

Knowledge Utilization Brief:

What is the Cost of Preparing a Leader? It May Be Less Than You Think



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According to Leithwood, Seashore-Louis, Anderson and Wahlstrom (2004) investments in leadership “recruitment, training, evaluation and ongoing development should be considered highly cost-effective approaches to successful school improvement” (p. 70). Most school districts invest at least some resources to the preparation, hiring and support of school leaders. Until recently, less has been known about the specifics of these investments including the amount of resources dedicated to school leaders, where these resources are invested in the leadership pipeline, or the return on investment they offer districts.

To begin addressing this gap in knowledge, the RAND Corporation released, with support from The Wallace Foundation, a report entitled, *What It Takes to Operate and Maintain Principal Pipelines: Costs and Other Resources*. The report focuses on the six districts that participated in The Wallace Foundation’s Principal Pipeline Initiative (PPI)¹ and provides estimates of the resources these districts invested in the development and operation of their principal pipeline.

How Costs Were Estimated

Upon the launch of the PPI, study researchers collected information retroactively on district investments in pipeline-related activities for the year prior to the PPI grant. Researchers then augmented this pre-initiative data by tracking investments made by the districts to improve coherence and impact of the pipeline as the initiative advanced. To categorize district

expenditures, RAND identified principal pipeline activities for which there could be associated costs. The categories of pipeline costs, which the RAND termed “cost ingredients” were developed through analysis of reported district expenditures and interviews with district personnel.² The key cost ingredients include:

- Develop and disseminate leader standards
- Pre-service Recruitment, Selection & Training
- Selective Hiring & Placement
- On-the-Job Evaluation & Support
- Systems/Capacity for Supporting PPI Components

To ensure that comparisons across districts were meaningful and more easily interpreted, RAND accounted for variations in district size and district budgets; thus, estimates of each cost ingredient were calculated as an average of the percentage of each district’s total expenditures.

How Much Do Districts Invest in the Pipeline?

Districts budgets vary depending on their location and the student population served. In comparison to other key budget areas (e.g., salaries, benefits, purchased services/contracts and supplies), district spending on the principal pipeline accounted for a very small share of district spending. In fact, average annual expenditures translate into 0.4 percent of total district expenditures or \$31,000 per principal and \$42 per pupil. Within reported district expenditures on pipeline activities, RAND found that the largest area of investment was on-the-job support and evaluation. The smallest area of

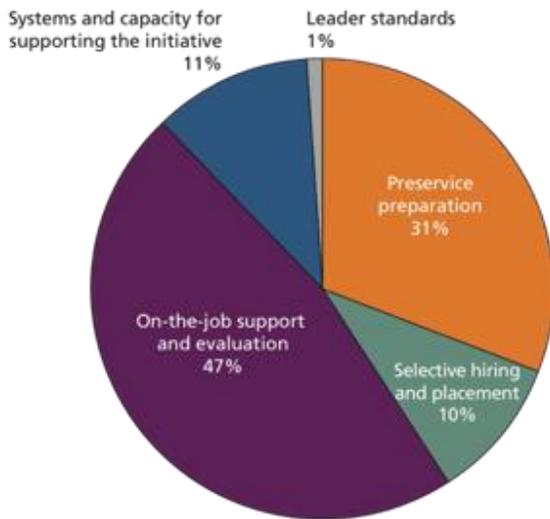
¹ The Principal Pipeline Initiative supported comprehensive efforts in six districts to improve four components of the principal pipeline: 1) Defining and setting leader standards, 2) High-quality pre-service preparation, 3) Selective hiring and placement, and 4) On-the-job

evaluation and support. The six districts are Charlotte-Mecklenburg, NC; Denver, CO; Gwinnett County, GA; Hillsborough County, FL; New York City, NY; and Prince George’s County, MD.

² For a complete discussion of research methodology and data collection, please see the full report.

investment was consistently leader standards development. On average, leader standards development, implementation and dissemination work cost PPI districts a little less than \$90,000 per year. See Figure One for the average percentage investment in the key cost areas of the principal pipeline.

Figure One. District Resources Devoted to Principal Pipeline



NOTES: We based the percentages on our estimates of total principal pipeline resources and expenditures for school years 2011–2012 through 2014–2015 for the five Principal Pipeline Initiative districts for which we had data for all categories of pipeline activities (i.e., excludes New York City).

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Implications for University-District Partnerships

Human resources are key to the success of a university-district partnership. Studies of university-district partnerships have demonstrated that positive relationships, designated staff with clear roles and responsibilities, ongoing communication and engagement, and the expertise of faculty, supervisors and coaches are essential to success (Reyes-Guerra & Barnett, 2017). It is not surprising that the RAND study found district personnel time to be a key pipeline expenditure and an area where districts may want to consider strategizing carefully before embarking on pipeline improvement efforts.

Without question, districts are making significant investments in leadership development. Second only to on-the-job support and evaluation, the

delivery of pre-service programs accounted for a large portion of expenditures across PPI districts. Thirty one percent of all pipeline costs were devoted to pre-service preparation activities in PPI districts, which translated to nearly \$3 million per year or \$9,400 per principal.³ About three-quarters of these costs were for pre-service program delivery, with residency-based clinical experiences as one key driver of costs. It would behoove universities who are seeking to enhance their preparation work to reach out and develop stronger preparation partnerships with local districts.

The University of Denver (DU) and Denver Public School (DPS) System’s fifteen year preparation partnership provide a model in which both partners understand what each brings to the partnership, what each needs from the partnership and a willingness to invest necessary human and fiscal resources to prioritize the development of future leaders. Commenting on their district partnerships, Tom Boasberg, the Superintendent of DPS, noted “it is important for districts to be good partners and customers and explain what we need.” Susan Korach, Chair of the Educational Leadership and Policy Studies Department at the Morgridge College of Education at DU, echoed the need for partnerships saying, “We wouldn’t be doing a service to the field if we sent out graduates who don’t meet district needs.” In fall of 2017, 84% of the DPS-DU partnership program’s graduates (235 of the 279 graduates from 2003-2017) were employed by DPS.

Conclusion

Evidence clearly demonstrates the importance of educational leadership, and research has indicated that preparation and ongoing development are essential to quality educational leadership practice. The RAND study complements this research and demonstrates that investments in quality leadership “won’t break the bank” for committed districts. Reflecting on the cost effectiveness of investing in leadership development, Boasberg identified the challenge to increasing the investment in leadership development as more political than economic. *What It Takes to Operate and Maintain Principal Pipelines* provides valuable insight into the costs of leadership development, evidence which could be used to educate policy discussions, stakeholders and the broader public.

³ Expense represented district expenditures only and does not capture expenditures by program participants or non-district investment in preservice preparation.

References

Kaufman, J., Gates S., Harvey, M., Yang, Y., & Barrett, M. (2017). *What it Takes to Operate and Maintain Principal Pipelines*. Santa Monica, CA: RAND Corporation

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Reyes-Guerra, D., & Barnett, B. (2017). Clinical practice in educational leadership. In M. Young and G. Crow (Eds.), *Handbook of Research on the Education of School Leaders*, pp. 229-261. New York: Routledge.

This brief is part of a Research Utilization Brief series supported by a grant from The Wallace Foundation. The intent of the series is to highlight and share recent empirical research regarding effective leadership preparation and development, particularly research commissioned by The Wallace Foundation, with faculty, staff, and leaders at the program, institutional, and state levels, as these individuals are in positions to use this research to make positive changes. Available for downloading at <http://ucea.org/research-utilization-briefs/>

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