



State Education Agencies as Agents of Change

What It Will Take for the States to Step Up On Education Reform

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Introduction and summary

Today, state education agencies and their leaders face unprecedented demands. What was once a low-profile job of managing federal aid, providing curricular guidance, and ensuring compliance with various legal obligations is now a far more visible and politically fraught task. The new roles required of state education agencies due to the No Child Left Behind Act of 2001, which required each state to adopt standards, assessments, and accountability programs, and the Obama administration's Race to the Top program, which encouraged and rewarded selected states proposing significant reforms, now push these state agencies more and more into the public spotlight. Heightened attention to issues such as turning around low-performing schools, fixing state data systems, and improving teacher evaluations all require state education officials to play a new and far more demanding role, often under the scrutiny of the media spotlight.

A decade ago, when the heads of these agencies were mostly seasoned bureaucrats, only an education savant could name more than a handful. Today, their ranks include many of the shiniest stars in the school-reform firmament. Rhode Island chief Deborah Gist was named one of *Time* magazine's 100 most influential people of 2009. Former Louisiana chief Paul Pastorek and Indiana's Tony Bennett have become high-profile advocates for transparency, accountability, and school choice. Kevin Huffman gave up his nationally influential post as Teach For America's vice president of policy to become the education commissioner in Tennessee. And other education agency chiefs, including New York's David Steiner, his successor John King, New Jersey's Chris Cerf, and Massachusetts's Mitchell Chester, are all garnering the attention once reserved for big-city superintendents or key legislators.

Broadly speaking, state education agencies, or SEAs—though they are often referred to as the state's department of education or public instruction—are responsible for administering state and federal education laws, dispersing state and federal resources, and providing guidance to public districts and schools

across the state. No two SEAs are organized in the same way, but each agency is led by a chief, called the superintendent, secretary, director, or commissioner of education or public instruction. These chiefs are now in the limelight because of the reforms of the past decade, including dramatic statewide actions addressing testing, accountability, teacher evaluation and tenure, academic standards, schools of education, and failing schools. Much of this has been accompanied by demands that the states find ways to implement ambitious new federal legislation or pursue fundamental changes when it comes to educational standards, teacher accountability, and school improvement.

These changes have put immense stress on agencies that were initially conceived as tiny departments primarily designed to funnel money to local school districts. Yet it is not at all clear that state education agencies are prepared for this demanding new role or that their leaders are equipped for the challenge. Specifically:

- What do we know about SEA capacity to be effective leaders in school reform?
- What are the obstacles that inhibit them from most effectively tackling today's challenges?
- What has experience taught the most successful state education chiefs what their role should look like?
- What can reformers or policymakers do to help prepare SEAs for these new challenges?

These questions were too rarely asked over the past decade, resulting in state agencies that are unequipped for the duties they now must fulfill. In this paper we set out to answer these questions.

Finding the available literature and analysis antiquated, and alarmed by the scarce amount of information publicly available, we turned to the people with the most understanding of the inner workings of the agencies: the SEA chiefs. We identified 13 of the most innovative and successful former and current chiefs and interviewed them about what they see as the obstacles to implementing reform and how, despite these challenges, they were able to move their agency forward. We detail our research in the main pages of this report, but briefly here is a list of our findings and our recommendations.

Our findings

After nearly a year of research and dozens of hours of interviews, we find the following:

SEAs are overly focused on compliance

The traditional role of the SEA is to administer state and federal funds, and customarily SEA employees have worked to ensure the SEA complies with the law rather than focusing on how to best help districts and schools increase student achievement. Agency culture is stuck in outdated routines, and unfortunately most chiefs lack imagination to alter their agency's course.

There is a lack of transparency

While state agencies spend millions, and in some cases billions, of dollars of public funds each year, it is difficult to find basic information on how the agencies spend this money and how they function. The agency websites are often difficult to navigate, and they rarely publish detailed information on SEA operations. This makes it impossible for researchers, the public, or even state legislators and governors to really understand what is happening at the agency, let alone analyze across agencies, which is essential to improving internal operations.

Federal funding can hinder SEA operations

While vital to SEAs, federal funding arrives at the agencies with restrictions. It is exclusively tied to specific programs and employees, and the chief has little control over how the funds are allocated. For instance, offices within the agency are often siloed with little to no interaction between federal- and state-salaried employees. To battle this, leading chiefs have begun to think about how to reorganize the agency around function, rather than funding stream.

There are bureaucratic obstacles to reforming the SEA

As an entity of state government, the SEA must adhere to state rules and regulations, such as hiring processes, rigid pay scales, and civil service laws, which can all impede the chief's ability to recruit talent and change agency culture. Each chief we spoke to acknowledged how limiting these laws can be and detailed how he or she creatively strategized ways to work within the system to attract talent to the agency and change the agency mindset.

Our recommendations

Based on our research and interviews with chiefs, we recommend the following to improve the operations of SEAs so that the agencies can better assist low-performing schools:

States should grant SEAs more flexibility on hiring, staffing, and salary decisions

Chiefs are stymied by state hiring rules, salary scales and caps, and civil service guidelines, and are responsible to multiple parties such as the governor and state legislators, making it difficult to attract and recruit talented people to their agencies. We found that chiefs are already working to find creative ways around restrictive laws. State officials and reformers should learn from these chiefs, while also examining what is currently permissible under state law, and find ways to alter or work around existing policies. Without greater autonomy, SEAs will continue to find it difficult to attract and retain talented employees, severely limiting their potential for reform.

States should weigh giving SEAs authority to take over abysmally performing schools and school districts

States often bump up against obstinate local leadership or unions when confronted with persistently low-performing schools. States should consider granting SEAs authority to take over failing schools and districts, now allowed under federal law, since the threat of state takeover is a powerful lever to incite change at the local level. The threat of state takeover can provide political cover to local superintendents and school boards pushing for reform as well as union leaders whose membership might otherwise reject the reform. We caution that states should not see this as an easy solution and must carefully assess their capacity before setting foot in a school.

The federal government should provide political cover to states to drive improvement

The federal government has the ability to use funding, statutes, and rule writing to promote changes within SEAs. It can also provide political cover to SEAs to move forward an agenda that governors, state legislators, and state school board members would not have agreed to on their own. Reformers, however, should note that while the federal government can prod states to act, it can't force them to do something that they don't want to do. Unless officials in a given state are seeking an excuse to act, it is very possible for federal encouragement to spur compliance rather than coherent reform.

The federal government should grant flexibility around federal strictures

As far back as the Elementary and Secondary Education Act of 1965, bureaucrats have written rules and regulations as conditions for federal funding to SEAs. These rules have accumulated over the years and most are outdated. This creates a huge burden on the SEAs, which have to dedicate many staff hours to compliance-oriented activities. When the No Child Left Behind Act was adopted in 2001, officials became accountable for new school performance outcomes, yet they were not relieved of the rules and regulations forcing them to continue with outdated compliance-focused activities. The U.S. Department of Education, Congress, and the Office of Management and Budget need to review these rules and regulations and assess which can be loosened or removed to free SEAs from obsolete regulations.

The federal government should scrutinize how federal demands shape culture and practice in SEAs

Federal activity has affected SEAs in two ways that should be examined and reassessed. First, the agencies are bifurcated because federally paid employees are often physically separated from state employees and are often regarded as privileged employees, with their own networks, training, benefits, and the ability to intimidate high-level officials with the warning of potential federal disapproval. Second, SEAs are stifled by decades of federal—and often antiquated—rules and regulations. These directives are ingrained in SEA officials, stifling creativity and reform-minded activities. The federal government needs to signal its openness to creative, performance-based problem solving.

SEA chiefs, more than anything, need to approach their job with the attitude that they'll find a way to alter routines

Most chiefs arrive at the SEA to find an agency moving at a snail's pace and entrenched in decades of procedural work. The chief does not have to accept the status quo and must realize his or her power to spur change. Chiefs can creatively and thoughtfully change the practices of the agency, to work around or exploit existing laws. While this is not easy, it is not impossible, and the chief has the power to chart the future course of the agency.

SEA chiefs need to regard themselves as political operators, and to build and deploy their political capital in smart ways

Whether the chief is elected or appointed, the job is ultimately political, and the chief is charged with leading a public agency. As such, a chief must engage with his or her constituencies, building relationships with students, parents, local

leaders, state legislators, school board members, teacher union officials, and the governor, to name a few. These actions build political capital and support that enable chiefs to refocus their agency.

SEA chiefs need to do a better job of making basic operating information publicly accessible

Basic SEA operating information has not been collected in 17 years and such information is not readily accessible today. Most SEAs do not report clearly how much money they spend, what they spend those dollars on, what percentage of their funding is federal, how many individuals they employ, or what those employees do. Policymakers and chiefs often point to SEAs' limited capacity as a reason for prohibiting reform, but it is impossible to properly assess capacity without knowing vital information such as staffing levels and operating budgets. As a stipulation of federal funding, SEAs should be required to make this information publicly available.

SEA chiefs need to build agency capacity and philanthropic foundations can provide the resources to change the game

Understanding the fiscal situation at both the federal and state level, chiefs would be wise to turn to philanthropic foundations to provide support to build capacity and to tap talent they need to push the agency forward. Some chiefs have already successfully worked with foundations, using the support to boost agency salaries and attract skilled staff. "Reform-minded" foundations already support districts and nontraditional providers, and broadening their scope of support to SEAs may prove a useful and timely complement to their efforts.

The importance of this paper

In the pages that follow, you'll find that we have conducted perhaps the most extensive examination of state education agencies since the mid-1990s. We begin with a concise review of the research and analysis of SEAs, followed by a presentation of our own primary research, including excerpts from our extensive interviews with 13 former and current SEA chiefs from around the nation. We conclude with a detailed list of the recommendations that we summarized above. We believe this paper will provide the basis for a complete re-examination of the role of state education agencies and their chiefs in transforming the SEA into an agent of change that can assist districts in the crucial task of remaking our public schools to meet the needs of our children in the 21st century.

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