

**CONVERSATION
STARTER**

for

**BUSINESS
LEADERS**

PUBLIC EDUCATION &
ECONOMIC DEVELOPMENT
IN NORTH CAROLINA



JAMES B HUNT, JR INSTITUTE
for EDUCATIONAL LEADERSHIP *and* POLICY

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FIRST STEP TO SUCCESS: SETTING THE RIGHT GOALS

Current Status of Student Achievement in NC



high-quality education has never been more important. Careers in today's economy are demanding more advanced skills and knowledge, and increasing numbers of students now pursue postsecondary skills and certificates. In light of this reality, how well are North Carolina's students prepared for college and careers?

High school students are graduating at higher rates than ever before. In 2011, 77.7 percent of North Carolina's seniors finished high school within four years, a 3.5 percent increase from the prior year.¹ The state has also seen growth in its student performance on SAT and Advanced Placement Tests. In 2011, 67 percent of North Carolina's seniors took the SAT – the largest group of seniors to ever take the test. North Carolina also leads the states in the Southeast for the highest SAT scores in 2011. Over the last five years, the number of students participating in the AP exams has grown by 15.9 percent, and the number of students scoring at a high enough level to qualify for college credit has grown by 21 percent.² Although North Carolina has improved high school completion, these data don't tell the entire story. There are challenges at all grade levels that need to be addressed to improve student readiness for postsecondary work and education.

Reading and literacy skills form the foundation of learning, yet data confirm that **North Carolina's students struggle to read from early elementary through middle and high school**. In 2011, 72 percent of North Carolina's 4th grade students were proficient on the end-of-course reading test.³ Data from the National Assessment of Educational Progress (NAEP), a national assessment given to samples of students across the country, show that North Carolina's students may be further behind than the state's tests suggest. On the 2011 NAEP, only 34 percent of the state's students scored at the proficient or advanced levels.⁴ As the charts on page 17 demonstrate, there continues to be an achievement gap in reading among students by both race and income.

The math coursework students take in middle school covers rates, percentages, statistics, and the use of formulas and functions – key algebraic content they must master to succeed in more advanced high school courses. By 8th grade, math scores provide a clear indication of a student's preparation for advanced math. In 2011, 85 percent of North Carolina's 8th grade students were deemed proficient or advanced on the state's standardized tests.⁵ Yet NAEP results from the same year indicate that **only 37 percent of the state's students were proficient or advanced in math**.⁶ While students of all ethnic backgrounds have seen improvement in their 8th grade NAEP scores over the last decade, white and higher-income students continue to outperform their peers.

Although North Carolina's graduation rates are increasing, additional work needs to be done to strengthen the value of a diploma. Students, parents, and community members need to be confident that a high school diploma truly indicates that a student is ready for college and career. Unfortunately, that isn't the case. Many high school graduates arrive in the workforce and on college campuses with notable deficits in their reading and math ability. A recent study by ACT found that **just one-third of North Carolina students who took the ACT were college-ready**.⁷ More than half of first-time students at the North Carolina Community College System enroll in at least one remedial course in English, reading or math.

WHILE STUDENTS OF ALL ETHNIC BACKGROUNDS HAVE SEEN IMPROVEMENT IN THEIR 8TH GRADE NAEP SCORES OVER THE LAST DECADE, WHITE AND HIGHER-INCOME STUDENTS CONTINUE TO OUTPERFORM THEIR PEERS.

In this age of accountability, states are investing significant energy and their limited resources to increase student achievement among the lowest-performing groups of students. Yet students scoring at the middle and top of the performance range also need better instruction to prepare them for the demands of work and college. North Carolina has adopted rigorous new standards that will accelerate the growth of all students – whether they are high-performers or kids in the middle of the pack – to go deep and be fully prepared for postsecondary and the workforce.

Benefits of Clearer, Higher Standards for North Carolina Students



Content standards set the foundation for an education system by articulating what it is that students are expected to know and be able to do.

Recognizing the need to set more clear and rigorous expectations for students, in 2008 the North Carolina Department of Public Instruction undertook an effort to update standards and assessments in all subject areas. The next year, North Carolina joined 49 states and territories by adopting the Common Core State Standards in English language arts and mathematics.

North Carolina recently joined a coalition of 26 states that are together developing the **Next Generation Science Standards (NGSS)**. These standards will be of similar rigor to the Common Core State Standards in English language arts and mathematics. The NGSS are expected to be finalized by the end of 2012.

These Common Core State Standards are grade-by-grade learning progressions that define the knowledge and skills students need to be ready for success in entry-level, credit-bearing college coursework or workforce training programs. The Standards were constructed in a state-led process drawing from the best models and research available, including scholarly research; surveys on what skills are required of students entering college and workforce training programs; assessment data identifying college-

and career-ready performance; and comparisons to standards from high-performing states and nations. North Carolina will fully implement the Standards in the 2012-13 school year.⁸

North Carolina is now informing teachers, principals, and school personnel about the instructional changes these standards will require. Teachers might need to adopt different teaching methods or acquire deeper content knowledge – especially elementary math teachers who could be required to teach different content than they previously taught in their grade levels. Implementation efforts will fall short if teachers lack the training and support they need to adapt their instructional practice and help students develop deeper conceptual understanding. It is essential that K-12 and postsecondary leaders collaborate to improve teacher preparation and professional development.

English Language Arts

The new standards for English language arts (ELA Standards) articulate a clear progression of learning from grades K-12 for reading, writing, speaking, and listening. To ensure that reading and writing skills are emphasized across subject areas, the ELA Standards include guidance for science and social studies teachers as well.⁹ There are three primary shifts in these new ELA Standards:¹⁰

① Greater emphasis on nonfiction and informational texts. Once students enter the workforce or begin a postsecondary program, the majority of their reading will be non-fiction texts, manuals, and documents. Though the ELA Standards still require students to read narrative fiction, poetry, drama, and non-fiction, they place an increasing emphasis on non-fiction texts as students progress through middle and high school.

② Reading and writing grounded in evidence from text. As students enter college and the workforce they need the ability to make clear, coherent arguments grounded in evidence. The ELA Standards require students to grasp information, arguments, ideas, and details based on specific evidence found in the text. The Standards also emphasize using evidence from texts to present careful analyses and arguments in their writing.

③ Regular practice with complex text and academic vocabulary. There is clear evidence that the texts students are reading today are not of sufficient complexity and rigor to prepare them for the reading demands of college and career. The ELA Standards require students to use increasingly complex texts as they advance through the grades.

Mathematics

The new standards for mathematics (Math Standards) are designed to deepen a student's ability to understand and apply mathematics.¹¹ The Math Standards also describe expertise that students at all levels need to develop, such as the ability to solve problems, reason, be precise, and use available tools strategically. The three primary shifts in the Math Standards include:¹²

① A clear focus on specific content at each grade level. Current math standards are often categorized as being "a mile wide and an inch deep," requiring teachers to quickly cover many topics and preventing the sustained focus that is needed for understanding and application. The Math Standards focus on fewer concepts at each grade level, giving students time to develop deep

understanding of the most important mathematical concepts and procedures.

② A more coherent progression of learning. The Math Standards clearly articulate how knowledge builds from year to year to equip students to understand geometry, algebra and probability, and statistics in middle and high school. The Math Standards are carefully designed to avoid repetition and large leaps in instruction, and devote more time to student mastery of the building blocks of mathematical thinking in grades K-5.

③ Increased rigor and application of knowledge. Students need to develop the ability to apply the math skills they are learning to solve problems inside and outside of the classroom. The Math Standards include coverage of basic math facts and arithmetic operations, but also require students at all grade levels to apply math concepts to "real-world" situations, including those presented in science and social studies.

Current student achievement data point to the **need to accelerate the growth of students at all levels.** Along with the development of new standards in math and English language arts, new common assessments are also underway. These assessments will be more rigorous and will require students to demonstrate deeper levels of problem-solving skills. North Carolina is one of 27 states participating in the SMARTER Balanced Assessment Consortium (SBAC). SBAC is developing *computer-adaptive* summative assessments for grades 3-8 and high school. Computer adaptive testing customizes the test for each individual student, allowing a range of knowledge and skills to be assessed in an efficient manner. Since these tests will be remarkably

different for students, it is likely that state proficiency levels will drop when these tests are first used in 2014-2015. This is to be expected, but the new scores will show a more realistic picture of how students are performing. It is crucial for educators, policymakers, and business leaders to remain firm in their commitment to higher academic performance and to **avoid the tendency to lower the bar in the face of what might be disappointing early results.**

Our country has never set as a goal for all students to be prepared for some type of postsecondary credential, certificate, or degree. Now that we recognize what is essential to equip students for the job market, we need to ensure schools and teachers are prepared to meet that goal. North Carolina's business leaders can lead the way in articulating the importance of the new Standards and remaining steadfast in their commitment to an education system that is redesigned to focus on college and career readiness.

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THE ECONOMIC IMPERATIVE OF POSTSECONDARY EDUCATION

As North Carolina continues to rebuild its economy, it is essential that the state's students are prepared to successfully compete for jobs. Experts predict that by 2018, **59 percent of all jobs in North Carolina will require some type of postsecondary degree or training.**¹³ However, North Carolina's workforce does not yet have the education required to meet this demand. In 2009, only 38 percent of North Carolinians age 25 to 64 had an associate's degree or higher, ranking North Carolina 27th out of 50 states.¹⁴

Today, careers across all sectors of the economy are demanding more education and skills than in previous generations. Many jobs that formerly required only a high school diploma now require a bachelor's degree. Jobs that used to require a bachelor's degree might now require a master's degree. Ultimately, this leaves fewer and fewer opportunities for high school dropouts and young adults with only a high school diploma. This doesn't mean that all students have to obtain a four-year degree to find good-wage jobs; associate's degrees, vocational certificates, and licensing certificates will play an important role in preparing North Carolina's workforce for the jobs of the future.

Projected Change in Jobs in North Carolina by Education Level, 2008-2018

Education Level	2008 Jobs	2018 Jobs	Difference	% Change
High school dropouts	550,000	593,000	42,000	7.8%
High school graduates	1,310,000	1,425,000	115,000	8.8%
Postsecondary	2,553,000	2,875,000	322,000	12.6%

Source: Georgetown University Center on Education and the Workforce, 2010

Postsecondary Completion in North Carolina

Students may be graduating from high school in record numbers, but many arrive on community colleges and university campuses in the fall only to find that they need to take one or more remedial (also called developmental) courses in English, reading, or math before they can take credit-bearing classes. In 2010, nearly 58 percent

of first-time, credential-seeking North Carolina Community College students were enrolled in at least one remedial course in English, reading, or math.¹⁵ Among first-time freshmen who enrolled in The University of North Carolina that same year, 8.4 percent took remedial coursework.¹⁶

Remedial courses pose additional costs for students and slow their progress towards obtaining a degree or certificate. Nationally, less than 25 percent of students at two-year

institutions who take remedial courses ultimately complete a degree or certificate program.¹⁷ The University of North Carolina recently began reporting this degree-completion data as well, noting that 44 percent of students who had taken a remedial course eventually graduated from one of the system's institutions within six years.¹⁸

North Carolina's postsecondary institutions are also attracting students with diverse life experiences who do not fit the traditional college student mold. More students are the first in their families to attend college; adults are returning in large numbers to get a credential or degree; and many part-time students are working while pursuing postsecondary education. In the fall of 2008, more than half (55.7 percent) of the students attending two-year institutions in North Carolina were enrolled part time; at four-year institutions, 20 percent of students were enrolled part time.¹⁹ Additionally, 27 percent of students attending a postsecondary program in North Carolina were over the age of 25 in 2008.²⁰ These students face their own unique challenges in persisting through their coursework to the completion of a degree or certificate. Students may need to leave the program because of financial reasons or other family responsibilities.²¹

**THE MOST EFFICIENT WAY TO
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BEFORE THEY LEAVE HIGH SCHOOL.**

Strategies to Improve Students' Transitions to Postsecondary

Postsecondary institutions are working to develop new ways of delivering remedial education to help students enter credit-bearing courses and complete their degrees in a timelier manner. The North Carolina Community College System (NCCCS) recently redesigned the structure and content of its developmental math program to break what had been a three-semester series of courses into eight modules. Once these modules are implemented systemwide in 2012-2013, students will only need to enroll in and pay for the modules they need, rather than taking a semester- or year-long course that might cover material in which they are already proficient. NCCCS is undertaking a similar effort in English and reading.

The most efficient way to prepare students for the rigors of postsecondary education is to reach them before they leave high school. In addition to providing students with effective instruction aligned to rigorous content standards, it is also important to assess student progress toward college readiness while they are still in high school. The *California Early Assessment Program* (EAP) is a nationally-known model that was developed in partnership between California State University (CSU), the California Department of Education, and the California State Board of Education. The EAP is an optional assessment for 11th grade students; it gauges students' readiness for college-level English and mathematics. Students who score at the college-ready level are exempt from taking remedial coursework at CSU or the community colleges. Students who do not score at a college-

ready level may enroll in special courses jointly designed by teachers from high schools and the university to improve reading, writing, and/or math skills during their senior year.

As part of a similar college-readiness strategy, the North Carolina Department of Public Instruction will administer the PLAN, a “pre-ACT” college readiness assessment, to all 10th graders and the ACT to all 11th graders free of charge in the 2011-2012 school year. The results from these assessments will be used to develop transitional courses that will strengthen students’ skills before they graduate from high school.

Dual enrollment programs and early college high schools can provide college course access to high school students who might have never previously considered college. These programs can reduce time to degree completion by allowing students to graduate from high school with college credits – and sometimes even an associate’s degree. National analyses found that 75 percent of early college high school

graduates earned some college credit, and an additional 10 percent earned enough credits for an associate’s degree.²² The *North Carolina Career and College Promise* program, recently established by Governor Bev Perdue, builds upon early college programs that provide high school students with the opportunity to earn community college credits in career-technical courses or college preparatory courses tuition-free while they are still in high school.

Postsecondary institutions – both community colleges and four-year universities – are invaluable partners in ensuring all students have the knowledge and skills they need to be successful in their chosen paths. North Carolina has a challenge ahead as schools work to prepare students for the demanding careers of the future. As business leaders look for opportunities to strengthen the educational pipeline in North Carolina, it is vital to recognize the importance of engaging both K-12 and higher education in this work.

NORTH CAROLINA’S TEACHER WORKFORCE

Business leaders understand the power of effective human resource management. The competitive global economy demands a highly skilled and deeply literate workforce. In response, the nation’s education system is being challenged to ensure that all young people are able to learn, analyze and communicate at high levels.

In education, research indicates that teachers are the single most important in-school influence on student achievement. It is also clear that teacher effectiveness can vary across school districts and within schools. Low-income students are more likely to have less effective teachers, placing these students at a significant academic disadvantage. A single year with an ineffective teacher can cost a student up to one-and-a-half years’ worth of achievement. On the other hand, five consecutive years with effective teachers could nearly close the achievement gap.

Number of Full-Time Public School Teachers in North Carolina



Data Obtained from NC Department of Public Instruction.

Identifying Teacher Effectiveness

Employee evaluations are well-established in the private industry. Private sector human resource officers agree that evaluation is most effective when it is part of a comprehensive system designed to develop employee talent and motivation. The creation of such a system in public education is fairly complex.

Effective evaluation provides teachers with feedback that helps them improve their performance and gives administrators the information they need to identify professional development needs and make personnel decisions. Most states allow districts to develop their own teacher evaluation plans, resulting in an uneven patchwork of measures that are difficult to use effectively. Five years ago, **North Carolina moved to a statewide teacher evaluation system** meant to drive instructional improvements. The comprehensive evaluation system adopted by the State Board

of Education (SBE) in 2007 has served as a model for other states as they look to improve their own processes.

North Carolina is **one of the leading states in establishing a more meaningful evaluation system.** Most teacher evaluation systems across the country have relied on a binary “satisfactory” or “unsatisfactory” rating system that fails to provide detailed information about a teacher’s strengths and weaknesses. Such systems can also send a signal that there is little room for improvement. According to The New Teacher Project’s report, *The Widget Effect*, more than 99 percent of teachers receive a satisfactory rating under this type of binary evaluation system.²³

North Carolina’s teacher evaluation system requires principals to rate each teacher as developing, proficient, accomplished, or distinguished based on the *North Carolina Professional Teaching Standards*. The evaluation process includes a teacher self-assessment, a pre-observation meeting between the teacher and principal, and classroom observations by the principal. As part of its *Race to the Top* plan, the SBE added a requirement to include a measure of student achievement in teacher evaluations. Districts have had the opportunity to use student data since the 2007-2008 school year when the North Carolina Department of Instruction (DPI) purchased EVAAS, a computer program owned by SAS Institute, a software corporation based in Cary, NC. The program tracks student data at the classroom level, making it a tool for instructional improvements and evaluations.

Although it is certain that strong teachers are essential for student achievement, there is no consensus on the best combination of measures to evaluate a teacher’s performance. However, research efforts are now underway to better

understand measures of teaching effectiveness and states such as North Carolina are engaged in this work. For example, Charlotte-Mecklenburg Schools is participating in the Gates Foundation's *Measures of Effective Teaching* (MET) study. This project connects education researchers with school districts, principals, and teachers to develop objective and reliable measures of a teacher's impact on student achievement.

States are now beginning to redesign teacher evaluation to incorporate measures that better reflect the professional practice of teachers and academic outcomes of their students. These measures include student achievement and growth, classroom observations, student perceptions of the classroom instructional environment, and teacher perceptions of working conditions and the effectiveness of their peers.

Training Teachers for Success



hen data systems are in place to send information about the performance of early career teachers back to the institutions from which they were initially trained, teacher evaluations can also highlight opportunities for improvement in pre-service training. Teachers enter the profession through a number of pathways, including traditional, university-based programs and alternative programs that were designed for varying purposes, such as addressing teacher shortages or appealing to those with degrees in special areas like math and science. However, the data and research base on teacher training programs is rather weak.

Dr. Gary Henry, a researcher at the University of North Carolina at Chapel Hill, is helping to generate much-needed information about

teacher training programs. Henry recently studied whether some methods of preparing teachers were more effective than others in terms of raising student achievement. The study focused on 12 entryways into teaching in North Carolina public schools, including public and private higher education institutions, out-of-state colleges, and alternative programs. The study found that teachers who were trained in programs outside North Carolina lagged behind their colleagues who graduated from North Carolina programs. Additionally, Teach for America teachers outperformed those from traditional and alternative entry programs in North Carolina, though they were more likely to leave the profession within five years.

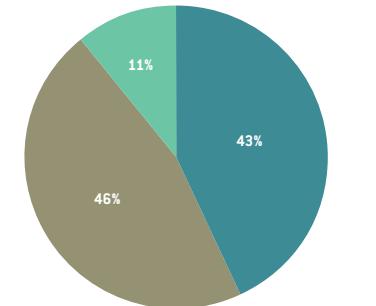
Teacher Compensation

A number of states and districts are exploring alternative compensation models that reward teachers based on the performance of their students.

Traditional teacher pay systems, including North Carolina's schedule, use a series of "steps and lanes" to reward teachers for every year in the classroom, and often offer pay increases as teachers earn advanced degrees and certifications. First-year teachers with a bachelor's degree earn \$30,430 annually, while teachers with a graduate degree, a National Board of Professional Teaching Standards Certification, and more than 34 years in the classroom earn \$64,760 annually. These two salaries represent the lowest and highest salaries in North Carolina, excluding supplemental pay provided by some local school districts.

Proponents of alternative compensation plans for teachers suggest that other models may be more effective in recruiting and retaining good teacher candidates, and can reward educators for the strides they make in improving student performance.²⁴

Percent of Teachers within Specified Salary Ranges (2010-2011)



Data Obtained from NC Department of Public Instruction.

North Carolina has operated one of the country's largest pay-for-performance teacher-bonus programs since the late 1990's. Teachers receive pay supplements of up to \$1,500 when the standardized test scores of all students in their school exceed annual goals. However, lawmakers have eliminated bonus pay over the last few years due to budget cuts. With this elimination, plus salary freezes, North Carolina has fallen from a ranking of 20th in the nation in average teacher salaries in 2001-2002

to 45th in 2010-2011. North Carolina once ranked the second highest in the southeast in average teacher salaries; today it is 10th in the region, ahead of only Florida and Mississippi.²⁵

Effective teachers are cultivated and retained within human resource systems that adequately prepare, evaluate, and reward them. The recent move to better connect North Carolina's teacher evaluations with student achievement has helped lay the foundation for better feedback, more customized professional development, and incentive structures based on performance outcomes. With a strong understanding of strategies that can be used to train and motivate a successful workforce, business leaders are primed to offer an informed voice to propel and support these endeavors.

NORTH CAROLINA ONCE RANKED THE
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LEADERS AT THE HELM OF SCHOOL IMPROVEMENT

Business leaders know that the quality of a manager affects organizational culture, staff productivity, and the goods and services that are being developed. Successful managers inspire, direct, and command the respect of their staff. As in any business, our schools need strong leaders who can galvanize resources and energy to achieve results and guide their staff through organizational shifts. The importance of high-quality leaders is particularly urgent today, as schools are realigning curriculum, instruction, assessment, and professional development to meet the demands of more rigorous academic standards.

North Carolina's 115 superintendents operate as the chief executive officers of school districts, and 2,398 principals serve as the managers of individual schools. When strong, well-prepared leaders hold these positions, teacher effectiveness and student achievement are elevated. However, a review of the current status of principals and superintendents reveals that school leadership suffers from weak training, a lack of useful feedback, and persistent turnover.

Principals as Managers and Instructional Leaders

In recent decades, the scope of a principal's duties has grown. High-stakes testing and an expectation that all students achieve "proficiency" have placed new demands on schools. Today's principals are wrestling with dramatic budget constraints while searching for strategies to raise student achievement. This work calls for managers who have a keen sense of budgets, program evaluation, and instructional practice.

Principals are often **inadequately prepared** for these duties. In a recent survey of principals, the majority said their preparation was irrelevant to the actual job they perform and disconnected from the realities of being a principal in today's schools.²⁶ Many principals now feel the job is "undoable" and are leaving the profession.²⁷ Turnover rates are particularly high in the lowest-performing schools, meaning students with the greatest need for strong leaders are often managed by inexperienced and ineffective principals.

The expectation that principals serve as **instructional leaders** requires them to spend a great deal of time in the classroom observing and evaluating classroom practices. With the implementation of higher academic standards on the horizon, principals must help teachers navigate this transition.

Some states are working to improve principal training programs by requiring longer, strategic

field experiences and better alignment to the demands of today's classrooms. In North Carolina, prospective principals must have at least three years of teaching experience, earn a master's degree in school administration through one of the state's universities or complete an approved alternative training program, and they must pass the School Leaders Licensure Assessment. Through its *Race to the Top* plan, North Carolina is taking steps to improve the content of training programs and expand the number of alternative programs. The state has also created three regional leadership academies to prepare principals to lead for change in low-achieving schools that are the hardest to staff. These regional academies apply the latest research and best practices in training school leaders. To meet the increasing need for well-trained principals, North Carolina needs to find the funds to establish additional academies throughout the state.

Employees at every level of a successful organization need to be well-supervised and evaluated fairly. Since principal roles are so complex, evaluation instruments must look at a number of elements beyond managerial skills. **Effective principal evaluation systems** are designed to include student achievement data and provide regular feedback, and are used by superintendents to ensure that principals receive appropriate professional development.²⁸ Most states base principal evaluations on the Interstate School Leaders Licensure Consortium (ISLLC) standards. But in reviewing principal evaluation systems, researchers found very limited coverage of leadership behaviors that ensure rigorous curricula, quality instruction, or a focus on student learning.²⁹

North Carolina has taken steps to improve the effectiveness of its evaluation system. "School Executives" are evaluated annually using a

statewide instrument that includes a series of specific activities that must be included in ratings. As outlined in the state's *Race to the Top* plan, North Carolina will now utilize data on student academic growth as an important element of a principal's overall evaluation.

Recruiting, preparing and retaining effective principals are necessary to counter the shortages that superintendents nationally report.³⁰ The shortage is compounded by high attrition rates and an aging workforce of baby boomers. Roughly half leave the profession within five years of starting, with a majority leaving within the first three years. A 2007 report found that nearly half of the North Carolina's principals were either eligible for retirement or within a few years of eligibility.³¹

THE HIGHEST PRINCIPAL TURNOVER RATES OCCUR IN THE MOST CHALLENGING SCHOOLS, WHICH CREATES A LEADERSHIP GAP IN URBAN AND RURAL DISTRICTS. THESE DISTRICTS AND SCHOOLS NEED THE VERY BEST LEADERS TO IMPROVE DRAMATICALLY.

The reasons principals cite for vacating their posts paint a picture of the obstacles that impede these managers from achieving successful outcomes:

- > being put in a "sink-or-swim" situation with minimal supports,
- > being overworked,
- > having insufficient budgets and/or insufficient lack of control over resources, and
- > having to spend a majority of their time on non-instructional tasks, such as paperwork.³²

The highest principal turnover rates occur in the most challenging schools, which creates a leadership gap in urban and rural districts.³³ These districts and schools need the very best leaders to improve dramatically. The effects of poverty can be overcome in schools with strong teachers and principals, yet many poor districts cannot pay a competitive wage to attract the best and the brightest to their schools. Nor do they have adequate resources to support and nurture the principals they have.³⁴ Principal salaries in North Carolina range from \$50,916 to \$109,116 based on individual credentials, years of experience, and the number of students in the school.³⁵ In addition, local salary supplements are often provided by school districts.

Superintendents as Chief Executive Officers

Like CEOs of large companies, superintendents manage budgets of millions, or in some cases billions of dollars. For example, Charlotte-Mecklenburg Schools reported more than \$1 billion in expenditures for the 2010-11 school year. Effective superintendents create results-oriented school districts that set goals for student achievement and instruction. These leaders establish benchmarks to monitor progress, foster alignment and collaboration among schools, grade levels, and subject areas within the district, and acquire and share resources to help school leaders and educators achieve the district goals.³⁶

Superintendents are among the most highly compensated members of the education profession, though salaries vary greatly across districts. In 2010-11, the average salary of superintendents nationwide was \$161,992.³⁷ In

North Carolina, state provision of superintendent salaries is determined by individual credentials and the number of students in the school district, ranging from \$56,640 to \$137,388 in the 2010-11 school year.³⁸ Many districts add a local supplement to this figure; the largest supplement added to a superintendent's salary was \$129,762 in 2010-11.³⁹

Superintendents are traditionally prepared in university-based programs; almost 60 percent of superintendents hold a doctorate degree.⁴⁰ Yet **fairly little is known about the effectiveness of such training.** Many states have established alternative ways to certify administrators who have sufficient management skills but no prior education experience. One notable example of alternative training is the *Broad Superintendents Academy*, which identifies and prepares experienced executives to lead large urban school districts. Two school districts in North Carolina – Charlotte-Mecklenburg and Wake County – have been led by graduates of this program.

Superintendent positions **will likely experience substantial turnover in the coming years.** A recent survey by the American Association of School Administrators (AASA) found that only half of the respondents plan to still be a superintendent in 2015 despite high levels of job satisfaction. The mean tenure of a district leader is five to six years, and the average age is 55 with more than 18 percent over the age of 60.⁴¹ Anticipated turnover among

superintendents could be particularly problematic as districts undertake substantial efforts to align their instructional, assessment, and accountability systems to more rigorous standards by the 2014-15 school year.

Our schools need strong leaders to drive change and improve student achievement. This imperative is particularly pronounced today as schools move to implement more rigorous academic standards. Business leaders are keenly aware of the importance of effective management to motivate, achieve efficiency, and attain desired outcomes. This creates a natural opportunity for business leaders to take the roles of partner and advocate in efforts to recruit and develop capable, results-oriented leaders for North Carolina's public schools.

BUSINESS LEADERS ARE KEENLY AWARE OF THE IMPORTANCE OF EFFECTIVE MANAGEMENT TO MOTIVATE, ACHIEVE EFFICIENCY, AND ATTAIN DESIRED OUTCOMES. THIS CREATES A NATURAL OPPORTUNITY FOR BUSINESS LEADERS TO TAKE THE ROLES OF PARTNER AND ADVOCATE IN EFFORTS TO RECRUIT AND DEVELOP CAPABLE, RESULTS-ORIENTED LEADERS FOR NORTH CAROLINA'S PUBLIC SCHOOLS.

STATE BUSINESS LEADER MODELS

Across the country, business leaders are finding ways to support and help strengthen public schools. In 2011, the Institute for a Competitive Workforce at the U.S. Chamber of Commerce released a report, *Partnership is a Two-Way Street: What It Takes for Business to Help Drive School Reform*. In this report, the authors suggest that business involvement in education can take three important forms: **critical customer, partner, or policy advocate.** Business leaders can learn from the experience of several local and state-level organizations who have found success in these roles.

Critical Customers



Business leaders play an important role as critical "customers" of public schools. These leaders can leverage their position to clearly present the need for a talented, highly-skilled workforce.

The **California Business for Education Excellence** has established an honor roll to identify California elementary, middle, and high schools that have demonstrated consistently high student academic achievement and progress toward closing achievement gaps among all students. Selection is based on individual student and student subgroup performance on the state standardized tests. The annual award is supported by a number of businesses and organizations, including State Farm, Macy's, Wells Fargo, the California Business Roundtable, and United Way.

The **Greater Austin Chamber of Commerce** focused on increasing students' college enrollment as part of a regional economic development strategy. The Chamber launched the *20,010 by 2010* initiative to increase the region's college enrollment rate by 20,010 students by the year 2010. As part of this effort, the Chamber supported the development of data systems to provide real-time information to school districts about whether students had applied to

college and submitted financial aid paperwork. It also facilitated the development of a college readiness program that connects high school students to volunteer college "coaches."

Partners



Business leaders also have an opportunity to partner with public schools, bringing their resources and specialized expertise to the table.

In Alabama, the **A+ Education Partnership** is led by a board of directors made of prominent Alabama business leaders, community partners, and local school representatives. One of the organization's initiatives, *A+ College Ready*, is focused on expanding student access to and achievement on math, science, and English Advanced Placement (AP) tests. The effort includes a wide range of public- and private-sector stakeholders from the business, higher education, and K-12 sectors. In the first three years of the program, participating schools increased their AP passing rates by 165 percent.

The **Knoxville (Tennessee) Chamber of Commerce** partnered with the Knox County Schools to create a flexible data system that supports day-to-day financial management and instructional improvement. Prior to the

new data system implementation, the school district collected and stored data in more than 20 electronic databases which were unable to communicate with one another.

In **Charlotte**, business leaders have played an instrumental role in the creation of **Project L.I.F.T.** (Leadership and Investment for Transformation). *Project L.I.F.T.* is a five-year pilot effort to close the achievement gap in Charlotte-Mecklenburg Schools by focusing additional resources on a targeted group of chronically low-performing schools. Key components of the project include extended learning time opportunities, access to technology, and ensuring schools have effective teachers and school leaders. Private foundation and business leaders have already raised \$40.5 million towards an overall goal of \$55 million to support the program.

Policy Advocates



Business leaders can also serve as policy advocates for public education, evaluating and advocating for policies that would strengthen the public school system.

The **Massachusetts Business Alliance for Education (MBAE)** has focused its activity on a range of issues, including teacher and administrator evaluation, K-12 content standards, charter schools, and accountability. MBAE recently played an important role by commissioning a rigorous, independent study to compare the Common Core State Standards to the Massachusetts standards. This study gave the business community the information it

needed to speak in support of the standards and was influential in the state board of education's deliberations.

The Oklahoma Business and Education Council (OBEC) mobilized business leaders to successfully advocate for legislation that ties teacher and principal evaluation to student achievement. In addition, business leaders on OBEC's board have worked with Tulsa Public Schools to implement employee evaluation methods proven effective in the private sector.

The State Collaborative on Reforming Education (SCORE) was founded by former U.S. Senate Majority Leader Bill Frist to support and strengthen public education in Tennessee. Its work focuses on research-based policy advocacy, strategic communications, progress monitoring, and sharing best practices. Recently, SCORE launched a significant public awareness campaign, *Expect More, Achieve More*, to build support for the state's new, higher academic standards. SCORE is also hosting eight regional roundtables in 2011-2012 to gather feedback from teachers and the public about the state's new teacher evaluation system. In addition, SCORE established annual prizes of \$25,000 and \$10,000 to recognize a district and school that have made dramatic strides to improve student achievement.

Through leveraging their positions of influence and leadership, businesses have the opportunity to champion public education and drive critical improvement in the public schools. Thanks to the work of local- and state-level organizations like these, business leaders around the country are engaging in sophisticated ways to push for real and lasting change.

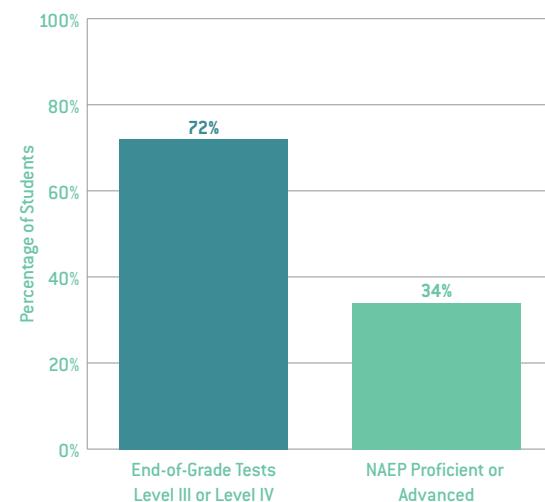
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North Carolina Student Achievement Fact Sheet

How well have North Carolina's students mastered literacy and reading skills?

4th Grade Reading: Student Proficiency on End of Grade Tests and NAEP in 2011



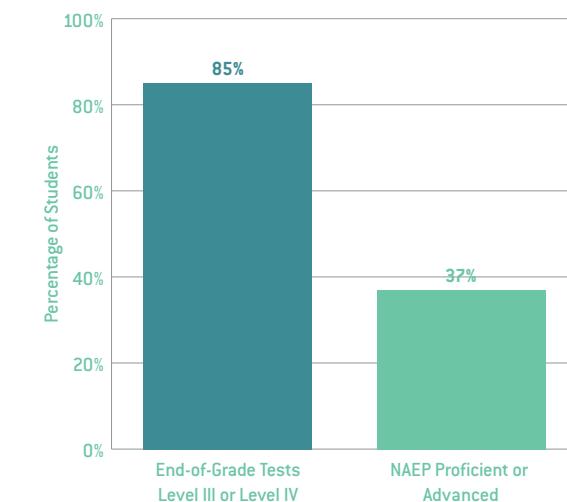
NC 4th Grade Reading: 2011 NAEP Progress Performance, by Income



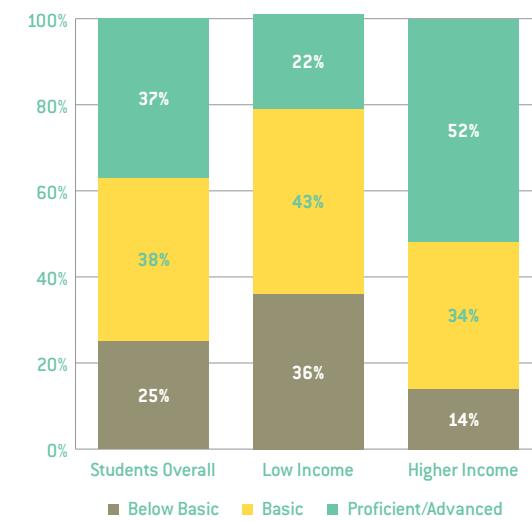
Data from North Carolina's End-of-Grade test and the National Assessment of Educational Progress (NAEP) illustrate that North Carolina has some ground to cover in preparing all students to "read for content" in 4th grade. These data also illustrate reporting gaps between state assessments and NAEP, and achievement gaps between low-income and higher-income students.

How well are North Carolina's students prepared for high school math?

8th Grade Math: Student Proficiency on End-of-Grade Tests and NAEP in 2011

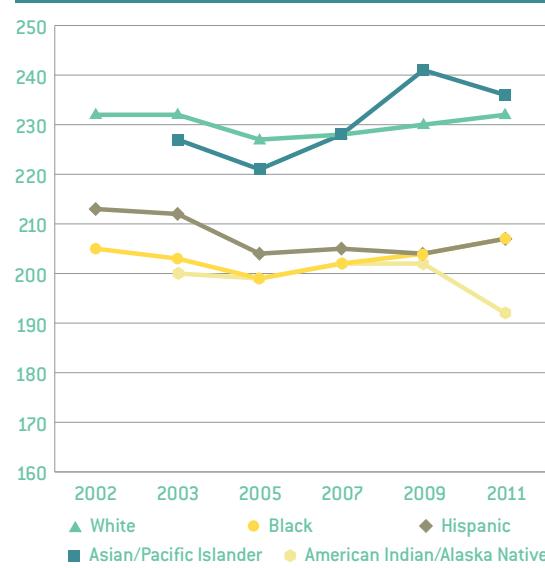


8th Grade Math: NAEP Progress Performance, by Income (2010-2011)



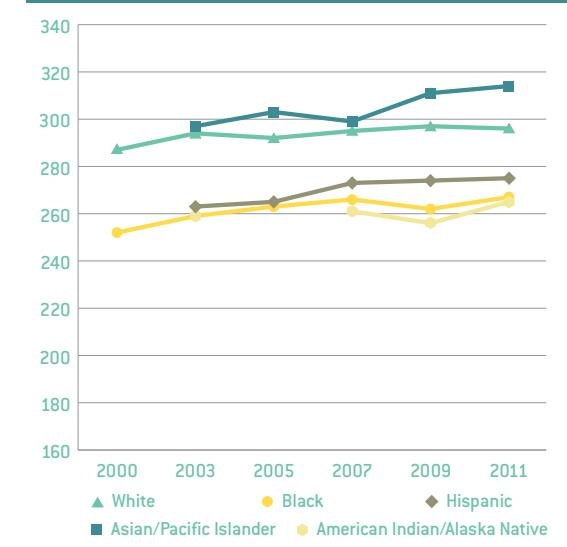
Data from North Carolina's End-of-Grade test and NAEP show that many students are entering high school unprepared for advanced math coursework. Similar to the data for 4th grade reading, these data also illustrate reporting gaps between state assessments and NAEP, and achievement gaps between low-income and higher-income students.

NC 4th Grade Reading Proficiency on NAEP, by Race/Ethnicity (2002-2011)



NAEP data also illustrate the persistent achievement gap between different races and ethnic backgrounds. On the 2011 NAEP, 4th grade black students had an average score that was 27 points lower than white students. This achievement gap is not significantly different than what it was in 1992.

NC 8th Grade Math Proficiency on NAEP, By Race/Ethnicity (2000-2011)



Though math performance has improved for all racial/ethnic groups in North Carolina, the achievement gap among these students has not significantly closed in the last decade.

Sources: U.S. Department of Education, National Center for Education Statistics, NAEP Data Explorer, 2009; North Carolina Department of Public Instruction. (2011). Preliminary 2010-11 EOG and EOC Test Results Report.

Graphs prepared by The Education Trust.



Founded by Governor James B. Hunt, Jr., in 2001, the James B. Hunt, Jr. Institute for Educational Leadership and Policy works with leaders to secure America's future through quality education. Working at the intersection of policy and politics, the Hunt Institute connects leaders with the best strategies for developing and implementing policies and programs to improve education.

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