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District Changes in Student Achievement and Local Practice under Georgia's District and School Flexibility Policy

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District Changes in Student Achievement and Local Practice under Georgia's District and School Flexibility Policy

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In 2007 Georgia instituted a flexibility policy through which school districts enter into performance contracts with the state, receiving waivers from state rules, provisions, and guidelines in exchange for agreeing to meet annual accountability targets. The performance contracts are intended to incentivize innovations that increase achievement among all students. Between 2008/09 and 2016/17, 178 of Georgia's 180 districts entered into a performance contract. The Georgia Department of Education requested an analysis of how student achievement changed after districts adopted a performance contract and what factors were related to those changes. The department also requested information on how districts used their performance contract to prioritize innovations in local practice. Overall, the study found little evidence that changes in student achievement coincided with adopting a performance contract but found significant variation in changes in achievement across districts, once other factors were adjusted for. Changes in achievement were largely unrelated to district characteristics, including urbanicity, timing of performance contract adoption, and district type, or features of the performance contract. District leaders reported prioritizing innovations related to college and career readiness, teacher certification requirements, instructional spending, and funding for school improvement after adopting a performance contract. Leaders perceived broad benefits from the priority innovations they identified, especially for staff and school climate, but also indicated that waivers were not required to implement many of the innovations. Despite the perceived benefits, changes in achievement were largely unrelated to the academic, human resources, and financial innovations that district leaders reported prioritizing after adopting a performance contract.

Why this study?

In 2007 Georgia education leaders and policymakers instituted a flexibility policy through which school districts enter into performance contracts with the state that grant waivers from state rules, provisions, and guidelines and allow schools and districts greater autonomy. In exchange, schools and districts must meet academic performance targets within five years or face consequences such as state takeover of schools.[1] The performance contracts are intended to incentivize innovations in local practice that ultimately increase student achievement.[2] The waivers enable districts to use resources differently to implement innovations that align with their educational mission, vision, and goals for improving student outcomes. Georgia's goal for the performance contracts is to shift its education system's focus from compliance to student achievement.

Georgia's flexibility policy allowed districts to become Charter Systems or Strategic Waiver School Systems (SWSS; see box 1 for definitions of key terms used in the report). The initial policy allowed districts to become Charter Systems, which receive a blanket waiver covering all allowable state laws and regulations—the same flexibilities that individual charter schools receive. Charter Systems must implement local school governance teams for each school in the district and can seek approximately $100 a year per pupil in supplementary funding to support their transformation.

For additional information, including background on the study, technical methods, supporting analyses, the survey instrument, and the interview protocol, access the report appendixes at https://go.usa.gov/x7GGw.

1. No districts have yet faced consequences, in part because performance targets have been revised due to changes in standardized assessments and changes to Georgia's College and Career Ready Performance Index.
2. Innovations are enacted changes to standard academic, human resources, or financial practices made by a district.

Few school districts chose to seek charter status, leading state policymakers to amend the law in 2008 to give districts another option—to become an SWSS. An SWSS must request waivers from specific regulations rather than receiving a waiver from all possible regulations, as Charter Systems do. Across all SWSSs the state issued waivers from 122 regulations. On average, each SWSS requested 39 waivers, and across all SWSSs more than 5,000 waivers were granted. SWSSs are not required to implement local school governance teams and do not receive supplemental per pupil funding.

In 2015 the state required all 180 Georgia school districts to become a Charter System or SWSS or to remain as Title 20/No Waivers School Systems (with no performance contract). Between 2008/09 and 2016/17, 178 districts adopted a performance contract, with 136 initially choosing to operate as an SWSS and 42 initially choosing to operate as a Charter System.[3] Groups of districts were granted waivers and implemented performance contracts in each of the school years between 2008/09 and 2016/17, which means that there are nine adoption cohorts (one for each school year). For the analyses the first seven adoption cohorts (2008/09–2014/15) were grouped into a single early adoption cohort group, the 2015/16 adoption cohort was the middle adoption cohort group, and the 2016/17 adoption cohort was the late adoption cohort group.

The Georgia Department of Education requested the Regional Educational Laboratory Southeast's help in analyzing districts' experiences under the flexibility policy. The department was specifically interested in how student achievement changed after districts adopted a performance contract, the district characteristics associated with the change in achievement, and the innovations that districts prioritized for implementation under their performance contract. It also was interested in the practices and perceived benefits to staff and school climate of SWSSs and Charter Systems where student achievement improved after the district adopted a performance contract.

State leaders can use the study findings to produce communications, develop services, and allocate resources more effectively in order to help district and school efforts use the waivers in their performance contracts. The findings will also provide information to Georgia districts about how other districts prioritized innovations and experiences under the flexibility policy. The results also may be of interest to other states considering similar deregulation policies. Georgia's flexibility policy is part of a growing trend in education reform to provide districts autonomy from traditional state-led education processes and policies in order to allow more flexibility in local decisionmaking, with the goal of improving student outcomes (Bulkley, 2005; Whitty & Power, 2000; Wrabel et al., 2016; see appendix A for a review of the literature on district and school flexibility). The results contribute to knowledge about how districts experience flexibilities and autonomy to implement innovations that could inform other states' policies and plans.

3. In 2017/18 and 2018/19, four SWSSs chose to switch to Charter Systems. This study examines districts' experiences following their initial performance contract, so those recent switches are beyond its scope.

Box 1. Key terms

Changes in student achievement. The average difference in student achievement before and after performance contract adoption for districts that adopted a performance contract compared with differences in the same years for districts that did not adopt one. Student achievement is measured by state standardized end-of-grade assessments in grades 3–8 and end-of-course exams in grades 9–12. Meaningful changes are defined as changes that are statistically significant and .05 standard deviation or larger, and small changes are changes that are statistically significant and smaller than .05 standard deviation. These thresholds are based on empirical benchmarks described in appendix B.

Charter System. A school district whose performance contract provides blanket waivers covering all allowable state laws and regulations—the same flexibilities that individual charter schools receive. Charter Systems must implement local school governance teams for each school and can seek approximately $100 a year per pupil in supplementary funding to support their transformation. Across Georgia, 42 districts initially chose Charter System status under the state's flexibility policy.

Early adoption cohort group. The 3 SWSSs and 28 Charter Systems in the seven cohorts that adopted a performance contract between 2008/09 and 2014/15, before Georgia passed an amendment requiring all districts to choose a status.

Innovation. An enacted change to standard academic, human resources, or financial practices made by a district.

Late adoption cohort group. The 76 SWSSs and 10 Charter Systems that adopted a performance contract in 2016/17, the last group to do so.

Middle adoption cohort group. The 57 SWSSs and 4 Charter Systems that adopted a performance contract in 2015/16, immediately after the amendment requiring all districts to choose a status.

Strategic Waivers School System (SWSS). A school district whose performance contract requires that the district request waivers from specific regulations. SWSSs are not required to implement local school governance teams and do not receive supplemental per pupil funding. Across Georgia, 136 districts initially chose SWSS status under the state's flexibility policy.

Research questions

The study addressed three research questions, designed broadly to understand the relationship between adopting a performance contract and changes in student achievement and the types of local practices and innovations that district leaders prioritized after adopting a performance contract:

1. How did student achievement in English language arts and math change after districts adopted a performance contract, once other factors, including prior achievement, were adjusted for?

    a. Did changes in achievement vary across districts?

    b. Were changes in achievement related to urbanicity (urban, suburban, town, or rural locale), adoption cohort group (early, middle, or late), or district type (SWSS or Charter System), after other factors were adjusted for?

2. What local practices and innovations did district leaders report prioritizing after adopting a performance contract, and which of these were perceived as most beneficial?

3. Were changes in student achievement in English language arts and math related to innovations that district leaders reported prioritizing after adopting a performance contract, after other factors were adjusted for?

Understanding changes in student achievement and district practices under performance contracts

The study team used administrative data from the Georgia Department of Education to examine how student achievement in English language arts and math changed from before districts adopted a performance contract to after, after other factors were adjusted for. Specifically, the analyses of the administrative data provide information on:

- Overall changes in achievement in grade 3–8 English language arts and math, grade 9 English, and grade 9–12 Algebra I.
- Variability in the changes in achievement in grade 3–8 English language arts and math, grade 9 English, and grade 9–12 Algebra I across districts.
- Links among district characteristics, priority innovations, and changes in achievement.

The analyses of implementation of innovations use administrative data as well as survey and interview data that the Georgia Department of Education collected. The survey asked district leaders to identify the innovations that were their top, second, and third priorities in each of three waiver areas—academic programs, human resources, and finances—after performance contract adoption. The interviews allowed leaders from 10 districts with some of the largest improvement in student achievement after performance contract adoption to provide detailed responses about the innovations that they reported prioritizing in the survey and their decisionmaking processes. They described whether they were implementing the innovations and, if so, how. In the interviewed districts, most of the prioritized innovations were being implemented, although some still were being planned.

Variables examined in the study

The study variables included district-level student demographic composition, district type (SWSS or Charter System), district composition by school type (percentages of schools in each district that were traditional public, public charter, magnet, special education, alternative, other, and Title I status schools), urbanicity (urban, suburban, town, or rural locale), enrollment, and measures from the survey that indicate the innovations that districts were prioritizing for implementation. The data sources, sample, and methods used are summarized in box 2 and detailed in appendix B.

Box 2. Data sources, sample, and methods

Data sources. For research question 1 the study team used data from Georgia Department of Education administrative records. These data were supplemented with school data from the U.S. Department of Education's Common Core of Data. For research question 2 the study team used data from a survey that the Georgia Department of Education administered to district leaders in the 178 Strategic Waivers School Systems (SWSSs) and Charter Systems and data from interviews that the department conducted with a subset of district leaders in 10 SWSSs and Charter Systems who completed the survey. For research question 3 the study team supplemented the data used in research question 1 with survey data on district priority innovations.

Sample. The administrative data used for research questions 1 and 3 include all students in grades 3–12 from 2005/06–2017/18 from the 178 SWSSs and Charter Systems in Georgia. The data include 10.5 million student scores on standardized achievement tests in four grade-subject groups (end-of-grade assessments in grade 3–8 English language arts and grade 3–8 math and end-of-course assessments in grade 9 English and grade 9–12 Algebra I), averaged by district and year. The 178 districts were categorized into three adoption cohort groups (early, middle, or late) by the year in which they adopted a performance contract (see box 1).

The survey data used for research questions 2 and 3 included responses from leaders in 133 districts. The district-level survey response rate was 75 percent. The study team found that the districts with survey responses were representative of all districts in Georgia based on observable characteristics (see appendix B).

The interview data used for research question 2 were from leaders in 10 districts that were ranked in the top 15 percent of districts based on changes in student achievement after performance contract adoption. Of the districts interviewed, seven were

SWSSs, and three were Charter Systems. The interview data are not representative of all districts; districts were selected for their potential to identify hypotheses about promising practices that could inform the Georgia Department of Education and other districts in the state.

Methodology. For research question 1 the study team conducted a district-level longitudinal analysis of student achievement (that is, a generalized difference in differences analysis) to examine changes in achievement after performance contract adoption and the degree to which changes in achievement were related to urbanicity (urban, suburban, town, or rural locale), adoption cohort group (early, middle, or late), and district type (SWSS or Charter System). Because districts adopted performance contracts at different points in time, change is a relative measure, defined as the average difference between student achievement before and after performance contract adoption for districts that adopted a performance contract compared with differences in those same years for districts that did not adopt one. For the earliest adoption cohort (2008/09), changes in achievement are relative to changes in achievement in the same years among other districts that adopted a performance contract in a later year. For the latest adoption cohort (2016/17), changes in achievement are relative to changes in achievement in the same years among districts that adopted a performance contract between 2008/09 and 2015/16; the comparison can be thought of as the value-added of adopting a performance contract for the last adoption cohort over and above any effects observed among districts that had already adopted one. For districts that adopted a performance contract between 2009/10 and 2015/16, the comparison condition includes both changes in achievement among districts that had not yet adopted a performance contract and changes in achievement among districts that had already adopted one (see table B4 in appendix B for more details).

The modeling approach for research question 1 included school year and district fixed effects (that is, fixed intercepts); incorporated district-level random effects for changes in student achievement after districts adopted a performance contract, which allowed the study team to examine how changes varied across districts; and adjusted for time-varying district compositional characteristics, including gender, race/ethnicity, free and reduced-price lunch status, individualized education program status, English learner status, and school type (traditional public, public charter, magnet, special education, alternative, other, and Title I status). Interaction terms between the performance contract adoption indicator and indicators for urbanicity, adoption cohort group, and district type were used to examine their relationship (that is, the degree to which those characteristics relate to changes in achievement after performance contract adoption).

For research question 2 the study team used descriptive statistics to identify priority innovations related to academic programs, human resources, and finances after districts adopted a performance contract, as indicated by survey responses from district leaders. Interviews with district leaders were recorded, transcribed, and qualitatively coded in NVivo using a coding structure developed by the study team (see appendix B). The coded transcripts were analyzed for common themes related to districts' decisionmaking regarding innovative practices and waiver use, their implementation of innovative practices, whether districts required specific waivers to implement their innovations, and their experience with Georgia's district and school flexibility policy.

For research question 3 the team used the same analytical approach as in research question 1 but added interaction terms between the performance contract adoption indicator and district leader–reported priority innovations (see appendix B).

Findings

The report findings are organized by research question. The first two sections focus on findings related to research question 1, including changes in student achievement after districts adopted a performance contract; variation in changes in achievement; and the relationship between changes in achievement and urbanicity, adoption cohort group, and district type. The next six sections focus on descriptive findings related to research question 2, including the innovations most frequently identified as priorities by district leaders in the statewide survey, insights into the motivation behind innovation priorities from interviews with district leaders, and perceived benefits from the innovations the districts identified in surveys and interviews. The final section focuses on findings related to research question 3 on the relationship between changes in student achievement and priority innovations identified by district leaders in the statewide survey.

Changes in student achievement after districts adopted a performance contract were small and were not consistently positive or negative, but variation in change in achievement was significant and meaningful

Average changes in student achievement across grades and subjects after districts adopted a performance contract ranged from –.02 to .03 standard deviation, once other factors were adjusted for (table 1). The only average change in achievement that was statistically significant was in grade 3–8 math (an improvement of .03 standard deviation, or about three weeks of learning; Hill et al., 2008). None of the average changes was meaningfully large (.05 standard deviation or larger).

Variation in district changes in student achievement was significant and meaningful. In grade 3–8 math approximately 90 percent of districts were expected to have true change in achievement between –.10 and .16 standard deviation (see table 1).[4] This result indicates that while the statewide average change in grade 3–8 math achievement was small (.03 standard deviation), some districts had changes that were meaningfully above the average and some had changes that were meaningfully below the average. In addition, the probability that achievement in grade 3–8 math changed by at least .05 standard deviation is approximately 40 percent.[5] Similar results were observed in achievement in grade 3–8 English language arts, grade 9 English, and Algebra I (figure 1).

Table 1. Changes in student achievement in English language arts and math after Georgia districts adopted a performance contract, 2005/06–2017/18

		Change in student achievement by district			
Subject	Number of districts (district-by-year observations)	Average (standard error)	Standard deviation[a]	90 percent range	Probability of being at least .05 standard deviation (percent)
English language arts (grades 3–8)	178 (2,136)	.02 (.01)	.09*	–.13, .16	35
Math (grades 3–8)	178 (2,136)	.03* (.01)	.08*	–.10, .16	40
Grade 9 English end-of-course assessment	178 (2,124)	–.01 (.01)	.08*	–.14, .11	20
Algebra I end-of-course assessment (grades 9–12)	178 (1,863)	–.02 (.02)	.12*	–.22, .18	27

* Statistically significant at the .05 level or lower.

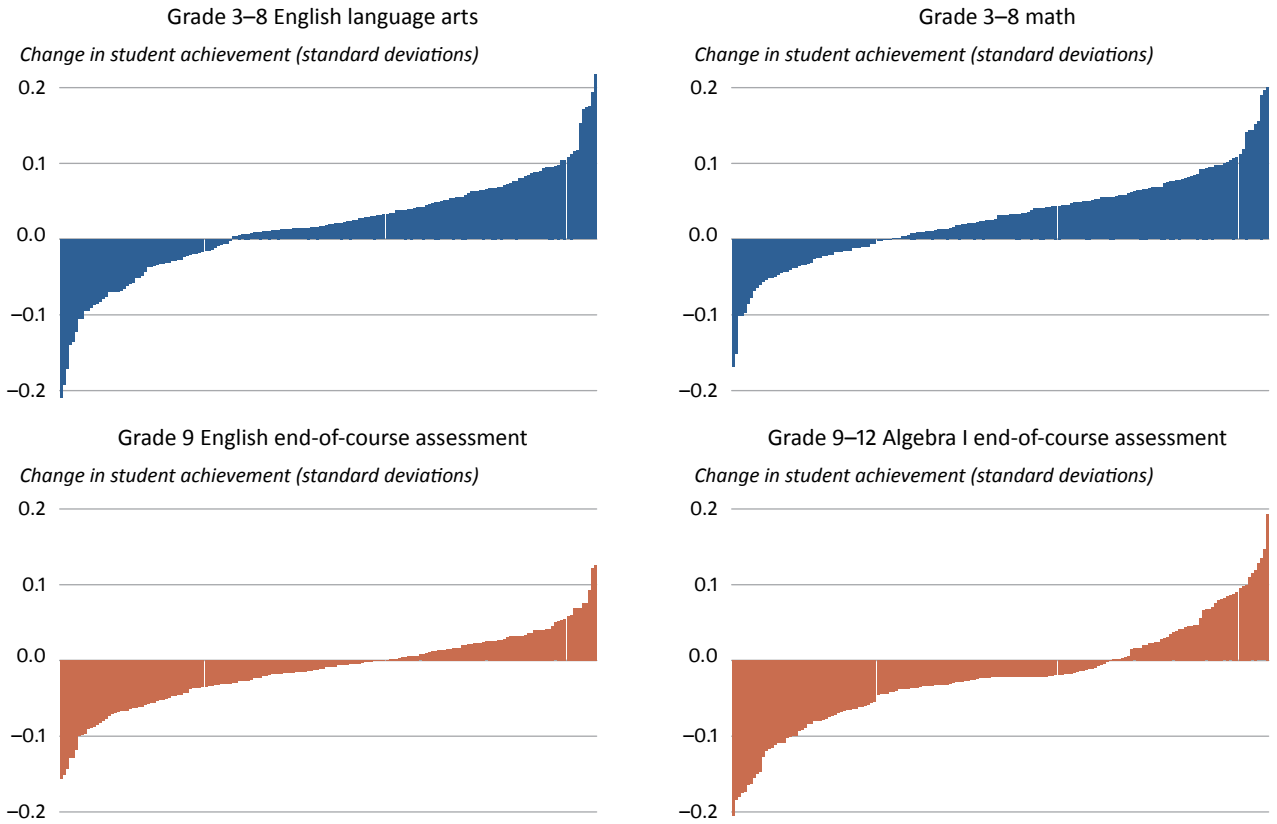
Note: See appendix B for a full description of the methods used to generate these results and table C1 in appendix C for the full set of results.

a. Refers to the standard deviation of district changes in achievement.

Source: Authors' analysis using administrative data from the Georgia Department of Education, 2005/06–2017/18.

4. These probabilities reflect the distribution of true district changes, which assumes that the districts and outcomes in the sample are representative of future districts and outcomes in Georgia. Using the average and the standard deviation of change for a given outcome, a randomly selected district would be expected to have a 90 percent probability of a true change in achievement within the specified interval.
5. This represents the expected probability that true district change in achievement is .05 standard deviation or larger.

Figure 1. Changes in student achievement after Georgia districts adopted a performance contract varied in size and direction, 2005/06–2017/18



Note: Each blue line represents one district; the vertical axes were truncated at +/– .2 standard deviation to improve comparability of scales across subjects and maximize readability. These plots were generated from the model that yielded the findings in table 1. See the methods section of appendix B for details on the regression models used in these analyses, and see tables C1 and C2 in appendix C for related results.

Source: Authors' analysis using administrative data from the Georgia Department of Education, 2005/06–2017/18.

Changes in student achievement after districts adopted a performance contract were largely unrelated to district urbanicity, adoption cohort group, or district type

There was minimal evidence of a relationship between changes in student achievement after districts adopted a performance contract and urbanicity, adoption cohort group, or district type (see table 2 for standardized differences in changes between groups). For example, the change in achievement in grade 3–8 English language arts was about .04 standard deviation smaller for urban districts than for suburban districts, although this result is not statistically significant. The changes in achievement for the early adoption cohort group (2008/09–2014/15) were comparable to those for the middle (2015/16) and late (2016/17) adoption cohort groups, once compositional differences and trends over time were adjusted for, even though the early adoption cohort group had higher average student achievement across subjects before performance contract adoption. Despite differences in average student achievement, urban, suburban, town, and rural districts changed in mostly comparable ways after adopting a performance contract. However, changes in achievement in grade 9–12 Algebra I were about .14 standard deviation smaller in urban districts than in suburban districts,[6] which was statistically significant. In addition, there was no difference in the degree to which achievement in any subject changed between districts that became SWSSs or Charter Systems as part of their performance contract.

6. After performance contract–related priority innovations identified by district leaders in the survey were adjusted for, the difference falls to about .06 standard deviation and is no longer statistically significant.

Table 2. Changes in student achievement after Georgia districts adopted a performance contract and their relationship with urbanicity, adoption cohort group, or district type, 2005/06–2017/18

Variable	Grades 3–8		Grades 9–12	
	English language arts	Math	English end-of-course assessment	Algebra I end-of-course assessment
Urbanicity (suburban is reference group)				
City	–0.04 (0.03)	–0.02 (0.03)	0.00 (0.03)	–0.14 (0.05)*
Town	–0.04 (0.03)	0.01 (0.03)	–0.06 (0.03)	–0.07 (0.05)
Rural	–0.03 (0.02)	0.02 (0.02)	–0.01 (0.02)	0.01 (0.04)
Adoption cohort group (early [2005/06–2014/15] is reference group)				
Middle (2015/16)	–0.01 (0.03)	–0.02 (0.03)	–0.05 (0.03)	–0.01 (0.05)
Late (2016/16)	0.01 (0.03)	–0.02 (0.03)	0.00 (0.03)	0.04 (0.06)
District type (charter is reference group)				
Strategic Waivers School System	0.00 (0.03)	0.01 (0.03)	0.02 (0.03)	–0.05 (0.05)
Number of districts	178	178	178	178
District-by-year observations	2,136	2,136	2,124	1,863

* Significant at the .05 level or lower.

Note: Numbers in parentheses are standard errors. See appendix tables C1–C3 in appendix C for full model results.

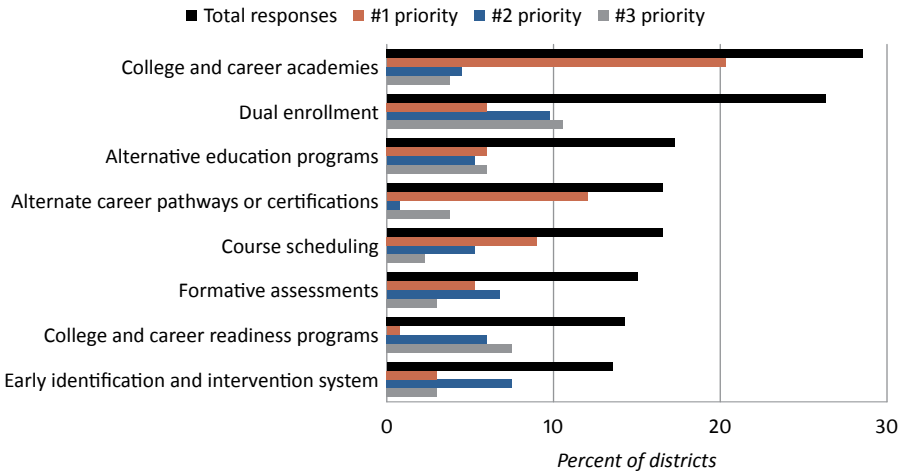
Source: Authors' analysis using administrative data from the Georgia Department of Education, 2005/06–2017/18.

Innovations that enhance preparedness for college and career were the most frequently prioritized academic innovations after districts adopted a performance contract

In survey responses, leaders in 29 percent of districts reported prioritizing innovations related to college and career academies, with 20 percent ranking college and career academies as their top priority among the 35 academic innovations in the survey (figure 2; see figure C1 in appendix C for rankings of all academic innovations). Dual enrollment options were the second most frequently ranked innovations, and alternate career pathways or industry certifications were the third. Interview respondents often reported implementing dual enrollment and alternate career pathways as part of college and career academies. District leaders ranked other academic innovations, such as personalized learning, specialty classes, graduation requirements, and student promotion and retention policies, as a priority less frequently.

Districts may have a variety of motivations for prioritizing college- and career-related innovations. These include increased community involvement and investment, desire to meet students' needs, and accountability pressure. In an interview one Charter System leader described the district's prioritizing its college and career academy as a community-building opportunity. The district brought together partners from the community and higher education to ask, "What do we need in this community? Where are we struggling to find folks that can perform, work in these areas?" An SWSS superintendent described a similar effort to align the district's career academy and work-based internship program with community and student needs: "…especially with what we're trying to develop in our community, and that's the close relationship with the industry, we tried with our career academy. We did surveys; we looked at state reports to try to find out where the jobs were. So we planned our programs around that. We eliminated, for instance, cosmetology, because there are not that many jobs out there. But the intern[ship program] with the seat time [waiver] enabled us to be more targeted, more focused on getting actual careers for our students." Prioritizing these innovations may also be related in part to Georgia's college and career readiness accountability system, which sets performance targets for the college and career readiness index.

Figure 2. Innovations that enhance preparedness for college and career were the most frequently prioritized academic innovations after districts adopted a performance contract, according to a survey of Georgia district leaders, 2019



Note: Sample includes 133 districts.

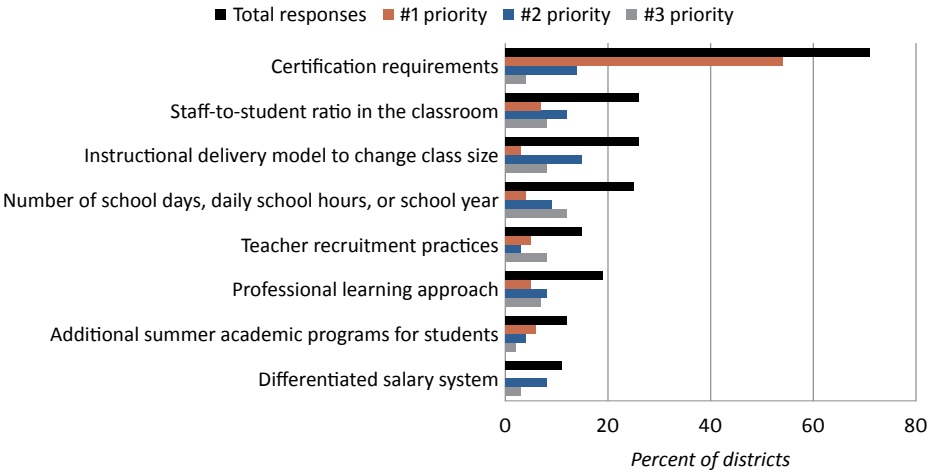
Source: Authors' analysis using data from surveys of district leaders administered by the Georgia Department of Education, 2019.

Teacher certification was the most frequently prioritized human resources innovation after districts adopted a performance contract

In survey responses leaders in 71 percent of districts reported prioritizing innovations related to teacher certification flexibility, with 54 percent ranking teacher certification as their top priority among the 22 human resources innovations in the survey (figure 3; see figure C2 in appendix C for rankings of all human resources innovations).

In interviews district leaders made several statements suggesting that they were using teacher certification waivers. For example, they reported hiring noncertified teachers with content expertise as part of implementing innovative programs, such as college and career academies or alternative learning programs. Interview

Figure 3. Teacher certification was the most frequently prioritized human resources innovation after districts adopted a performance contract, according to a survey of Georgia district leaders, 2019



Note: Sample includes 133 districts.

Source: Authors' analysis using data from surveys of district leaders administered by the Georgia Department of Education, 2019.

respondents also reported hiring noncertified teachers to teach academic courses, usually in response to teacher shortages in specific subjects. Teacher shortages were identified as driving the need to waive teacher certification requirements, especially in rural areas, according to a district leader, "because we're a smaller area and we just don't have a lot to offer people … generally it's people who grew up here and have family here." One leader, who reported finding the waiver useful "in several situations, probably over the past three or four years" for identifying "highly qualified staff, and then getting them into our school system, getting them into the right training programs," summarized the waiver's benefit as follows: "Instead of worrying about certification first, we're worrying about student success first, which makes a big difference."

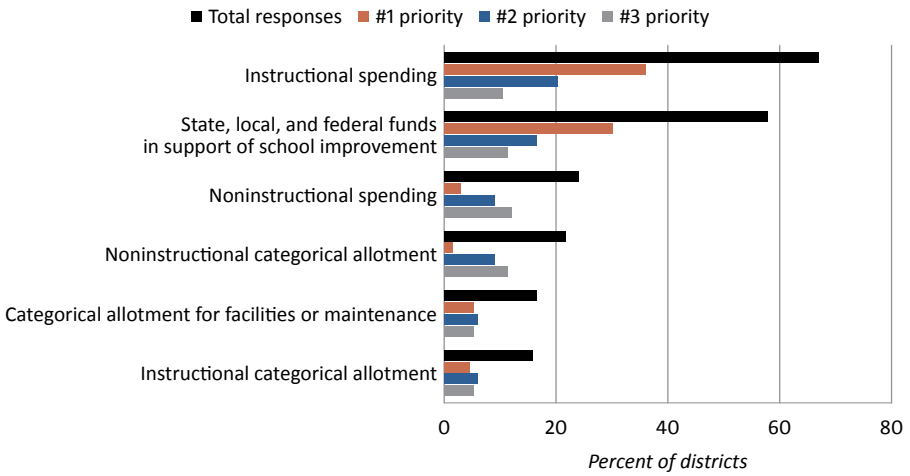
According to interviewed district leaders, other circumstances that motivated prioritizing teacher certification innovations included filling positions that receive only one or two applicants, especially at the middle and high school levels; recruiting fluent Spanish-speaking teachers who can teach core content areas in Spanish for a dual-language immersion program; hiring content experts who had prior careers, such as photographers, pianists, engineers, or college English professors; and opening more pathways to employment for out-of-state licensed teaching professionals.

The most frequently prioritized financial innovations after districts adopted a performance contract involved instructional spending and state, local, and federal funds in support of school improvement plans

In survey responses leaders in 67 percent of districts reported prioritizing financial innovations related to instructional spending, and leaders in 58 percent of districts reported prioritizing state, local, and federal funds for school improvement plans (figure 4; see figure C3 in appendix C for rankings of all financial innovations). Noninstructional spending, the next most frequently prioritized innovation, was reported as a priority by leaders in 24 percent of districts.

In interviews district leaders spent more time discussing academic and human resources innovations than financial innovations, but they did comment on using financial flexibilities for innovations related to effectively allocating funds to align with students' needs. Interview respondents emphasized that flexibility in both instructional

Figure 4. The most frequently prioritized financial innovations after districts adopted a performance contract involved instructional spending and state, local, and federal funds in support of school improvement plans, according to a survey of Georgia district leaders, 2019



Note: Sample includes 133 districts.

Source: Authors' analysis using data from surveys of district leaders administered by the Georgia Department of Education, 2019.

spending and state, local, and federal funds in support of school improvement plans enabled them to allocate funding based on specific community, school, and student needs, including factors such as free or reduced-price lunch status, gifted status, and English learner status as well as for labs or pull-out services related to early intervention and remediation. In different districts aligning funding to specific needs included allowing schools to "prioritize those areas that, for their school community or context, are necessary supports to have in place"; evaluating the budget in terms of the district's early intervention program and remediation classes for specific grade levels and allocating funding to needs in those areas; and distributing funding to wraparound services to increase students' readiness to learn.

After adopting a performance contract, many districts prioritized innovations that did not require a waiver

Many district leaders reported in the survey that a waiver was not necessary to implement the innovations that their districts prioritized under their performance contract. In each category of innovations, districts prioritized a mix of innovations that required waivers to implement and innovations that could be implemented without a waiver (figure 5). District leaders most frequently identified needing a waiver to implement academic innovations related to credit requirements and availability and enrichment or other specialty classes. The human resources and financial innovations most frequently identified as needing a waiver included instructional delivery models to change class size, teacher certification requirements, differentiated salary schedules, and noninstructional and instructional categorical allotments. These were closely related to the "big four" waivers: class size and reporting requirements, teacher certification requirements, salary schedule requirements, and direct classroom expenditure control.[7]

District leaders perceived improvements across broad outcomes after they adopted a performance contract

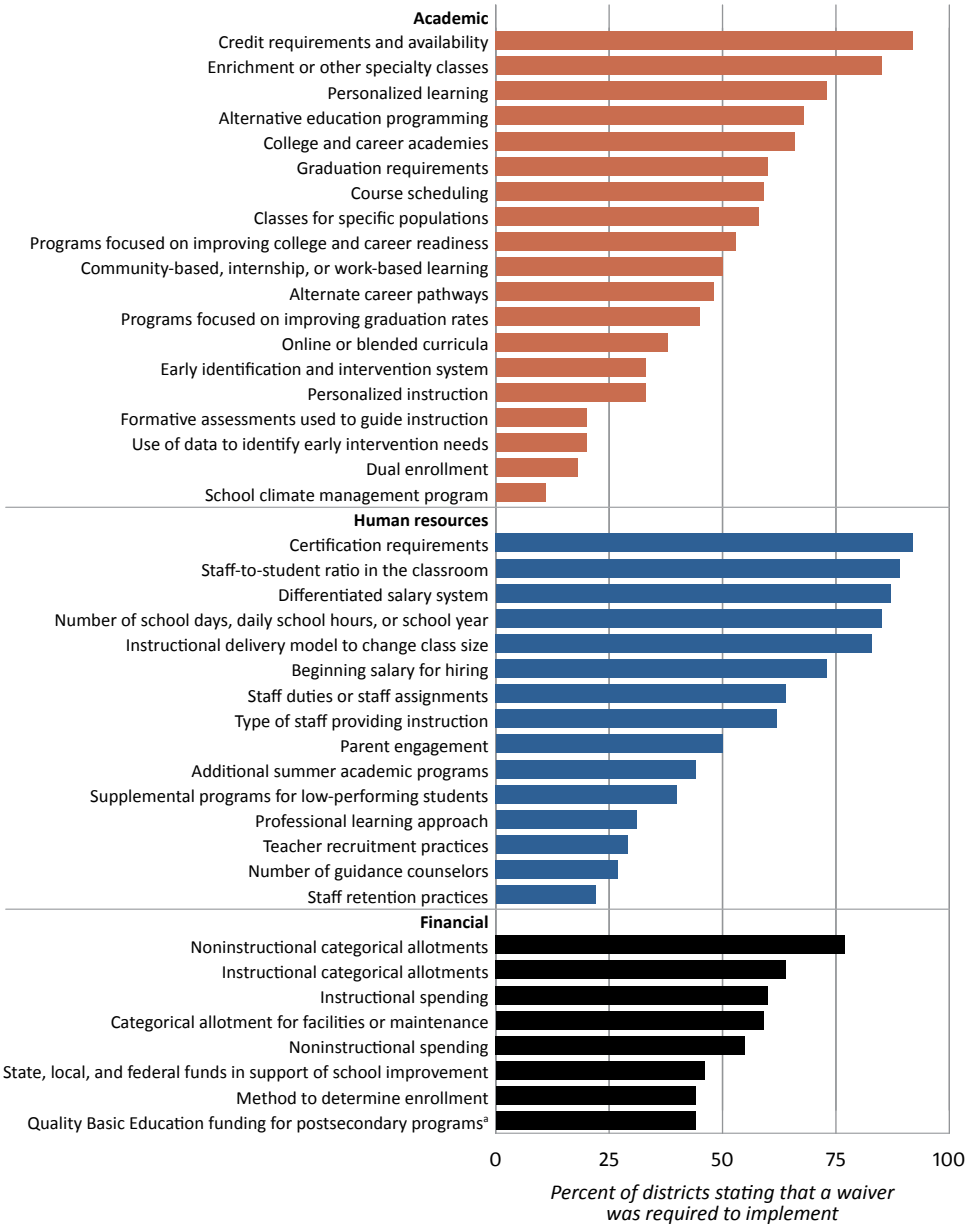
In surveys district leaders reported improvements across several types of outcomes after adopting a performance contract: academic, staff, school climate, parent engagement, and financial. Leaders in 24 percent of districts perceived that academic outcomes, including student achievement, attendance, and graduation rates, improved substantially, and leaders in 55 percent of districts perceived that academic outcomes improved somewhat (figure 6). Similarly, leaders in 19–23 percent of districts perceived that staff, school climate, and financial outcomes improved substantially, and leaders in 47–53 percent of districts perceived that these outcomes improved somewhat. Leaders in a smaller proportion of districts perceived changes in parent engagement outcomes, with 11 percent perceiving that parent engagement improved substantially, 43 percent perceiving that it improved somewhat, and 46 percent perceiving that it remained the same.

District leaders more frequently cited staff and school climate outcomes than academic outcomes as benefiting from priority innovations

District leaders identified changes to their professional learning approach as the most important contributor to improved outcomes after performance contract adoption. In surveys, district leaders reported that academic, staff, school climate, parent engagement, and financial outcomes changed after their district adopted a performance contract. Leaders in 35 percent of districts identified changes to their professional learning approach as the most important contributor to improved staff outcomes, 14 percent identified it as the most important contributor to improved school climate outcomes, and 3 percent identified it as the most important contributor to improved academic outcomes (figure 7). District leaders identified innovations that contributed to staff outcomes more frequently than innovations that contributed to school climate or student academic outcomes.

7. The Georgia calls these waivers the "big four" because districts were required to request at least one of them in their SWSS applications; Charter Systems automatically received all waivers.

Figure 5. After adopting a performance contract, many districts prioritized innovations that did not require a waiver, according to a survey of Georgia district leaders, 2019

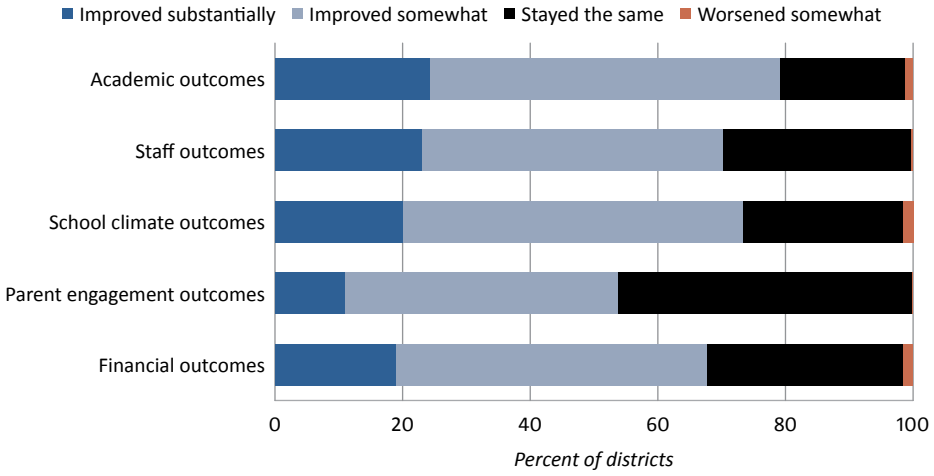


Note: Includes innovative practices identified by leaders in at least 10 percent of districts as a priority for implementation. The number of districts is between 9 and 97, depending the innovation.

a. Quality Basic Education is Georgia's school funding formula, which determines the cost per pupil to provide an adequate education.

Source: Authors' analysis using data from surveys of district leaders administered by the Georgia Department of Education, 2019.

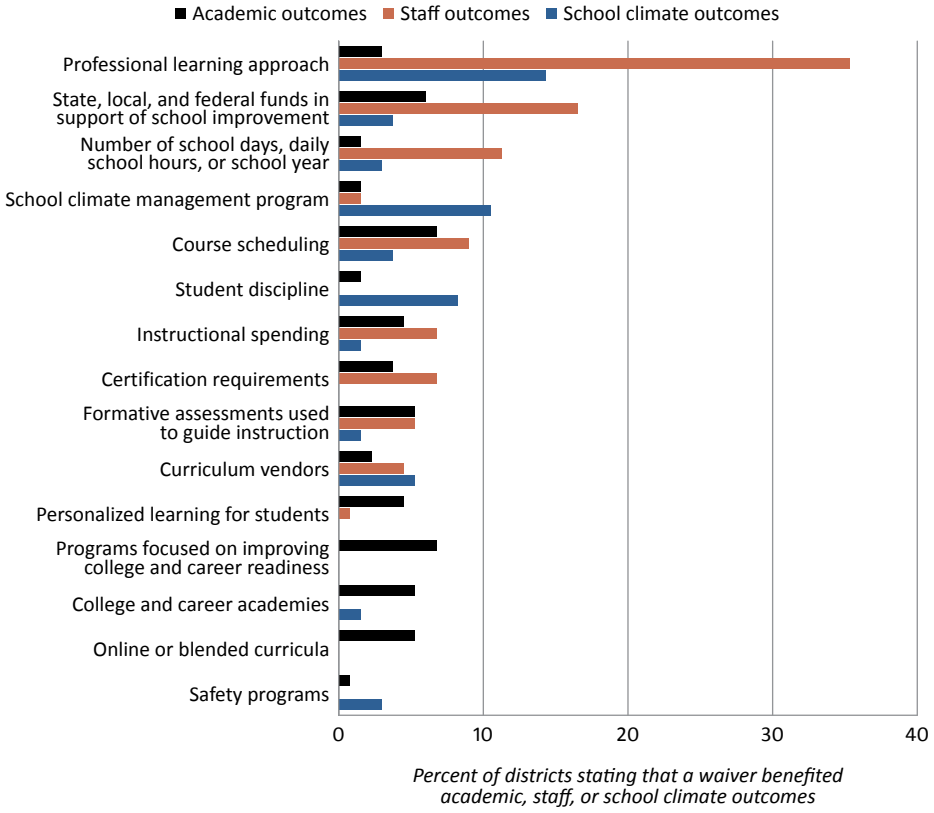
Figure 6. District leaders perceived improvements across broad outcomes after adopting a performance contract, according to a survey of Georgia district leaders, 2019



Note: Sample includes 133 districts.

Source: Authors' analysis using data from surveys of district leaders administered by the Georgia Department of Education, 2019.

Figure 7. Innovations were most frequently perceived as benefiting staff and school climate outcomes, according to a survey of Georgia district leaders, 2019



Note: Sample includes 133 districts.

Source: Authors' analysis using data from surveys of district leaders administered by the Georgia Department of Education, 2019.

Changes in student achievement after districts adopted a performance contract were largely unrelated to priority innovations identified by district leaders, except the differentiated salary innovation and the alternative education programs innovation

Most of the innovations included in the analysis were not related to changes in student achievement across grades and subjects after districts adopted a performance contract (table 3). However, two innovations were significantly associated with changes in achievement: achievement in grade 3–8 math was about .07 standard deviation higher for districts that prioritized innovations related to differentiated salary than for districts that did not, and achievement in grade 9 English was about .07 standard deviation lower for districts that prioritized innovations related to alternative education programs than for districts that did not.

Variation in how long districts have had a performance contract is important in contextualizing these findings. Most districts have prioritized innovations under their performance contract for one or two years, which may not be enough time to reveal a relationship with changes in student achievement. In addition, not all prioritized innovations have been fully implemented, which also may limit the relationship between prioritized innovations and changes in student achievement. In survey responses, 48 percent of district leaders stated that innovations were being implemented consistently across schools, 48 percent of district leaders stated that innovations were being implemented differently across schools, and 1 percent stated that innovations were not yet being implemented in any schools.[8]

Table 3. Changes in student achievement and their relationship with the innovations Georgia districts prioritized under their performance contracts, 2005/06–2017/18

	Grades 3–8		Grades 9–12	
Variable	English language arts	Math	English end-of-course assessment	Algebra I end-of-course assessment
Priority academic innovations				
Alternative education programs	–0.03 (0.03)	–0.02 (0.03)	–0.07 (0.03)*	–0.03 (0.05)
College and career academies	0.00 (0.02)	–0.03 (0.03)	–0.03 (0.03)	–0.05 (0.04)
Personalized instruction	0.01 (0.04)	0.02 (0.04)	0.01 (0.04)	0.08 (0.08)
School climate management	0.01 (0.18)	0.20 (0.20)	0.22 (0.22)	–0.12 (0.38)
Priority human resources innovations				
Certification	–0.02 (0.02)	–0.02 (0.02)	0.04 (0.03)	–0.01 (0.04)
Differentiated salary	0.03 (0.03)	0.07 (0.03)*	0.04 (0.03)	0.06 (0.06)
Class size	0.01 (0.02)	0.03 (0.02)	–0.00 (0.02)	–0.01 (0.04)
Professional learning	–0.05 (0.03)	–0.02 (0.03)	0.02 (0.03)	0.02 (0.06)
Priority financial innovations				
Instructional spending	0.01 (0.02)	–0.00 (0.03)	–0.00 (0.03)	–0.03 (0.04)
Noninstructional spending	0.02 (0.02)	0.00 (0.03)	0.01 (0.03)	–0.02 (0.04)
Number of districts	133	133	133	133
District-by-year observations	1,596	1,596	1,584	1,395

* Significant at the .05 level or lower.

Note: Numbers in parentheses are standard errors. Models include controls for student and district characteristics, including adoption cohort group.

Source: Authors' analysis using administrative data from Georgia Department of Education, 2005/06–2017/18.

8. About 2 percent of district leaders did not respond to this question.

Limitations

This study has four main limitations.

The findings related to changes in student achievement after districts adopted a performance contract (research questions 1 and 3) are driven heavily by districts that have implemented performance contract–related innovations for only one or two years. It will be important to continue to track changes in achievement as more districts in the early adoption cohort group approach five years with a performance contract.

Survey (self-report) data, such as those used in this study, present several limitations. First, the data depend on respondent accuracy; in some cases, respondents may not provide accurate responses and reflections or may not use the survey as intended. For example, district leaders might be more likely to indicate prioritizing innovations that they were first exposed to in the online survey (see appendix B for further discussion). Second, survey nonresponse can introduce bias. In this study the district-level response rate was 75 percent, which is below the 85 percent response goal. Analyses for potential response bias indicated that the sample of districts with responses was representative of all districts in the state on observable characteristics (see table B3 in appendix B). Still, because these observable variables were not strongly correlated with the prioritized innovations, it is possible that the districts that responded do not fully represent the state. Results should therefore be interpreted with caution. This limitation also applies to findings related to the analysis of the relationship between changes in student achievement and innovations that district leaders reported prioritizing in the survey (research question 3). Third, the priority innovations identified in the survey were based on an item asking respondents if they had implemented or planned to implement performance contract–related innovations. Some or many of the districts might still be in the planning phase of innovations, so associations with changes in achievement would not be expected. In addition, districts might have been implementing or prioritizing at a substantial level other innovations that district leaders did not list as top priorities. This reinforces the need for additional research into school-level changes in practice after districts adopt a performance contract.

Third, the qualitative findings are based on a small number of interviews with leaders in 10 districts that were among those that experienced the largest improvement in student achievement after adopting a performance contract. Their experiences are unlikely to be representative of all districts, but they were chosen for their potential to provide insight into potentially promising local changes in practice that other districts might find helpful when implementing innovations under their own performance contract.

Fourth, the study is not intended to determine cause and effect. Finding an association between an innovation and a change in student achievement, even when statistically significant, does not mean that the innovation caused the change and should not be interpreted as such. The study's findings reveal only the strength of the associations between specific indicators and outcomes. These associations can be used to identify potential successes and challenges and provide guidance to state education administrators on areas that show promise or require additional support for districts.

Implications

The study findings suggest potential directions for the Georgia Department of Education to support districts' efforts to implement innovations associated with the waivers in their performance contracts and further understand districts' experiences under the flexibility policy.

The Georgia Department of Education might consider monitoring whether statewide changes in student achievement emerge over the coming years as performance contracts and related innovations mature. The study found minimal evidence of relationships between innovations and changes in achievement after districts adopted a performance contract. The districts may not have fully implemented performance contract–related innovations, especially because

most districts have had their performance contracts for only one or two years. It is not possible to know whether districts have started implementing all their prioritized innovations or whether innovations have only been planned. In time, the relationship between innovations and longer-term changes in achievement should become clearer.

Because the study found improvements in student achievement in English language arts and math in some districts, despite minimal evidence of changes in achievement statewide, the Georgia Department of Education might consider encouraging districts to collect systematic data on the innovations they implement under their performance contract. Doing so might help increase understanding of how changes in practice are associated with changes in student, staff, and other outcomes. This study relied on district leaders' historical accounts of changes in local priorities and innovations related to their performance contracts, which have several limitations, as discussed in the previous section. Regularly reviewing changes in district policies and practice that relate directly to performance contracts could help build a robust database to drive continuous improvement. Indeed, the Georgia Department of Education calculates whether districts met their performance targets each year, but a review that extends beyond accountability could provide interim information on whether and how districts are implementing innovations.

In addition to monitoring changes in academic achievement over the next three to four years, the Georgia Department of Education might consider examining the relationship between adopting a performance contract and staff retention and mobility, especially because many district leaders perceived benefits to school climate and staff outcomes. One specific question for further study is whether using teacher certification flexibility can help districts resolve challenges in attracting and retaining teachers, especially in small rural districts. About 71 percent of districts reported prioritizing flexibility related to teacher certification so that they could recruit and hire teachers who may not be certified in order to fill vacant positions in particular subject areas. The department also might want to further examine how this practice is associated with student achievement and whether achievement differs for students of noncertified teachers in certain subject areas or grade levels.

The findings also suggest a need to conduct research on implementation of the flexibility policy at the school level. Such research could help the Georgia Department of Education better understand the extent to which priorities at the district level successfully translate into changes in practice at the school level. Although the lack of clear evidence on the relationship between priority innovations and changes in student achievement may be driven by the relative immaturity of most performance contracts, those innovations may have more precise manifestations at the school level that better explain variation in changes. Regional Educational Laboratory Southeast researchers are partnering with the department to conduct a follow-up study that examines differences in changes in achievement among schools within districts after performance contract adoption as well as schools' experiences implementing innovations related to their districts' waivers.

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