

## Balanced Scorecard Target Setting for Student-Level Targets

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The Hawaii Board of Education adopted a strategic plan containing 39 measures, many of which measure individual student outcomes, which allows the Department of Education to set targets for each school in addition to each complex area and the state as a whole. Several guiding principles drive the target setting process: 1) we will use historical data to create benchmarks, 2) our targets will differentiate between currently high and low performing schools and 3) we will ask currently lower performing schools to create larger gains than high performing schools.

The basic strategy for creating targets involves several arithmetic steps. After collecting historical data we calculate an average annual gain over the period of time studied and rank each school. We then divide the schools into quartile groups based on their most recent data, with the highest performing schools in the fourth quartile and the lowest performing schools in the first quartile. Most importantly we determine a performance percentile target for each quartile of schools, with the lowest performing schools being asked to create the largest gains. For instance, quartile one schools might be asked to grow at the 85<sup>th</sup> percentile, while quartile four schools would be asked to grow at the 65<sup>th</sup> percentile. Those percentiles would be translated into a specific percentage point target gain to create the target for the following year.

To set targets in future years we determine what portion of the gap to 100% our first year target accomplishes, and we target that percentage gain each following year. By targeting a *percentage* gain rather than a *percentage point* gain, we lessen the burden on schools as they improve. For example, a 10% gain each year may actually mean a 4 percentage point gain in the first year, a 3.6 percentage point gain the following year and a 3.4 percentage point gain in the third year.

The key improvement this strategy provides over past strategies is that by definition each target has been accomplished by some portion of schools in the past. Additionally, benchmarking involves the use of as much data as possible, meaning that idiosyncrasies are smoothed in the data to whatever extent the data allow. Finally, this strategy recognizes that gains are harder to make the closer one gets to 100% as it controls for a school's initial performance level and charts trajectories that are steepest in the early years and lessen as schools improve.