

# Case in Brief No.1

## PRINCIPLES FOR EFFECTIVE EDUCATION GRANTMAKING

### Linking Resources to Results:

### The Chicago Public Education Fund’s Master Teacher Initiative

#### PRINCIPLES FOR EFFECTIVE EDUCATION GRANTMAKING

Discipline & Focus	Knowledge	Resources Linked to Results	Effective Grantees	Engaged Partners	Leverage, Influence & Collaboration	Persistence	Innovation & Constant Learning
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“Linking Resources to Results” explores the deliberate approach—including specific goals, a clearly articulated grantmaking strategy and benchmarks for measuring progress—the Chicago Public Education Fund used to help the Chicago Public Schools recognize, reward and deploy high-quality teachers.

The case study is intended to help grantmakers see ways to more deliberately *link resources to desired results*, which is one of Grantmakers for Education’s Principles for Effective Education Grantmaking.

Founded in 1999, the Chicago Public Education Fund’s mission is to “accelerate achievement for all Chicago public school students, especially our neediest, by building talented teams of principals and teachers.” The fund operates as a venture philanthropy: It raises capital from individual and institutional donors and then provides grant funding and direct, hands-on assistance to grantees. Between 2000 and 2008, its grantmaking budget totaled \$25 million.

The fund’s founding chair, Tribune Publishing President Scott Smith, hired Janet Knupp to lead the organization shortly after it was created. Knupp’s initial task was to clarify the fund’s strategy, which quickly coalesced around strengthening principal and teacher leadership in the district. Smith explained: “In the business world, we recognize talent as the key lever for driving improved performance, and we believed the same paradigm would hold true in public education. In addition to dollars, our donors wanted to contribute >

their leadership and management expertise as the district began to tackle reforms.”

Aligning its grantmaking strategies with the Chicago school district’s reform strategies also became a key part of the fund’s work—indeed, it pursued initiatives only after the district also agreed to allocate significant resources of its own.

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The fund prides itself on its results-oriented approach. “Since we do not have an endowment,” Knupp observed, “our ability to continue fund-raising depends upon delivering a social return to our investors. We are extremely disciplined about clarifying what our funds will achieve.”

In March 2000, the Education Fund announced its first \$10 million pooled fund, called Leadership Fund I. Grants from Fund I were allocated from 2000 to 2004 to support three complementary efforts aimed at improving teacher and principal talent in Chicago:

- Recruit and develop exceptional new teachers, with an emphasis on non-traditional talent, to address critical teacher shortage areas.
- Identify the best teachers and compensate them accordingly.
- Recruit and develop talented principals with management and education expertise to lead effective schools.

Of the \$10 million Fund I, \$2.1 million was allocated to grantees who supported the fund’s goal of rewarding excellent teachers; these investments were called the fund’s Master Teacher Initiative.

During the winter months of 1999–2000, Program Officer Sonya Choe Miller reviewed various models used to identify excellence in teaching. Miller recalled, “We were looking for an objective standard of ‘master teacher talent’ that had national credibility. National board certification quickly came to the forefront.”

The National Board for Professional Teaching Standards developed the certification in 1994, establishing professional standards for accomplished teaching and then creating a voluntary system to certify teachers who met those standards. Early comparative studies indicated that board-certified teachers significantly outperformed their noncertified peers.

In 1999, there were only 11 national board certified teachers among the Chicago Public Schools’ 26,700 teachers. In selecting national board certification as the vehicle for identifying and rewarding master teacher talent in Chicago, Knupp acknowledged that the Education Fund “took a gamble.” She recalled, “When we started, there was no research evidence to show that national board certified teachers improved student achievement, but there was significant consensus that teacher quality was the most important variable for affecting student outcomes.”

Fund I investments for the Master Teacher Initiative supported three primary activities (detailed in the full case study):

1. Financial incentives to individual teachers and to schools that formed board-certified teacher cohorts.
2. Candidate preparation and resource programs.

### 3. Broader community and philanthropic support for national board certification.

By December 2003, the number of national board certified teachers in Chicago had grown to 233, and the fund's \$2.1 million investment had leveraged an additional \$14.3 million from the state, the district and other grantmakers. However, the fund's success was tempered by the results of its incentive program for teacher cohorts: Only seven schools had formed teams of candidates, and only four received the full \$30,000 incentive.

Building on a thorough assessment of Leadership Fund I's successes, the fund announced a \$15 million Leadership Fund II in April 2004. "To borrow an analogy from [business strategy guru] Jim Collins, Fund I was about getting the right people 'on the bus,'" said Knupp. "Now that we are finding the talent, the challenge is getting these people in the right seats and providing the appropriate supports so that they can drive the bus."

In addition to a continued focus on recruiting and developing excellent teachers and principals, Fund II aimed to more strategically deploy teams of educators to create high-performing schools, help the district use data well, and create performance incentives and rewards.

The fund's board approved \$4.85 million from Fund II to continue the Master Teacher Initiative. While the fund continued to see national board certification as the key strategy for identifying talented teachers, it also wanted to accelerate efforts to better use these master teachers as leaders of school reform. Thus, it set two

## Lessons learned

This case study—the full text of which is available at [www.edfunders.org](http://www.edfunders.org)—suggests four important lessons for grantmakers seeking to increase their impact:

- **Make assumptions about grantmaking strategy explicit.** The discipline of vetting different solutions to problems can help funders improve their effectiveness. The Chicago Public Education Fund built its strategy on the core assumption that great leaders make great schools; its grantmaking is designed to identify, cultivate and deploy talented teachers and principals.
- **Ensure resources are adequate.** Grantmakers should think carefully and honestly about whether their resources are sufficient for the problem they want to solve—and how they can bring added resources to bear. The fund used the management expertise of its board to work with grantees, pursued initiatives only after the district also agreed to allocate significant resources of its own and began each investment with an exit strategy in mind.
- **Know what you want to measure—and make sure your grantees know it.** The fund and each grantee jointly develop a scorecard that defines and measures acceptable achievements for the program. "The up-front time we spend with our portfolio programs is critical for achieving results. Both sides need to 'own' the goals, the performance measures and the benchmarks," observed Penny Pritzker, the fund's vice chair.
- **Assess success, adjust assumptions and revise strategies.** Strategies should be revisited over time to see if each element is making anticipated contributions. Monitoring performance, seeking feedback at important junctures and making appropriate adjustments has enabled the fund to improve its grantmaking over time.

clear numeric targets for its Fund II Master Teacher Initiative:

- Increase the number of national board certified teachers in Chicago to 1,200 by 2008.
- Ensure that 15 percent or more of the teachers in 25 high-poverty schools are national board certified by 2008.

Fund II grants supported continuing financial incentives and efforts to strengthen candidate preparation programs. With just under \$700,000 of the \$4.85 million master teacher deployment budget remaining in early 2006, fund staff continued to explore other potential investments. Promising ideas included:

- Provide incentives to encourage certification in high-poverty schools.
- Help the district and union develop a strategy for candidate preparation.

- Collaborate with the Chicago principals' association to develop principals' distributed leadership skills.

In particular, Knupp and her team puzzled over how to build a critical mass of national board certified teachers in 25 high-poverty schools; in early 2006, only one high-poverty school had met the 15 percent target.

“We found that teachers are willing to go into challenging schools if they have the right supports: a principal who distributes leadership, collaborative colleagues and a student-centered culture of achievement,” said Knupp. “Therefore, we are considering an incentive to attract a team—a strong principal, national board certified teachers and promising candidates—into high-poverty, low-performing schools.”

The team concept would allow the fund to draw upon the lessons learned from its three areas of grantmaking—recruiting new teachers, developing aspiring principals and rewarding master teachers.

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Drawn from the experience and wisdom of our members, GFE's Principles for Effective Education Grantmaking are designed to help strengthen philanthropy's capacity to improve educational outcomes for all students. Our accompanying series of case studies is designed to help donors, leaders and program staff reflect more deeply on what the principles mean for their own grantmaking, how to integrate them into their efforts and how to improve the results of their grants in education.

This Case in Brief provides a synopsis of an in-depth case study and the lessons it suggests for education funders. We encourage you to review and consider the full text of the case study; free copies of it and others are available online at [www.edfunders.org](http://www.edfunders.org) or by calling 503.595.2100. In addition, the case studies in this series are being taught at many of GFE's programs, and also can be taught in individualized settings by special arrangement.