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FAQ on the Costs and Benefits of Principal Pipelines

Defining and learning from a Principal Pipeline Initiative

Q: Why invest in school principals?

Research tells us that school leadership is essential to student learning. A 2004 study found that school leadership is second only to teaching among school-based factors in its effects on student achievement. What's more, leadership's impact is greatest in low-performing schools, where many of the most disadvantaged children are educated. This reinforces the importance of leadership in school improvement. The 2004 study concluded that there were “virtually no documented instances of troubled schools being turned around without intervention by a powerful leader.”

More recently, a 2016 report found that effective principals strengthen the impact of effective teaching by building a sense of shared purpose, developing people including teachers, and ensuring that policy supports—and doesn't inhibit—effective teaching across an entire school. This research called principals “multipliers of effective teaching.”

Q: How does The Wallace Foundation define a principal pipeline?

Principal pipelines are a set of interlocking components and district supports aimed at developing a sufficient number of effective school leaders to meet the needs of all schools across the district. The four pipeline components include:

- **Standards.** Clear, rigorous job requirements detailing what principals and assistant principals must know and do.
- **High-quality pre-service training.** Pre-service training programs that admit only high-potential candidates and then provide them with training suitable for district schools.
- **Selective hiring and placement.** A set of procedures enabling districts to hire well-trained candidates as school leaders and match them to the right schools.
- **On-the-job performance evaluation and support.** Regular evaluation of principals by districts, which then provide mentoring and other professional development to help principals build on strengths and overcome weaknesses pinpointed in the assessments.

Q: What was the Principal Pipeline Initiative – and what did it seek to learn?

In 2011, Wallace launched a six-year, \$85-million Principal Pipeline Initiative to fund the six large school districts' efforts to develop a sufficient supply of effective principals and gather lessons for the field nationwide. The initiative aimed to answer: Can building a stronger principal pipeline improve teaching quality and student achievement district-wide?

The districts, each with a strong record of promoting school leadership to advance its reform agenda, serve from about 90,000 to more than one million students, many from low-income communities. They have annual budgets ranging from roughly \$1 billion to \$25 billion. They are: Charlotte-Mecklenburg Schools, N.C.; Denver Public Schools; Gwinnett County Public Schools, Ga. (near Atlanta); Hillsborough County Public Schools, Fla. (Tampa); New York City Department of Education; and Prince George’s County Public Schools, Md. (near Washington, D.C.).

The six districts also made modest investments in pipeline supports, which include:

- Building data or “leader tracking” systems to inform hiring, placement, other decisions
- Engaging in communications about the pipelines
- Ensuring pipeline quality
- Making needed pipeline revisions

Q: Who conducted research to find whether pipeline districts achieved desired outcomes?

Wallace commissioned independent research to establish whether and how districts were able to build the pipelines and if the resulting pipelines would make a difference in schools.

- A series of five implementation studies, [Principal Pipeline Initiative in Action](#), published from 2013 to 2016, were conducted by Policy Studies Associates. The culminating report, [Building a Stronger Principalship Vol 5](#), summarized all findings across the series. Lead author: Brenda J. Turnbull
- A new first-of-its-kind study by RAND Corp., [What it Takes to Operate and Maintain Principal Pipelines: Costs and Other Resources](#), published June 2017, estimates the expenditures of the initiative districts in building and operating principal pipelines. Lead authors: Julia Kaufman and Susan Gates
- Wallace has revised its 2016 [Perspective: Building Principal Pipelines: A Job That Urban Districts Can Do](#) to incorporate the new cost estimates. Published June 2017. Author: Pamela Mendels. Also see the [Principal Pipeline infographic](#).
- Finally, RAND is conducting an evaluation of pipeline effects on schools and student achievement. A report will be published in late 2018.

All published reports are available for free on the [Wallace website](#).

Preliminary findings on the costs and benefits of pipelines

Q: What are the potential benefits to districts in building pipelines?

The six large Wallace-funded districts were able to build and operate strong principal pipelines, with potential benefits for improving effective principals, better matching them to schools and reducing (costly) unwanted turnover for both teachers and principals.

Policy Studies Associates research documented how districts changed from disconnected areas of leader development to coherent systems of training, hiring and support. The report also found that both superintendents and novice principals noted changes for the better as a result of these coherent pipelines, such as:

- Principal job standards that foster a districtwide understanding of what constitutes effective leadership for local schools.
- Possible greater compatibility between principals and the schools to which they are assigned, with district leaders reporting that novice principals had greater strengths in improving instruction.
- Performance evaluations designed not only to measure what’s important, but also to help principals succeed at their very tough jobs—a change the majority of pipeline principals found helpful.

Q: What are the costs for districts in building pipelines?

The RAND study found that, for the six pipeline districts, strong principal pipelines cost less than one-half of 1 percent (0.4 percent) of their total budget.

“Principal pipelines are not a big-ticket item for school districts,” the report said. It estimated that: Over five years, the districts spent an average of about \$5.6 million each year on pipelines—or a little more than \$31,000 per principal in the district, compared to roughly \$9,400 districts spent in the year prior to the initiative.

While investing in pipelines may be modest, the cost of not doing so could likely take a big toll on districts when they must frequently replace principals or make do with inadequate leaders. In its preliminary analysis, RAND found that, in three of the districts, the percentage of newly hired principals who stayed on the job after two years increased “substantially.”

Q: How do these costs compare to overall district spending?

To put these estimates in context, the RAND study also noted that costs work out to \$42 per pupil, compared to \$608 per pupil U.S. school districts spent on school administration, \$477 per pupil on transportation and \$447 per pupil on food services.

Q: What are the least costly pipeline investments—and what benefits did they yield?

For the districts, leader standards were a powerful tool for helping them “align their actions and policies for school leadership,” Policy Studies Associates noted. They found that “policies and procedures for principal hiring were not hard to change and results were visible in survey responses.” As a result, standards and hiring are “quick wins having high impact” for the districts.

RAND said those findings suggested that districts did not need an infusion of grant funding to make real progress on important aspects of principal pipelines. Each year, the districts spent less on those two components, compared to the others: \$292 per principal on leader standards and \$2,894 per principal on selective hiring, with most of these costs devoted to personnel time. RAND stated that the leader standards were “remarkably inexpensive” for such “a powerful tool.”

Q: What are the most costly components of a pipeline—and why?

Pre-service training and on-the-job support are the more costly components. Each year, the six districts spent more per principal on pre-service preparation (\$9,400) and on-the-job evaluation and support (\$14,000) than on other components. The high costs were driven by two particular activities: delivery of preservice training for principals and assistant principals—and

particularly the costs of residencies that were part of those trainings; and delivery of on-the-job professional development to principals and assistant principals.

Q: What made pre-service training costs relatively higher?

The range of pre-service costs was much larger than the ranges for the other components—from \$2,900 to \$23,000 per principal. The higher cost and large range for pre-service reflected the very different strategies and pre-service programs pursued by the districts.

During the initiative, the six districts worked to strengthen their own and external preparation programs, especially those offered by universities, which confer the advanced degrees that are prerequisites for principal licensing in most states. They also pushed for greater selectivity for admission to those programs. At the same time, the Policy Studies Associates study noted that efforts to improve university-based programs were just taking hold and that it will take more time to see the benefits show up among novice principals.

All districts worked to improve clinical learning experiences for pre-service candidates.

Stipends provided to those participating in principal residencies that were a part of some pre-service programs represented a large portion of the costs for those programs.

Average annual per principal costs for pre-service preparation in districts without residency programs were \$5,168, whereas they were \$13,604 in districts with residency programs.

Q. What made evaluation and on-the-job support a costly component?

The vast majority of the \$14,000 per principal for this component—that is, \$11,000—went to on-the-job support for principals and assistant principals. It consisted of coaching, principal supervision, costs for consultants, and materials and supplies necessary for delivering ongoing professional development for school leaders.

For comparison, a 2015 study by the New Teacher Project indicated that districts spend between 5 and 10 percent of all district expenditures (between \$10,000 and \$26,000 per teacher) just on teacher professional development.

Q: What were the benefits of district investment in mentoring for novice principals?

Mentoring was the support that novice principals valued the most, according to Policy Studies Associates. In focus groups, pipeline principals used words like “cheerleader” and “lifesaver” to describe their mentors, whose coaching provided “day-to-day, hands-on support that principals said was vital to their immediate survival.” The cost of salaries for mentors for novice principals and assistance principals annually was about \$1,500 per all district principals, according to RAND.

Q: How much did district personnel time cost?

Costs for district personnel time made up nearly half—about 44 percent—of expenditures devoted to all pipeline activities or about \$13,000 per principal. That brings the reality of “opportunity cost” into play for any district considering building and running a pipeline. Time that a principal spends screening candidates for a talent pool; time a principal supervisor spends working one-on-one with a principal; time a superintendent spends revising principal standards are all hours that these professionals are not devoting to other activities, which may have greater or lesser value than the pipeline activities.

District personnel time accounted for more than 70 percent of total expenditures for leader standards and hiring/placement. As RAND notes, “So while funding might not be a constraint in getting initiatives in these areas off the ground, district staff time could be.”

Funding sources for pipelines

Q: How did the districts pay for strengthening pipelines?

While Wallace provided \$7.5 million to \$12.5 million to each of the six districts, the foundation worked with the districts to devote increasing amounts of their own resources over time to supporting their principal pipelines. Districts reallocated existing funds, and the percentage of pipeline expenditures funded by Wallace resources declined from 36% in 2012-2013 to 27% in the first half of 2015-2016.

Many districts reported using several sources of federal funding—such as Race to the Top, Title I and II and Teacher Incentive Fund (TIF)—to support principal effectiveness efforts and support principals in the most struggling schools. Most districts also noted receiving other foundation funding to support specific aspects of their principal pipeline efforts, such as a particular leader development program or technology to support data or leader tracking activity. In addition, districts used state and local funds for salaries and stipends of personnel supporting school leadership, among other more routine costs.

Q: Can districts build pipelines without an infusion of philanthropic dollars?

That RAND study also suggests: “Districts do not need an infusion of substantial grant funding to make real progress on important aspects of principal pipelines,” particularly on leaders standards development and selective hiring and placement.

The study also notes that the Every Student Succeeds Act, signed in 2015, emphasizes the importance of school leadership to school improvement and provides opportunities for states and districts to use federal funds to support initiatives intended to improve the quality of principals and other school leaders.

Staffing resources surrounding the principal: from principal supervisor to aspiring principal

Q: What was the role of principal supervisors in the pipeline districts—and how much did districts invest in them?

Emerging from the principal pipeline work was the crucial role of those who supervised principals. Pipeline districts redefined the role of principal supervisors to provide novice principals with more instructional support and coaching, as well as evaluation. The districts worked to shift some supervisory focus away from handling operations and ensuring compliance with regulations and toward helping principals develop their muscle, especially in improving instruction. Some districts hired more supervisors and ultimately reduced the number of principals each manager oversaw.

This focus on principal supervisors led Wallace to launch the [Principal Supervisor Initiative](#), working with another six districts, to learn more about the challenges and benefits of strengthening this role.

Q: What is the role and associated costs of assistant principals in the pipelines?

Most of the districts' novice principals—more than two-thirds of those surveyed by Policy Studies Associates—came from the assistant principal ranks. In the pipeline districts, however, many assistant principals stayed in their jobs for an average of five to six years, meaning they didn't get to use their pre-service training. So districts had to grapple with how to make that post a proving ground and apprenticeship for the top slot, while ensuring that essential AP functions like tending to schoolwide operations got done.

Among the early lessons are that assistant principals, as the people most likely to step into the principalship, need development and support, too. But just how this can be accomplished remains a work in progress. Pipeline district leaders continue to think through how best to prepare, support and evaluate new APs—and how to develop alternative career paths for those not selected to become principals.

While districts did invest in on-the-job support for assistant principals, they spent more on that for principals. A little more than 70 percent of the cost of on-the-job support for school leaders overall was for principals (\$6,411 per principal, annually), compared to 20 percent for assistant principals.

Districts made modest investments in support of their pipelines

Q: What are some of the overall supports, like leader tracking systems, in which districts invested for their pipelines—and what did they cost?

Each year, districts invested in such overall supports for their pipelines as: building data or “leader tracking” systems (LTS) to inform hiring, placement and other decisions; engaging in communications; ensuring pipeline quality; and making needed pipeline revisions. Those expenditures came to an average yearly cost of \$3,425 per principal.

The largest allotment of these costs (nearly \$2,000 per principal) went to the development and maintenance of leader tracking systems, an innovation of the pipeline initiative. These computerized databases provide school and district leaders with information about aspiring and

current principals in the district. They can serve different functions for each district, depending on the district's needs.

The Policy Studies Associates study [*Leader Tracking Systems: Turning Data into Information For School Leadership*](#) showed that most pipeline districts have effectively used LTS to help them in hiring and placing principals. Hiring managers can access detailed, at-your-fingertips information about job candidates' experience, performance and assessed competencies—everything from education background to language skills, ratings from supervisors and achievement scores of students they had overseen. This enabled districts to locate and match candidates to a particular school, depending on grade level or other needs, such as experience with English language learner instruction.

At the same time, in surveys, newer principals were more likely than those hired just a few years earlier to report an “excellent” match between the needs of their schools and their own skills, experiences and interests – perhaps a harbinger of success on the job.

Challenges

Q: What kind of challenges did districts face in building principal pipelines?

The Policy Studies Associates implementation studies make clear that the six districts consider their efforts a work in progress. Important aspects of pipeline building—such as improving professional development or developing assistant principals—are unfinished. In focus groups, principals were apt to describe PD as focused on compliance and organized with groups, not individuals, in mind. Districts understood that well-trained principal candidates could remain in AP positions for an average of five to six years, while their pre-service training for the principalship grew rusty.

Other aspects of pipelines have proved to be complex, long-term undertakings, notably upgrading university-based training (as opposed to district-provided) for aspiring principals. Districts have yet to fully succeed at setting up meaningful on-the-job internships for large numbers of future principals, something they must get right if aspiring leaders are to receive the hands-on experiences considered vital to their preparation. In 2016, Wallace launched the five-year [**University Principal Preparation Initiative**](#) aimed at helping universities improve how they prepare future principals, especially for the nation's highest-need schools.

The RAND report on the costs of principal pipelines said there was still much to learn about the cost of pre-service training and on-the-job support. It noted that while expenditures directed to evaluation and support remained stable over time, those devoted to pre-service preparation declined at the end of the initiative. While the RAND authors stated that it remains “unclear why PPI districts have pulled back on pre-service preparation expenditures,” they offered possible reasons: Some districts had invested in increasing the size of the candidate pool and were now limiting expenditures in this area; districts had experimented with pre-service training and found they didn't work as well as hoped; or, districts may have identified more cost-efficient ways to provide pre-service preparation.

Methodology for the cost study

Q: What was RAND's methodology for the cost study?

RAND provides estimates of the resources involved in building and operating principal pipelines in these six districts. Although the authors discuss costs that other organizations, such as institutions of higher education or private funders or individuals might have incurred, those costs are not captured in the cost estimates. The focus is on costs borne by the school districts themselves.

The RAND researchers first broke down the components of the initiative, to identify the key activities and ingredients within those components for the six districts. Then, they estimated the total cost of these activities using a wide variety of cost information collected from multiple sources, including reports districts provided to Wallace about pipeline-related spending over the years, reports about spending on technical assistance, in-depth interviews with district personnel, the cost of district personnel time spent on pipeline activities, technology costs and survey data collected by Policy Studies Associates as part of the implementation studies.

To construct the per principal costs of building a pipeline, the RAND researchers divided total pipeline costs by the number of principals in each district.

One caveat of the RAND cost study: Researchers excluded New York City in some calculations because they could not obtain information about costs for all four pipeline components. In New York City, schools are managed by a citywide department, not a school district per se. As such, New York City Department of Education (NYC DOE) budgetary and expenditure information is housed in many different offices and in many different forms. For that reason, New York City, the nation's largest district, is excluded from reports on average total expenditures for pipelines across the initiatives; however, NYC costs did not appear to deviate substantially from the costs in other districts.