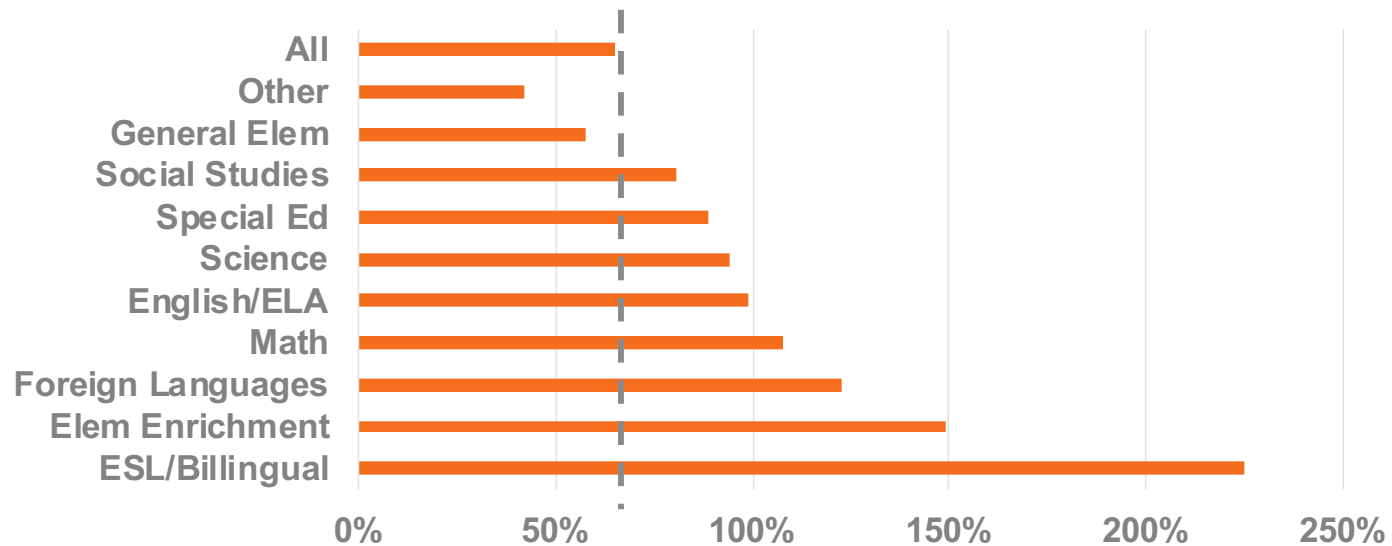
## U.S. K-12 Public School System Staff





## Increases in the teacher population are being driven by growing specialization in the teaching workforce.

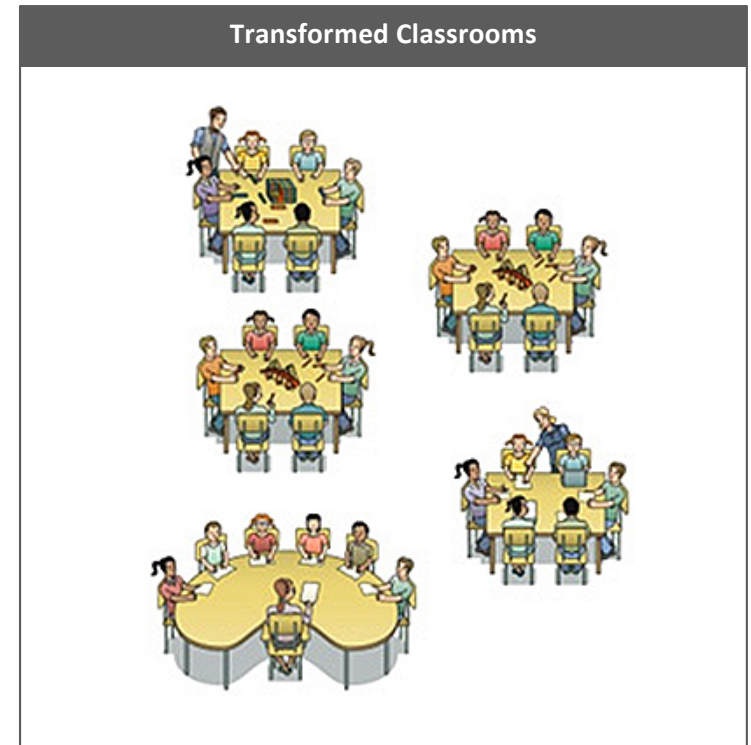
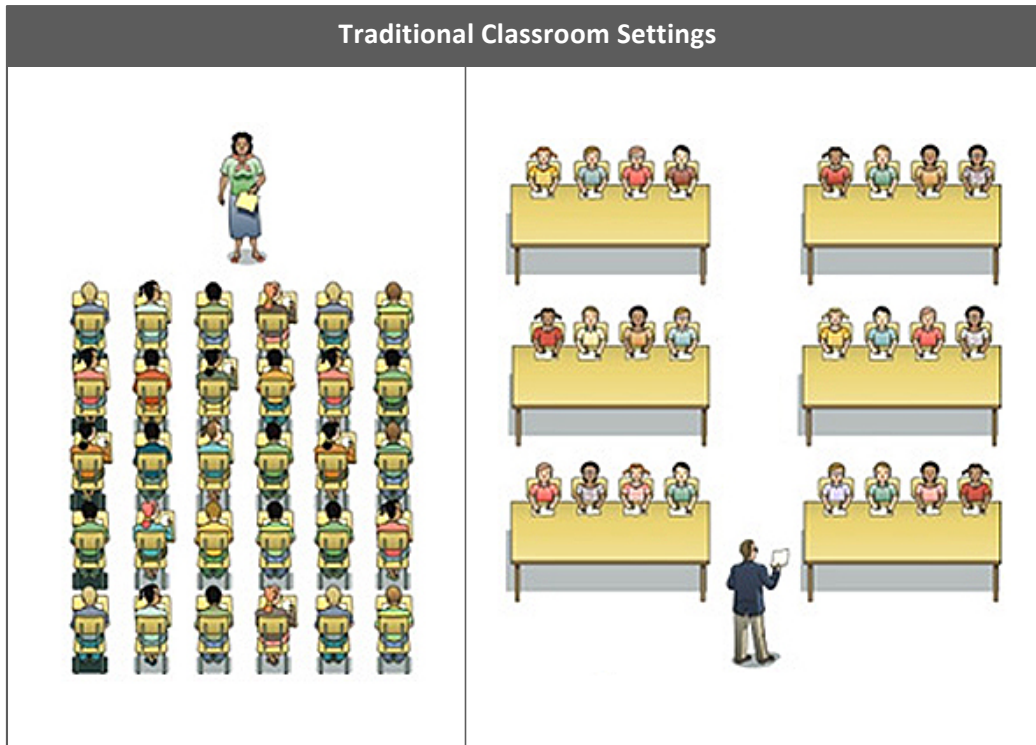
Percent Increase in Public School Teachers by Field, from 1987-88 to 2015-16



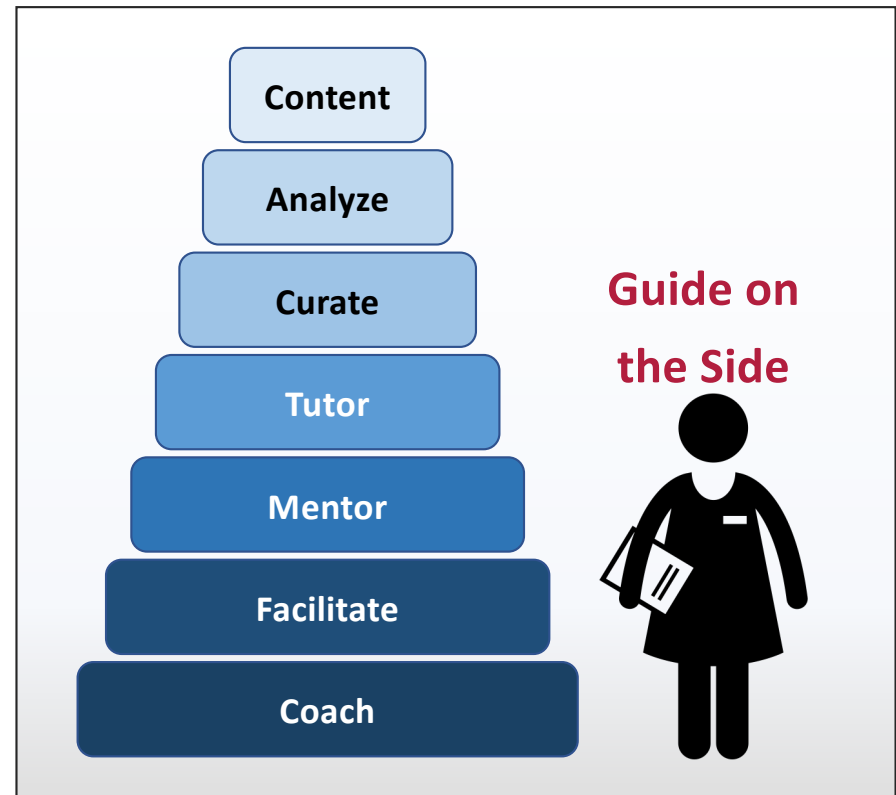
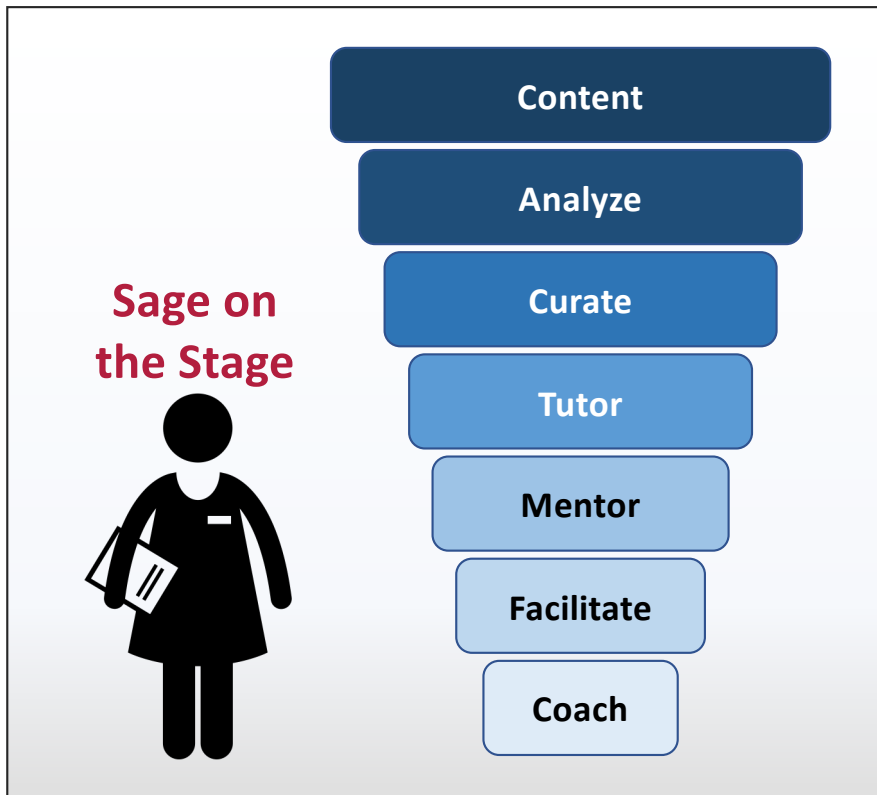
Source: Ingersoll, Merrill, Stuckey, and Collins, "Seven Trends: The Transformation of the Teaching Force, updated October 2018," Consortium for Policy Research in Education, University of Pennsylvania; Viadero, "Teacher Recruitment and Retention: It's Complicated," Education Week, January 23, 2018.

The traditional classroom is also requiring different instructional practices and skills.

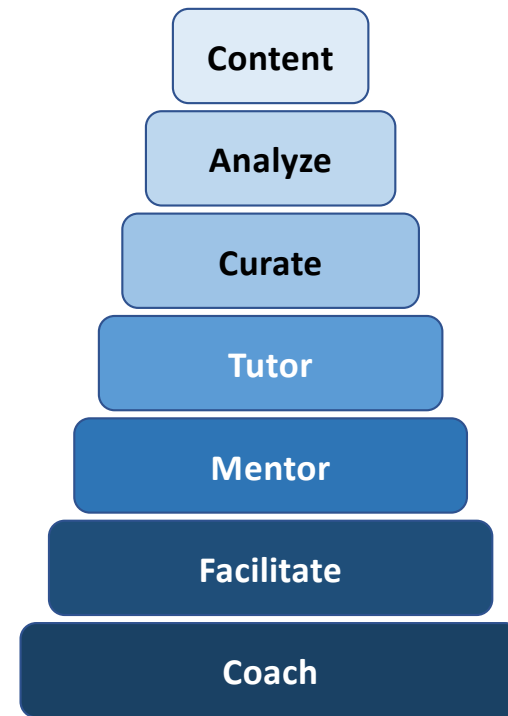
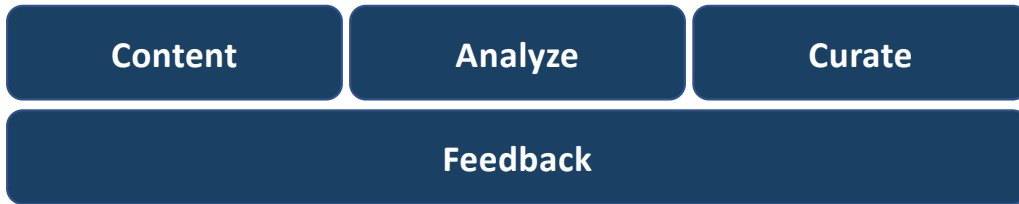
## Classroom Transformation



Personalization is accelerating the move to unbundle the teacher's role.



Computers are increasingly relied upon for the content while teachers take on a greater role in social, emotional, and behavioral supports and tailored interventions.





# 3

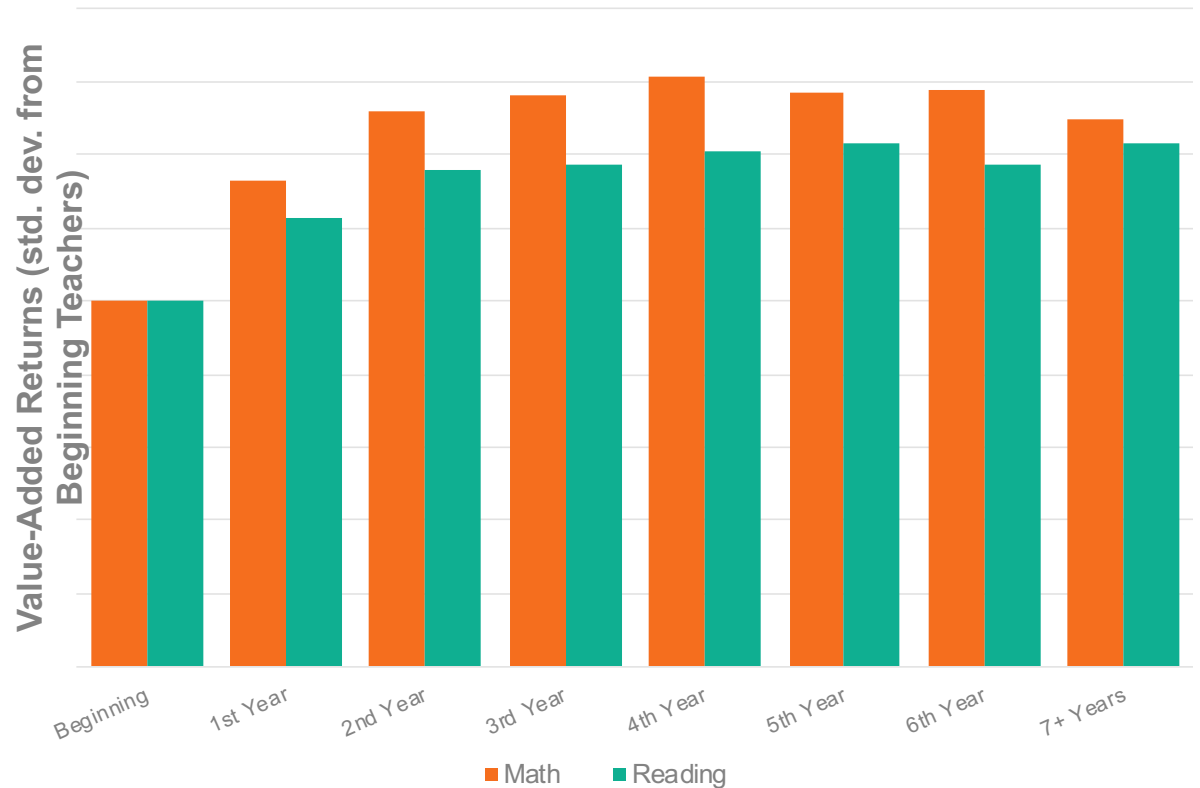
*Develop and Train*

## The U.S. makes a substantial investment in developing teachers.

**~ \$18 billion per year nationally spent on teacher PD**

- 6-9% of district operating budget total: more than food (3-5%) or transportation (1%)
- On average, teachers spend 19 school days per year in development activities (10% of the school year)
- This is ~150 hours per year, ranging from 30 to 74 hours of mandated time
- 10th year teacher has spent a full school year in development activities

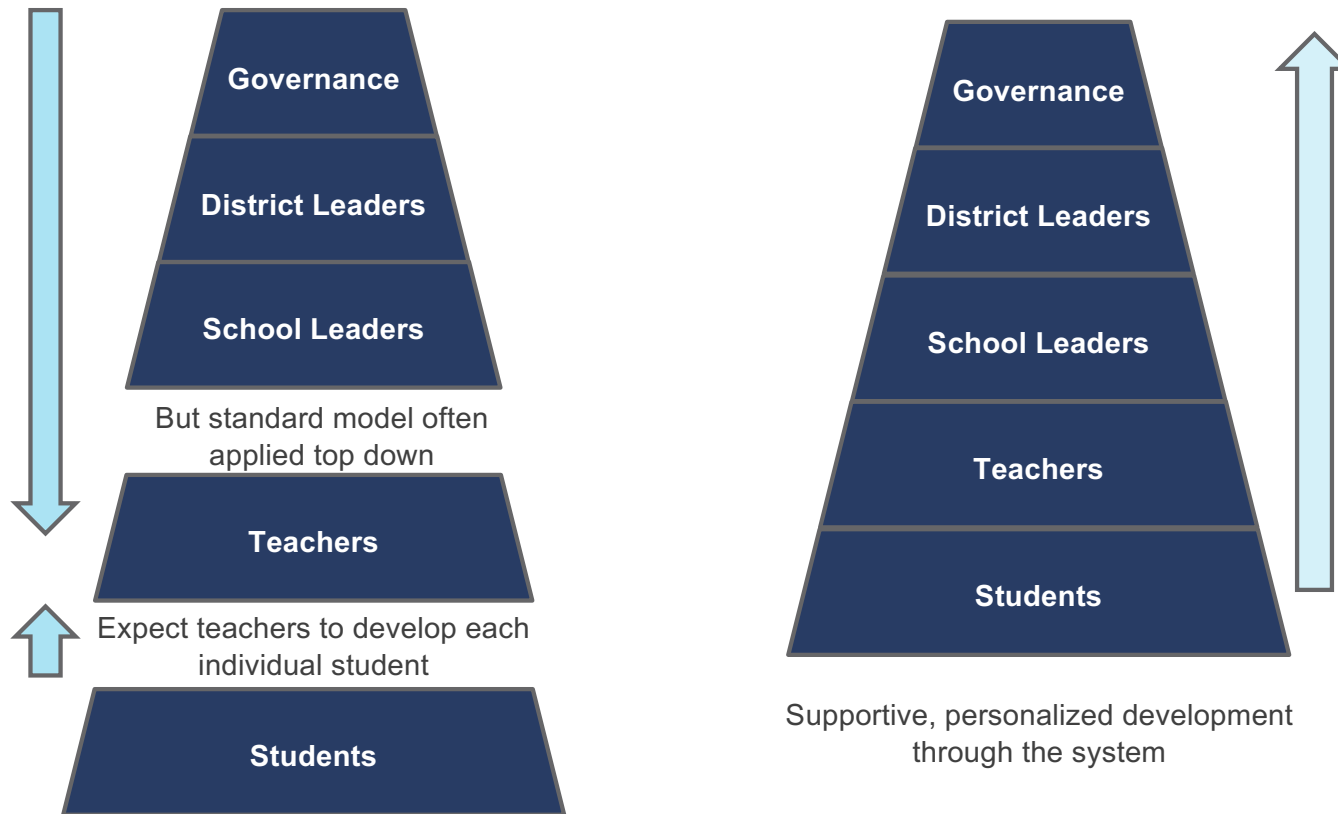
Teacher Effectiveness Improves Over First Three Years, Then Plateaus



Source: TNTP, The Mirage, (2015).



## How can we think differently about development throughout our systems?



Source: TNTP, The Mirage, (2015).



# 4

## *Measure and Evaluate*

## Efforts to measure and evaluate teacher performance have evolved.



- \$4.3 billion emphasis on improving and mandating teacher evaluation
- Gates Foundation invested \$700 million on teacher-quality

RAND (2018): teaching effectiveness measures pushed by Gates Foundation did not work

### ...Today and Beyond

- Use value-added measures to directly measure teacher impact on student achievement gains through annual test scores
- BUT can only measure in the few grades and subjects where annual testing is mandated: about 25% of K-12 teachers
- Use more comprehensive approach: overall classroom practices, instructional practices, classroom management, standards/content, and more

Source: Stecher, Holtzman, Garet, Hamilton, Engberg, Steiner, Robyn, Baird, Gutierrez, Peet, de los Reyes, Fronberg, Weinberger, Hunter, Chambers, Improving Teaching Effectiveness: Final Report — The Intensive Partnerships for Effective Teaching Through 2015–2016, RAND Corporation, 2018; Kane, Taylor, Tyler, Wooten, "Evaluating Teacher Effectiveness," EducationNext, Summer 2011, vol. 11, no. 3.

## An effective organizational strategy includes human capital management and aligns with district strategy.



Source: Adapted from Becker, Huselid, Ulrich *The HR Scorecard 2001*; Boris Groysberg and Amanda Cowen, *Developing Leaders*, HBS Publishing

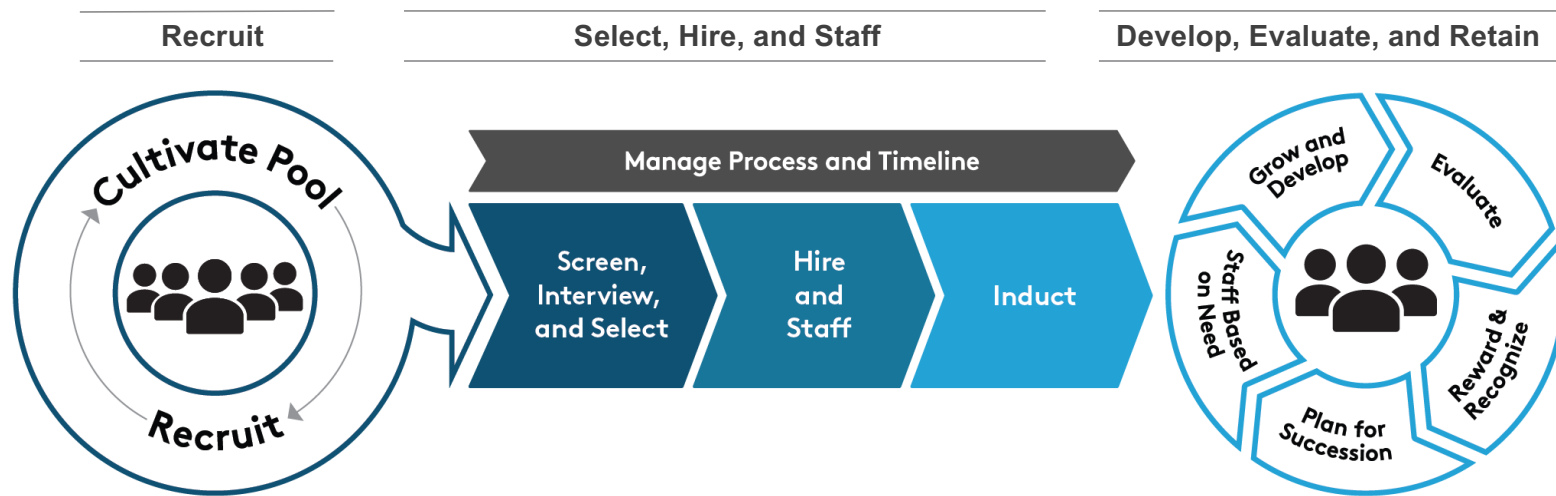


***Think back on the strategic priorities and initiatives you discussed earlier...***

***What are the implications on your human capital approach, priorities, and performance measures?***

## Strengthen your district by aligning HR activities around human capital strategy.

### DMGroup's Human Capital Framework



*Example areas where data should be used to answer crucial HR questions:*

- **Cultivating a strong candidate pool:** What are our largest current sources of candidates and what is the hire rate from each source?
- **Screening and selecting:** What qualities does our interview process look for, and how well do those qualities predict future success?
- **Hiring and staffing:** What percent of offers made are accepted?
- **Development and retention:** What are the most common reasons for undesired departures? When in a teacher's career do they depart?



## Key Takeaways

- 1 Start with a rigorous assessment of the current context to develop an overall strategy. Then make sure your human capital strategy is aligned with those goals.
- 2 The trend for greater specialization, use of technology, and unbundling the role of the teacher will lead to greater disruption and require us to think differently about recruiting, retaining, and developing teachers.
- 3 Taking a systemic approach to human capital will yield better results.



## District Management Group

Helping Schools and  
Students Thrive

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