CONSOLIDATION OF SCHOOLS AND DISTRICTS

WHAT THE RESEARCH SAYS AND WHAT IT MEANS

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Executive Summary

Arguments for consolidation, which merges schools or districts and centralizes their management, rest primarily on two presumed benefits: (1) fiscal efficiency and (2) higher educational quality. The extent of consolidation varies across states due to their considerable differences in history, geography, population density, and politics. Because economic crises often provoke calls for consolidation as a means of increasing government efficiency, the contemporary interest in consolidation is not surprising.

However, the review of research evidence detailed in this brief suggests that a century of consolidation has already produced most of the efficiencies obtainable. Indeed, in the largest jurisdictions, efficiencies have likely been exceeded—that is, some consolidation has produced diseconomies of scale that reduce efficiency. In such cases, deconsolidation is more likely to yield benefits than consolidation. Moreover, contemporary research does not support claims about the widespread benefits of consolidation. The assumptions behind such claims are most often dangerous oversimplifications. For example, policymakers may believe “We’ll save money if we reduce the number of superintendents by consolidating districts;” however, larger districts need—and usually hire—more mid-level administrators. Research also suggests that impoverished regions in particular often benefit from smaller schools and districts, and they can suffer irreversible damage if consolidation occurs.

For these reasons, decisions to deconsolidate or consolidate districts are best made on a case-by-case basis. While state-level consolidation proposals may serve a public relations purpose in times of crisis, they are unlikely to be a reliable way to obtain substantive fiscal or educational improvement.

Recommendations

As is evident in the above summary, findings based on available research suggest that decision makers should approach consolidation cautiously. Specifically, we recommend that policymakers:

- Closely question claims about presumed benefits of consolidation in their state. What reason is there to expect substantial improvements, given that current research suggests that savings for taxpayers, fiscal efficiencies, and curricular improvements are unlikely?
• Avoid statewide mandates for consolidation and steer clear of minimum sizes for schools and districts. These always prove arbitrary and often prove unworkable.

• Consider other measures to improve fiscal efficiency or educational services. Examples include cooperative purchasing agreements among districts, combined financial services, enhanced roles for Educational Service Agencies, state regulations that take account of the needs of small districts and schools, recruitment and retention of experienced teachers for low-wealth districts, distance learning options for advanced subjects in small rural schools, smaller class sizes for young students, and effective professional development programs.

• Investigate deconsolidation as a means of improving fiscal efficiency and improving learning outcomes.