



Financially Sustainable Schools
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Alive and Well: What It Takes To Thrive in Hard Times

By
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This NAIS financially sustainable schools advisory is based on interviews with a number of school leaders from across the country. Many of their schools are situated in areas that have been economically distressed or challenged for many years, while others are in locales that are feeling the effects of the recent economic crisis. While anecdotal, there are clear themes that emerged from the conversations and one that is overarching: *complacency is the enemy of sustainability*.

A key learning from this economic downturn is that independent schools must act—thoughtfully but decisively—in accordance with their missions and values if they are to thrive in the new economic environment. Prospective students and their families will need to be attracted not just by excellent, vibrant programs but by clear demonstrations of the value-added from membership in the school community. Graduates and friends of the school need to see a compelling case for their continued engagement and support. Thoughtful and shrewd management will be needed so that schools can maximize the impact of limited resources. In particular, schools that are in vulnerable areas (economically challenged, significant K-12 competition, declining school-age cohort, income constrictions, etc.) will need to reposition themselves for a successful mid- and long-term future. As one head commented, “Independent schools have been selling themselves for a while as the status quo in education. But the status quo isn’t good enough anymore; great schools cannot afford to be arrogant.”

Anecdotes and Themes

1. Don’t be afraid to collaborate; we’re all in this together.

The independent schools in your area or region have more in common than they may recognize (or want to acknowledge); collegial relations among schools and their leaders should outweigh competition by a long shot—and the tighter the economy, the more that becomes true. Observes John King, head of Hebron Academy (ME), “If one of us struggles, it will hurt all of us. We’re kind of all at risk together. Schools have to rely on the health of the neighbors.” King and his fellow heads in the Independent Schools Association of Northern New England meet regularly to stay on top of issues facing its

members, many of which are smaller rural boarding schools that have learned the virtues of lean operation over several decades. Dane Peters, head of Brooklyn Heights Montessori School (NY), notes that the independent school heads of Brooklyn meet on a quarterly basis. “It’s about sharing, talking about what we’re doing and how we collaborate. There’s also an annual dinner for the guild of New York City heads. ...we’re talking, not flaunting, in a way that we can learn from one another.”

Even before Hurricane Katrina, says Head Carolyn Chandler of Metairie Park Country Day School (LA), New Orleans was “over-saturated with independent schools, but the heads met monthly and worked together closely.” Since the storm, she says, “these relationships have been ever more important. We have written operating agreements, and we make sure we all work in accord with those agreements. My colleagues at other schools are wonderful sources of humor and perspective.”

Several heads mentioned the NAIS Institute for New Heads as a source of lasting professional and personal relationships, while Chandler says that Metairie Park has benefited from the work of sitting heads from around the region as facilitators for board retreats. “I have just called them up, and they’ve said yes. I wanted people talking to my trustees who understand the role of the head.”

St. Alban’s School (DC) recently commissioned a third-party study of school operations, for which several neighboring schools opened their books to the researchers. The findings, according to Head Vance Wilson, will help the school “cut costs and increase income.” Winchester Thurston School (PA) Head Gary Niels reports that schools in the Pittsburgh area, long in vigorous competition, have begun efforts toward some consortium purchasing.

Marifred Cillela, head of The Howard School (GA), has found that being part of several independent school communities has directly benefited her school. An active group of other learning disability-focused schools in the Atlanta area has pooled resources to support speakers as well as to keep abreast of and play a part in discussions regarding legislation affecting LD students and their families. And, as president of the Atlanta Area Association of Independent Schools, she enjoys being “a good voice for LD schools. We’re also seeing more student referrals from other independent schools in the region.”

2. Developing a smart, skilled governing body is “the most important thing the school must do.”

So says Vance Wilson, who reckons that his St. Alban’s board is strong enough that few consultants could keep up with it; retreats are facilitated by the chair, who serves for only two years. Adds Peter Hutton, head of Beaver Country Day School (MA), “Everything about a school is a result of the quality of the board.”

Beyond the time-honored requirement that members bring some combination of “wealth, wisdom, or work” to a governing body, successful schools have found ways of zeroing in on specific school aspirations as they develop their governing bodies. Peters of Brooklyn Heights Montessori School comments that “The board ‘owns’ the school, and to keep

them moving takes good leadership from a chair who ‘gets it’ and invests amazing amounts of time.” Like many schools for younger students, the majority of Brooklyn Heights Montessori’s board is comprised of current parents whose children might be at the school for 10 years or more and who “are really thinking about the future of the school” from a long-term perspective. A few heads also suggested that having long-term board chairs is not ideal for the school or for the head. Beaver Country Day School’s Hutton notes that “Having a new boss regularly keeps you on your toes.”

Chandler experienced first-hand the importance of outstanding board leadership when Katrina devastated Metairie Park Country Day. “Our board chair and the executive committee were determined that school would make it after we took a huge hit.” Working frantically on many different fronts, the executive committee, in particular, generated the energy and the vision to bring constituents back to the city and the school, so that the school reopened, bloodied but unbowed, just a few months after the hurricane. Better still, once the school’s situation stabilized, the executive committee, which had expanded its role, “saw that it had overstepped and was quick to release control of the school back to the head and the full board.”

Developing leadership and “bench strength”—depth of leadership capacity—are crucial. Brooklyn Heights Montessori School’s Peters has found that “You need a really strong Committee on Trustees. As heads we have to look out for the future of the school.” Leadership that understands the key needs of the school is essential. Beaver Country Day experienced a sea change in its fund-raising efforts, says Hutton, when a new board chair “made it clear that raising money for the school was important and had to get done.”

Good boards distinguish between their own role and that of the head in what Head-Royce School (CA) Head Paul Chapman calls “the tango that characterizes board–head work.” In Gary Niels’ first year at Winchester Thurston, for example, the board allowed him the freedom to change the goal of an ongoing capital fund drive. “The board chair listened, and we built a new high school from a successful campaign.” The new facility increased the school’s competitive [market] advantage and helped contain middle-to-high school attrition.

Board composition can also support the strategic work of the school in other ways. At Nichols School (NY), Head Rick Bryan notes that Buffalo’s medical and university communities have made it clear that it is “important that Nichols stay vital so that the school can continue to attract talented staff by offering children a viable alternative to the public schools.” To strengthen local connections, “Nichols’ board has included strong local leaders who are involved in attracting industry. It has been important to diversify the board and to get it away from being only local alums.”

Winchester Thurston’s “City as Our Campus” mantra is supported by input from an advisory board of local leaders who gather twice yearly to hear from and provide advice to the school on opportunities for students and faculty to build connections with the city’s cultural, educational, research, and business communities. Although the advisory group has no governance function, its existence has made leaders and the institutions and

corporations they represent more aware of the school and its programs. “This has turned heads,” says Niels of Winchester Thurston School.

Many heads would agree with Peters, who says that “working with a good board makes my own work so much more rewarding.”

3. Strategic vision and branding are complementary and go hand in hand; the strength of one underscores the power of the other—and vice versa.

Hutton of Beaver Country Day believes that “more and more, marketing, strategic thinking/vision, and brand are the same thing.” Schools have to find ways both to present themselves compellingly in the present as well as to plan for their futures in ways that honor the mandate and the integrity of their missions and values and capitalize on their competitive strengths. Brooklyn Heights Montessori School’s Peters observes “that one evolves into the other—good strategic plan and vision are what should propagate the brand.”

As NAIS has urged schools toward developing strategic thinking approaches rather than the construction of old-style (and often ignored) strategic planning documents, many schools have explored planning approaches that are especially nimble and flexible while still focusing on core values and programs. Nichols School has embraced a model of “continuous strategic planning,” says Bryan. “I’m not interested in the every-five-year summit, so we’ve adopted a mantra of strategic planning that brings all elements of the school together—to get everybody on the same page and on the same vision. Each yearly plan by the administration and board links annual goals with the school’s continuous planning goals and includes board committee as well as staff goals. Input comes from administrative evaluations as well as administrative cabinet interests and emphases.” Strategically, Bryan says, “You’re working on what you’re doing well, which is more important than brand”—although some would say they are two sides of the same coin.

Programmatically, says Chapman of Head-Royce, it’s a question of “how people really understand the culture of the institution and its relation to the brand.” What the school does in reality affects the impression it makes, and thus for Seth Ahlborn, head of the Congressional Schools (VA), it has been important to make “the strategic vision align with modern educational theory and authentic learning” to sustain the school’s mission and reputation built around an accelerated curriculum. At the Independent Day School (CT), Head John Barrengos put in place a charrette-style planning process into which “we dumped all sorts of creative energy,” coming up with hundreds of ideas that were then culled, prioritized, and translated into a strategic plan “about us as a late 20th-century school becoming a 21st-century school, fiscally sustainable and continuing to be about bold, creative, joyful learning.”

Having experienced extraordinary adversity, Chandler says that Metairie Park Country Day, like Nichols, “is not interested in the old model of a consultant-led, talky process that generates an instantly outdated report. We’ve put together a three-year plan tailored to respond to our latest Independent Schools Association of the Southwest accreditation

report. We're inventing this as we go, but we like a model built around what we have to do for ISAS."

Head-Royce's Chapman has put together a financial sustainability task force to start work in the fall of 2009. "These are the best financial minds we have," he says, bringing academic, analytical, and managerial expertise to the process. "Can they help us understand how to build better mousetraps for the school? They'll report to the board, and we hope to have from them a set of recommendations to guide us for the future."

4. Use your national resources; a strong, far-flung, and enthusiastic alumni/ae base can be a powerful asset even to a "local" school.

Many economically troubled regions have seen significant population declines, which means graduates of independent schools in these communities, are now spread out across the country. These alumni/ae can be a source of strength for the school in several ways. First, consider that your school now has a national presence of people whose enthusiasm can build the school's reputation. Additionally, Nichols School's Bryan reminds us, most of these people still have hometown connections and see contributing to the school as a way of sustaining the region. "We have worked to convince out-of-town graduates that their dollars [financial contributions] to Nichols have a far larger impact than gifts to colleges or universities. We have also built scholarship funds by playing on the very real economic plight of the city. The continuing support of our national alumni has enabled us to do many things."

For historical and cultural reasons, many schools have been slow to establish a solid culture of philanthropy. As Niels says, "Winchester Thurston did a lousy job of staying in contact," but in recent years his school, like many others, has established the habit of hosting alumni/ae gatherings in cities across the country to reacquaint and reconnect people with the school in hopes of building the kind of national alumni body of which Bryan speaks. Some schools make sure that virtually anyone traveling on behalf of the school—administrators, development officers, college counselors—use their trips to connect with former students and other friends of the school, establishing and strengthening personal ties even across great distances.

St. Alban's School has established a "Centennial Council" of alumni from around the country to provide wisdom as the school sets forth on its second century. "Most are board members elsewhere and bring that experience to that group," says Wilson, allowing the group to serve not only as an advisory body but also as a proving ground for potential St. Alban's trustees.

The school's publications and websites should not be written as if out-of-town meant "out of the loop" or just "gone." Alumni/ae, former parents, and even former faculty need to be reminded of the school's continuing interest in their lives if the school is to secure their continuing interest in its welfare.

Just as some schools gain a national reputation by producing great athletes (Nichols, for example, has sent players to the NBA, the NHL, and even major league baseball), a few

schools, like Greenhill School (TX) and Beaver Country Day, have been fortunate in having some high-profile faculty members who have brought national recognition to the school through their writing or presenting. Says Greenhill Head Scott Griggs, “External focus is part of the school’s intention. We continue to encourage our entire faculty to look towards and to be a part of the greater conversation in education. We want to be a player, to help where we can and to keep learning.”

5. The core strength of the school must be a dynamic and well-executed academic program that explicitly reflects the mission.

Great teaching is of supreme importance, but, above all, this teaching must reflect the profound recent changes in our understanding of how children grow and learn. This means, of course, that schools and their faculties have to learn and innovate, even though this might create stress as practice changes and teachers give up some of their traditional autonomy. Schools that truly become professional learning communities base much of their work on the idea that excellent teaching must be nurtured through ongoing professional development and school-wide collaboration around instructional improvement. At their best, these schools link classroom practice to pervasive ideas and ideals from their own missions.

At Nichols, the faculty builds its work around “a core curriculum, with core competencies,” says Bryan. “The board bought into this, which has allowed us to move in positive directions and has given the school energy and vitality.” Initially, he admits, this was “a hard sell, but it has attracted a lot of people to the school. Schools are strategically smart to put professional development money into this kind of work.” Adds Hutton of Beaver Country Day, “People operate under the misconception that new initiatives make life onerous, but for good teachers, new initiatives keep them engaged and excited about what they’re doing. Morale is at its highest when people are getting things done.” At Beaver Country Day, one critical piece has been “hiring more teachers who understand already what we’re trying to do before they get here, and then training them well. We’re recruiting different ways, through organizations not traditionally connected with independent schools, attending different fairs and posting online. It means we’re also becoming less and less dependent on traditional placement agencies.” Being truly progressive around curriculum, assessment, and instruction means that prospective families and prospective teachers—an important group under-recognized in many schools’ planning—see the school’s mission embedded in its practice.

Head-Royce has built its curriculum deliberately, using multiple-intelligence theory as its basis. “Howard Gardner’s *Frames of Mind* changed my whole outlook,” says Chapman. “M-I is absolutely at the heart of our work with kids, along with core values that are well understood at the school.” Using a curriculum map, the school spent several years constructing an articulated K–12 curriculum. “We provided time and resources and the faculty opinion leaders grabbed on, followed by the rest. The value-added came when we were able to do three thematic curriculum reviews using the map.” Head-Royce also “took a decade to build a good teacher evaluation system,” time well spent as it ensures high-quality instruction. At Beaver Country Day, part of every teacher’s evaluation is linked directly to the school’s instructional initiatives, and the school provides

professional development that supports the work on both school-wide and individual levels.

Independent Day School's Barrenos points out that "the energy invested in exploring classroom practice and keeping ourselves in a learning stance" are key "factors that served the Independent Day School community and teachers well in navigating the most recent tumultuous waters. We have teachers who are really eager learners." Recent work to create a place-based multidisciplinary middle school humanities program served as a test-bed for "having teachers learn what it means to do collaborative teaching, and I was impressed by the enthusiasm and eagerness that adults brought to the endeavor. What a nice coincidence that this work fits in to our 21st-century goals!"

A new facility and the theme of "City as Our Campus" has energized teaching in Winchester Thurston's secondary program, with a resulting boost to enrollment and decline in attrition. Says Niels, "The idea of the City as Our Campus inspires us to be progressive and innovative, to think about what we can get from the city and what we can give, and how we can develop a curriculum that uses resources of the city and capitalizes on our being within walking distance of all kinds of cultural and educational opportunities." The school has received an E. E. Ford Foundation grant to support program development, and recently the school has put together a consulting team that is "working to imagine a model for our school for the future. No one knows what that model will be, but we're looking to the future to be innovative."

A significant feature of the forward-looking stance at both St. Paul's Episcopal School (LA) and Metairie Park Country Day in post-Katrina New Orleans has been a tremendous emphasis on curriculum development. Metairie Park's Chandler offers a lengthy list of program initiatives undertaken by faculty, and Merry Sorrells, head of St. Paul's, points with pride to the work the faculty has done to incorporate a number of initiatives into school-wide practice. This year, for example, "All teachers must have a major tech project for students every semester; we need to give kids facility with technology."

Schools with a faith-based heritage, like Doane Stuart (NY), St. Alban's, and St. Paul's Episcopal, have "character education" built into their historical curricula, but even the most secular of schools must find ways to make its programs the basis of education for engaged, ethical behavior. "City as Our Campus" invites Winchester Thurston students to participate in urban life, while Beaver Country Day's social justice focus has teachers looking for ways to include some kind of civic engagement or service learning component in each of its courses. The Howard School (GA) focuses on helping both students and families through the personal challenges sometimes associated with being learning disabled. "We want to establish a personal connection at every level with students and families because we really believe that it's a family issue if you have struggling learner," says Cillela of The Howard School.

It is a cliché that schools (often inaccurately) describe themselves as focusing on the whole child. Many schools focus mainly on passing along traditional skills and knowledge and become adept at what Hutton of Beaver Country Day calls "just teaching

kids how to be good at school.” But schools that approach pedagogy as an aspect of the ongoing study of human development and that focus on creating curricula that acknowledge both the limits of classroom learning and the need for students to become what mission statements call “active citizens in a changing world” are carving for themselves a niche not just in the marketplace but in the future of the planet.

6. **Enrollment management is personal. Go “high touch,” get prospective families on your campus, and connect with your community!**

Sunday-afternoon admission open houses have their place, but it is important that prospective students and families see the school as it is. Schools that have addressed this issue with “real-life” visiting day policies and other ways for people to connect with the school authentically find that even a bumpy visit that exposes visitors to real classes and students in real time is more effective than the Potemkin villages schools sometimes build to show off only their most glamorous sides. At Nichols, says Bryan, “We don’t do open houses. We want parents to come and spend two hours and go to classes and stand in the hallway.” Beaver Country Day adds to similar events several informational evenings focusing on the school’s social justice mission, with students as the main presenters. Special events for eighth-grade parents to learn about the school’s upper school program have also reduced attrition to historically low levels.

When Niels arrived at Winchester Thurston, he saw that “the admission office did a pretty good job when people showed up on campus,” but more was needed. He convinced the board to create the position of assistant head for enrollment management to reach out into the community, meet with potential contacts, monitor the school’s online marketing, and even to staff a tent “at every community event.” Within three years, the school’s whole approach to admission marketing had changed: “We had the imprint of what we need to keep doing,” says Niels.

Sorrells of St. Paul’s Episcopal believes that it is important for a school—and even its head—to reach out and become an active part of the community. The school was ravaged by Katrina, but it has come back as a stronger institution with a consciously environmental focus in part through its—and Sorrells’—highly visible community presence. “It’s important to teach our students that being [a part of] and helping in the community is valuable,” she says, noting that the effort is both about marketing *and* education: “New Orleans will need to be rebuilt smartly, and kids will be the ones to do it if we teach them to think that way.” For Cillela at The Howard School, “grow enrollment” and “connect with the Atlanta community” have been synonymous.

Find out what the public at-large really knows and thinks about your school. Survey after survey reveals the degree to which independent schools, individually and collectively, are unknown to or misunderstood by the public at-large. What Gary Niels calls “shallow independent school knowledge” in the Pittsburgh area is to be found almost everywhere and it means, as Niels allows, that “I have to sell my school.” Ahlborn of the Congressional Schools echoes this: “People just don’t know, and so it’s a marketing challenge to get local folks [in the heart of the D.C. metropolitan area] to understand who we are and what we do.” Nichols’ Bryan says “insisting that people come on campus and

watch what we do first-hand is the best way to break the stereotype. After these ‘See Us in Action’ days, people go back into their communities and say they saw a pretty diverse place, that they saw a real school.”

At Beaver Country Day, parents are asked in the admission process to write on how the school’s mission and philosophy might serve their child. “Admission has really been helped by having parents articulate why they understand the school to be a good idea for their kid,” says Hutton. “And it helps the families, too.”

Of course, personal style matters, too, and any parent (and anyone else who has visited schools) will tell you which schools felt truly welcoming and present themselves with integrity. Cillela recounts her first visit to The Howard School as a candidate for head: “The environment was definitely more casual than I am, and there were some drawbacks, but the minute I walked in I was greeted *so* warmly. I saw that they were such good people and cared so much—the people and their commitment were what sold me.” That first welcoming impression can be everything.

7. Treat adults—especially your faculty—like grownups.

When times are tight and some schools “right-size” their faculties and rein in costs by increasing student-to-faculty ratios, schools must work hard to be transparent—especially with bad news—to faculty and staff. Hard times are hard enough without the sense that important information is being withheld. To counter rumor and fear, keep faculty—and the rest of the community, too—abreast of the “state of the school” with regular updates on enrollment, development activity, and budget.

Barrengos at Independent Day notes that as a former banker and development officer, he is “comfortable speaking about the financial side. As the fall of 2008 unfolded, I became more overt in inviting families to talk about finances, and in January 2009, we had an information session on finances for current and prospective families. This introduced finance as legitimate for us to talk about and to be grownups in the school community. This made it easier, too, for people to understand, and it [helped to prepare] some of the tightening-up that we did for the current year. Being willing and able to talk about finance gave the whole issue clarity and structure, and we could set out the value hierarchy about our commitment to families, students, and teachers. It was clear and in alignment with what the school is.” Scott Griggs of Greenhill echoes this: “The weak economy gives you permission to talk about those things, especially with faculty. We *have* to do this now.”

At Head-Royce, the dark days in the fall of 2008 inspired Paul Chapman—who says he “felt like the lighthouse in the storm on the cover of the Spring 2009 *Independent School* magazine”—to put together a “SWAT team” to review operations. “It was a disciplined process. We redid our budget at three levels. My job was presenting the challenge of cutting 2.5 percent of our budget and engaging the troops. Some good ideas came up, and there was some pain-sharing. The departments were told to trim a section in each, and some found they could trim two. We called it the ‘Snug Up’ plan.”

A danger lies in sharing news without being clear about its consequences, and probably a few school leaders wish they had been more circumspect with their faculty in the darkest hours of the winter of 2008–09; not a few teachers painfully laid off or furloughed have found themselves rehired as admission pictures brightened in the spring and summer. Even so, bad news delivered early is better than such news coming late in the game; a late-June school closing is the worst possible surprise for students, families, and, of course, teachers.

The overall benefit of transparency in schools, however, is enormous. At Congressional Schools, Ahlborn is working to build structural transparency into the school's culture, starting with a reconfigured academic administration that meets to discuss "everything kid-related. This has helped teachers understand that there are more people looking out for them than just one person. They see that teachers' needs and wants are being met in differentiated ways, just as we want teachers to understand kids in that way. It's a helpful mirror." Furthermore, he notes that administrative "sharing of previously withheld information (such as the previous budget deficits and current challenges) with employees and key stakeholders has folks refreshed and looking for opportunities to improve our 21st century thinking—and, consequently, our actions to benefit kids."

Even when things go sour, forthright administrative and board behavior can take away at least some of the bitterness. Based on a rigorous analysis by a consulting firm, Chandler had the dreaded job of letting some members of the Metairie Park Country Day faculty go, even when they had returned to New Orleans to help the school regroup after Katrina. Meeting with each one individually and privately, she completed the task. Later, she was told that her openness in sharing her emotions about the situation had eased at least some community pain; rather than be seen as the instrument of a ruthless corporate "reduction in force," she had to a degree humanized the process. Despite the self-evident value of forthright behavior on the part of school heads in such situations, tales persist of downsizing messages delivered by e-mail or publicly to entire groups.

A less difficult message to deliver but one that causes faculty enormous stress is the news that the school is serious about some new academic initiative. Perhaps because teaching is subject to waves of change that never quite materializes, teachers are inclined to be skeptical, if not just plain resistant. Many schools' poor performance in the area of teacher evaluation has added to teachers' fear not only of change but of accountability. But as the urgency for curricula to reflect new research and to embrace the concept of "21st century learning" rises, more faculty are hearing these messages, often with a "change or fail" subtext. The best course is for leaders to speak not only of the benefits of the work but also to remain confident that the best teachers—even the "old shellbacks"—can be excited about improving their craft. Wilson, whose faculty at St. Alban's are regarded as "senior," has approached these matters straightforwardly: "I have shared with them a lot of the research and challenged them to be the best teachers they could be. They have responded," in no small measure because they want the school to continue to attract a diverse student body of bright, intellectually curious students.

The worst thing a school can do is to avoid asking its faculty to change—to grow and improve—out of fear that they are not up to the job. The times and the evidence of many schools' experience demand better teaching and learning. "We've all taken advantage of the times to modernize our campuses," Nichols' Bryan says, "but to invest in people and programs has to be the way ahead."

8. Strengthen advancement functions. Admissions, development, and communications are more important than ever.

Advice on advancement is plentiful these days, but the bottom line is, don't stop trying! Whether this involves marketing the school to prospective families, asking for money, or sharing good news about the school, now more than ever is the time for working hard at communicating the school's virtues and developing a sense of confidence in the value and mission of the school.

Even if the school has put a hold on capital fund-raising, no school should relax its efforts to maintain and build connections with constituents—all constituents, from major donors to alumni/ae. Listen carefully to what they have to say, and above all, keep imagining and helping them imagine, how their support could make a difference to the school and its students. "Schools have to think about new kinds of fund-raising strategies that assure donors that their gifts are making the school better," says Beaver Country Day's Hutton. "There are plenty of schools that could raise a lot more money if they believed they could raise a lot more money." At Beaver Country Day in recent years, Hutton says that "donors have sensed more institutional confidence. We've been more assertive and clear about what needs to get done. For the annual fund, we've put more focus on leadership gifts, and we've been able to communicate to more people with capacity that we're the kind of place where you can make a \$25,000 annual fund gift."

Along with leadership gifts and ongoing development initiatives, schools should also be looking for new ways to meet smaller, more specific needs. Development professionals discourage schools from "small-scale" fund-raisers—bake sales, raffles, pot lucks—because these return relatively little bang for the investment of time and volunteer resources. Rather, look at unexplored funding sources. Local foundations are often interested in meeting specific needs that serve students. At St. Paul's Episcopal, Sorrells reports that "all of our teachers do grant-writing, and they're pretty good at it. Whenever they want something, that's the first place we go."

When enrollment numbers are looking soft, the last thing to do is to cut back on admission office resources. Take stock of current admission practices and materials and decide if there are more effective outreach practices and improvement in materials that could strengthen the program and more effectively put across the school's key messages. Cillela of The Howard School acknowledges that it is "easy for boards to panic and shrink resources in tough times, but in any time of challenge, you always have to remember that you're in for the long haul. Why are you here? The mission is the aligning force that will keep you on course." Materials (and more and more schools are focusing on their websites, Facebook pages, and even Twitter accounts to drive traffic to the school website and admission pages) should reflect the mission and the real experience of

students in the programs by which the mission is actualized. “It is no easy thing to capture the essence of a school and attract families of 5-year-olds and 14-year-olds,” says Paul Chapman, but advancement *is* all about capturing and promulgating the school’s essence. Metairie Park Country Day used the Katrina disaster as the impetus for a major viewbook change built around a “show, don’t tell” theme as well as to invest in a unified school database and an improved telephone system, all of which strengthen the school’s communication and advancement functions.

Boarding schools face particular threats in a weak economy and Hebron Academy, for one, has beefed up its admission staff. The school is currently 25 percent international, but King says that “we really want that to be a mix. We’ve started going to other places, and we’re seeing more students from California and Texas—even Idaho.” At the same time, the school has worked hard to focus on delivering on the key promises in its mission and core values and keeping what King calls “the good things happening that have raised demand and satisfaction.”

But schools must never lose sight of the need to keep their curriculum and other mission-based programs as robust and attractive as possible. Without providing value-added in the area that is the main reason for your school’s existence, the most sophisticated and enticing advancement function in the world won’t keep your school or its savings account full. As The Howard School’s Cillela puts it, “Keep the mission in view, because that is what you’ve promised your families.”

9. The last thing families want to give up is the education of their children at your school. How can you help them stay?

Attrition for any reason is painful, and attrition for financial reasons is especially hard to bear. No parent wants to disrupt a child’s education and in 2008–09, schools saw many families digging deeply into their reserves and turning to already depleted sources, from retirement funds to grandparents, to keep up with tuitions. Affordability is the single greatest challenge facing independent schools, and meeting it will require both long-term strategies around budget management and short-term strategies such as increasing financial aid budgets.

Discounting tuition through a net tuition revenue management program can provide life support to keep families and schools connected. Hebron’s King says that the Academy’s “board recognized the need to expand financial aid discounting during the year. There was more demonstrated need and most prevalent were the requests for partial assistance. But we know that it’s much more costly to replace a student than to retain a student.” Independent Day School found itself expanding financial aid with a modest tuition hike, while St. Alban’s, says Wilson, finds itself offering financial aid to families in what he calls “the professional classes” earning up to \$250,000 a year. Like many schools, Head-Royce has “ramped up fund-raising” to support the 25 percent of the school’s students receiving financial aid. Says Chapman, “Adding programs over time has killed us,” forcing costs upward, but “being in a highly diversified economic area has saved us.” Chapman, Wilson, and Greenhill’s Scott Griggs all wonder whether the current model of annual tuition hikes may be at the outer edge of sustainability.

Schools with an historical commitment to socioeconomic diversity have had to stretch to find ways to weather the storm. Griggs says that even with an increased financial aid budget, Greenhill—with need-blind admissions and a financial aid budget dating to the school’s founding—has seen some “financial drop-outs.” The school is trimming operational budgets to ensure that the school can still attract “families who want an environment that promotes diversity and looks like the real world.” Doane Stuart, whose Roman Catholic progenitor school was offering financial aid back in the 19th century, has nearly 40 percent of its students receiving some form of financial aid, and head Richard Enemark is especially proud of the students’ varied family backgrounds and experiences. Even with the school’s enforced move this year (see below), this commitment has not ebbed.

New Orleans schools, like the city itself, have experienced population loss, although recovery is slowly coming. Sorrells at St. Paul’s Episcopal remarked that in the aftermath of Katrina, “People came back because it was the only thing they could give back to their children,” a powerful testament to the importance of a school community in the lives of students and families. And although Metairie Park Country Day’s Chandler says that “We haven’t grown back yet, we have grown each year through conservative budgeting (with lots of review by the head), by not adding administration, and by holding to a philosophy that the classroom comes first.”

Affordability continues to be a challenge, and forward-thinking schools are working overtime to contain costs, enhance operational revenue, and raise funds. But the need for even stronger measures may be approaching. As St. Alban’s Wilson put the matter to his faculty while explaining the need for some belt-tightening: “Do you want to teach at a school where the only people you’re teaching are those for whom a 40- or 50-thousand-dollar tuition is nothing?”

10. Take care of your campus; green is not just a color or a fad.

Many of those we spoke with cited good management around physical plant issues as a factor in their sustainability as well as a long-term consideration. Griggs says that 10 years ago, Greenhill “had no PPRSM (Physical Plant Replacement and Special Maintenance), no reserves, and no endowment to speak of. Good planning has brought those up,” enabling the school to operate comfortably even though the school’s maximum enrollment (around 1,240 students in grades PreK - 12) was also set at that time; using growth to increase revenue was essentially taken off the table, but, Griggs says, Greenhill has “chosen to stand and imposed tremendous budget discipline” on itself in the operational expense column.

An aging campus can be a potential liability, and schools need to think hard about ways to repurpose and upgrade existing properties to manage huge deferred maintenance costs. The Congressional Schools’ historic 50-year-old buildings and 40-acre suburban campus are ripe for green retrofitting, positioning the school and its extensive summer programs as centers of environmentally focused education in years to come. Even so, says Ahlborn, “the school long under-spent on PPRSM, and we may have to forego some

things until the economy breaks.” When Hebron Academy completed a new gymnasium to serve not only as a school athletic facility but as a community resource, the school was able to retrofit the existing gym into art studios using its own building and grounds crew as the labor force, a double coup that has been “a big impetus to keep the school moving forward,” says King.

Better still, “thinking green” is also a great approach to teaching and learning—and marketing. In the middle of rebuilding the shattered St. Paul’s Episcopal School campus after Katrina, Sorrells visited a wetlands simulation at Sidwell Friends School (DC) and “thought about how New Orleans needs to be rebuilt in a smarter way.” Thus began a sustained effort “toward the end of educating our kids in sustainability.” She and the school’s CFO “started on a quest to gain knowledge about green building, green teaching, and LEED certification. We want to be the school that will teach our community about sustainability. You can’t find a better way to teach critical thinking than teaching sustainability—kids become problem solvers and creative thinkers.” In a city in which the local newspaper emphasizes environmental issues, St. Paul’s Episcopal has been able to market itself for feature stories and attract corporate support for some of its initiatives. “We’re trying to help New Orleans build back green,” says Sorrells.

This coming year, Nichols School will complete a state-of-the-art science building whose existence is a confluence of two streams in the school’s planning and management: a strategic vision focusing on building student competencies in science and mathematics and what Bryan calls “trying to be smart financially—setting aside plant reserve and sticking to it while prioritizing cap improvements within our means.” Even if building costs seem high, there is no denying the value of the “buzz” created when a school opens a new facility specifically designed to strengthen an aspect of an existing program. Beaver Country Day’s six-year-old visual and performing arts center underscored the school’s long-term commitment to arts education, while a more recent athletic center focused attention on sports programs and has helped attract more sports-minded applicants. When The Howard School opened a brand-new campus several years ago, “moving made all the difference in enrollment. It opened in January 2007, and by May, we needed more classroom space.” Enrollment was up 26 percent last year. The era of “If you build it, they will come” may be drawing to a close, but adding or renovating facilities that are environmentally sustainable and specifically and dramatically enhance aspects of the school’s core programs will continue to offer significant benefits.

11. You can’t be all things to all people, but know what you are, and for whom.

Here is where the values that must underlie programs really come into play and where the courage of a school’s convictions can be its salvation. Right now, says Wilson of St. Alban’s, “independent schools are under tremendous pressure to do everything, from specialized classes to being the minor leagues for college sports. But how long can we afford to do this, and to keep raising our prices?”

Hebron’s King is emphatic that “we can’t be everything to everybody, but we have to put a name, a tag, a picture to what we do want to be. Schools need to be true to doing as well as we can at the things we’re good at.” In Hebron’s case, “being good at what folks are

looking for—a place that will give their children skills and confidence—is what’s going to be important.” Operationally, this means “running practically, constantly paying attention to teaching loads, and being careful not to overextend ourselves in terms of numbers of offerings. This has been a way of life for us for a long, long time; the downturn is just ‘more of the same.’”

Peters of Brooklyn Heights Montessori School maintains that schools “should not be afraid to discourage prospects who are looking for something that your school is not. Tell them, this is who we are. Is this what you really want? You need to have and to be able to point out a unifying focus for your school.”

Doane Stuart School represents a long-standing merger between a Roman Catholic and an Episcopal school, and discussions around faith are integral to the school’s culture; the school even has a Buddhist temple on its campus. Enemark says that “people come to school because they are looking for values as well as value. We live in an era when people are looking for a place unafraid to have a core mission that is teaching their children something about ethics and joy in living for a purpose. We stopped apologizing about 10 years ago for being an interfaith school. We have marketed ourselves both to the world and to ourselves as a school that should and will prevail because we are distinct, unique, and have something extraordinary—but you don’t choose this school if what you want is an old-style institutional model.”

It is important, says Head-Royce’s Chapman, “to get students matched to mission. Years ago, we decide that we were going to be excellent and diverse—period. Back then, we had about a 10 percent minority enrollment, and now we’re 50 percent students of color. We’re strong academically and infinitely more diverse.” Being clear about a school’s commitment to diversity—through its materials, its diversity statement, and even where the school chooses to advertise its admission events and job openings can send powerful messages to underrepresented families about the school’s culture and values.

Financial factors can also force a school to define itself. Barrengos of Independent Day School points out that “the community that makes up most of our population is a bit lower on the socioeconomic scale and new to independent schools. Some are really making sacrifices to be here. But we exist because we’re able in a pretty modest physical facility to put across a high quality program for about 60 percent of the cost of other nearby schools.” Barrengos points to the school’s “generic” name as emblematic of its fiscal humility. “The founders were hoping for a major donor who never came.”

In the competitive Dallas-Fort Worth market, Greenhill is often favored by first-time independent school families, says Griggs. As the only secular K–12 school in the area and the only one that doesn’t require uniforms, Greenhill also “tends to be a top choice for families that move from outside the area and are looking for coeducation and a more open educational approach” than more traditional schools offer.

12. Teachers are your front-line marketing force; help them to do their very best—as if their jobs depended on it!

A school whose faculty consistently deliver 100 percent of the service and support the school promises would have an overwhelming marketing advantage. The thought and care with which teachers do their jobs and how intentionally they communicate with students and parents within the context of the school's mission and values comprise the quality framework upon which word-of-mouth marketing is built. In the words of The Howard School's Cillela, "Everything teachers do is some form of marketing."

The first step, of course, is hiring the best and most mission-appropriate faculty. A faculty that eagerly buys into a school's mission and values will have no trouble staying "on message" with students and families, whether they are teaching, in parent conferences, or sending e-mail. Beaver Country Day's teacher recruiting materials, online and print, are saturated with the school's mission and core values, and the school's interview process is designed to probe the candidate's commitment to the mission much as parents are asked to write about it as part of the application for admission.

The next step is to help faculty understand their role in the advancement of the school. Long-term, real success comes from helping teachers understand that their commitment to and support of the institution, its mission, and its initiatives is the single most important factor in bringing in and keeping students and their families. This bears directly on the school's ability to retain and compensate its faculty. While you cannot really buy loyalty, you can certainly let teachers know of their role in keeping the bottom line black and their own positions secure.

What then of the teachers who face layoffs as a school's enrollment shrinks? Schools that have had to part company with teachers have not always used a simple "last hired, first fired" approach. Instead, they have taken the downsizing mandate and used it to focus on retaining teachers whose presence and service have been exemplary and who make the school a more inviting and effective institution.

A few schools have taken on the task of explicitly educating their faculty in how to be more consistent and purposeful in their communication. Winchester Thurston's director of communication has worked to train faculty on how to communicate with parents and what kinds of messaging are most effective. But, says Niels, "the day-to-day convincing of parents that the school is really worth it, that my kid is really known and challenged—this happens at the front lines in the classroom." At The Howard School, Cillela knows that word-of-mouth is the most powerful market force: "In our small community, the best endorsement for the school comes from the satisfied parent or grandparent of a learning-disabled child." Herein lies an incontrovertible marketing truth, a truth that requires a caring faculty that understands and supports not only its students but its school.

Cillela of The Howard School makes a point of "making sure that we articulate the message effectively. We are working on how to help teachers be at ease talking to families and looking for opportunities to refine our parent conferences as messaging opportunities for the school. In a tight economy, you have to be sure you're connecting

with families in the right way.” And it is not just about “marketing,” she hastens to add. “We need to give families direction on how to support their child.”

Head-Royce has a task force now looking at admission and attrition, and Chapman believes that communicating the school’s mission and values is the crux. “It’s how to think through messaging, both what the message is and who hears it. Every employee has to understand core messages, and each employee is as important as the next—custodian, staff member, teacher, administrator, board member. Each has to know and articulate the message in a consistent way.”

13. It may not be in The Plan, but when an extraordinary opportunity knocks, don’t ignore it.

The temptation of good ideas can distract any school from its mission and core values, and schools should always be wary of ideas that may not fit under the mission umbrella despite their appeal (stick to your hedgehog concept).

But sometimes things happen, and a school must be prepared and smart enough to seize the day. In some cases, the opportunities take the form of available real estate that could help the school achieve long-term goals; in the current economy, these can seem like a relative bargain. When Doane Stuart School was unable to work out a plan to remain on the campus it had occupied for more than a century, the school was faced with the immediate necessity of finding new quarters. Saying goodbye to the existing campus and the elaborate master plan the school had developed for its long-term renovation, the school was able to purchase a disused public school property in a neighboring town and complete its repurposing and renovation in a single year. The plan was sidetracked, but not the school. Says Enemark, “In the larger picture, the school is moving from a problematic set of Victorian buildings with enormous infrastructure costs to a 20th-century building restored to a 21st-century educational standard. And even through the changes, the elemental advantages of our mission have sustained us.”

Ironically, Hurricane Katrina preempted a strategic planning retreat for the St. Paul’s Episcopal School board. But “out of adversity come some great things,” says Sorrells. “We had the chance to turn inward or to reach out,” and since the storm, the school has not only rebuilt its campus and added two new early childhood programs but worked hard at being innovative. “I tend to move really fast,” says Sorrells,” and that’s a challenge for people. But we’ve got to keep moving.” The school has taken “all the NAIS messages to heart,” she adds, and is incorporating 21st-century learning, environmental and global education, and technology into all its programs. “We’re a little ahead of the game now.”

At Metairie Park Country Day, the hurricane did not just change plans but attitudes, says Chandler. “It’s very important that we face forward and not keep thinking ‘When do we get back to the way it was?’ We have really pushed new ideas and new initiatives; it’s not about longing for the days before Katrina.” It has also energized the school to acquire some extra real estate and to build a new entrance that symbolizes the fresh start. “Kids and families got a renewed appreciation of the school, and they saw the quality of Country Day after time in other places. It was very affirming.”

The Howard School found itself with the opportunity to acquire an unused public school property adjoining its campus. “You never know how opportunities and challenges will present themselves,” says Cillela. The school can now move toward a new campus master plan that will even offer a building for each division, several million dollars below the cost of putting up a new building on the existing campus. “The downturn does present opportunities,” Cillela points out. “You can never say never to most things, and before you say no, you have to say to yourself, why not?”

14. Marketing is no longer a dirty word and advancing your school’s name and reputation is the only way to expand your base of potential customers.

Gone are the days when independent schools were averse to the thought of explicitly marketing a school’s “brand.”

“City as Our Campus” drives not only the curriculum at Winchester Thurston. “It’s our differentiator,” says Niels. “There’s a benefit here because of, and not in spite of, our city location.” Schools that have found their differentiator have a significant competitive advantage, as the simple exercise of reading a few dozen independent school mission-and-values statements demonstrate. Excellence and character are everywhere, language and aspirations of sparkling uniqueness are few and far between. Simpler can even be better; the Congressional Schools’ commitment to “develop and encourage the personal and intellectual growth of each child entrusted to our care” is clear and concise.

The problem can become more challenging as schools become increasingly sophisticated in their work. At Beaver Country Day, the goal, says Hutton, is “to achieve absolute clarity about the brand. It becomes more complicated, and it needs continuous rearticulation as we do new things—we always need to keep pushing the finish line forward.” Greenhill has “spent a fair amount of time on branding,” according to Griggs. “I think we can continue to improve, and we’ve discovered that we face some name recognition issues—we may even be better known nationally than locally.” Now working with a consultant, Greenhill is “continuing to be aggressive.”

A different sort of challenge arises when a school’s identity lends itself to assumptions that lump the school into a particular category. Peters of Brooklyn Heights Montessori speaks of the need for balance. “I have to promote the school in the wider education community as a Montessori school, but at the same time I can’t stray too far from what is special about the school.”

Head-Royce and Maumee Valley Country Day School (OH) are just two of many schools that are excited about creating a new visual identity. Says Head-Royce’s Chapman, “We’re completing a new suite of marketing materials, with a rebranding that focuses on visual identity. It was easy—everything fell into place.”

Twenty years ago, Beaver Country Day School faced constituent outrage when its name was broadcast as a supporter of a public radio program. But turn on the radio in any metropolitan area today, and you will hear encapsulated—and sometimes even

differentiated—descriptions of independent schools across the country that have realized that the “NPR demographic” dovetails nicely with their prospective markets. Says The Howard School’s Cillela, whose school was not long ago spending money on its yellow pages display, “NPR and the website, that’s the way we’re going now.”

15. Maximize the revenue stream from new sources.

A summer program or a lucrative facilities rental can make all the difference in a school’s struggle to even up the bottom line. While such activities can strain tired campuses, if they are managed well through coordination among the business office, building and grounds staff, and academic program, they can produce revenue while still leaving time for both core school activities and necessary maintenance. Established summer programs can throw off as much revenue as a multimillion-dollar endowment, providing a cushion that can be used to enhance the academic program or be the basis of PPRSM set-asides or cash reserves that can help the school meet other needs.

A “central theme” throughout the Congressional Schools’ history has been its “fantastic summer camp,” according to Ahlborn. In a school with a relatively short fund-raising history (it was proprietary until 1979) and many international students whose families are unaccustomed to the American culture of philanthropy, the revenue boost from the summer program is a key budget element: “It’s our annual fund,” says Ahlborn.

Using a school’s brand to generate revenue is very much on the mind of Wilson of St. Alban’s, who wonders about the long-term sustainability of raising money to keep costs down by increasing endowment. He cites the example of Dulwich College in England, which, under a holding company, operates three schools in China that net the school over a million pounds annually. “They really admire the British system in China,” says Wilson, “and that’s a great way to use the brand in a whole new way.”

Greenhill School’s three main sources of added revenue include its extended day program, property leasing, and a summer program; together, they net over \$400,000. The summer program, Scott Griggs notes, also provides some supplemental income to faculty who are on staff and brings new people to the school. A recently added adult education evening program, “Greenhill After Dark,” has been slow to develop as a revenue source, but, says Griggs, “we hope it will grow.”

The common factor for all these schools is that they are working hard to divine and meet the challenges not just of the current recession but of the years to come. Programmatically, philosophically, and financially, they are moving forward with intelligence, pride, and confidence—but not hubris. Having experienced and learned from the vicissitudes of the educational marketplace, the schools mentioned here are really representative of American independent education at its most thoughtful and alert.

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Additional Resources

- [Net Tuition Revenue Management: The Why, When, and How](#)
- [Enrollment and Marketing Considerations in a Tight Financial Market](#)
- [Social Media: More than a Twitter Here, a Flickr There](#)
- [Communicating with Your Community during Economic Uncertainty](#)
- [Communicating with Your Community during Economic Uncertainty,](#)
- [Go Green, Save Green](#)
- [Being Strategic in Times of Crisis Part I](#) (podcast)
- [Being Strategic in Times of Crisis Part II](#) (podcast)
- For more information about financially sustainable schools resources, please visit www.nais.org/go/finance.
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