

# The Future of Public Education: 2007-2017

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## Introduction To The Study

"How will the public sector change over the next decade?" was the theme of this study. In this brief report, we look at the answers for one part of the public sector, namely, public education (K-12).

Our study relies on face-to-face structured interviews with 120 opinion leaders from across the country. Some 56 of these respondents came from healthcare. Others come from federal-provincial government (15), municipal government (15), public education (16) and post-secondary education (17). Each opinion leader interview took about 90-120 minutes.

The most critical part of the study is identifying the 'right people' as opinion leaders. If this is not done properly, then the logic of the entire process falls apart.

We began by identifying people regularly named in articles, publications and speeches. We interviewed these people and asked them who they felt were opinion leaders. We continued interviewing until we got agreement on which people to interview. A list of the opinion leaders for public education is appended.

At the end of the study, we were quite impressed with the dedication and talent of the people we interviewed. We learned to recognize that the public sector must manage in an environment that is more complex than the private sector. Objectives are inevitably at odds with the desires of some citizens, yet the public sector consistently aims to improve public well-being in the ways that are within its means.

On behalf of the Royal Bank of Canada, we thank all of the opinion leaders for their commitment to the public service and their willingness to share their views with others.

As a final note, we must point out that this report summarizes what opinion leaders say and does not represent the views of the Royal Bank. The authors are writing as "independents". They have no vested interest in the opinions other than portraying them accurately. They are simply seeking to identify common views of the future and their logic.

*"Opinion leaders are the people who make the future happen. Because of their leadership role, their views of the future are more accurate than others."*

## General Public Sector Findings

Looking at the next decade, we see three main stages of change for the public sector as a whole.

**Re-focus:** Identify societal priorities and focus resources across organizations and supporting stakeholders;

**Realign:** Change channels for delivery of services within and across organizations (and levels of government), as well as changing the source of funding; and

**Integrate:** Coordinate, participate and share responsibility across organizations - both formally and informally.

"Re-focus" refers to setting priorities based on society's needs, then

planning how to get things done. These plans are likely to include coordinated action by different parts of government. There are four key "re-focus" themes for the next decade.

1. Demand, supply and access management;
2. Accountability focused on achieving results;
3. Community engagement that seeks the views of stakeholders and involves them; and
4. Leadership in meeting priorities and finding funding.

"Realign" means that government will change the way it delivers services, as well as changing the sources of funding it uses to get pri-

ority jobs done. Service delivery of common functions will typically be provided by one organization which serves the needs of several departments in the same level of government, or in the case of delivery of services to the public, it may provide service for federal, provincial and municipal government combined. This might well include delivery of services like health care, land use or environmental clean-ups, which fail to conform to pre-set political boundaries. These services may be delivered by multi-level government organizations, new agencies, private sector contractors, joint public-private partnerships or volunteers.

## How is Public Education Changing

Public education (K-12) has experienced a decade of amalgamation and downsizing. It is now entering a new period of re-focusing its priorities. Among the major changes of the last decade was the centralization of financing and salary negotiation, as well as increasing central control of curriculum development and achievement standards.

Accountability and integration are the two main issues for the next decade. Provinces are holding local boards accountable for student achievement and literacy levels, and in turn, local boards are holding each school responsible for progress. Funding will increasingly be based on performance, but performance is judged relative to other schools with comparable demographics and circumstances. Support services are also provided to help ensure achievement of learning and literacy results.

With funding now centrally controlled, we found a great deal of concern about the role of stakeholders like school trustees, teachers, parents, and education experts. The accountability of

each party is unclear, as is its role. The next decade will see more of an effort to clarify these roles, since all stakeholders will have a role in achieving results.

Technology plays an increasingly major role in accountability. It provides tools for delivering education, but even more critical, it can now provide almost instant feedback on the progress of each student using standardized achievement measures. Provinces are building these feedback loops and they will play a larger part in the educational system, providing actionable information to students, teachers, principals and parents. Technology will also play a role in equalizing the course opportunities for students in remote areas, as well as an alternative way of learning for students in urban centres. While there is limited awareness and mixed experience for "public-private partnerships" (P3) in public education, provincial governments suggest there will be more P3 for public education infrastructure. Another infrastructure theme will be re-purposing old school buildings, likely enabled by legislation that permits their sale

or lease. We are also seeing development of "mixed use" facilities, where educational facilities are built into shopping and condo developments as part of a "package deal" between public and private partners.

Shared Service Organizations will also play a larger role. We can expect functions like purchasing, food services and personnel to cross school board boundaries. We also anticipate sharing of regional transportation services.

Finally, in an effort to meet funding shortfalls, opinion leaders anticipate more use of foundations and fund-raising, as well as more use of local volunteers. At a provincial level, we can also anticipate more international initiatives involving development and delivery of secondary school educational programs in China and elsewhere.

## General Public Sector Findings continued

The biggest challenge for realigning service delivery is the willingness to share resources across organizations to effectively deliver solutions for complex problems, especially when "resources" are the basis of power. There are three progressive themes for government when it realigns are: (i) Partnerships; (ii) Working around funding shortfalls; and (iii) Integrated action between different organizations.

"Integration" is a strategy for responding to complex problems that

cannot be solved within a single organization. New organizations may not be practical because the focus of coordinated action may be too narrow or time-limited. Essentially "integration" means managing organizational and stakeholder boundaries.

When we talk about "integration", we are not talking about forming a single command and control structure. Each organization retains its own distinct identity, distinct management, and distinct balance

sheet. We are talking about negotiated, flexible and rapidly-changing integration. This is a mixture of coordination of selected organizational activities, joint participation in those activities (and only those activities) that are mutually beneficial, and shared responsibility for achieving outcomes in those areas alone.

## FORCES AT WORK

In demographic terms, there are three main forces at work: diverse populations, declining enrolment shortage of teachers and administrators. While all sectors have had difficulty adapting to changes in service demand, the main impacts of each demographic force are:

**1. Diverse Populations:** Increase in both immigrant and special needs students (especially in urban areas) impact demand for special services; and demand for culturally-sensitive services.

**2. Declining Enrolment:** Declining enrolment affects funding, programming, delivery and staffing. Some boards will feel the pressure more than others, depending on their location, regional economic health and changing demographics.

**3. Labour Shortages:** While labour shortages in the government sector are uniformly anticipated to worsen over the next five years eventually compromising the ability to deliver services, labour shortages in public education are regional. School boards are being challenged to fill leadership roles as retirement rates of principals, vice principals, and senior administrative board staff climbs.

Demographics are at the core of the political pressure for change. Public pressure not only dictates priorities, but increasingly asks government of all types to be accountable for its achievements. Public pressure for change in public education is enormous and is having the greatest positive impact on the system overall. Public expectations have soared as a result of many inter-related factors. There is political pressure on school boards to raise the bar on academic performance. Strong advocacy groups, often representing a particular need or culture, put political pressure on school boards to promote spending that is "fair and equitable" from the viewpoint of their special interests.

*"The diverse population has a strong voice and influences everything from the curriculum to school holidays and the food sold in the cafeteria."*

The role of technology in education is both interesting and somewhat unique to the sector. Technology will play a major role in both content and delivery of public education.

We can certainly expect to see technology play a bigger role in delivery of education, both within urban schools and within schools in more remote areas. Technology helps to equalize access to a wide range of courses. Technology has also created new uses of data collection. Monitoring and managing achievement are directly related to solving problems of stagnating achievement.

What we have learned about technology in the past decade is that the equipment is cheap. Development and operating costs are far higher. In fact, technology has made some services more expensive by raising demand and expectations for service. In short, we have learned that the impact of technology is seldom as simple or cost-effective as it appears at the outset. We will certainly see this new notion repeatedly played out in education and health in the years to come.

## HOW THINGS WILL CHANGE

There are seven changes that affect all parts of the public sector. The four changes in the inner circle are core changes that respond to the forces at work in the public sector environment. The three outer changes are basically strategies that will help deal with the four core changes. All of the changes are shown in a circle because they affect one another and there is really no single starting point or end-point.

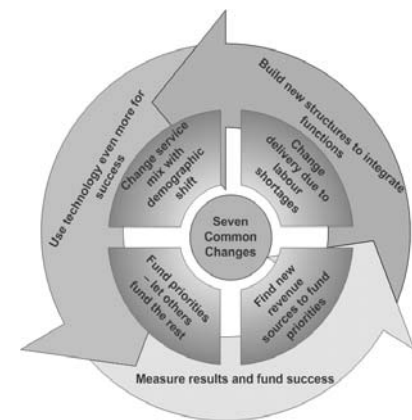
The four core changes, in an order that seems logical to us, are:

1. Change the services you provide in response to changes in demand and supply arising out of demographic shifts.

2. Change the method of delivering services in order to compensate for the shortage of people available to deliver public services. Typically this means outsourcing, contracting or converting services to online self-service in order to reduce the labour required.

3. Find new revenue sources to fund priorities.

4. If you don't have the revenue you need after funding your priorities, let others fund their own priorities.



To make the core changes practical, a government must:

5. Use technology to lower costs and achieve results.

6. Measure results and fund organizations that are successful at achieving the results you want.

7. Build new integrated structures that help solve problems or deliver service in a cost-effective manner. These structures can cross departments or different levels of government. Sometimes they are informal coordination, sometimes they are formalized and shared responsibility for related action on a common problem, and other times the structures will be new special-purpose agencies.

## Top 5 Changes In The Sector

Public education (K-12) will experience another decade of change. As we see it, the top five changes in public education will be the following:

**1. Accountability for student achievement & literacy** will become performance-based funding. School boards will be funded according to how well they do at meeting provincial standards of achievement and literacy, or alternatively, their success at improving low performance.

**2. There will be more integration among stakeholders** to meet local priorities including trustees, volunteers, educators, parents and students.

**3. There will be growth in shared service organizations (SSO)**, especially at the regional level. Formal partnerships for buying and providing non-core services will help reduce costs while avoiding the unnecessary step of further school board amalgamations.

**4. Technology will be increasingly used to deliver courses and monitor achievement at the student level.**

Technology will be used as a delivery alternative for urban students and as a device for creating access to a broader range of courses for students in more remote areas. It will also be used to provide educational programs to students in foreign countries.

**5. There will be more private sector partnerships to build, operate and re-purpose school buildings.** In the case of older building stock, the main impediment is a lack of legislation that permits them to be repurposed. This is expected to change over the decade.

We include some selected comments from opinion leaders to give you a better sense of their comments.

*"There has to be a will to look at how resources are used. We would welcome a legislated sharing between boards on many levels. In some parts of the province it is necessary to share facilities and with declining enrolment this need will be even greater. Many boards can simply not maintain their current infrastructure with declining enrolment."*

*"All kinds of places where the private sector can provide support - student exchange, community projects, etc."*

*"Reduce barriers to entry and increase the technological knowledge of people. Technology will make the walls of the classroom more permeable; teachers will no longer be the source of all knowledge and that's a good thing."*

*"The Board has been working to bring the teachers to focus on student learning. They have been bringing in the education researchers to speak with school teams... The move to have assessment drive instruction uses the data from diagnostic tools as well as formal tests... The efforts of teachers at the school level are where the success will be realized with continued focused effort and support."*

*"The aging population is becoming increasingly concerned that their tax dollars are being eaten up by the education system."*

*"...staying abreast of student choices and anticipate their needs with innovative programs and staying up with technology."*

## The Opinion Leaders

Finally, we would like to thank the opinion leaders who spoke to us about changes in public education. Those speaking about health, post-secondary education, federal-provincial government or municipalities are identified in those reports. We identify the opinion leaders based on where they were working when we interviewed them in late 2006 or early 2007. Their current position and title cannot fully convey the depth of their prior experience, which is often a key factor in their selection.

In alphabetical order, the opinion leaders are:

David Anderson, Executive Director, Alberta School Board Association;

David Birnbaum, Executive Director, Quebec English School Boards Association;

Ron Canuel, Director General, Eastern Townships School Board, Québec;

Gerry Connelly, Director of Education, Toronto District School Board;

Emery Dossdall, Deputy Minister, British Columbia Ministry of Education;

Michael Fullan, Professor, University of Toronto/OISE;

Ruth Anne Furgala, President, Manitoba Association of School Trustees;

Bill Hogarth, Director, York Region Board of Education;

Chris Kelly, Superintendent of Schools, Vancouver School Board;

David King, Executive Director, Public School Boards' Association of Alberta;

Kevin Kobus, Director of Education, Toronto Catholic District School Board;

Ben Levin, Deputy Minister, Ontario Ministry of Education;

Penny Milton, Chief Executive Officer, Canadian Education Association;

Dale Sabeau, Superintendent of Education, Western School Board, Prince Edward Island;

Lee Southern, Executive Director, British Columbia School Trustees Association;

John Wiens, Dean, Faculty of Education, The University of Manitoba.