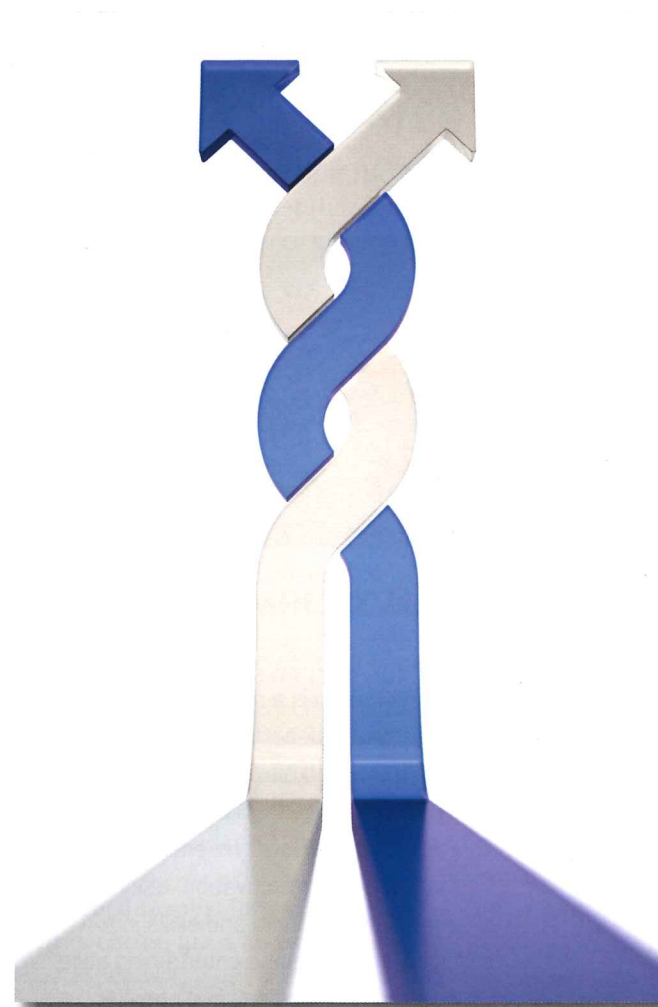


From Private Sector to School Business Office: Lessons Learned

A background in private sector finance can prove beneficial in the school district business office.

By Susan Harkin



How often do school business officials hear, “Why don’t you run your school district like a private-sector business?”

Twenty-five plus years ago, before joining the school business ranks, I worked with one of the Big Eight accounting firms as an internal auditor. My focus was on helping run an efficient organization and maximizing our shareholders’ return on investment. Twelve

years ago, I entered the school business arena with the goal of running the district like a business. I have learned a thing or two along the way.

Certainly, running an efficient organization and maximizing revenue to best serve our stakeholders are at the core of a successful business and an effective education organization, but school districts have unique elements that affect how we achieve those objectives.

When I had children of my own and got involved with their education, I learned that my school district had some of the largest class sizes in the area and was constantly being blasted by the antitax groups for mispending taxpayer dollars. Why was my school district running such an inefficient organization? I had a business background and was sure I could help get to the bottom of those issues. So I got involved!

I joined every group possible to better understand some of the challenges my school district was facing. I participated as fall fund-raiser mommy, president of our school parent organization, and school improvement team member. I even took up residence for three months at the district office to run analysis for a district-wide boundary committee.

During that time, I learned just how different school districts are from businesses. Although some efficiencies from the business sector could be applied in the school district setting, decision making in the public sector has many unique challenges.

Lessons from the Business Office

I knew that if I wanted to make a difference in my local school system, I needed to join the central office. I was fortunate to be offered a position in the school business office and took the opportunity to see firsthand how I could apply my private-sector knowledge to get my school district off the antitax radar.

When I was on the boundary committee, I learned that emotions and political pressure play a big role in the decision-making process. For example, when the

attendance zones for my children’s school were being changed, it was difficult to quantify the depth of the parents’ emotions that the school district had to deal with while making its decision. On paper, it made sense to move the school’s attendance zones, but the backlash from some of the wealthier constituents in the community put enormous pressure on the school personnel. The idea that the recommendation made good business sense was but a small voice in the process.

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Ultimately, I learned the importance of educating your constituents on the issues, providing the best recommendation possible, anticipating pushback, and being willing to adjust your recommendation as issues come forth. Bottom line: keeping the students’ interests at the forefront will never serve you wrong.

In my experience, the school business office has been staffed by parents, for the most part. They join the business office because they feel passionate about the school system their children attend, but they don’t always have the job skills or knowledge when they take their positions. When I joined the school business office, I learned that one of the easiest ways I could use my private-sector skills in the school district was to review the business office practices and procedures. Providing high expectations of good internal controls, efficient operations, and solid business practice for the business office staff helped translate to a better learning environment for our students. If the business office runs well, the school system can focus on the core business of educating students.

Another challenge to running a school system like a business is accountability. We certainly need to be held accountable to high standards, but focusing solely on test results doesn’t equate to accountability. In fact, it often gets in the way. Because we are a society in which the squeaky wheel gets the grease, everyone is setting the course of education without direction. With my business background, I recognize that balancing all of the competing priorities and focusing on key issues are critical to overall success. We certainly need to comply with various rules and regulations, but we cannot lose sight of the larger vision for our school district.

Another difference between education and the corporate world is that in education, the bottom line is not the be-all and end-all. In education, it’s all about relationships. That understanding affects the way you interact with every group you deal with as a school business manager. For example, your relationship with your board of education is critical to your overall success. If your board

doesn’t trust you or have confidence in you, being the financial leader of your district will be difficult for you.

You must understand the culture of your district and what your board expects of you. I recently watched a first-year business manager in a neighboring school district come in with the intent to change the business practices of the district. The proposed practices made good business sense, but the board had no interest in making the change. Rather than try to understand the board members’ concerns and help them understand the recommendation, the business manager insisted on pushing his agenda forward. By the end of the school year, the business manager was no longer working for that school district. (I have a tortoise on my desk to remind me that “slow and steady wins the race.”)

Finally, we must remember that we are entrusted with spending taxpayer dollars, and that is a huge responsibility. Our country holds the principle that education is available to all, and the investment my community makes toward that cause is extremely important. I am in awe every year when I file my tax levy, which is nearing \$180 million.

Challenges as Opportunities

Whether we like it or not, we are in a competitive business. Charter schools and school reform initiatives are constantly putting us under the microscope. Although many things outside our control challenge us, we need to stay focused on the great things we do in education, just as any good business should. We should view those challenges as opportunities. We should view criticism as opportunities to look at our practices, make improvements, or educate our critics with facts. As any good business should, we should be problem solvers not excuse makers.

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Our constituents and the wonderful children we serve each day deserve the best from us. We need to remain positive in our desire to make a difference for our great country and rise to all challenges we face. Although we are in trying financial times, the business practices I learned in the private sector many years ago—working hard and being passionate about what I do—translate effectively into the education sector as long as I understand and accept some of the unique challenges of running the business of education.

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