

# **The Education Stimulus: Too Big to Fail**

**Learning Point Associates and Mission Measurement interviewed more than 50 education leaders to determine how they are defining successful implementation of American Recovery and Reinvestment Act funds. We explored what these leaders expect in terms of the impact of this funding on the educational system. In response to our findings, we offer considerations for building metrics to monitor success and impact.**



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On April 2, the federal government made available to states and districts \$44 billion of the \$150 billion of education stimulus money provided by the historic American Recovery and Reinvestment Act (ARRA) of 2009. This represents the largest federal investment in public education in our history—which creates both an unprecedented opportunity and a challenge.

On April 3, the U.S. Department of Education provided the much-anticipated set of guidelines and recommendations for how states should spend the money. Secretary Duncan said, “Given our economic circumstances, it's critical that the money go out quickly, but it's even more important that it be spent wisely. We need to use this opportunity to rethink how public education is delivered in order to become internationally competitive.” In other words, the stimulus is too big to fail.

In response to this investment, the field is expressing strong opinions about how the government can ensure that this opportunity results in significant changes to our public education system. These opinions, however, vary considerably and may confound the end goal if the vision for impact and outcomes is not clear and transparent. Success could easily look like failure if the metrics used are not the right ones.

Success will require a full-court press by states and districts, policymakers, and other stakeholders invested in the \$600 billion

education industry. The Education Department is adamant that states will be held to a high level of accountability, and that only by proving their success with the first disbursement will they receive the additional stabilization money and be able to compete for the Race to the Top funds—\$5 billion.

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States will have to affirm how they will collect data to meet the metrics defined by the U.S. Department of Education, but this is not enough. States and districts also will have to develop metrics and collect data that prove to their constituents that they are using the funds wisely and effectively.

### **A New Partnership to Measure Impact**

Learning Point Associates and Mission Measurement are two organizations paying close attention to the types of assistance states will need in order to identify metrics that will demonstrate the appropriate return on investment to both their funders and their community. It is clear that there must also be complementary tools and resources to guide state and local decision makers as they navigate this critical work of implementing programs that both stimulate economic conditions **and** move the education system closer to excellence for all students.

Our goal is to promote and resource policymakers' and practitioners' **"ability to act,"** by providing real-time information, analysis, and strategies aligned with meeting the Secretary's expectations for transparency and impact.

## The Ability to Act

On one point related to ARRA, states, districts, policymakers, and education leaders are in agreement. This is an opportunity that must not be squandered, even though the challenges are great and failure is a worry. The money is flowing rapidly and must be spent quickly. Educators are being told that they must make choices that ultimately result in a positive impact on student achievement. There are considerable risks. Success both at the national level and at the state and district levels rests squarely on the collective ability not only to act, but also to act swiftly yet intelligently.

Learning Point Associates and Mission Measurement talked with more than 50 leaders in states, districts, foundations, and other organizations to get a sense of how the opportunities and challenges generated by this legislation are being perceived and what educators envision as next steps. This is our snapshot of the responses we tallied related to investment, opportunity, accountability, and impact.

Our conversations purposely focused on measurement and accountability, areas that definitely fall into the “challenge” category. As one interviewee shared, *“Developing measurements of success is like a seventh-order issue; the first-order issue is how to spend the money. We know we need to measure impact, but we’re just not there yet.”*

## Perspectives From the Field

The interviews yielded a fairly consistent view on the risk-reward equation; however, there were many differing views and opinions about impact, sustainability, external supports needed, and the best mechanisms for communicating about investments and progress. The following table elaborates on what we heard.

## Summary of Practitioner Interviews and Comparison of Practitioner Perspectives

Area of Inquiry	Perspective			
	Federal	States	Districts	Foundation/Thought Leaders
<b>Expectations for Impact</b>	Recognition that states have different needs, starting places, and varying levels of capacity, so impact will vary by state and this should be accommodated	Impact demonstrated by stabilizing and stimulating the economy and expanding innovative opportunities for improvement and excellence	Impact demonstrated through stabilizing the system and improving student achievement	<ul style="list-style-type: none"> <li>• More measurable innovation</li> <li>• Movement of existing promising practices to proven practices</li> <li>• Improved teacher effectiveness and distribution</li> <li>• Improved student achievement</li> <li>• Improved data systems at state and district level</li> <li>• New (not existing) assessments that measure 21st century skills</li> </ul>
<b>Plans for Sustainability</b>	Invest in infrastructure to support technology and data systems	Invest in new assessments, build efficient technology and data infrastructure at state level, and focus on coherent professional development	Invest in curriculum development and enhancement, better use of data for curriculum and instructional practices, coherent professional development	Invest in new assessments, curriculum, technology and data infrastructure, teacher quality, and professional development. Build capacity of system to manage change and reform in the long term ( i.e., a learning system)
<b>Process and Tools for Accountability</b>	Mechanisms to account for spending at all levels of the system	Challenge to develop processes that account for spending that links to results	Challenge to develop processes that account for spending that links to results	<ul style="list-style-type: none"> <li>• Must have metrics and process to account for spending <i>and</i> measure impact</li> <li>• Need tools and resources to define the right measures and collect the right data</li> </ul>
<b>Definition of Success/ Evidence Needed</b>	<ul style="list-style-type: none"> <li>• Stabilization</li> <li>• Jobs protected</li> </ul>	<ul style="list-style-type: none"> <li>• Stabilization</li> <li>• Improved student achievement</li> <li>• Teacher quality</li> <li>• New assessments</li> </ul>	<ul style="list-style-type: none"> <li>• Stabilization</li> <li>• Improved student achievement</li> </ul>	<ul style="list-style-type: none"> <li>• New data systems in place to track student results</li> <li>• New standards and assessments in place</li> <li>• Higher quality and accountability related to teaching and teacher distribution</li> <li>• Promising reform moved to proven practice with new possibilities for scale up</li> </ul>

Some themes emerged, many of them highlighting where questions still remain and where some nervousness about next steps is evident.

- **Tension between stabilization versus innovation.** States and districts face challenges as they are being asked to focus on stabilization (ensuring that jobs are re-constituted or not lost) while simultaneously pushing for innovation to move our education system to a higher level of excellence. As one interviewee said, *“States need to think of this as an inheritance and do something they wouldn’t normally do. They should be thinking about putting in a high-efficiency heating system and not just paying the mortgage.”*
- **State and district capacity.** States and districts have varying abilities to plan and react quickly with high levels of accountability. Federal law has required that states report how funding calculated from formula grants such as Title I is spent, and state systems are already in place to accomplish this. However, states and districts do not, for the most part, have efficient structures or systems to evaluate funding decisions in terms of outcomes gained. *“The money is being pushed out the door quickly, and there is a risk that states will not make good investments.”*
- **Compliance versus impact.** The looming question appears to be “who determines what level of impact on students is acceptable?” Certainly, given the two-year time horizon, trying to draw correlations between investments and student achievement will be difficult. The struggle is how to establish the right first-order changes that this investment can yield in the short term, on the path to improving student outcomes. *“The law only requires reporting on how the dollars are spent, but we are historically bad at proving results.”*

- **Fast money versus long-term impact.** Gauging impact using the right metrics and indicators is essential to the success of this effort as it unfolds at all levels of the education system. It is not yet clear how the federal government, states, and districts are thinking about managing the effective distribution of dollars (i.e., fast money) over the short term while establishing metrics for capturing data on intermediate and long-term impact. What do these indicators and metrics look like?  
*“Innovation and large-scale change have not been done well in the past. We need to help people figure out how to get this done.”*
- **Driving and being responsible for systemic change.** There seems to be much anxiety about who will ultimately be responsible for focusing on those pieces of the system that need to be changed while also ensuring that these changes affect student achievement. *“We need to be careful that states aren’t merely pass-through agents to districts, but instead help to drive systemic change.”*
- **Developing a coherent national agenda.** States and districts are currently wondering and exploring possibilities about what will emerge from the tensions surfacing from encouraging states to strengthen their individual goals related to the delivery of public education while also building an internationally benchmarked set of national standards. *“The stimulus ought to provide the basic architecture for a set of high national standards that are internationally benchmarked that more and more states are going to sign on to.”*
- **Transparency.** The definition of transparency appears to be emerging and in some cases diverging. The question is related to what must be done to ensure that the American public is getting balanced and unbiased

information about how states and districts are investing their money and whether or not these investments are generating the intended results? *“States should create a public document in the next six months that lays out to the public what they are planning to do over the next several years, then develop a report card around hitting those metrics. Reporting has to be made very public.”*

## Challenges and Next Steps

Our conversations point out that additional discussion, support, and resources are necessary if this investment in education is going to be spent quickly, wisely, and make a difference. Two out of three of these will still be unacceptable. Our role, and the role of other organizations committed to seeing bold innovation and the resultant positive change, must be to step up to partnering effectively with states and districts. We are prepared to help states build additional capacity to be successful change agents—identifying and capturing their data to highlight their successes or identify roadblocks early enough to adjust.

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A critical first step in ensuring that we don't fail is to have the right state- and district-based metrics and mechanisms for collecting data to meet the federal requirements as well as the public's expectations.

# The Education Stimulus: Measurement Challenges

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Inherent in the American Recovery and Reinvestment Act funding is an underlying concern about the impact the funds will have on students, schools, teachers, and ultimately, our national competitiveness. From our perspective in developing metrics and analyzing impact data for education clients, the four assurances outlined by the U.S. Department of Education represent a significant leap forward in the accountability movement. While we are confident that Recovery Fund recipients will be able to comply with the basic reporting requirements of the Education Department, the outcome-based orientation of the act enables states to earn funding through meaningful and measurable social change. As states look to the more competitive second portion of funding and Race to the Top funds, there will be a natural inclination to use outcomes data for program improvement.

This brief provides guidance on two key issues:

- Laying the groundwork for outcomes measurement.
- Identifying practical and relevant metrics that contribute to the four assurances.

Our recommendations offer a starting point for how districts and states can make the most of the measurement opportunities that are ahead.

## Building a Foundation

In order to maximize the opportunities ahead of them, states and district can adopt the following principles of performance measurement:

- **Engage key stakeholders.** At its core, performance measurement is defined by stakeholders. States and districts collect data about students, these data are analyzed by staff, and we share the results with stakeholders who by definition have a bona fide expectation of results from this work. Engaging all parties who will be involved in the collection, analysis, and reporting of education data related to the assurances will be key to the authenticity of the metrics.
- **Identify outcomes that lead to impact.** The assurances are established as longer-term impacts for states and districts. With the small window of funding, it can be extraordinarily valuable to Recovery Act fund recipients to delineate which short-term and intermediate outcomes must be achieved along the continuum to meeting the four assurances. It is critical for continuous improvement and practical application of findings for organizations to mark progress against intermediate benchmarks rather than singularly rely on longer-term impact measurements that may not be timely and have limited capacity to inform success.
- **Leverage what is already in place.** States and districts can look to their existing data sources and data collection mechanisms to meet the requirements set by the Education Department and stakeholders. Many states and districts currently have data systems that allow for the

collection and analysis of data to inform operational and programmatic functions. These systems, for the most part, are not “shovel ready” but can be enhanced so that data collected address what education leaders need to know to drive innovation and excellence. Setting metrics and aligning data collection to address the metrics is the first step.

Engaging stakeholders, establishing intermediate outcomes, and leveraging existing data systems can put districts and states in a strong position not only to meet the Education Department’s reporting requirements, but also to meet the high expectations of stakeholders.

## Measurement of the Four Assurances

The U.S. Department of Education has outlined four assurances and related metrics for states and districts receiving Recovery Fund support. While this guidance is useful, it presents a number of programmatic and measurement issues, as follows:

- **Teacher effectiveness.** *How do teachers use data to inform instructional practice? Are our teachers qualified and effective in the classroom? Do our teachers have sufficient time for and the right types of professional development? Can teachers of the same students interact about their students’ performance?*

The No Child Left Behind Act has left us with a vague definition of what makes for an excellent teacher in the classroom. Qualifications are conflated with effectiveness, and this has limited the exploration of truly meaningful indicators of teacher effectiveness. Although linking teachers with individual students is still a challenge with most state data systems, we can analyze the

outcomes that have been proven to drive good teaching in the classroom, including depth and relevance of professional development, degree of collaborative planning time, and the degree to which teachers can address learning needs of individual students based on real-time student feedback.

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- **College- and career-ready standards.** *How do we measure individual student progress toward college and career readiness? How do we know if students are “on track” for success during Grades K–12 and in higher education?*

The initial metrics released by the Education Department related to the assurance of “higher standards and rigorous assessments that will improve both teaching and learning” are primarily tracking metrics. These metrics attempt to capture the extent to which public information is available regarding student performance compared to other states and the extent to which **all** students are included in state assessment and accountability systems. These metrics are necessary to track states’ progress in implementing assessments; however, they only paint a portion of the picture related to student achievement. If our ultimate goal is college and career readiness, we must also have strong measurement practice related to the social and financial dimensions that make college access, persistence, and success a reality.

- **Achievement of low-performing schools.** *How do all of our schools perform relative to each other? How do we share best practices from high-performing schools to help the lowest-performing schools?*

A key component of measuring interventions for the lowest-performing schools is determining which areas of student performance and which school structures are limiting a school's overall level of success. Interventions range from replacing ineffective teachers to extending the school day or school year to implementing a new curriculum. As these interventions address different problems, near-term measurement practice can elicit which interventions or mix thereof can actually improve school results.

- **Enhanced data systems.** *Do our current data systems allow us to answer meaningful questions about students, teachers, schools, districts and leadership? How do we balance privacy with student-level data?*

Consistent with the recommendations of the Data Quality Campaign, states can clearly mark progress toward implementation of robust, longitudinal data systems. The development of all elements will certainly take time, even with federal support, but the Data Quality Campaign provides a practical and relevant rubric for states to follow for all but the six states that had all elements in place in 2008. The natural extension of the measurement question is this question: How and to what degree are the data being used to actually impact students, teachers, schools, and districts consistent with Phase II of the Data Quality Campaign?

## Final Considerations

Although the accountability standards required by ARRA may seem daunting, guidelines such as these provide states and districts with needed resources to better address existing budget challenges and to pursue much needed reform. The qualitative and basic data that the U.S. Department of Education is requesting create a basic understanding of which strategies can be effective in improving student achievement. Stakeholder-informed data around intermediate outcomes will be considerably more valuable, shedding light on what aspects of assurances states and districts are making progress toward over shorter periods of time—ultimately helping these fund recipients secure a second tranche of funding, receive Race to the Top funds, and demonstrate meaningful progress to local and state constituents.

The landscape is changing rapidly, and the capacity needs are great. Learning Point Associates and Mission Measurement will share with you in the very near future more resources to support the “ability to act.” We hope you will stay tuned.