

School Business Management: The International Dimension

The important role of the school business manager is becoming more evident in England, where SBMs are proving a positive return on investment.

By Geoff Southworth, OBE, and Trevor Summerson



Most people do not think of schools as centers of revolution. Rather, they consider schools to be stable organizations that have not changed dramatically in how they operate. Indeed, some argue that school operations have changed remarkably little in the past 100 years.

However, a change *has* been taking place in England that is beginning to be replicated in other education systems. This change has largely gone unnoticed, at least as far as public attention goes; yet it is a revolution in education nonetheless.

The change began in 2001 when the then secretary of state for education announced the creation of 1,000

training opportunities for school bursars. Bursars have been around for a long time, especially in independent schools. But following the devolution of budgets to state schools in the early 1990s and the continued transfer of responsibilities from local authorities to schools in the years since, it made sense to provide training for bursars, who often oversee budgets in the millions.

In addition, schools in England now enjoy greater freedom than almost anywhere else in the world. Such autonomy needs to be well led and managed. Bursars are viewed as important players in managing these responsibilities.

Elevating the Profession

In 2002, the National College for Leadership of Schools and Children's Services piloted a certificate program in school business management. This seemingly modest initiative was the start of something big in at least two ways.

First, at the outset of the program, National College officials decided to focus on the broader role of school business management because focusing solely on the bursar's role in managing finances was too constrained. The training program's content reflected that broader role by addressing content areas that to some extent complement ASBO International's standards. This broad focus on the role of school business managers (SBMs) carried with it the idea that SBMs make a significant contribution to the health and vitality of schools as organizations.

Second, there was a huge demand for this program and the other programs that followed. In fact, more than 8,000 SBMs have now been trained and over 2,600 are currently participating in one of these programs. The National College quickly recognized the need to develop higher-level programs to enable SBMs to deal with the complex situations they confront. The result was a suite of programs that range from certificate to master's level.

Why such a big demand? Today, 90% of secondary schools and 30%–40% of primary schools in England have access to an SBM. (Primary schools are less likely to have access to an SBM because some believe the school cannot afford one and because some head teachers are unwilling to delegate responsibilities to someone else.)

The National College ran a series of demonstration projects in schools to explore the work of SBMs in relation to their schools' contexts, such as school type, size, budget, tradition of collaborating or not, and location. Detailed information about these projects is available on the National College's Website: www.nationalcollege.org.uk.

Benefits of SBMs

Research commissioned by the National College during the past few years, including cost-benefit analyses of the program and financial evaluation of the demonstration projects, shows that SBMs deliver financial and time savings. The financial benefits arise from SBMs managing and providing strategic advice to the principal about the following topics:

- **Staffing structures**—reduced costs from more efficient structure
- **Contracts**—savings through better management/negotiation/bulk purchasing
- **Employee costs**—reduced costs by shared staffing
- **Capital costs/utility costs**—reduced costs through more efficient management
- **Insurance**—total estimated savings in premiums/claims receipts

Research shows that providing an additional SBM saved the average school approximately \$25,000. In addition, the demonstration projects and other clusters show that when schools form collaboratives, jointly appointing or agreeing to share an SBM with other schools, it is possible and viable for small schools to gain access to an SBM.

SBMs also relieve head teachers (principals) of administrative tasks, can undertake human resource management for nonteaching staff, and can manage capital projects.

In short, the SBM story is a good one. SBMs make a real difference to schools, increase value for money, and enable the reinvestment of savings in classrooms. They save teachers and principals time, thereby increasing school effectiveness and efficiency. And while not all schools can afford an SBM, all schools should have access to one.

Value for Money

Leading colleagues in times of plenty is one thing; being able to do so in a context of financial constraint, when difficult decisions need to be made and bad news communicated, is quite another challenge. It is no surprise that people skills figure in the competency framework of

Figure 1. National College Competency Framework

1. Managing self and personal skills
2. Providing direction
3. Facilitating change
4. Working with people
5. Effective use of resources
6. Achieving results

the National College and the National Association of School Business Management (Figure 1). Again, there is a commonality among the competency framework, the college's programs, and the certification program offered by ASBO International, which focuses on essential skills and competencies. Competence in the skills outlined in this framework support success today and in the future.

The cost-benefit analyses referred to earlier show that SBMs provided good value for money and a positive return on investment. However, during the next few years, value for money may too easily be viewed by some as code for "cuts." For some time, the tendency in education has been to assume that whatever the problem is, the answer is more money. That was never a healthy outlook, but in today's world it is untenable.

As SBMs work to improve value for money, principals and SBMs should do three things:

- Communicate spending decisions openly so staff members understand the reasons and rationale.
- Ensure that colleagues understand that value for money is not about cutting back, but about creating sustainability, saving to reinvest in other areas or to protect vital provision.
- Communicate the benefits of cost savings and increased value for money whenever possible.

Ensuring that SBMs are recognized for their accomplishments means avoiding being taken for granted. Schools are places of learning, yet we must not ignore SBMs' contributions to helping improve teaching and learning by creating the best possible conditions for teachers to teach and children to learn.

The future will require SBMs to be more proactive about communicating where they have helped improve efficiency and effectiveness. Of course, there are dangers in appearing to blow one's own horn, but there are also dangers in remaining silent. Striking the right balance will be important.

To better communicate their contributions, SBMs may wish to adopt the following four practices:

- Keep a record of where savings have led to reinvestment in equipment and materials, and draw on those records when the time is right.
- Note where the savings realized because of the SBM have benefited classrooms through quality teaching

materials, information technology resources, and classroom support, for example.

- Note the recurring savings year to year and report them whenever relevant.
- Highlight where income has been generated or increased through leases, better use of buildings, sponsorship, fund-raising events, and so on. (Analysis of the demonstration projects mentioned above showed that on average SBMs brought \$8,000 from income generation.)

Remember that such actions will be context-specific. SBMs must tailor their actions to their own schools' circumstances and challenges.

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The time is right for SBMs to help schools realize benefits but also to be recognized for doing so. SBMs should

not allow their contributions to be overlooked or underestimated.

Join the Revolution

A revolution has been taking place in education. The introduction of school business managers is transforming schools into 21st-century organizations. But this revolution is a quiet one; now is the time to make a bit more noise, to tell parents, stakeholders, and governing bodies about the difference that SBMs make and how they will affect the future.

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