



STRATEGIC MANAGEMENT OF HUMAN CAPITAL

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TALENT IN EDUCATION:

The Essence of the STRATEGIC MANAGEMENT OF HUMAN CAPITAL (SMHC)

The mission of the **Strategic Management of Human Capital (SMHC)** is to dramatically improve student achievement and reduce achievement gaps by reforming and restructuring state and district human resource management systems, focusing first on the nation's largest and most urban districts. Launched in 2008, SMHC works with collaborating urban districts and states to put more powerful instructional practices into all classrooms, and to develop strategic systems for **recruiting, developing, rewarding and retaining** top-teacher and administrator talent.

SMHC'S ACTION NETWORKS

SMHC convened and oversees the work of three key action networks:

- A prestigious national **SMHC Task Force** of 32 education leaders, chaired by Minnesota Governor Tim Pawlenty, who provide leadership for and support to the SMHC agenda.
- An **SMHC District Reform Network** of 25+ districts addressing the full range of talent and human capital management issues, and committed to implementing key SMHC reforms.
- An **SMHC State Reform Network** of 8+ states adopting and implementing key state SMHC reforms that reinforce district abilities to recruit and retain top teacher and principal talent.

PRIMARY SMHC RESOURCES

- In **“What is SMHC?”** SMHC co-directors Allan Odden and James Kelly describe the core tenets of strategic management of human capital in education, and is available in the Resources section of the SMHC website: <http://www.smhc-cpre.org/>.
- SMHC **case studies** of human capital management reform in six urban districts, three national talent recruiting organizations, one state, and a cross-case analysis offer school districts examples of reform models of effective human capital management strategies across the spectrum of recruiting, retaining, developing and rewarding top teacher and principal talent. Future analytic materials will address how to measure teaching practice, the principal as human capital manager at the school site, and other district and state SMHC reforms.
- The SMHC Web site and blog (www.smhc-cpre.org) is a virtual hub for up-to-date news, research, resources and dialogue on SMHC issues and includes multiple SMHC resources for Race to the Top and other competitive stimulus funding.
- The annual SMHC National Conference profiles cases of leading-edge district and state SMHC initiatives that have improved teacher and principal effectiveness and student learning.

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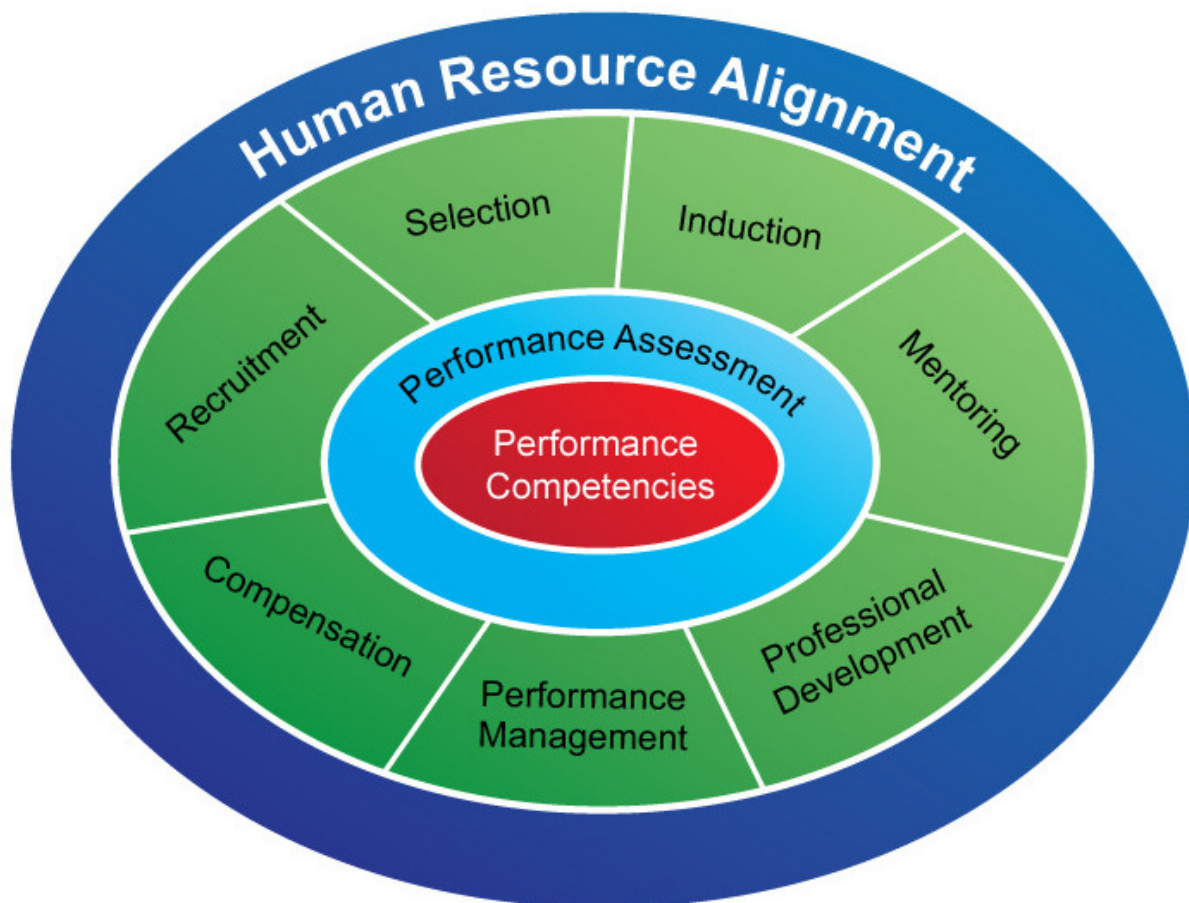
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TALENT IN EDUCATION

SMHC provides a model of strategic human capital management in education, through effective **recruiting, developing, rewarding and retaining** top teacher and administrator talent.

Specifically, SMHC targets seven areas: *recruitment, selection, induction, mentoring, professional development, evaluation/performance management* and *compensation*. Within districts and schools, these seven areas must be strategically aligned with their instructional programs, to ensure all levels of management and every step in the talent development process work towards a common goal—boosting student achievement through improved teaching.

Thus, school districts should align their systems to **recruit, develop, reward and retain teachers** around the district's definition of *teachers' core performance competencies* – the competencies needed to implement the district's instructional program. Districts should also align their systems for defining and developing principal competencies, which should include the competencies needed for human capital management at the school site. A performance assessment system to measure teacher and principal performance is needed to guide activities for each individual in each of the seven targets HR areas.



Recall that our theory of action is that after setting student performance goals and identifying the strategies for accomplishing them, the next step is to identify the knowledge, skills and expertise teachers and principals need to execute the strategies and then design human capital management programs to recruit, select, develop, motivate, reward and retain people with those competencies.

Recruiting talent – the world’s highest performing countries and districts first recruit top-teacher and principal talent.

- *Strategic Talent acquisition* systems allow districts to identify multiple sources of talent. Districts should work with existing (e.g., universities) and new talent pipelines (e.g., Teach For America, The New Teacher Project), as well as create their own programs. Each new hire should be tracked to determine individual effectiveness and the effectiveness of each talent pipeline.
- *Screening* tools help assess whether potential hires will be effective and whether they have or can develop the competencies needed for the instructional vision of the school district.
- Districts must ensure that *placement policies* equitably distribute effective teachers across schools and that teachers are assigned to teach within their area of licensure.
- Market-benchmarked beginning *salary* levels, *professional development* opportunities and *performance-based career progression* all impact initial decisions to enter professions, so it is important to have these strategic systems in place to attract top talent.

Recruitment, selection, induction, mentoring, professional development, performance management, and compensation must be strategically aligned within districts and schools, to ensure that all levels of management and every step in the talent development process work towards a common goal—boosting student achievement through improved teaching.

Developing talent – the world’s most effective countries and districts invest heavily in equipping teachers and principals with the expertise needed to be effective.

- Districts should align their new teacher *induction* and *mentoring*, and ongoing *professional development* practices, to help teachers develop the knowledge and skills needed in the instructional program of the school and/or district.
- *Professional development* programs should be structured and focused around the district’s instructional program and move teachers along a performance pathway from novice, to tenure, to higher levels of performance and teacher leadership roles.
- The tools of *performance management*, specifically teacher evaluation, feedback, coaching, goal setting and remediation, when aligned with the system’s vision of effective instructional practice, provide opportunities to appraise teachers as well as assist them in improving and maintaining their performance.
- Strategic systems of *compensation*, such as base-pay increases based on teacher evaluation scores, and bonuses for improved student performance, build upon teachers’ greatest intrinsic motivators: seeing increases in student academic achievement and knowing their instructional performance is getting better.
- Ideally, *tenure* should be provided when a certain level of teaching practice is reached on a quality multi-level performance evaluation system. But because it has been difficult for districts to adopt a policy that removes teachers because of poor instructional performance, it is important that districts recruit top talent, and design and implement effective induction, mentoring and ongoing professional development to help all teachers acquire effective instructional practices.

- Base *teacher termination* on reliable and valid performance evaluation systems, with clear teaching standards and performance rubrics, and evaluations scored by trained assessors.

Rewarding talent – a strategic reward system will align the pay system to the strategic needs and goals of the education system – effective instruction and better student performance.

- In setting pay levels, states and districts should determine competitive teacher and principal pay benchmarks in comparison to other comparable jobs in the broader economy.
- A strategic compensation system provides salary increases based on actual measures of teachers’ performance relative to the instructional program of the system, rather than just on untargeted educational units or credits, degrees and years of teaching experience.
- Compensation systems that reward individuals for expertise and provide a fast track to the top appeal more to younger talent in both teacher and principal positions.
- Compensation systems can help improve teacher *recruitment* and *retention* in subjects and schools with shortages, such as math and science education and hard-to-staff, usually high-poverty locations, by including appropriate incentives for teachers in such areas and schools.
- Compensation systems can increase *retention* by recognizing and rewarding competence, as well as incentivizing professionally accomplished individuals to follow a path towards instructional leadership roles and/or National Board Certification.
- Strategic pay systems can be made even more effective by providing bonuses for improving student achievement.

Retaining talent – top education systems retain effective teachers and principals.

- Quality *residency/induction* and *mentoring programs* help teachers learn effective classroom management and student instructional strategies and thus work to retain teachers in the important first five years, when many new recruits leave teaching.
- *Assigning* teachers to teach subjects only for which they are licensed avoid attritions based on mismatched assignments.
- *Performance management* combined with *professional development* aids retention of top-talent by helping eliminate those whose performance is not sufficient and by recognizing those whose performance is. It is important that the system is able to measure teaching performance at several levels.
- *Tenure* provided when a teacher’s instructional practice reaches a professional level of performance and effectiveness makes tenure something that is professionally earned rather than routinely given.
- Compensation systems that reward performance contribute to retention by recognizing and rewarding competence. This results in higher retention rates among better performers and higher attrition rates for poor performers.
- Cooperation and agreements between teacher organizations and districts are also important to teacher retention.

Retention of top teacher talent requires a system to measure teaching performance at several levels of performance. Building such a system is an essential element in district and state work to implement all SMHC reforms.

The goal is to recruit top teacher and principal talent, equip them with the most effective instructional strategies, and reward and retain those who are effective, and in the process dramatically boost student achievement. The above principles and tenets of SMHC help attain these goals and are good for students and fair to teachers and administrators.