

TOUGH CHOICES OR TOUGH TIMES

BOLDER STEPS FOR EDUCATION PHILANTHROPY?

NOTES AND RESOURCES FROM THE GFE FOUNDATION LEADERS INSTITUTE

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Grantmakers for Education and the Council on Foundations co-convened the Foundation Leader Institute in Fall 2007.

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Contents

2 Meeting Overview

**4 Introduction:
Education and the National Economy**

Robert King, *President and CEO*
Arizona Community Foundation

**6 The Dilemma:
Tough Choices or Tough Times?**

Charles Knapp, *Chairman*
New Commission on the Skills of
the American Workforce

**10 Creating High-Performance
School Systems at Scale**

James Shelton, *Program Director*
Bill & Melinda Gates Foundation

**12 Attracting and Retaining
the Most Talented Teachers**

Kate Walsh, *President*
National Council on Teacher Quality

**14 Offering the Benefits of Higher
Education and Workforce Training
to More Students and Adult Learners**

Steve Gunderson, *President and CEO*
Council on Foundations

**16 Conclusion: What Can Philanthropy
Do to Accelerate Change?**

Terry Marzany, *President and CEO*
The Chicago Community Trust

Meeting Overview

In late 2006, the National Center on Education and the Economy released *Tough Choices or Tough Times: The Report of the New Commission on the Skills of the American Workforce*. With compelling language, the report updated and sharpened the findings of the center's influential 1990 report, *America's Choice: High Skills or Low Wages*, which called attention to the widespread loss of portable low-skill jobs from the U.S. economy.

The 2006 report delivered further bad news: the job loss trend has spread to high-skill sectors, as school systems in countries such as China, Korea and India increase their nations' supplies of workers with advanced technical skills. Meanwhile, the supply of highly qualified graduates of American secondary schools is failing to keep pace. *Tough Choices or Tough Times* argues for an aggressive realignment of the nation's education and workforce development systems.

With its provocative tone and skillful marshalling of statistics and research to paint a troubling picture of the U.S. education system, the report raises questions about how to speed the pace of reform; whether reform efforts should be focused at the national, state or local level; and the role philanthropy can best play to spur change. Foundation leaders encouraged the Council on Foundations and Grantmakers for Education to convene a joint discussion to examine the commission's findings, debate its recommendations and consider its implications for grantmakers.

Scheduled as a full-day session at the close of the Grantmakers for Education 2007 annual conference in Tamaya, New Mexico, the Foundation Leaders Institute used the report's framing to probe the following dilemmas for philanthropy:

- **Creating High-Performance School Systems at Scale**

Is it possible to create high-performing school systems at scale and in most communities? Can we get the schools we need from the schools we have? How can we leverage both in-school and out-of-school time to improve student achievement?

- **Attracting and Retaining the Most Talented Teachers**

How should we recruit, deploy and pay teachers to attract the best to preschools and schools? How can we ensure the children who need the best teachers get them? How can we improve the diversity of the teacher workforce? Is it possible for foundations—through smarter investment—to actually improve teacher quality?

- **Offering the Benefits of Higher Education and Workforce Training to More Students and Adult Learners**

What barriers must we break to get more students into higher education—and ensure they persist and succeed once on campus? How do we balance philanthropic investments in the infrastructure of reform vs. the actual delivery of new programs? How should we balance investment in pre-K through 12 education with adult education?

- **What Can Philanthropy Do to Accelerate Change?**

Charles Knapp, chair of the commission that prepared *Tough Choices or Tough Times*, joined the group to review its key findings. To enrich these conversations, the Institute also included a distinguished group of commentators who addressed the key questions raised by the report:

- James Shelton, of the Bill & Melinda Gates Foundation, on reforming school systems at scale;
- Kate Walsh, of the National Council on Teaching Quality, on attracting and retaining high-quality teachers;
- Council on Foundations president (and New Skills Commission member) Steve Gunderson, on higher education and workforce preparation.

The meeting was opened and closed by presidents of two leading community foundations—Robert King, of the Arizona Community Foundation, and Terry Mazany, of The Chicago Community Trust—who reflected on philanthropy's role in accelerating change nationally, regionally and locally. The session was facilitated by Anne Tillery, principal at Pyramid Communications of Seattle, Wash. Presidents, senior staff and trustees from over 30 grant-making organizations from all regions of the United States and types of foundations participated in the session.

This report includes, in summary form, many of the key materials discussed at the meeting, along with highlights of the conversation.

We hope it challenges grantmakers to think in fresh ways about improving education and workforce-development systems and about the best ways philanthropy—working individually and collaboratively—can spur change.

As school systems in countries such as China, Korea and India increase their nations' supplies of workers with advanced technical skills, the supply of highly qualified graduates of American secondary schools is failing to keep pace.

Introduction: Education and the National Economy

ROBERT KING

PRESIDENT AND CEO, ARIZONA COMMUNITY FOUNDATION

As a former chancellor of the State University of New York, Robert King has considerable experience with shaping education policy to meet economic needs. In his opening comments, King challenged the gathered foundation leaders to look historically at the role of education in making the United States an economic leader. He then asked them to consider what national policies might help to safeguard the country's economic future.

This chapter captures King's opening comments to Institute participants.

Imagine there was a G-8 in the year 1820. Bear in mind that the United States would not have been a member. The economic and military powers of that time were England, Russia, Japan, China, France, India, Spain and Austria. Now imagine that the G-8 members have assembled for their annual meeting in Davos, Switzerland. With pomp and ceremony, the several kings, emperors and the czar get together over cocktails. Czar Alexander leans over to King Louis XVIII and says, "So what do you think we can do, either collectively or individually, to become relatively less prosperous and powerful over the next 100 years?"

Obviously, such a conversation never took place, but that hypothetical suggestion is exactly what happened to those countries. During the same period, by contrast, the United States grew from being a modest experiment into the economic and military power it is today. That outcome was not a foregone conclusion or a predetermined result of history. I doubt that anyone in 1820 could have imagined such a remarkable story unfolding.

Consider the magnitude of the change by looking at changes in the gross domestic product of our major European neighbors and Japan in the period from 1820 to 2000. Spain's GDP multiplied approximately 37 times, England's and France's grew about 27 times, and Japan multiplied its GDP 111 times. Over the same years, the GDP of the United States multiplied by 474.

What major public-policy decisions led to the rather anemic results of Europe and Japan and the very robust results of the United States? I asked a former colleague, Isaac Ehrlich, the chair of the department of economics at the University at Buffalo, to explain. Dr. Ehrlich's answer pointed to three principal factors that differentiated the behavior of the U.S. economy from those of the 19th-century superpower nations:

- First, the United States embraced a free-enterprise economy, while other countries experimented with communism and socialism or perpetuated old systems of feudalism.
- Second, the United States made secondary education (grades 9-12) universal in the early 1900s, nearly 40 years before any other nation.
- Third, access to higher education was significantly broadened to people of all economic and social classes through a series of laws, including the land-grant college laws adopted during the Civil War, the GI Bill and the Civil Rights laws of the 1960s, which have collectively brought the treasure of higher education within reach of nearly every American with the motivation to seek it.

In Dr. Ehrlich's view, it is the last of these three that is probably the most important factor in explaining the growth and stability of the United States and its emergence as the world's economic superpower. All three are connected with the creation of human capital (economist talk for "brain power") and the development and sustainability of national economies.

Data show that, through much of the 20th century, educational attainment in the United States exceeded attainment in all other countries, including Western industrial nations, by more than 100 percent. That gap has narrowed substantially in the past 20 years. What we're now seeing is a falling behind in educational performance and attainment for America's children compared with those in countries that are our significant economic competitors, and even in some emerging economies. It's worth noting that many other countries treat education as an issue of national priority. Some have instituted national curricula and adopted national standards that students must meet.

For most of our history, education has been the province of local communities and individual states. The level of federal financial involvement in education is still relatively low, and federal oversight or control of standards, teacher qualifications and curriculum is nonexistent. I'm not advocating that the United States adopt a national curriculum or standards, but I am saying that our failures at the local and state levels have national consequences.

Is it possible to generate a greater level of national attention to our education systems without degrading the historic role of state and local governments?

My question is this: Is it possible to generate a greater level of national attention to our education systems without degrading the historic role of state and local governments?

Tough Choices or Tough Times raises that question by looking at three major issues: creating high-performing systems at scale, training and retaining high-performing teachers, and meeting the education needs of the current American workforce.

As we consider the options, we also need to ask a further question: How can philanthropy help?

The Dilemma: Tough Choices or Tough Times?

CHARLES KNAPP

CHAIRMAN, NEW COMMISSION ON THE SKILLS OF THE AMERICAN WORKFORCE

As chairman of the New Commission on the Skills of the American Workforce, Charles Knapp worked closely with staff director Marc Tucker and other commission members to analyze economic and educational trends affecting the American workforce and to recommend hard-hitting policy responses.

The commission drew heavily on Knapp's experience with education and workforce issues, including a decade as president of the University of Georgia. Knapp's own work with philanthropy, through involvement with the CF Foundation and the East Lake Community Foundation, reinforces his belief that philanthropy has a significant role to play, nationally and locally, in realigning education to meet the economic and training needs of the United States economy and its workforce.

Charles Knapp began the discussion by reviewing the major findings presented in *Tough Choices or Tough Times*. He focused in particular on data regarding the poor performance of U.S. high schools, as measured by high school graduation rates.

He asked the group to look closely at a figure showing the percentage of working-age adults completing high school in the United States and 29 other countries (see Figure 1 on next page). Knapp pointed out that although many countries had lower rates only a few decades ago, several have caught up with and even surpassed the United States in ensuring that their workers possess a high school diploma as a minimal credential. Growth has effectively ceased in the United States since 1980; meanwhile, the quality of the American high school credential has eroded.

The group also studied a chart showing student attrition from the educational system (see Figure 2 on next page). For every 100 students entering high school in the United States, only 68 graduate on time, only 40 enroll directly in college and only 18 earn an associate's degree within three years or a bachelor's degree within six years.

The figures suggest that the competitive advantage long enjoyed by the United States is threatened by its failure to produce "highly skilled, creative and innovative workers." "Our K-12 system was basically designed for a mass production society around 1900," Knapp argued, and it was "built around elapsed time rather than skills and knowledge attained." The problem is not with the people working in the educational system, the commission found. Rather, "the problem is the system" itself; changing it significantly will require "far more than marginal change."

Knapp outlined 10 "steps," or principles, that the commission believes must inform a successful effort to reshape American schools:

STEP 1: Move on when ready

- Eliminate the last two years of high school, as most students should be college-ready (at least for the community college level) by age 16.
- Offer college-level exams to students beginning at age 16, and let students move into a new system when ready.
- Continue to offer opportunities to students who don't pass a college-level exam until they reach the college-ready standard.

STEP 2: Efficient use of resources

- Eliminating two years of high school and all remedial courses in college will save about \$50 billion per year.
- Appropriate additional funds at the federal and state levels of \$8 billion.
- Together, total funds available for a new system equal \$58 billion; when implemented the new system should be nearly cost neutral.

STEP 3: Early childhood

- Expand early childhood education, as all available data supports its efficacy.
- Invest \$19+ billion (of the \$58 billion in funds) in high-quality early childhood for all four-year-olds and low-income three-year-olds.

FIGURE 1

Percent of Working-Age Adults Completing High School

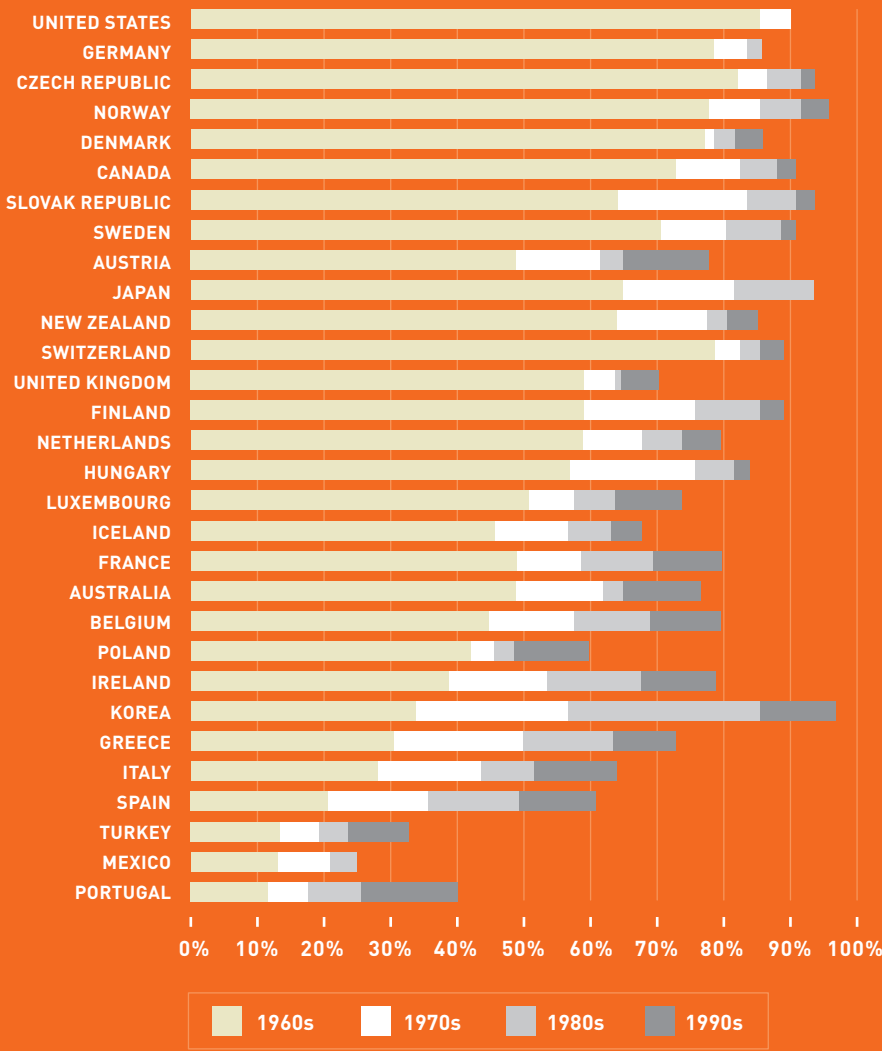
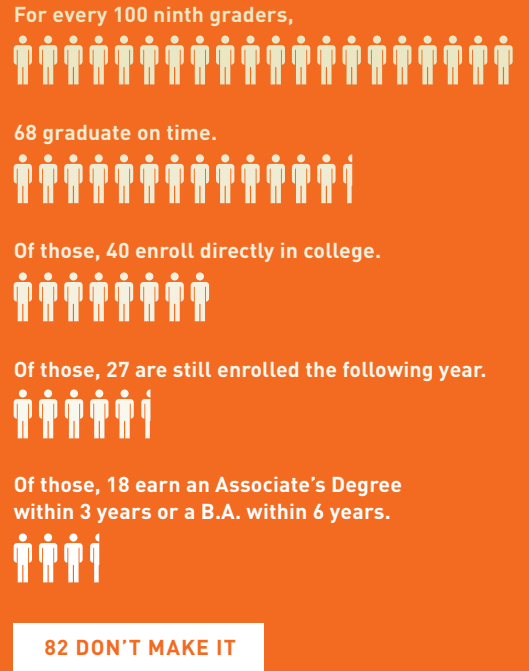


FIGURE 2

Portrait of a Failing System



SOURCE: New Commission on Skills of the American Workforce, 2005.

The executive summary of *Tough Choices or Tough Times* is available on the website of the National Commission for Education and the Economy (www.ncee.org), along with information for ordering the full report.

STEP 4: Teacher quality

- Increase pay, as surveys show it will attract higher-quality applicants.
- Invest \$19+ billion (of the \$58 billion in funds) to teacher pay—but abolish pay based on seniority and instead base pay on a variety of other factors, including student performance.
- Recruit teachers from the upper one-third of college classes.
- Remove the near monopoly on teacher training by colleges of education.

STEP 5: High-performance school districts

- Have school districts write performance contracts with a variety of organizations (mostly teacher partnerships) to run schools.
- Withdraw school contracts when students do not perform at specified levels; offer bonus payments if students' performance surpasses expectations.

STEP 6: School funding

- Fund schools directly by the state (bypassing school districts).
- Allocate the same base amount of funding for each student, with extra amounts for students with specified disadvantages.
- Provide \$19+ billion—from states—to top-up school funding nationwide; most of this new money would go to the hardest-to-educate students under the new formula.

STEP 7: Curriculum

- Improve quality and reduce the number of tests.
- Adopt board examinations—such as AP, IB and Cambridge University International Exams—at the high school level, thereby universally adopting high-quality curriculums set to international standards.

STEP 8: Education to the new standard

- Provide access to free education up to the new college-ready standard for all members of the workforce 16 years old and older.

STEP 9: Lifelong learning accounts

- Create a federally funded account of \$500 for every child when born and deposit \$100 per year up to age 16.
- Workers can withdraw from the account only for educational purposes.

STEP 10: Regional economic-development authorities

- Authorize states to create regional authorities to combine economic development, adult education and job training.

Knapp explained that the National Commission for Education and the Economy is hoping to collaborate with a few states to advance these steps. It's difficult to find partners, he said, because few education officials have the political will to advance such an ambitious agenda. Moreover, few states have the necessary stability to pursue such a concerted program after several years. Moreover, many state education departments have been "gutted" in recent years, he explained, as their work has become more routine and enforcement-oriented, and therefore less attractive to talented, reform-minded educators.

The competitive advantage long enjoyed by the United States is threatened by the failure of the school system to produce highly skilled, creative and innovative workers.

The foundation leaders found the presentation compelling: indeed, several noted that they had not previously understood the need to educate students for workforce participation in such urgent terms.

Knapp reminded them that foundations are unusually well positioned to "seed state-level change." Strategic foundation funding could be crucial in getting change started, he said. Moreover, commitments from philanthropy could make a real difference in public perceptions of what needs to be done and the willingness of officials to tackle the big problems.

Creating High-Performance School Systems at Scale

JAMES SHELTON

PROGRAM DIRECTOR, BILL & MELINDA GATES FOUNDATION

James Shelton is a program director for the education division of the Bill & Melinda Gates Foundation, where he manages the foundation's national programs, including new school creation, school improvement and college-access programs. Through his work at the foundation and his previous positions with the New School Venture Fund and McKinsey and Company, Shelton has been deeply involved in helping numerous school districts manage complex change and become more effective organizations.

James Shelton opened his discussion by offering an expanded definition of the challenge at hand: Rather than reform one school district at a time, he argued, philanthropy should be thinking about “how to produce high-performing school systems in most communities.” To Shelton, high-performing school systems create high achievement levels and high graduation rates for all groups of students.

If school systems are going to “rethink everything and measure what they do,” as recommended in the *Tough Choices or Tough Times* report, Shelton said, “they’re going to need infrastructure to make that possible”—infrastructure that foundations should be attempting to provide. What can foundations do, he asked, to “create a context in which the ‘education industry’ embraces continuous improvement and innovation?”

He described two principles necessary for the creation of higher-performing school systems: high challenge and high support.

Figure 3 on the next page outlines the components of these two principles—and the strategies the foundation has been using to support its theory of action.

In Figure 4 on the next page, the consequences of providing different levels of challenge and support are placed onto four quadrants. Reform characterized by both high performance and rapid progress, Shelton explained, often depends on a model that maintains high levels of both challenge and support.

In Figure 5 on the next page, all of these components are described in greater detail, with “typical” school-district practices compared against “emerging best practices.”

In the discussion that followed, participants quickly moved beyond the reform of individual school districts to the larger, structural questions Shelton raised at the beginning of his talk.

How, one asked, can school-system reforms such as those supported by the Gates Foundation be made to add up to rapid, fundamental change at scale? “No one institution can do it all,” Shelton concurred. “That’s why we need alignment of our efforts, supported by a common data infrastructure and knowledge-management platforms. We also need to tap technology more to support organizational improvement.” As an example, he noted that “we as funders don’t know which teachers do better: people who’ve been through normal teacher education programs or career changers who have been alternatively certified.”

Referring back to the earlier discussion of the *Tough Choices or Tough Times* findings, one participant asked how school systems could align themselves better with workforce needs: “Are we making a mistake by pushing 15-year-olds through the system, rather than asking what companies like Google need?” One area of weakness, according to Shelton and others in the group, is state standards for career education, many of which are “demeaning, rigid and a mess.” The biggest problem, said Shelton, is their “failure to tap student motivation.”

Responding to a question about the foundation’s intent to ensure these efforts “go to scale,” Shelton explained its move from “schools-based to states-based work. We’ve added policy and how states support district reform to what we fund.” The foundation has also considered what to do about “market failures”—programs and tools for improvement that are missing or, more commonly, not good enough to accomplish their goals. He added that although there is a wide variety of product and services, overall product effectiveness is low. “No foundation can change the market,” he explained, “but we can stimulate the demand side and selectively support the supply side.”

Asked for his views on what any foundation could do to advance a more systemic agenda, Shelton closed with a simple message: “There’s a lot of work to be done, and it needs to happen at the state, city, district and school levels. Keep the big picture in mind, focus on what matters to you and figure out how to get there quickly.”

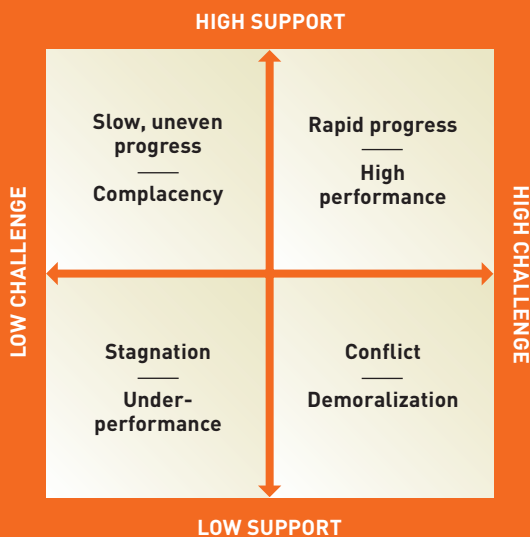
FIGURE 3

**High challenge and high support:
A theory of action for improving school systems**



FIGURE 4

**Characteristics of successful
school system reform**



The figures and table discussed by Shelton and included here are from *High-Performing School Districts: Pressure, Support, Alignment, and Choice*, a white paper published by the Bill & Melinda Gates Foundation, June 2005. Available online at www.gatesfoundation.org/nr/downloads/ed/districtwhitepaper.pdf.

FIGURE 5

Common school system practices vs. emerging best practices

Attribute	Typical observation	Emerging best practice
HIGH CHALLENGE		
Organizational mission	Multiple missions that result in low-income/minority students trapped in low-expectation tracks	Common standards that prepare all students for postsecondary education, work and citizenship
Governance	Complex, dysfunctional structures involving multiple entities with overlapping responsibilities, bureaucracy, legacy contracts and interest group control	Stable, effective local governance focused on results and equity empowering improvement with transparency, measurement and responsiveness, as well as alignment with state goals and policies
Accountability framework	Some student accountability; <i>de minimus</i> staff, school or system accountability; limited or lagging indicators of performance	Transparent performance management system with steps of progressive intervention that provides support for all—students, staff, school and system—and is relevant to the challenge.
Community support	No real community support networks—resulting in disenfranchisement, learned helplessness and white flight	Proactive strategies to engage parents, citizens and business and civic leaders—resulting in an informed community that makes quality education a priority
THEORY OF ACTION		
School portfolio	Large attendance-area schools; comprehensive secondary schools that track students by perceived ability	Choice system that allows parents, students, and teachers to select from several quality school options designed to engage all students effectively; implements location and transportation policies, enrollment policies, hiring practices and outreach efforts that ensure equitable choice; has outside assistance providers and operators to augment capacity
HIGH SUPPORT		
Curriculum support	Textbook adoptions as curriculum; test scores as primary student outcomes; test preparation as instructional focus	Learning expectations that provide a spine for instructional materials, diagnostic assessments, ramp-up supports for students and teacher development activities
School support	Operational compliance; isolation; centralized, compartmentalized budgets; low-quality, unresponsive and unaligned standardized services	Strong learning and support networks for schools; dollars that follow students and reflect student needs, creating budgets that allow school-based decision making; effective core services provided; optional purchased services available
Teacher support	Late, centralized recruiting; placement by seniority; common pay scale; isolation with large student loads; no induction; random workshops; self-identified leaders	Instructional leaders identified and developed; district recruiting; school/network-based hiring; three-year induction with ongoing, job-embedded development in a professional learning community; compensation that reflects ability, performance and responsibility
Student support	Anonymous students; limited academic support or guidance; no connection to community services; class grades unrelated to standards; classroom work not aligned to standardized tests	An advocate for every student who ensures appropriate guidance and academic support and connection to family services; frequent and specific performance feedback against clear expectations for every student

Attracting and Retaining the Most Talented Teachers

KATE WALSH

PRESIDENT, NATIONAL COUNCIL ON TEACHER QUALITY

Kate Walsh leads the National Council on Teacher Quality, a Washington, D.C.-based research and advocacy organization. Before coming to the National Council, Walsh was a senior program officer at the Abell Foundation in Baltimore, Md., where she authored the influential 2001 report *Teacher Certification Reconsidered: Stumbling for Quality*. Under Walsh's leadership, the National Council has become an important source of information on federal, state and district policies affecting the quality of teaching in the United States.

"It's very hard to attack teacher quality head-on," Kate Walsh began, "since the problem goes across so many areas." The National Council on Teacher Quality has focused on what Walsh described as the "five levers of change," or five institutions that can have a direct impact on the quality of teaching through their policies and practices:

- schools of education;
- state department of education;
- teacher unions;
- school district personnel offices; and
- principals and school leaders.

The National Council places particular emphasis on the first three institutions, largely by commissioning research that makes evidence about teacher preparation, certification and effectiveness publicly accessible and allows the comparison of different states' approaches. Yet the last two levers—district personnel offices and principals—have great potential for leading improvement. Walsh strongly urged the foundation leaders not to ignore this potential.

"There are many ways funders can have an impact on teacher quality," she said, "if not nationally then at the level of a state, a region, a city or even a school." For example, a recent National Council study analyzed the content of required courses at 72 elementary education programs for evidence that students were learning "the science of reading instruction." The report, *What Education Schools Aren't Teaching about Reading, and What Elementary Teachers Aren't Learning*, "names names," Walsh explained. Grantmakers can check the report to see how education schools in their area fared, or they can ask similar questions about local schools not included in the study (a summary of key findings from the report are shown in the figures on the next page).

The most important contribution a foundation can make, Walsh contended, is to "fund people who are willing to challenge the status quo, then fund what works, based on evidence."

In the lively discussion that followed, the participants pointed to projects over the past decade that have forced new thinking about teaching and teacher preparation—and where foundation funders were crucial in getting a good idea off the ground. Teach For America is one example; KIPP schools is another.

Acknowledging that teacher-retention issues come with a program such as Teach For America, which is intended to engage participants for just two years, Walsh argued that the program has nevertheless made an indelible contribution by challenging conventional notions about the willingness of graduates of top colleges to consider becoming a teacher. And, Walsh pointed out, "even if Teach For America kids do leave after a few years, they generally become powerful advocates for public education no matter what their career choices."

Asked where she thought foundations should target their efforts, Walsh was quick to respond: "Take on the messy work of changing policy." But Walsh explained that that does not necessarily mean funding policy development explicitly. Returning to the Teach For America example, Walsh reminded the group that "Teach For America succeeded despite state departments of education." Fund projects that challenge the status quo, she said, and "think strategically about the policy implications" of their work.

Walsh also urged the participants to focus on changing policy at the district level, at least initially, because districts have the greatest incentive to change. "Districts see the implications of failure on a daily basis," she noted. "States don't have to live with the consequences of poor teaching."

FIGURE 6

What does it take to teach reading?

For a study of elementary-teacher preparation programs, the National Council on Teacher Quality looked for evidence that aspiring teachers were being trained to develop five essential skills for reading:

- phonemic awareness
- phonics
- fluency
- vocabulary
- comprehension

Out of 72 education schools studied around the country, only 11 required elementary-teacher candidates to learn all five components.



FIGURE 7

For the five essential reading skills listed in Figure 6, how many are taught by different schools of education? (Total number of institutions in research sample is 72.)

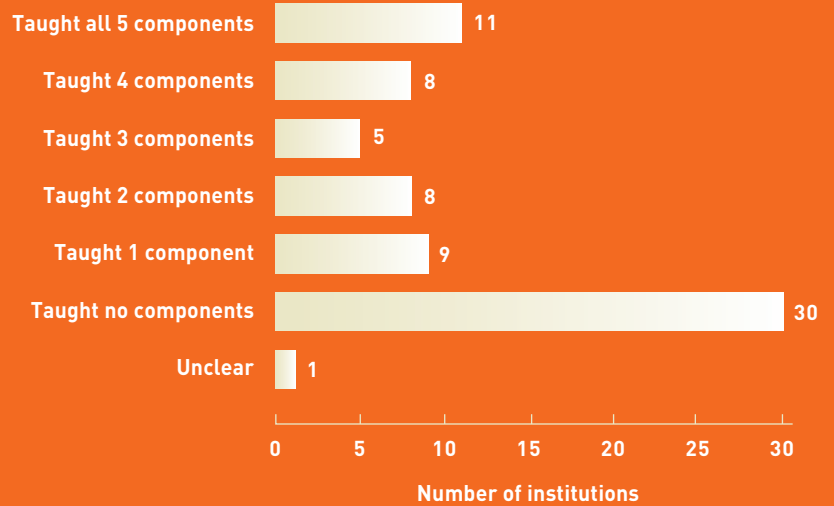
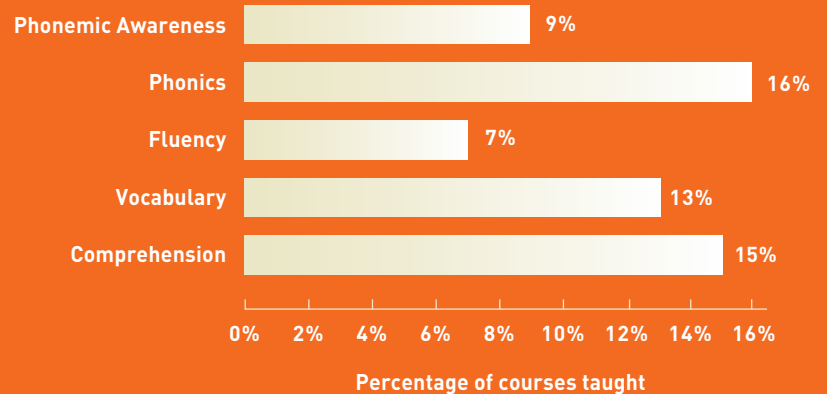


FIGURE 8

What single component of good reading instruction is taught most frequently at schools of education?



SOURCE: National Council on Teacher Quality, *What Education Schools Aren't Teaching about Reading, and What Elementary Teachers Aren't Learning*, 2006. Available online at www.nctq.org/p/docs/nctq_reading_study_app.pdf.

Offering the Benefits of Higher Education and Workforce Training to More Students and Adult Learners

STEVE GUNDERSON

PRESIDENT AND CEO, COUNCIL ON FOUNDATIONS

As current president of the Council on Foundations, a former member of Congress, and a leading expert on workforce issues, Steve Gunderson brought wide-ranging expertise to the day's conversation. Gunderson also served as a member of the New Commission on the Skills of the American Workforce and has reflected deeply on what it will take to implement the recommendations outlined in *Tough Choices or Tough Times* and the leadership role philanthropy can play.

Steve Gunderson opened his presentation by stressing the urgency of change in the nation's education and workforce-development systems. Disparities in education achievement combined with a broad lack of actual work experience presents serious challenges for the future workforce of the United States.

Gunderson argued that the key indicator for success is not unemployment rates but rather "labor-force participation rates." Currently, this rate hovers around 66 percent, which means that nearly one-third of the U.S. workforce has decided to no longer participate in actively seeking work. While some portion of this number is comprised of parents choosing to stay at home, he observed, many others represent adult, disenfranchised workers.

Also striking and very troubling are youth unemployment rates for blacks and Hispanics: the unemployment rate for black youth is four to six times the national average, and the rate for Hispanic youth is three to four times the national average, Gunderson reported.

To help reverse these trends, Gunderson relayed that the New Skills Commission crafted an ambitious set of recommendations, including the following:

- Bring all American workers up to the levels of high school literacy embodied in board-qualifying exams.
- Create Personal Competitiveness Accounts at birth to fund individual lifelong learning.
- Create voluntary education industry standards for course certification, assuring portable transfer of the labor market with known skill capacity.
- Redesign the current workforce-development system so it is built around regional economies and not state and local municipal boundaries.
- Require states to provide the public with information on the employment and earnings of students from different community colleges and proprietary school programs.

What, he asked, is philanthropy's role in making change happen? How can foundations be more effective in supporting real improvements in this complex area?

One suggestion was for foundations to become more active "doers" in their own right. Gunderson pointed to the Lumina Foundation for Education and the KnowledgeWorks Foundation as exemplars of a style he called "facilitate-research-do," with all three activities supporting the generation of new knowledge. Foundations can work quickly and flexibly, he noted, especially when compared to the federal government. Foundations can then advocate for changes in policy and practice based on what they have learned.

Gunderson also spoke strongly in favor of collaboration among funders. He urged experienced education funders to reach out to community foundations, corporate funders and intermediaries working in education and workforce development and engage them in coordinating their work to advance regional solutions.

The distinction between education and workforce training is gone, Gunderson noted: "Training used to prepare a worker for a single job, but that's no longer true. Our educational system needs to prepare people to be able to work in many different jobs during their lifetimes." The global economy has already changed the life prospects of Americans in ways for which many of today's adults were unprepared. "The cynicism of the current generation about their jobs and failed assumptions are being communicated to their children," Gunderson reflected. Therefore it's even more important that our schools cultivate in young people the skills and confidence they will need to forge productive futures.

During his presentation, Gunderson also discussed the creation of the National Fund for Workforce Solutions as a new philanthropic vehicle for improving learning and market-training outcomes for low-income individuals.

Created in 2007 by four foundations—the Annie E. Casey, Ford, Harry and Jeanette Weinberg, and Hitachi foundations—along with the U.S. Department of Labor, it is a pooled grantmaking fund, managed by the participating foundations with support from Jobs for the Future and the Council on Foundations. With existing commitments of \$20 million (the Knight Foundation recently joined the collaborative), the Fund aspires to attract \$30-40 million over five years.

More information about the Fund is at www.nfwsolutions.org.

Our educational system needs to prepare people to be able to work in many different jobs during their lifetimes.

Conclusion: What Can Philanthropy Do to Accelerate Change?

TERRY MAZANY

PRESIDENT AND CEO, THE CHICAGO COMMUNITY TRUST

In July 2004, Terry Mazany became just the fifth CEO in The Chicago Community Trust's 90-year history. Prior to this position, Mazany served as The Trust's chief operating officer and as director and senior program officer for its Education Initiative, and he led the design and implementation of The Trust's \$50-million, five-year commitment to supporting literacy, teacher and principal quality, and school improvement in Chicago. Before joining The Trust, Mazany served a distinguished career in public school administration, leading improvement efforts in school districts in Michigan and California.

Terry Mazany and The Chicago Community Trust have been leaders in fostering collaboration among Chicago-area funders and engaging over the long haul to improve the performance of the Chicago public school system. Mazany briefly shared a compelling set of lessons for funders of systemic school reform:

- Foundations can be prime movers of reform, although they've also "fallen on the sword" of weak district leadership.
- Don't be naïve about the complexity of systemic reform in education.
- Plan for scale. It's important to prove a point and let others take it up, but be realistic about how that can happen.
- Reform takes sustained effort. Policy change takes even longer.
- Embedded evaluation is helpful. Move evaluators to the front-end and insist on capacity to do real-time reporting.
- Use foundation dollars to leverage the redeployment of public dollars.
- Encourage partnership structures, especially between national and local organizations. Facilitate learning: for example, The Chicago Community Trust encouraged CityYear to change its model to meet the needs of Chicago schools.
- Push siloed bureaucracies outside their silos. For example, The Chicago Community Trust had to do that to enable community schools to work well.

Mazany and Institute facilitator Anne Tillery then asked the participants to share their "takeaways" from the day. Recognizing that their insights fell into three categories, the group generated the following lists.

On the role of philanthropy in promoting change:

- The power of working in partnership with other funders is potentially very great. Convening funders for learning and planning might facilitate new partnerships.
- Foundations need to coordinate their efforts and have a laser focus for what they want to accomplish, especially at the policy level.
- Time, expertise and resources for planning—plus chances to see successful models—are valuable for educators. This isn't necessarily very costly, and smaller foundations can help.
- It's crucial to educate a foundation's board about complex, long-term strategies.
- Workforce-development funding is a bridge between education grantmaking and community-development grantmaking.

On workforce preparation and education:

- Workforce development and educational improvement are really the same thing. That's a new idea for a lot of people.
- The workforce connection helps get the attention of corporations and corporate funders.
- Students need to be prepared for college and work, and stronger connections need to be built between schools and the workforce.

On key priorities in school reform:

- Educational alignment needs to go across the entire age spectrum, from early childhood through adulthood.
- School culture must be changed to place a higher value on innovation.
- Student boredom is a real problem. Schools need to do more to keep students engaged and motivated.
- Bold programming and research are needed to upset the status quo and discover new solutions.



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