

# Implementation of School-Based Management in Indonesia

## Summary

Human Development  
East and Asia Pacific Region



Kementerian Pendidikan  
dan Kebudayaan



Kingdom of the Netherlands



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## ■ Preface

As part of a broad decentralization of governance responsibilities to districts, the Indonesian government adopted school-based management (SBM) principles through regulations in 2003. SBM is a form of education governance that grants responsibilities and authority for individual school academic operations to principals, teachers, and other local community-based stakeholders. The expectations are that local, and often shared, decision-making will lead to more efficient and effective policies and programs aligned with local priorities, which in turn will lead to improved school performance and student achievement. To further encourage more school autonomy, a grant program to schools, the School Operational Assistance program (*Bantuan Operasional Sekolah* or *BOS*), was established in 2005. BOS provides funding based on a per-student amount to all elementary and junior secondary schools and comes with few strings attached, allowing it to be used according to school priorities.

Because of the limited scope of past research on the implementation and effects of SBM in Indonesia during its nine years of implementation, the Ministry of Education and Culture and the development partners expressed the need to undertake a study that aims to (1) provide a nationwide quantitative and qualitative status report on the implementation of SBM, (2) identify factors associated with successful practices of SBM, and (3) assess the effects of SBM on student achievement.

The study was carried out in 2010 and 2011, and this summary provides a succinct account of the status of SBM implementation in Indonesia. It is based on face-to-face surveys of principals, teachers, school committee members, and parents in 400 elementary schools; surveys of district staff in 54 districts; and case studies in a subsample of 40 schools. We hope that the findings will be of interest not only to the government of Indonesia and development partners, but also to education administrators, principals, teachers, and all those in Indonesia and elsewhere who are implementing or thinking about implementing some form of school-based management.

## ■ Acknowledgements

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The report also benefited greatly from inputs and comments by participants at consultation workshops. Participants to a briefing of preliminary survey results held in Jakarta provided useful insights on interpreting early findings and first planted the idea of conducting in-depth case studies. We are most appreciative.

We thank our excellent researchers at the RAND Corporation, who are the main authors of the report. They include: Georges Vernez, Rita Karam, and Jeffery Marshall. We thank RAND staff Paco Martorell, Mary Fu, and Beth Katz who helped design the sample of districts and schools and to process the survey data; and Louis Ramirez who typed several drafts.

Bondan Sikoski and her team of interviewers and data processors at SurveyMeter deserve special recognition for excellent survey and case study work. They travelled to faraway places, paid extreme attention to detail, and were persistent in making sure that nearly all targeted respondents were reached.

The expertise and effort of the Indonesia Assessment Institute in designing the testing instruments are also much appreciated.

The report was managed by a team comprising of Dandan Chen (Task Team Leader, Senior Economist); Siwage Negara (Operations Officer) and Imam Setiawan (Research Analyst). Important contributions were made by Ratna Kesuma (Sr. Operations Officer), Andrew Ragatz (Consultant), and Javier Luque (Sr. Education Economist). Dyah Kelasworo Negraveni provided the most efficient team support.

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## Abbreviations

BOS	<i>Bantuan Operasional Sekolah</i> (School Operational Funding program)
KKG	<i>Kelompok Kerja Guru</i> (Teacher working group)
NGO	Non-governmental Organization
PNS	<i>Pegawai Negeri Sipil</i> (Civil Service Teacher)
SBM	School-based Management
SC	School Committee
USAID	United States Agency for International Development

# Implementation of School-Based Management in Indonesia

## Introduction: The Indonesian SBM Program

In 2003, the Indonesian government began to decentralize the governance of its primary and secondary education system as part of the transfer of responsibilities from the centre to district governments (regencies). Schools were given the authority to manage their operations independently according to student needs and were asked to engage the local community to improve the quality of education. This decentralized form of school management, often called school-based management (SBM), required both a major shift in how people thought about schooling and a significant improvement in the capacity of principals and teachers to provide leadership, develop programmatic alternatives to meet local educational needs, and engage parents and the community in the governance of schools – and of community members to become involved in school management.

SBM programs have been implemented in many forms in developed and developing countries alike, but they have rarely been implemented nationwide as in Indonesia. These programs typically differ along the continuum of two main dimensions: (1) the scope of responsibilities and authority delegated to the local level and (2) to whom this authority is devolved, e.g., the school, an outside committee, or other independent institutions.

Authority may be devolved over one, several, or all components of school operations including allocating the school budget, hiring and firing the principal and teachers, setting the curriculum, selecting textbooks and instructional materials, improving the facility's infrastructure, and developing and implementing targeted academic and extracurricular programs. Some SBM programs delegate authority in all of these areas whereas others may delegate authority in only a few, most frequently leaving the authority for hiring and firing of principals and teachers and setting the curriculum to a district or the central government.

In turn, authority may be devolved to any one or a combination of the school's principal, teachers, parents, and the community, the latter typically through an intermediary such as a parent council or committee. Some SBM programs may give authority over selected school operations to the principal, with parents (through a school committee) having an advisory role; others may devolve authority entirely to a school committee, elected or appointed, to which school funds are allocated directly.

The intent of the SBM program in Indonesia was to provide a high level of autonomy to schools and encourage broad participation of the local community in school affairs. The National Education System Act (2003) states: "The management of pre-school, primary, and secondary education units shall be based on a minimum-service standard by applying principles of school/madrasah-based management."<sup>1</sup> The act further expects broad community participation in school management: "Community participation in education consists of individuals, groups, families, professional associations, private companies, and community organizations in the implementation and control of quality of educational services."<sup>2</sup> And it defines the authority devolved to schools by stating that "providers shall design and implement curriculum and evaluate and manage education programs and funds in accordance with the community and with reference to national education standards."<sup>3</sup> The central government maintains authority over the hiring of civil service (pegawai negeri sipil or PNS) teachers.

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1 National Education System Act of 2003, Article 51; "madrasah" are Islamic-based education institutions.  
2 National Education System Act of 2003, Article 54.  
3 National Education System Act of 2003, Article 55.

To support community participation in SBM, the National Education System Act mandates the establishment of school committees (SC) as autonomous bodies providing a place for local community participation in education and creating conditions for transparency and accountability. These committees are given an advisory role in deciding and implementing school policies and programs. They also are given a supporting role in financial matters; an oversight role for the purpose of transparency and accountability; and a mediating role between school, government, and the community at large.

It is expected that the school committees will, among other functions:

- give input and recommendations about educational policy and programs, school budget plans, facility development, teacher training, and other school matters
- increase society's attention and commitment to quality education
- motivate parents to participate in their child's education
- collect money in support of education
- evaluate and supervise educational policies and program implementation.

Parents, education specialists, the business sector/industry, education professional organizations, alumni and students, and prominent figures from the community are to be represented on the SC, which is to have no less than nine members. The SC chair can be of any background, but the school principal cannot chair the school committee. The chair is elected by the SC members who receive no monetary or other compensation.

To ensure that the formation of the SC membership is transparent and democratic, the government specified a process by which a preparation committee of five members, including the school principal and representatives of teachers and parents, selects potential SC candidates. Inclusion of the principal on the preparation committee gives him or her a potentially dominant role in choosing committee members. Elections are then held to choose the membership of the SC from among the list of candidates.

In 2005, schools were provided with general standards for SBM activities that they should engage in and the assignment of responsibilities for these activities (Ministry of Education and Culture, 2007). The standards direct schools and madrasahs to formulate a school vision, mission, and goals on the basis of inputs from all stakeholders including the SC and decided by a teaching board meeting chaired by the principal. Schools are to develop a four-year (midterm) plan and an annual plan. The midterm plan is to describe the goals with regard to the quality of graduates and the programmatic improvements needed to enhance the quality of graduates. The annual plan is to be managerial, covering student affairs, curriculum and learning activities, teaching staff and their development, facilities and infrastructure, finance and investment, school culture and environment, public participation and partnership, and other programs leading to quality enhancement and development. The two plans and the school calendar are to be prepared with the input from various stakeholders and then approved by a teaching board meeting subject to the considerations from the SC and validated by the district education office. They are also to be easily accessible to stakeholders.

The guidelines also direct schools to engage in self-evaluation to improve the quality of education. For instance, they direct schools to develop evaluation methods to be used for problem diagnosis and provide feedback for ongoing improvements. Also, schools are to develop a proper management information system to support effective, efficient and accountable education administration. Thus, the SC is expected to monitor school management on a regular and continuous basis with supervision over academic management exercised by the principal and the district. Schools are also required to assign a teacher to respond to complaints and requests for information from the public.

In 2005, a School Operational Assistance program (Bantuan Operasional Sekolah, or BOS) was established to further support the autonomy of schools by providing them with resources in the form of a block grant that they can flexibly use according to school priorities. The block grant amount is based on student enrolment, providing a fixed amount per student to all elementary and junior secondary school students. A further objective of the BOS program is to improve access to education by freeing poor students from school fees.

A final function of the SC, therefore, is to be involved in the management of the BOS funds with a BOS management team. The SC's chair and treasurer must sign the BOS allocation, and that allocation is to be visibly posted on the school's information board. Schools are required to submit to their district quarterly reports on their expenditures. As noted above, as part of an effort to integrate the BOS program and SBM, schools must develop an annual budget which includes the allocation of BOS funds .

Even though the regulations assign approval responsibilities on key decisions to a teacher board, the guidelines remain ambiguous as to the real authority delegated to it; the guidelines also state that the school principal is responsible to set the school's vision and goals, draw the plans, and decide the budget and is only directed to involve teachers and the SC in making key decisions, but not to let the teacher board decide. Similarly ambiguous is the role of the district, which is directed to validate the plans and to coordinate and supervise the development of the school curriculum. The Ministry of Education and Culture, in other words, has not yet clarified the amount of authority really devolved to schools, using language in its standards that can enable districts to continue to assert themselves over the schools.

In summary, Barrera-Osorio et al., 2009 compared various SBM programs on a continuum where a weak SBM program is characterized by schools having autonomy over few responsibilities and limited parental and community participation, and a strong SBM program is characterized by schools having autonomy over all school operations, and parents or school committees participating in school decisions. On this continuum, the Indonesian form of SBM can be characterized as "moderate". On the dimension of authority devolved to schools, Indonesian schools have de jure authority on most school operations, except two: the hiring and firing of teachers and such facility improvements as adding a library, laboratory, or classroom. On the dimension of where the autonomy is devolved, the school principal is given the authority over school operations with school committees having a weak advisory role and no control over resources.

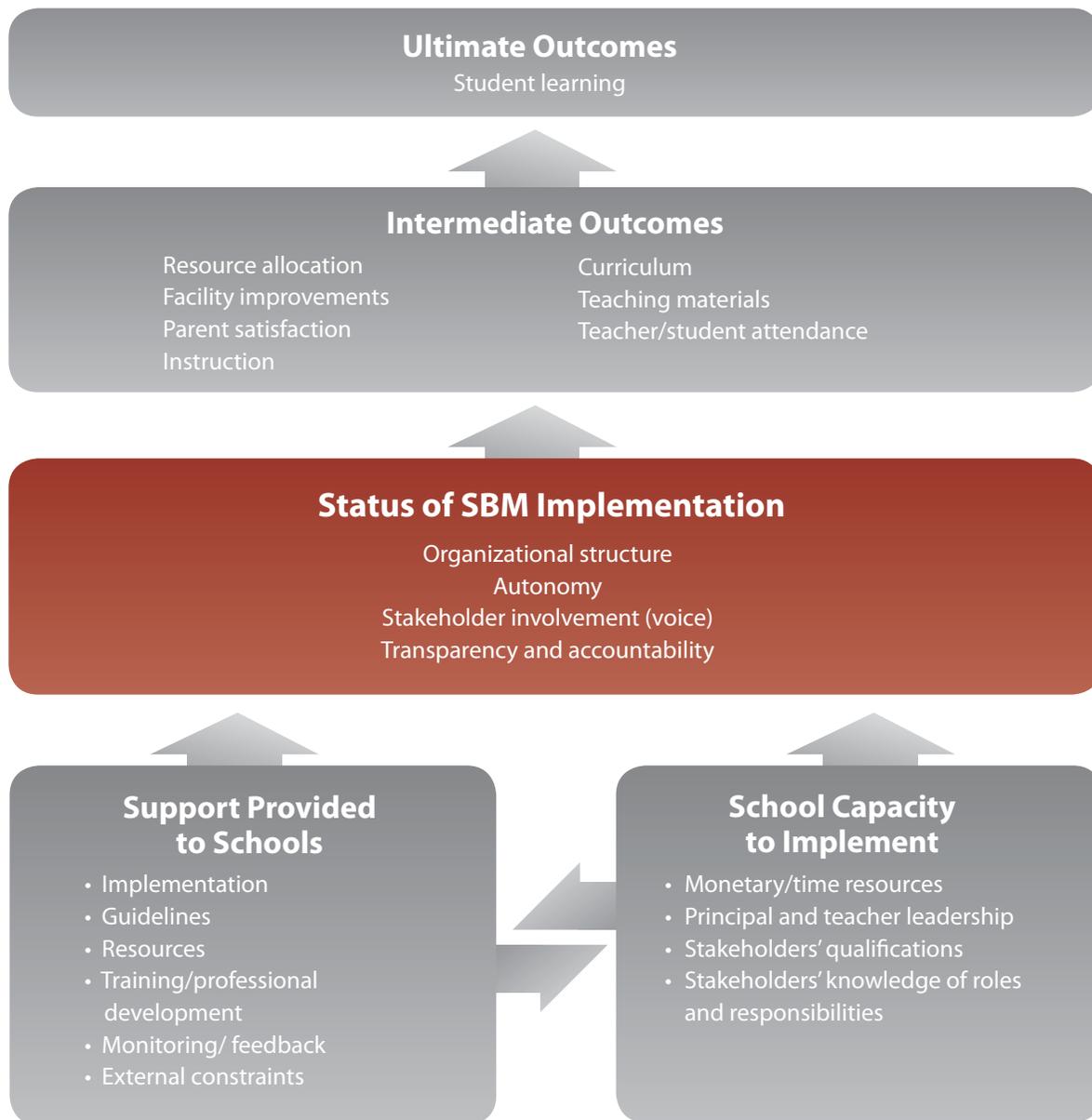
Despite this "moderate" rating and remaining ambiguities in the decentralization process, the SBM program represents a remarkable attempt to overturn the historical, bureaucratic, and cultural domination of Indonesia's center over its periphery and national government over local control. This is especially remarkable in a country as populous and diverse as Indonesia and with an education system of such immense size and complexity.

## Conceptual Framework for Analyzing SBM in Indonesia

Implementing SBM requires that schools and stakeholders make changes in their behavior and practices, including engaging in activities for which they had no prior experience such as planning and developing curriculum or academic programs. Inducing such changes is complex and difficult, particularly in schools where principals, teachers, parents, and the community respond to and are driven by different incentives (Berends, Bodilly and Kirby, 2002).

Drawing on the literature around SBM, Figure 1 provides a framework to describe and evaluate the status of implementation of SBM in Indonesia. The paragraphs below describe in more detail each of the components of this framework.

**Figure 1. Framework for Analysis of SBM Practices**



### Status of the Implementation of SBM

As implementation of SBM proceeded over the past nine years, individual schools were likely to have made different decisions about which components of SBM to implement and with whom to consult in making decisions (Cuban, 1998). The aggregate of these decisions has influenced the overall consistency, level, and quality of SBM implementation in Indonesia. The status of implementation can therefore be measured by a set of indicators

of conformance to the SBM requirements, standards, and regulations set by the central government along four dimensions:

1. Managerial structure indicators of implementation include whether schools have established the required committees or teams (e.g., SC or teacher board) with the required composition of membership, whether SC members are elected, and the frequency of meetings held.
2. Autonomy indicators include whether principals and teachers perceive that they have full authority to make decisions in key school operational and academic matters.
3. Stakeholders' involvement indicators include measures of the extent of participation of principals, teachers, SC members, parents, the community, and districts in school decisions; the respective influence of these stakeholders over school matters; the extent to which parents take advantage of parental choice; and parental pressure to improve the quality of education.
4. Transparency and accountability indicators include measures of district monitoring of BOS and other school activities, the frequency of monitoring by various stakeholders, feedback received and actions taken, and the type of information provided by schools to stakeholders.

### School Capacity

Implementation of SBM—the way schools organized themselves as well as the decisions they make—is likely to be affected by the amount of discretionary resources available to schools<sup>5</sup> (Walker, 2000; Glennan, 1998). Principals' understanding and knowledge of the concept of SBM, their qualifications, and their leadership capacity and style are also likely to affect the way SBM is practiced and the extent to which it is participatory (Fullan, 2001; Lindle, 1996; Osalov, 1994). Principals are not only the schools' managers—they are typically the ultimate decision-makers and the ones who set the tone for participation and transparency in the decision-making process (Leithwood and Menzies, 1998). In turn, teachers' and SC members' knowledge of what SBM is and how it works, their qualifications, and their relationships to principals may affect their involvement in SBM practices (David, 1989; Oswald, 1995). Teacher expertise and experience, or lack thereof, to engage in such SBM-related activities as vision formulation and planning may also affect the schools' ability to make changes designed to improve education quality (Grauwe, 2004; Peterson, 1991; Berends, 2000; Datnow and Castellano, 2000).

### Support Provided to Schools

How districts support schools in their implementation of SBM (e.g., provide information, guidelines, and formal training on what SBM is and how it works; advise school staff; and monitor school activities) is likely to affect how SBM is practiced at the school level (Fullan 2001; Caldwell and Wood, 1988; Levine 1991). Clear and detailed guidelines regarding roles, procedures, and expectations for all stakeholders are particularly important (Stine, 1992; Allen and Glickman, 1992), as is the strengthening of individual and school capacity through training and professional development to engage in such SBM-related activities as needs assessment, planning, and initiation of changes in curriculum and instruction (Ravitch and Viteritti, 1997). The amount of discretionary provincial, district, and other monetary and in-kind resources provided to schools in addition to the central BOS may also be influential in SBM implementation.

### Intermediate and Ultimate Outcomes

With SBM, it is expected that the decisions made by schools will be more efficient and better aligned with students' needs than those that otherwise would be made under other forms of school governance (Wohlstetter and Odden, 1992; Caldwell, 2005). These decisions should be reflected initially in the priorities set by schools, the allocation of discretionary resources to support these priorities, the materials and other instructional devices

made available to teachers and their students, curriculum choices, teacher/student attendance, the instructional methods used in classrooms, and parental satisfaction with the results. Ultimately, all these decisions and practices are expected to improve student learning (Barrera-Osorio et al., 2009; Leithwood and Menzies, 1988).

Box 1 briefly describes the research undertaken to analyse the implementation of SBM in Indonesia. The results in regard to each component of the conceptual framework follow below.

### **Box 1. Objectives and design of the SBM Assessment**

The study had four main objectives:

- to conduct a formative assessment of the implementation of SBM
- to associate “intermediate” SBM outcomes (autonomy, participation and transparency) with features of the district, schools, teachers, and communities
- to analyze the effects of SBM and other school factors on student achievement
- to provide recommendations for policy interventions and future research.

To address these questions, a research team surveyed principals, teachers, school committee (SC) members, and parents in a random sample of 54 out of 470 districts, drawn from all seven regions of Indonesia. Within selected districts, a 2 percent random sample of schools was selected. The sample was weighted to represent the universe of elementary schools for the whole of Indonesia. In each selected school, the team surveyed the principal, six teachers (randomly selected, one per grade), the SC chair and one member (randomly selected), and six parents (randomly selected, one per grade). In addition, in each of the 54 districts, the team interviewed the head of the district, the head of one randomly selected sub-district, the chair of the district’s education board, and the head of the district’s supervisors. Respondents were surveyed face-to-face in April and May 2010. The team also developed and administered Bahasa language and mathematics tests to one fifth-grade class in each surveyed school.

The surveys were complemented with an in-depth case study of a stratified and randomly selected subsample of 40 schools. For logistical reasons, sampling of the case study schools was limited to the three regions of Java, Sulawesi, and Sumatera. In each school, the principal was interviewed and focus groups were conducted with up to four teachers and four parents (randomly selected), SC members (the chair plus three randomly selected members), and BOS team members.

## Status of School Based Management Implementation

In terms of the central component of the SBM framework – the current status of SBM implementation – the research study provided information on the following indicators:

### School Managerial Structure

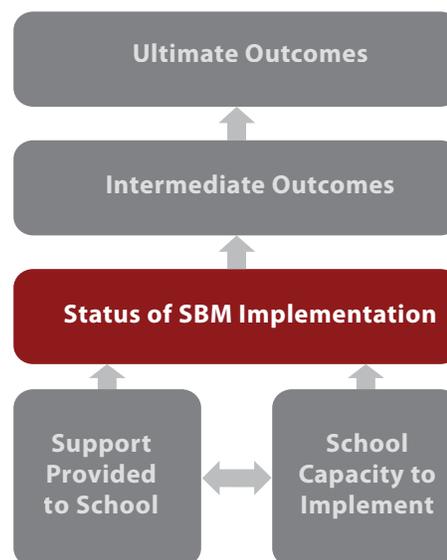
To support SBM and encourage broad stakeholder participation, central government directives require that schools establish a SC and a BOS team and give guidance as to their sizes and memberships. They also require that schools involve a teaching board in the approval of the school's midterm and annual plans. Beyond these requirements, principals, as the equivalent of the chief executive officer of the school, may establish other committees to assist them in the management of the school. The extent to which they do so may indicate their desire to maximize participation of stakeholders in school affairs.

An SBM managerial structure was reported to be in place in a majority of schools. The majority of schools established all the committees mandated by central government directives, and some schools added other special purpose committees as well. As required, the majority of schools (98 percent) had a school committee in 2010. About two-thirds of schools and half of schools had established a BOS team and a teacher board, respectively, also as required. In addition, a significant share of schools established a working group of teachers to help prepare the four-year plan (65 percent), an SBM team (54 percent), and a school budget team (37 percent).

Parents dominated the school committees. The size of school committees averaged 8.3 members, about equal to the minimum size of nine members suggested by central government directives. Across the nation, parents accounted for about three-quarters of SC members, community and village council representatives accounted for about 20 percent, and teachers the remaining 4 or so percent.

The selection of school committee members was not transparent as expected by central government directives. Overall, less than 15 percent of chairs and less than 25 percent of SC members were said to have been elected. The primary form of selection of SC chairs and members in 2010 was by consensus and secondarily by appointment, typically by the principal. SC members in rural areas were more likely to have volunteered whereas those in urban areas were more likely to have been chosen by consensus.

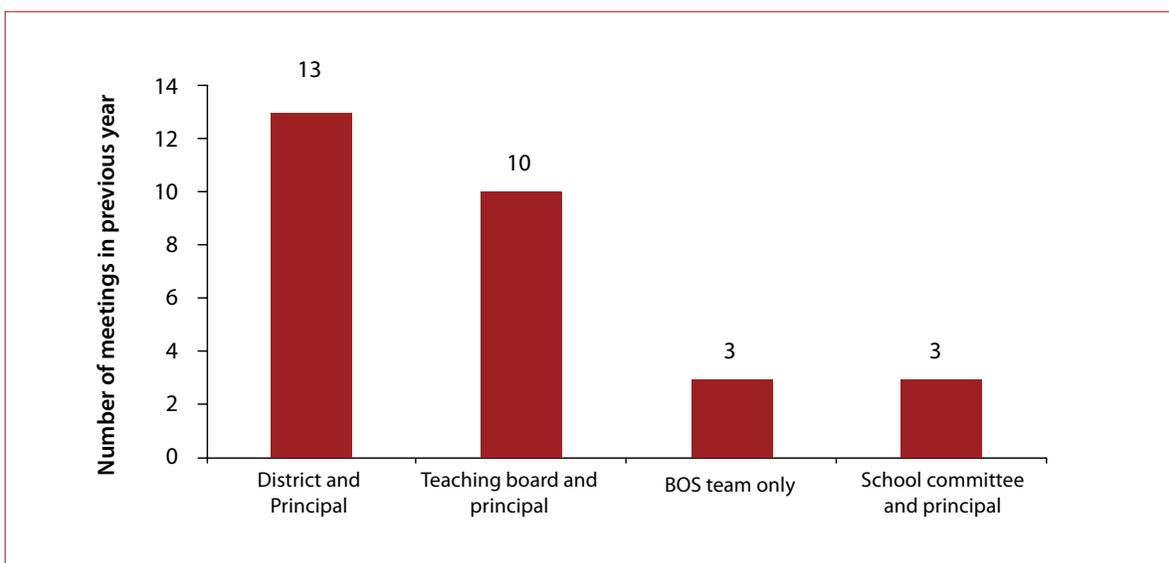
Interactions between principals and district staff were frequent but with the SC, less so. The frequency of meetings held by teams and committees on their own and with other stakeholders, including school principals, is one indicator of their level of involvement in school affairs. Principals met most frequently with the district staff and their teaching board, on average once a month over the school year 2009–2010, suggesting that consultations between these three stakeholders were routine (Figure 2). It also suggests the continuing dependence of principals on district input and oversight. Meetings of committees on their own or with other school teams were



relatively rare. The BOS teams met on their own quarterly, and SC chairs reported meeting with their principal on average 2.5 times in the previous year. By themselves, SC members reported that they met from never to three times a year, averaging 1.5 times in the previous year. Typically, SC members would meet at key school events to which all parents were also invited, such as at the beginning of the school year, at the distribution of the student grade reports, or at the end of the year. SC focus group participants said that meetings between the principal and the full SC were rare and took place only when called by the principal.

**Figure 2. Meetings between the principal and the full school committee were rare**

*Average number of meetings in previous year between selected stakeholders, 2010*



Source: World Bank SBM National Survey (2010), principal survey.

Note: N = 281–400 principals.

## Autonomy

Most principals perceived that they had autonomy over their school’s operational, budgetary, programmatic, and instructional decisions consistent with the intent of the central government’s decentralization of governance. Most teachers also said that they had full autonomy in their classrooms including over their choice of instructional methods, groupings of students, and the sequence at which they teach the curriculum. Although they reported having autonomy over their school decisions, principals also reported that they did not take advantage of it by making significant programmatic or instructional changes. When they did, they typically sought the approval of their district supervisor or other appropriate district staff. One indicator of the reluctance of schools to make independent decisions was the almost complete uniformity in schools’ stated goals and priorities and actions taken to improve student performance. This finding is consistent with the reported high level of influence that many districts continue to have in all areas of school managerial and programmatic decisions, including the choice of textbooks and curriculum.

## Stakeholder Involvement

Although the central SBM guidelines clearly expect the major school stakeholders at the local level to be involved in assisting in the management of the school, the reality (at least in 2009-2010) was often quite different.

**Voices: Principals**

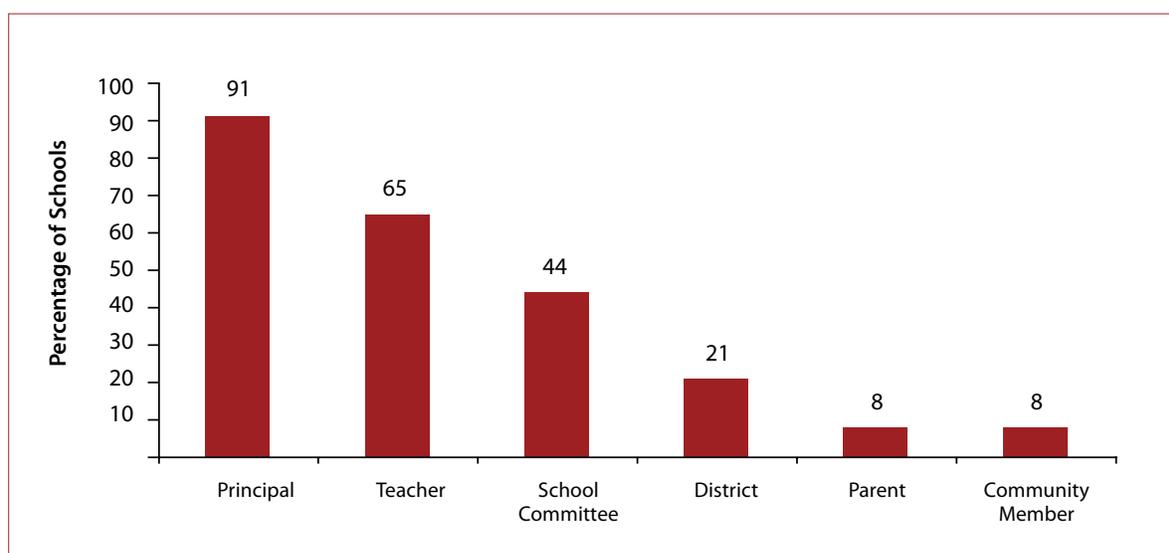
“If anything happened, we discuss it with teachers, along with the committee, and then we ask for the supervisor’s instructions, so we don’t decide by ourselves.”

According to principals, teachers and SC chairs, schools made decisions by consensus. As reported by principals, school operational decisions typically were made by consensus of the principals and varying combinations of stakeholders (see Figure 3). The tendency of principals to involve others in sharing decision-making was supported by both teachers and SC chairs. Nearly all (94 percent) of surveyed SC chairs agreed that the principal of their schools relied on consensus for decision-making. Similarly, most surveyed teachers (96 percent) agreed that their principal had established teams for sharing leadership in

their schools. Principals often emphasized that they never decided on an issue by themselves, in some cases out of fear of making a wrong decision or of being perceived as being arrogant or authoritarian.

**Figure 3. As reported by principals, school operational decisions typically were made by consensus**

*Percentage of Schools in Which Stakeholders Participated in Decisions across all Ten School Matters, by Type of Stakeholder, 2010*



Source: World Bank SBM National Survey (2010), principal survey.

Note: N = 400 principals. 10 School Matters were: (i) teacher recruitment, (ii) school vision/goals, (iii) school work plan, (iv) school curriculum, (v) academic calendar, (vi) textbooks, (vii) student admission, (viii) student promotion, (ix) allocation of BOS funds, and (x) allocation of school budget.

Teacher participation in decisions was reportedly high. After principals, teachers or the teaching board were the stakeholders most frequently reported as participating in making school operational decisions, being involved on average (across ten different school operations) in 65 percent of schools. According to principals, they were most involved in decisions regarding classroom instructional issues, including student promotion and textbook selection. The majority of teachers interviewed for the case study tended to agree that they actively participated in most, if not all, key decisions in their schools. Decisions in which they were the least likely to participate in were in the choice of non-PNS staff. Apart from their involvement in school decision-making, teachers in the case study reported having a great deal of autonomy in their classrooms, although the degree of autonomy differed depending on the

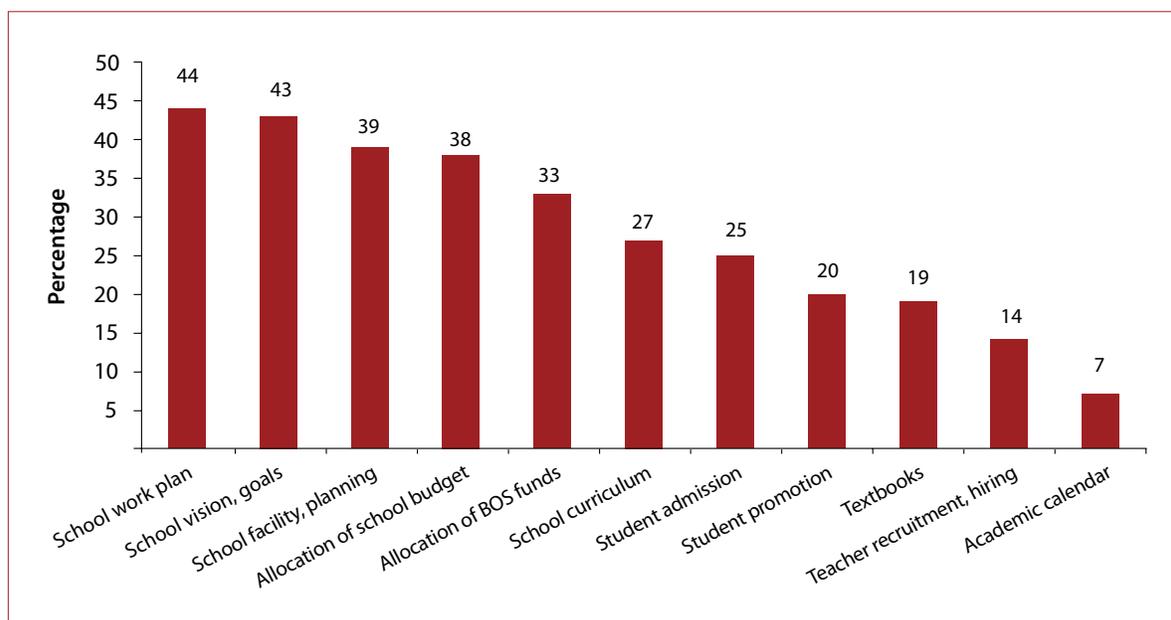
classroom practice. All teachers said that they needed no approval to make changes in their instructional methods or in the way they grouped students in the classroom. Most also said that they did not need approval to change the sequence in which they taught the curriculum, although a significant minority (one-third of teacher focus group participants) said that they were not allowed to make such a change, as the curriculum was set by the “authorities.”

Parents generally had a small voice in school matters. Parents’ deferential attitudes toward school staff, perceptions of effective division of labor between school and home, and schools’ lack of outreach appear to prevent parents from effectively exercising their voice in school affairs. Parents are rarely part of final decisions on school matters (Figure 4). Principals reported that they most frequently received input from parents in setting the school’s vision and developing the school’s annual plan (44 percent of principals), planning for facility improvements (39 percent), and allocating school budget (38 percent).

Similarly, interactions between teachers and parents were also said to be minimal. With few exceptions, case study teachers said that they never contacted parents. In turn, few parents said that they ever contacted teachers outside the report card distribution day. They would typically meet with their child’s teacher only if invited by him or her.

**Figure 4. Parents generally had a small voice in school matters**

*Percentage of Principals Reporting That Parents Provided Input, by Type of Input, 2010*



Source: World Bank SBM National Survey (2010), principal survey.  
 Note: N = 400 principals.

Not even school committees—at least at present—offer an avenue for providing parents with information on school activities, let alone accepting parental input and influence. Case study SC members said that they never held a meeting with parents to elicit their opinions about the school or even to inform them of school activities.

Nearly half of surveyed parents did not know that their school had an SC, and 30 percent more had never attended a SC meeting or had ever received information from their SC. Parents said that they were informed of school activities mainly through their children. Teachers tell the students about forthcoming events or things to be brought to school the next day and the children, in turn, tell their parents.

**Voices: School Committee**

“When they get an invitation, they would be reluctant to come since they (the parents) have a lot to do.”

“The meeting between parents and the SC is no longer held because students don’t pay tuition, even though BOS is managed by the school

The result of low SC and active parental participation, or even presence, in school matters is that the majority of educational staff, from principals to teachers and district staff, felt little pressure to improve student performance from either parents or the community at large. Teachers, although being the most likely to interact with parents, were the least likely to feel pressure from parents or the community to improve student achievement (Table 1). By contrast, the most likely to feel any pressure from parents or the community were the heads of district supervisors. It is the role of district supervisors to monitor school performance and help improve it.

**Table 1. Teachers were least likely to feel pressure from parents or the community to improve student achievement**

*Percentage of Stakeholders Reporting Pressure from Parents and the Community to Improve Student Achievement, by Type of Stakeholder, 2010*

Stakeholder	Parent		Community	
	No Pressure (%)	Pressure Score	No Pressure (%)	Pressure Score
District head	37	1.6	39	1.7
Subdistrict head	45	1.7	59	1.3
Supervisor	24	2.2	26	2.0
Education board chair	42	1.5	44	1.5
Principal	37	1.7	48	1.4
Teacher	57	1.1	65	0.9

Source: World Bank SBM National Survey (2010), all surveys.

Note: N = 400 principals, 2,353 teachers, 54 district heads, 47 sub-district heads, 54 heads of supervisors, and 52 education board chairs. The pressure score is based on scale of 0 to 4 with 0 = no pressure, 1 = very weak pressure, 2 = weak pressure, 3 = intense pressure, and 4 = very intense pressure.

Districts were said to continue to exercise a high level of influence on school policies and practices. Principals said that they rarely made a decision without seeking district approval, in part out of fear of making a mistake or of appearing authoritarian. District influence was said to equal or exceed that of teachers across various areas of

**Voices: Principals**

“... we need the assistance of the district, like thoughts and directions. We cannot stand for ourselves; we still need to be guided in all aspects.”

“We are insaperable from the education office because this office is our superintendent. Every time we have a problem, we must consult with the office. We defer to them always.”

school management and academic areas, with the exception of classroom instructional practices. Districts were said to maintain a high level of influence over school decisions, seemingly consistent with the consensus approach to decision-making preferred by a majority of principals. Most striking was the relatively high influence that districts reportedly had over schools' missions and priorities. Another indicator of district influence is the high frequency of meetings that principals reported having with district staff. The continuing influence of districts on schools' policies and practices was confirmed by the principals interviewed in the case study. Asked if there were areas of school policy or practices that they wished their district did not get involved with, principals were unanimous in indicating that not only were there no such areas but that most welcomed their dependence on district guidance.

Most importantly for the future of SBM in Indonesia, school committee participation in decision-making was low<sup>6</sup>. Deferential attitudes toward school staff, insufficient knowledge of school affairs, lack of time, and principals' narrow views of the role of the school committee reportedly prevented school committees from participating in school affairs to the extent anticipated by SBM governmental directives. Principals reported that the SC participated in final decisions in an average of 44 percent of schools. They were said, as previous studies have found, to be most likely involved in matters other than pedagogy and instruction, including school facility planning and the allocation of the school's budget and BOS funds. They were least likely to be among decision-makers in the selection of textbooks and the curriculum. (See Figure 4).

#### ***Voices: School Committee***

***“We don't understand about school problems, they (teachers and principal) understand them better, so we leave everything to the school.”***

***“If the school committee is involved in aspects other than infrastructure, it instills the perception that we don't trust teachers.”***

***“Teachers should feel comfortable, not supervised by the school committee, so it [SC] must limit involvement. Eastern culture thinks that being supervised is annoying.”***

However, case study data indicate that principals' reports of SC participation may be overestimated. In focus groups, SC chairs and members said that they were minimally involved in school affairs. In describing their involvement, they used such phrases as “we don't get involved really,” “don't interfere,” “don't want to be proactive,” and “only for support.”

In particular, SC members were not actively involved in two important ways. First, their involvement in the allocation of BOS funds was pro forma, even though the BOS program provides for an

active role of the SC. In the focus groups, both BOS team and SC focus group members generally agreed that SC members were rarely, if ever, actively involved or consulted in making BOS fund allocations. The common pattern was that the principal and treasurer, along with the teacher board or selected teachers, would make the allocation. Once completed, the document would be given to the SC chair for signature as is required by central government directives. Not one school suggested that the SC chair ever asked for changes in the allocations made by the school.

A similar pattern of nonparticipation of SC members in the preparation of the annual plan was reported in the case studies by both principals and SC members. SC members were not involved in preparing the annual work plan in about two-thirds of the case study schools, and in the remaining case study schools, the SC chair was just generally informed about the plan. By contrast, teachers were nearly always said to be involved in the preparation of the annual plan.

In addition to the reason implied in the quotations from SC members above, other reasons mentioned by SC

### *Voices: Principals and SC members*

*“School committee members, they are ignorant and they don’t want to know. As long as the school is good, runs smoothly, and nothing happens, they are okay.”*

members and principals for SC non-involvement in school decisions included insufficient capacity and knowledge and lack of time. Most parents and other SC members are reportedly too busy working, especially in rural areas, to be able to come to school for meetings during the day and so, if principals communicate with the SC at all, it is exclusively with the SC chair.

This is not so say that SCs were not thought to be useful in many ways, even though they are not as broadly or deeply involved as envisioned by SBM standards. Many SCs in the case studies were engaged in small projects related to upgrading the school infrastructure, such as adding a fence around the schools to increase student safety, upgrading bathrooms or building water containers to improve hygiene, fixing roof leaks, paving the school yard, or bringing in flowers to decorate the school and make it more pleasant.

SC members mainly see themselves (as did principals) as intermediaries or the bridge between the school and parents when the principal needs to communicate with parents or needs something from them. They also saw themselves as cheerleaders to encourage parents to make their children study harder. In particular, an important role most SCs reported playing was gathering sixth-grade parents to inform them of the school’s plans to prepare their children for the national exam, impress on them the importance of this exam for their children and the school’s reputation, and encourage them to take an active part by monitoring their children’s play and television time at home.

### **Transparency and Accountability**

Although SBM places school academic and management decisions in the hands of school staff and stakeholders, it also places increased oversight and monitoring responsibilities over these decisions on education districts, school committees, parents, and the immediate community. Governmental directives on SBM require that information on student performance, BOS allocation and budget, and other decisions be communicated to these various stakeholders.

District accountability and monitoring of schools were said to be primarily done by district supervisors, who visited schools an average five to six times a year, and sub-district staff, who visited much less frequently. Reportedly, they checked the completeness of required school and classroom administrative reports, observed classrooms, monitored teacher performance, assessed teacher training needs, reviewed and approved the lesson syllabi, and monitored the allocation of BOS funds. At the conclusion of each visit, they gave principals and teachers feedback on any issues they may have identified. However, nearly half of teachers reported that they never received feedback by a supervisor, and the others said that they received some feedback one to three times a year.

When asked about what school improvements supervisors had asked them to make in their schools, case study principals identified three areas with about equal frequency: (1) increase student achievement (in 40 percent of case study schools), (2) increase teacher creativity or use of visual aids, and (3) improve student or teacher discipline or attendance. This suggests that the focus of supervisory advice was more on what teachers ought to be doing and less on the more critical how they ought to do it. The continuing low level of student achievement and of parent and community involvement (in spite of district’s monitoring of the latter) may also suggest that there may be little effective and sustained follow-up with improvement actions.

Principals reported evaluating teachers once or more each year. About 15 percent of schools had underperforming

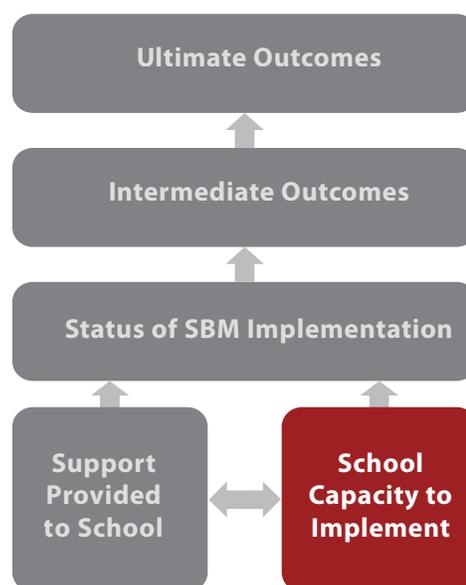
teachers in the previous year. Two-thirds of districts reported that they had underperforming principals. The most frequent actions taken by principals in these schools included written notifications or referrals to training. Rarely was the underperforming teacher fired. Corrective actions taken by districts on underperforming principals consisted most frequently of reassignment to another school or writing a notification letter. About a third of districts reported that they had demoted or fired an underperforming principal in the previous two years.

## Resources and School Capacity to Implement SBM

The first enabling component of SBM implementation -- school and staff capacity, including monetary resources and principal, teacher, and other stakeholders knowledge and know-how -- can be expected to affect the way SBM is implemented, the extent to which it is participatory, and how school academic and other decisions are made. The analysis of SBM looked at the resources available to schools to support SBM, the school stakeholders' understanding of SBM, and the preparedness of principals, teachers, and SC members to implement SBM and make independent decisions.

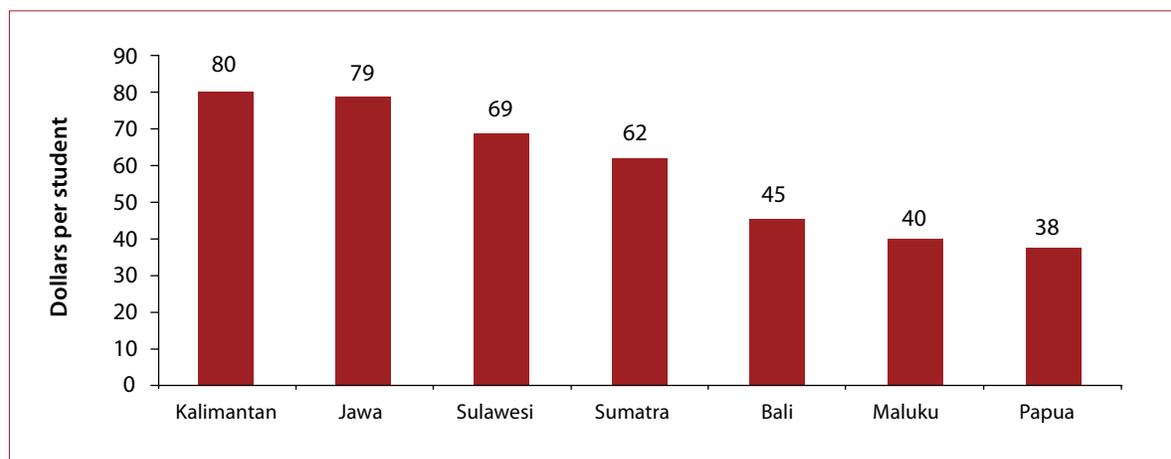
### Resources

The availability of discretionary resources differed greatly across schools, with some schools reporting receiving less funding per student than provided by the central BOS program and other schools receiving far in excess of it (Figure 5). The latter schools were receiving additional resources from their provincial and/or district local government. Contributions from parents and other sources were minimal. Overall, the average school received 83 percent of its discretionary funding from the BOS program.



**Figure 5. Discretionary resources available to school differ greatly based on region**

*Average School Discretionary Budget per Student, by Region, 2010*



Source: World Bank SBM National Survey (2010), administrative data reported by schools.

Note: N = 399 schools.

## Stakeholders' Knowledge of SBM

Stakeholders' understanding of their roles, authority, and responsibilities under SBM is a prerequisite to its eventual effective implementation by schools. In general, principals, teachers, and SC members have insufficient understanding of what SBM required of them and of the functions attributed to the SC, possibly contributing to the mixed implementation of SBM by schools. For instance, they understood SBM's theory and overall purposes (school autonomy, community participation) but not necessarily the responsibilities and the required actions they implied. Most principals and SC members, for example, had some misconceptions regarding the functions of the school committee. In addition, a majority of principals said that they were not well prepared to provide effective leadership and perform such SBM-related activities as formulating a vision for school staff, developing a plan for school academic improvement, and making decisions on school curriculum.

Most principals and teachers also knew that the ultimate purpose of SBM is to improve student learning. Some teachers added that it also was meant to promote cooperation among stakeholders -- the school, and parents, and the community. However, their understanding seemed to remain at this very general level. When asked why they did not set up a team to implement SBM, they generally responded that they did not do so because they really did not have enough understanding of what SBM consists of.

The lack of depth in the school principals' knowledge of SBM is not surprising. Only about one-third of principals reported that they had learned about SBM in workshops or socialization sessions provided by their district. Most others learned about SBM from various other sources, including principal working group meetings and newspapers.

School committees are central to Indonesia's SBM model. These committees are meant to be the vehicles of parental and community participation in school governance and management and are expected to advise school leadership on day-to-day school operations. Their role covers a broad range of areas, from providing input for school planning and program development to ensuring financial transparency. SC members have to have knowledge of their functions and general school operational knowledge to participate successfully in school governance. But the research found the following:

- School committee members need more preparation to do their jobs. SC chairs and members reported that they were only "somewhat" competent in providing input about school policies, budget, and program
- SC members were not clear about their roles. A large percentage of SC chairs (92 percent) and members (87 percent) had at least two misconceptions about the SC's roles. As with principals, the most common error was about SC's approving school policies and making final decisions.

### *Voices: Principals and Teachers*

*"I only know SBM theory"*

*"It is difficult because we do not understand 100 percent yet about SBM. We only now that SBM is all about our relationship with society, that's all. The details should be socialized to the school."*

*"We only know about the meaning of it (SBM), just in the surface, so we will need the information on how the implementation of SBM should be."*

### *Voices: School Committee*

*“It is the biggest difficulty for SC, because we know nothing of the steps and the purpose for the committee or how to handle school duties.”*

- School committees received insufficient information about their schools. SC members were less likely than committee chairs to receive information about their schools. Sixty percent of SC members did not receive information from their schools’ principal about academic programs, and over 40 percent reported not receiving information about teacher performance, school expenditures, and extracurricular activities. Similarly, a substantial proportion of chairs also reported not receiving information on the schools’ academic programs (53 percent) and the performance of teachers at their schools (42 percent). When they had received information, the majority of chairs and members rated it as sufficient.

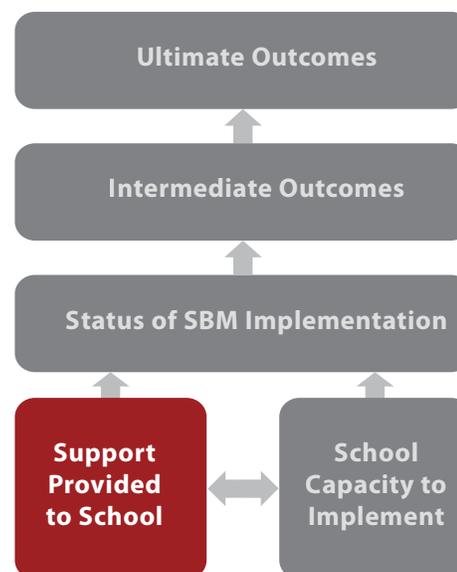
### **Principal and Teacher Leadership**

Principal preparedness, leadership, and knowledge are also essential to the implementation of SBM. To support SBM, the principal has to be an expert in playing the broader managerial roles that accompany school self-management, promoting collaboration in decision-making, engaging and facilitating the work of committees and teachers, and managing operational and instructional processes. Furthermore, school leaders have to have knowledge about the roles and responsibilities of the various committees, including their SC and BOS teams, which are central to SBM in the Indonesian model. The extent to which principals have these competencies affects how well SBM is implemented. In general, the analysis reached the following conclusions:

- Principals were moderately prepared to manage their schools. The majority of principals (over 93 percent) reported that they were at least adequately prepared to lead and manage various aspects of their schools. However, less than half of the principals indicated that they were “well prepared” in areas central to SBM implementation, including providing leadership and vision for school staff, planning for the school academic improvement in the medium term, planning and managing the school budget finances, and making decisions on the school curriculum.
- The functions of the school committee were not fully understood by principals. Principals were not familiar with all the roles for which the SC is responsible. About three-quarters of the principals erroneously identified two or more functions as the responsibility of the SC
- Teachers were also moderately prepared. As with principals, nearly all teachers reported that they were at least adequately prepared to provide high-quality education, with about half of them (across five areas of classroom instructional practices) saying that they were well prepared. Teachers reported that they were least prepared to use a variety of instructional methods in the classroom and plan effective lessons.
- In summary, school principals reported that they were adequately prepared and teachers, well prepared, to manage their schools or classrooms. District staff, including supervisors, generally agreed with this self-assessment, although they were somewhat less positive about the adequacy of principals’ and teachers’ preparation. These positive self-views about school staff preparation may be an obstacle to improving school and student performance as too few stakeholders at the district and school levels see a major need for improvement.

## Support for SBM Implementation

In terms of the other enabling component of SBM implementation, research suggests that how external entities (usually supervisory district offices but sometimes local NGOs) support schools in regard to SBM -- by providing information, guidelines, training, and on-site technical assistance and mentoring - is likely to affect how SBM is actually implemented as intended (Fullan, 2001; Caldwell and Wood, 1988; USAID 2011). It is therefore important that the Indonesian district education offices provide support for SBM implementation. This support may come in various forms. These may include the provision of training or socialization, the sharing of information, and guidance to school leaders and other school stakeholders, including SC members, in order to enhance their knowledge and skills on how to set school visions, monitor budgets, develop work plans, organize committee meetings, and monitor performance. District support may also target teachers, who are central to SBM, by developing their knowledge in the areas of teaching, learning, and curriculum.



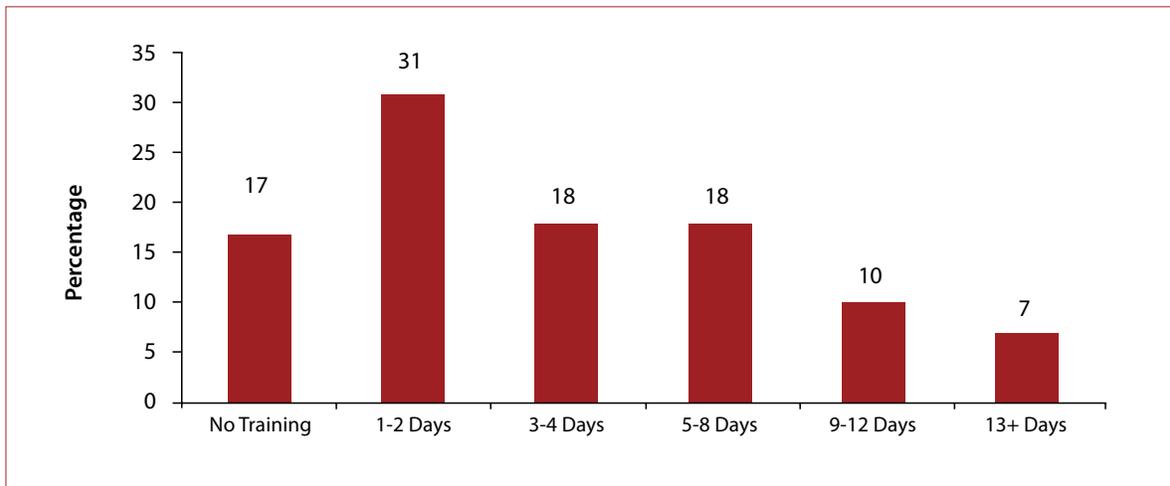
### Training and Professional Development

Districts and nongovernmental agencies indicated that they offered many opportunities for socialization or training on SBM, the BOS program, school planning, and instruction. However, more than half of principals reported that they either had not received any training in the past year or found it insufficient (see Figure 6), especially with regard to such SBM-related activities as developing a school's vision and work plan, making best use of budget resources, developing the curriculum, working with the SC, or involving parents and the community in supporting the school. Similarly, about two-thirds of teachers said that they had not received any training in the past year or that the training was insufficient in such areas as using various instructional methods, teaching their subject matter, planning lessons more effectively, and preparing the school plan. When teachers received training, it amounted to only one to four days of training over the year. Socialization of SC members about their roles and responsibilities was even more sporadic, with half of districts not offering such training and a majority of SC members reporting not receiving any socialization over the past two years.

At the same time, case study principals and teachers said that there were many training and workshop opportunities on specific topics ranging from the arts to science, a thematic approach to the curriculum, teaching methods, reading, leadership, syllabus development, and SBM. However, only one or two teachers at a time and from any one school were typically sent to take advantage of available training opportunities, with the expectation that the participants would then share their gained knowledge with their colleagues in a kind of "train the trainers" approach.

**Figure 6. Many principals reported receiving insufficient or no training in the past year**

*Percentage of Principals Receiving Training, by Number of Training Days, 2009–2010*



Source: World Bank SBM National Survey (2010), principal survey.

Note: N = 400 principals.

Still, a majority of principals agreed that their districts provided them with useful feedback on their performance. They also mostly agreed that districts provided their teachers with high-quality professional development and sufficient instructional support, although teachers were less likely to concur. And a substantial proportion of principals agreed that their districts understood the particular needs of their school (83 percent). However, principals did not feel supported by their districts in one aspect. About 60 percent of them indicated that their districts produced policy directives and official guidelines which changed frequently and potentially gave school stakeholders inconsistent messages regarding SBM purposes, roles, and responsibilities

Also, SC members received little training on their BOS and SC responsibilities. About two-thirds of the sub-districts reported providing training on BOS and on SC members' roles and responsibilities. But during the school years 2008–2009 and 2009–2010, about three-quarters of the surveyed SC members reported that they did not receive training on BOS. A substantial, although smaller, percentage of SC chairs (42 percent) also reported not receiving BOS training. And when provided, the duration of training was minimal, typically consisting of one day or less for most SC members. In this regard, SC members indicated a desire for four future actions:

- training or guidance on what their roles and duties are and how to carry them out; as noted above, most SC chairs and members indicated that they did not know what their functions were and that no one had defined them, frequently leaving the active involvement of the SC in school affairs at the school principal's discretion.
- the provision of an honorarium for SC members to, among other things, cover transportation costs, thereby encouraging more active participation in school affairs.
- the issuing of the decree for the formation of the SC by the district education office instead of the principal in order to give the SC more legitimacy as well as independence from the school.
- clarification on the policy about school fundraising in the direction of allowing schools and their SCs to raise funds from parents; there is still much confusion about whether schools are authorized to raise funds from parents, with many schools under the impression that they are not permitted to do so.

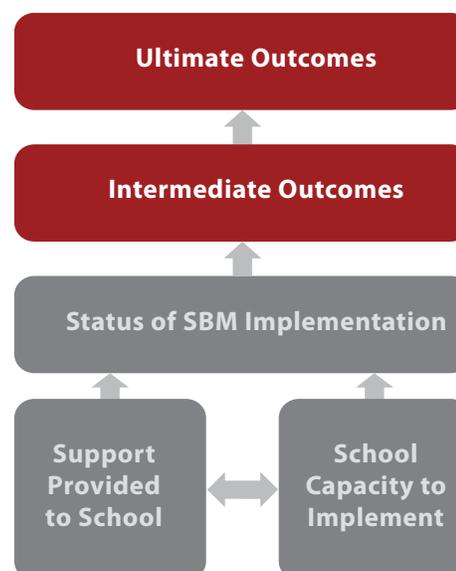
## Intermediate Outcomes and Learning Levels

The theory of SBM suggests that providing schools and local stakeholders with more flexibility to allocate their budget and select staff, curriculum, and classroom instruction may lead first to a range of intermediate outcomes (e.g., a better learning environment for students and staff and instructional innovations and academic programs more suited to the local student population.) In turn, the combination of these changes is expected to be reflected in increased student achievement. In terms of the perceived effects of SBM on changes which schools had made over the past two years, respondents were about evenly split between those who reported some changes and those who reported that little to no change had taken place.

### Perceived Effects of SBM

The positive changes resulting from the implementation of SBM included:

- More interactions with parents. One effect reported by some principals and teachers was an improved relationship with parents through an increase in the frequency of encounters between parents and teachers.
- Changes in teaching methods. Teachers mentioned a variety of changes they made in their teaching methods including shifting from lecturing to engaging students in their own active learning, using groupings of students, better relating content with the practical experience of students, and bringing more variety into their teaching. Some of these changes related to an increase in motivation.
- School facility improvements. SC members were more likely than principals and teachers to point out improvements to the school compound over the previous two years that they had helped bring about.



### Use of School Discretionary Resources

Schools' BOS and other district and provincial resources can be allocated by schools with relative flexibility. The use of these resources is likely to be affected by the status of SBM implementation. For example, schools that have stronger school based management are more likely to use these resources to improve student learning.

Discretionary resources were spent mostly on instruction-related activities. In 2009–2010, schools spent about 60 percent of their discretionary resources on instructional-support activities with the balance spent mainly on facility support. On average, school expenditures were highest (about 22 percent) for the salaries of non-PNS teachers hired directly by schools to complement the number of teachers assigned by the central government. To date, about one-third of the teaching force is non-PNS. Student testing and reports and student activities are the only other categories of instructional support expenditures exceeding 10 percent of total expenditures, 14 and 11 percent, respectively. Box 2 provides more specific information on the use of BOS funds as part of these discretionary resources.

#### *Voices: Teachers*

*“With SBM we are free to set the method until we find a better one, from seating arrangements to how to make that child absorb the lesson easily.”*

## **Box 2. The Impact of the BOS Program**

The effects of the BOS program were seen to be generally positive. Three-quarters of schools reported being better off financially than pre-BOS, and another 17 percent reported no change. A large majority of stakeholders of all types, including district staff, principals, teachers, and SC members, reported that BOS had a positive effect on a number of student-related and other outcomes, including higher transition rates of students to junior high school, higher enrollment of poor students, higher student performance, lower dropout rate, increased availability of textbooks, and increased school authority. At the same time, they felt that BOS had resulted in less fundraising. This latter effect appeared to be confirmed by parents, with 90 percent reporting that they had made no monetary contributions, and the remainder reporting contributions between U.S. \$1 and \$6 in the previous year.

### **Student and Teacher Attendance**

Most schools reported 98–100 percent attendance on an average day. Still, a nontrivial share of schools reported lower attendance rates, with about 8 percent of schools reporting 90 percent or lower attendance of either students or teachers on an average day.

### **Parental Satisfaction with the School**

The overwhelming majority of parents were satisfied with their child's school, in part explaining the lack of pressure to improve student achievement felt by principals, teachers, and other stakeholders, as noted above.

### **Low School Performance in Reading and Mathematics**

Ultimately, of course, the purpose of SBM is to improve student learning outcomes. The testing done of students in the study's schools, however, did not provide strong evidence in this regard. Students performed better in the national language (Bahasa Indonesia) than mathematics. About three-quarters of schools averaged between 41 and 60 percent of correct responses in Bahasa Indonesia. The majority of schools (90 percent), however, averaged only 21–40 percent of correct responses in mathematics. These low scores are particularly alarming, reflecting the low achievements against the curriculum standards.

A critical challenge to improving student achievement mentioned by many teachers interviewed in the case study was insufficient information on what to do to improve learning. This became apparent when schools were asked about their key priorities. Nearly all principals, teachers, and SC members indicated that it was to improve the quality of education. In the majority of case study schools, this meant seeking to maximize the number of sixth-graders passing the national examination in part because this is a prerequisite for continuing their education in public junior secondary schools.

Not only was the top priority the same across most schools, the actions taken to prepare students to pass the national examination were also the same. Schools provided extracurricula remedial tutoring or additional lessons to sixth-graders (and sometimes also to students in earlier grades). With the help of SC members, parents were also encouraged to support their children's education by allowing them to attend these extra lessons and by promoting a home environment supportive of studying, such as restricting television viewing. This uniformity of interventions across most case study schools suggests a lack of knowledge of alternative ways to enhance student performance. It also suggests that schools have yet to take advantage of the flexibility provided to them by SBM and that districts continue to maintain close control over school practices.

### Major Hindrances to Improving Student Achievement

Several major differences were uncovered between district and school staff in the identification of major hindrances to both the implementation of SBM and the improvement of student performance. Issues such as large class size, low student and teacher attendance, high teacher turnover, and poor teacher preparation were identified less often than inadequate school facilities, the shortage of textbooks and instructional materials, and insufficient funding – though the latter were seemingly accepted as unalterable. More principals, as one might expect, identified insufficient capacity of district offices to provide services to all schools. These differences in perceptions suggest a potential miscommunication between districts and schools of what may be important at the school level and, hence, differences in priorities between the two levels of education.

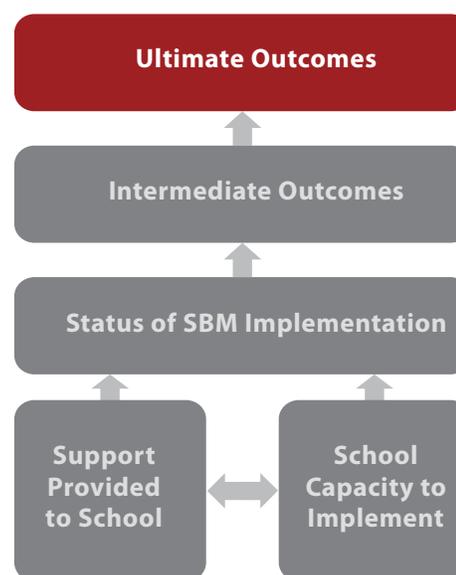
## Factors Associated with SBM implementation and Student Outcomes

Central to SBM is providing schools with enough autonomy so that principals and teachers can make important educational decisions regarding their schools. As discussed above, schools differed in the extent to which they exercised this autonomy and engaged in participatory decision-making. Using multivariate analysis, various factors were examined that influenced the implementation of the four central SBM practices characterizing school autonomy and decision-making:

- School autonomy: measured by the number of school managerial and budgetary areas for which the principal reported that the school had made the final decision without involvement from an external stakeholder such as the district, sub-district, province, or central government
- Principal influence on school managerial matters: measured by the level of influence over managerial matters relating to the school, including developing the school vision, goals, and work plan; allocating discretionary funds (including BOS funds): hiring and firing non-PNS teachers; purchasing supplies and materials; and planning school facilities
- Teacher influence on instruction: measured through actions such as development of syllabi, instructional materials and methods; the grouping of students; and the selection of achievement tests
- Parental input: measured by the number of school issues on which parents provided input.

Although similar models were run for all four central SBM implementation practices, there was little overlap in the results across them. The following associations, however, were found:

- Few school capacity and district support factors were associated with measures of SBM implementation, the share of school budget allocated to instruction, teacher attendance, or student achievement.
- Schools that provided information on school activities were associated with a larger share of discretionary fund spending on instruction, with less autonomy, and with receiving more input from parents.



- Higher principal education was associated with higher principal influence on school operations and a larger share of the discretionary budget spent on instruction, and principals who were better prepared to lead were associated with higher principal influence on school operations and higher student achievement.
- The average number of training days teachers received at a school and the usefulness of KKG meetings were associated with higher teacher influence and more parental input.

The association between SBM implementation status, intermediate outcomes (e.g. share of discretionary resources spent on instruction and teacher attendance) and learning achievement was also analysed. The results showed that neither the SBM measures of implementation nor the intermediate outcomes were associated with student achievement. It may be that implementation of SBM so far has not resulted in significant enough changes in school practices to have an influence on student learning.

## Recommendations

It is important to recognise the ambitiousness of the program being undertaken by the Ministry of Education and Culture in Indonesia in regard to school-based management. Although decentralisation is a process being undertaken across the nation's sectors, nowhere is it more complicated than in the education sector given its sheer size, its engrained cultural attitudes towards deference to central authority, and the magnitude of the government's budgetary resources it consumes, especially now given the large professional allowances meant to be provided to all certified teachers. But as with other earlier reforms and innovations attempted in Indonesia, the implementation of the SBM program – still, in the history of things, relatively young – requires greater clarity of the roles and responsibilities of the various administrative levels of the system, more capacity building of all the system's actors, and a stronger commitment to its goals and objectives.

Based on the findings of the study and given the importance of SBM in the further development of Indonesian education, recommendations for improving the implementation and the outcomes of SBM focus on three actions: (1) expanding principal, teacher, and SC member capacity to implement SBM; (2) increasing school staff ability to make managerial and instructional changes; and (3) developing district capacity to support schools and SBM.

### Expand Principal, Teacher, and SC Capacity to Implement SBM

- Clarify the roles of the SC and the principal in regard to professional leadership and accountability oversight. Principals already have some level of professional control of school operations in many respects in Indonesia. The oversight function of the SC, however, needs to be much strengthened not only through sensitization but also through demonstrations of successful cases and peer learning activities.
- Make it easier for SC members to participate in school affairs by requiring that schools meet with the SC during hours convenient for their members, and provide SC members with an incentive to participate in the form of a small stipend to cover transportation and other meeting costs.
- Upgrade the knowledge of SC members by providing training about the goals and purposes of SBM, about SC functions, and about how to fulfill these functions, including how to conduct meetings, develop a school vision, engage in participatory planning and budgeting, and monitor school indicators to assess school activities. The above knowledge and guidelines should be codified in a manual made available to SC members for easy reference. To be effective, training will need to be ongoing and of sufficient intensity.

- Strengthen the oversight function of the SC by considering implementing one or more of the following measures:
  - o Clarify the policy regarding SC fundraising activities. Most SCs and schools behave as if fundraising from parents is prohibited. If it was not the intent of the central government to do entirely away with fundraising by SCs, this should be communicated clearly.
  - o Link the school and the SC with the village government. Studies have shown the potential that reaching out to education stakeholders outside the school committee—and especially the village government—has in improving student learning (Pradhan et al. 2011).
  - o Provide the SC, parents, and the public with comparative information on schools to help parents make informed school choice decisions. To further help parents, schools should be held accountable for their outcomes, competition should be encouraged between schools, and comparative information on their school's overall performance and other characteristics (class size or academic and extracurricular programs) with those of other schools in their locality, district, and the nation should be provided.
- Provide principal leadership training. With the Indonesian form of SBM, the principal is the most important stakeholder. His or her actions determine the extent to which school decisions will be participatory and focused on operational and instructional improvements. The objective of principal leadership training should be to provide an understanding and full appreciation of the practices that make effective leaders.
- Provide principals and teachers with professional development on the SC role and on effective SBM practices. In addition to providing professional development in these areas, both principals and teachers need to develop skills in conducting SBM-related activities, including how to conduct school and student needs assessments; formulate a school's vision, mission, and objectives; engage in participatory planning; develop a curriculum; prepare a budget; and implement school improvements. To be most effective, this professional development should be provided to all teachers in the school or the cluster of schools at the same time.
- Clarify the authority devolved to the school. The SBM guidelines decreed by the Ministry of Education and Culture are ambiguous, leaving room for the district to continue to play its traditional authoritative role over schools. Schools are generally shy about doing anything that may not be approved by their district. The standards for SBM should be clarified to unambiguously indicate devolvement of authority to schools. The role of the district should be limited to that of enabler and monitor of SBM implementation and school performance.
- Broaden school autonomy in staff decisions. Given that the quality of teachers plays a significant role in setting the conditions for student learning, transferring the authority to hire and fire PNS teachers from the central and local government to school principals should be considered. This would not be new to principals who already have been hiring and overseeing non-PNS teachers used to complement PNS teachers. Principals would thus gain more flexibility to balance the school's teacher workforce with programmatic needs.

### **Increase School Staff Ability to make Managerial and instructional Changes**

The measures discussed above may lead to stakeholders' increased participation in school operations but not necessarily to programmatic, curriculum, or instructional changes that would be expected to affect student learning more directly. To increase the ability of schools to implement curriculum and instructional changes, the following three measures are recommended:

- Assess the need for professional development and provide it if required. To make their schools better, principals and teachers said that they needed more training in academic content, teaching methods, and thematic approaches to teaching the curriculum. Research findings (Hill, Rowan, and Ball, 2005; Yoon et al., 2007; Glewwe and Kremer, 2005; Clewell et al., 2004) suggest that teacher knowledge of their subject matter is associated with higher student achievement. And although Indonesian teachers are being asked to use a more student-centered, active form of teaching and learning, they have received little or no training to apply it in the classroom; the findings from this assessment suggests that this potentially results in poorer instruction. Given limited resources and extensive training needs, a teacher training needs assessment should be conducted to help set priorities. And, to be most effective, all teachers in a single school or cluster of schools should be trained at the same time.
- Expand access to teaching aids. Other support that teachers said they needed to improve the quality of their schools includes having greater access to teaching aids, from simple maps, scales, and visual aids to science and mathematics kits. These aids help student understand concepts visually and may lead to gains in instructional time, allowing teachers to cover the curriculum in greater depth.
- Address resource disparities among schools. Effective development and implementation of programmatic improvements depend, in part, on whether schools have sufficient resources to finance them. As this study found, schools differ markedly in the discretionary resources available to them because of unequal contributions made by provinces and districts, raising the question of the role that each level of government (provincial, district, and local) ought to play in financing education. A first step in addressing this question would be to collect more detailed information on the current financing of education by districts and provinces and their fiscal capacity.

### **Develop District Capacity to Support Schools and SBM**

Providing the support necessary to upgrade school stakeholders' capacity to implement SBM and make educational improvements as suggested above will also require altering the role of the district to that of an enabler of change. Thus, districts will need to:

- Expand their capacity to provide ongoing technical assistance and staff development to principals, teachers, and SC members. Providing occasional socialization for one or two days, as is the current practice, is not sufficient for stakeholders to fully understand the changes required in their actions.
- Ensure that the functions of district supervisors are principally to monitor school SBM implementation and improvements and provide supportive technical assistance and mentoring. Research (Klein, 2004; Plevyak, 2007; Joyce and Showers, 2002) has shown that providing principals and teachers with ongoing access to expert advice and consultation after training is completed is more effective than training alone.
- Provide supervisors with adequate training so that they can provide this ongoing support.

Developing SC and school capacity and altering the role played by districts will both require time and additional resources. Policymakers should carefully set priorities concerning which recommendations to implement and in which sequence. In this regard, the system should focus first on increasing school staff capacity to make operational and instructional changes and on restructuring the role of districts.

Careful monitoring and evaluation of the impact of these measures will be essential in order to explore their implementation challenges and ascertain their effectiveness. Implementing more generally those measures which appear to work best should go a long way toward improving the implementation and enhancing the impact of Indonesia's innovative school-based management reform.

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