

# CENTER *for* RURAL POLICY and DEVELOPMENT

*Seeking Solutions for Greater Minnesota's Future*

VOLUME XI • ISSUE 2

SUMMER 2009

## Effective Strategies to Address Rural Education Issues in Minnesota

By Katie Broton and Dan Mueller, Wilder Research

The majority of Minnesota's rural school districts are facing declining enrollments, changing demographics and cultural values, and an increase in financial challenges due to loss of per-pupil state revenue and depressed economic circumstances. However, the extent and intensity of these factors and others, such as geographic remoteness, vary greatly from district to district.

In the investigation we recently conducted for the Center for Rural Policy and Development, we focused on strategies tried by rural school districts and the evidence for their effectiveness in controlling costs while maintaining or improving academic achievement. Distance education, four-day school weeks, collaboration, consolidation, reducing facilities' costs, teacher recruitment and retention, and charter schools were examined and all have the potential to solve certain educational challenges. However, the limited amount and low quality of research on rural education, especially regarding cost-effectiveness, does not allow us to strongly recommend one strategy over another.

Consolidation, however, has been more rigorously studied and the findings suggest that school

districts proceed with caution in pursuing this strategy. To the extent that consolidation results in larger schools, student achievement may suffer, especially for low-income and minority students. Overall, the evidence indicates that the substantial cost savings expected from consolidation efforts have not been realized. In addition, if consolidation results in the loss of a school in a small community, this may have negative consequences for the community's identity and vitality.

A better option may be for school districts to collaborate with other organizations to address issues such as the need to reduce costs or increase services. Districts may collaborate with other school districts, higher education institutions, community organizations and other groups (i.e., regional service cooperatives). Regarding achievement and cost reduction impacts, the research literature on collaboration is fairly weak. However, it suggests that collaboration may maintain or even improve student achievement levels, and potentially reduce district-level costs.

It may matter how the process of improvement is carried out as much as what is being done to address the unique challenges

**STRATEGIES CONTINUED ON PAGE 2**

## Board Member Spotlight: Sandy Layman

Sandy Layman was appointed by Governor Tim Pawlenty to the board of the Center for Rural Policy and Development in 2005. She has been an active member of the board, most recently chairing the Strategic Planning Committee that produced the 2008-2010 Strategic Plan for the organization.

Layman is commissioner of Iron Range Resources, a Minnesota economic development agency located in Eveleth. The state agency, charged with developing the resources of Minnesota's mining region, is unique in that it is headquartered outside of St. Paul



and relies on a dedicated source of taconite production taxes for its operations. Layman has led the agency since her appointment to

**LAYMAN CONTINUED ON PAGE 2**

## Simon Named Outreach Director

The Center for Rural Policy and Development is pleased to announce the hiring of Yvonne Simon as the Center's new outreach director.

Simon recently served as the agriculture and energy constituent policy liaison for former Senator Norm Coleman. She has also worked as the industry and field relations manager for the Minnesota Corn Growers Association.

"Yvonne's previous experience with legislative, energy and agri-business issues will be a great asset to the Center," said Brad Finstad, executive director. "She has



worked on rural Minnesota issues and leveraging assets to improve vitality in rural communities. Yvonne brings great talent and

**SIMON CONTINUED ON PAGE 2**

## Research Offers Recommendations for Helping Rural Minnesota Schools

**Key Finding: Consolidation produces little benefits and may have negative effects**

Comprehensive research released recently by the Center for Rural Policy and Development offers policymakers a series of recommendations on how to help and improve rural Minnesota schools.

The research, authored by representatives of Wilder Research (see the accompanying commentary above), the University of Minnesota-Duluth and the University of Minnesota-Twin Cities, also gleaned a key finding: School district consolidation, a common

strategy in rural education, produces little benefits and may have negative effects.

"We hope this research produces a healthy discussion," said Brad Finstad, executive director of the Center for Rural Policy and Development. "The researchers who worked with us on this project approached the issues facing rural Minnesota school districts from different directions and with different tactics, but they all sought to address them from the same stand-

point: Controlling costs without sacrificing quality."

The research, titled "*A Region Apart: A look at challenges and strategies for rural K-12 schools*," includes three reports:

1) A literature review of strategies for rural schools that have shown to maintain or improve student achievement at less cost or the same cost to schools districts.

2) A survey and focus groups of rural school district superintendents and principals to identify

their top priorities and needs.

3) An examination of four specific approaches to addressing declining enrollment and high school completion rates.

The research concludes with the authors' policy recommendations that arose from the three reports. Among their recommendations:

**Develop collaboration instead of consolidation:** A state policy should be developed to help foster collaboration with and between

**RECOMMENDATIONS CONTINUED ON PAGE 4**

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## STRATEGIES

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of rural school districts. While there is not one strategy or set of strategies that can effectively solve the education problems of rural school districts, there are common implementation themes that run throughout individual strategies. The literature suggests that the most successful strategies were applied within a local context and adhered to the following guidelines for implementation:

- Define and agree on the specific problem that needs to be addressed.
- Focus on increasing student achievement as the motivating force for change.
- Build upon a foundation of broad-based community support that emphasizes local values.
- Identify a visionary leader who can clearly communicate with stakeholders.
- Seek external support and resources as necessary.
- Adapt to changes, re-examine practices and stress continuous improvement.

Each rural school district should evaluate their situation and adjust chosen strategies to fit their schools and community. A one-size-fits-all approach is inconsistent with the needs and values of many rural school districts. Strategies that “serve as a catalyst to stir school personnel and community leaders to reexamine their practices and dream of better things” are often the most effective in traditional Midwest communities (Nachtigal, 1982, p.274). Positive change takes time, so patience is critical, especially for communities in transition. The best results have come from rural efforts that recognize where the community and school district are at, where they want to be in the future and construct a plan of how to get there together.

In addition to actions taken by rural school districts to address educational challenges within the current policy framework, state policies have the potential to alleviate some of the hardships that districts currently face. The literature review highlights the importance of policies that embrace the singularity of rural school districts without sacrificing standards or accountability. Therefore, policies created to address the needs of Minnesota’s rural school districts should create options and opportunities for districts to reach a determined outcome instead of mandate a fixed plan. ●

## LAYMAN

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the cabinet-level post by Governor Pawlenty in early 2003.

Under her watch, Iron Range Resources has served as a catalyst and champion for significant private sector investment in the region by supporting a number of large, innovative projects at the development stage. As a result, value-added minerals projects — like Essar Steel Minnesota’s \$1.6 billion fully integrated ore to steel plant and Mesabi Nugget’s \$250 million iron nugget plant — are under construction on the Iron Range.

In addition to its direct investments in business development, the agency has also focused on enhancing the local workforce by partnering with the Northeast Higher Education District to develop a number of workforce preparation programs, including the establishment of a new four-year engineering degree program that will be piloted in the fall of 2009.

During Layman’s tenure, the agency has also undertaken several internal capacity-building initiatives, including a successful transition of Ironworld Discovery Center (now the Minnesota Discovery Center) to non-profit governance and management.

Layman came to Iron Range Resources with a twenty-year background in organizational management, community leadership and economic development, having served as president of Itasca Development Corporation and, before that, as president of the Grand Rapids Area Chamber of Commerce.

Layman and her husband live on Pokegama Lake in northeastern Minnesota where they raised two children.

“I was born and raised in the metro area of the Twin Cities, but my husband and I chose to raise our family three and a half hours north in the Grand Rapids area,” says Layman. “I could happily live

in either setting, but the important thing is that there was, and is, a choice available to me to live and work in an energetic, economically viable metropolitan area or an equally energetic, economically viable rural community. Minnesota needs both to survive and thrive.”

“The Center for Rural Policy and Development shares my belief that a strong Minnesota requires a healthy and vibrant Greater Minnesota,” says Layman. “Over the ten or so years since it was established by the Minnesota Legislature, the Center has built a reputation as a trusted source of unbiased research and information related to rural Minnesota. Policymakers and decision leaders need an organization like the Center to identify current and emerging issues, understand their impact, and provide recommendations that will result in good decision-making on behalf of rural Minnesota.” ●

### Did You Know?

- Minnesota’s K-12 public school enrollment in 2007 was 825,603.
- 23,701 students were enrolled in Minnesota’s 131 public charter schools in 2007.
- Minnesota has 336 independent public school districts.
- With a 2007 enrollment of 16,022, the Rochester Public School District is Greater Minnesota’s largest school district.
- With a 2007 enrollment of 57, the Bellingham Public School District in Redwood County is Greater Minnesota’s smallest school district.

## SIMON

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enthusiasm for rural Minnesota to our organization and we look forward to her contributions to the Center.”

“The Center’s new program, the Southern Minnesota Regional Competitiveness Project, will be an exciting challenge for me,” said

Simon. “I live in rural, southern Minnesota, so having the opportunity to bring private, public and non-profit entities together to develop new economic opportunities and build on the strengths of the region has extra meaning.”

Simon and her husband, Da-

ryl, are both Minnesota natives and live in rural Lake Crystal, where they raise reindeer and Arabian horses. She received her Bachelor’s Degree in Education from Minnesota State University-Mankato. ●

## CENTER for RURAL POLICY and DEVELOPMENT

### Seeking Solutions for Greater Minnesota’s Future

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**Mission:** The Center for Rural Policy and Development provides high quality and objective research to examine and advance policy and decision-making, advocacy and civic engagement for Greater Minnesota’s development.

**Vision:** The Center for Rural Policy and Development will be the leading and most trusted source of research and recommendations to advance policies that improve the quality of life in Greater Minnesota.

#### Values:

**Research Excellence.** We endeavor to strive for excellence in every project in which we engage.

**Political Non-partisanship.** Political non-partisanship is the historical foundation of our work. We are committed to maintaining that reputation.

**Collaboration.** Collaboration will be the hallmark of our future work. Our success will be defined by the partnerships we create.

**Commitment to Minnesota.** A strong Minnesota requires a healthy and vibrant Greater Minnesota. We are committed to supporting quality decision-making that will positively impact Greater Minnesota’s ability to thrive.

# Executive Director's Note

What are Southern Minnesota's Brightest Economic Opportunities?

by Brad Finstad



The Center for Rural Policy and Development is pleased to be serving as coordinator of the Southern Minnesota Regional Competitiveness Project, a partnership of businesses, non-profit organizations and government agencies working together to create a strategic economic development plan for southern Minnesota.

While southern Minnesota continues to be a vibrant region, we must plan for the future by identifying the industries that hold the greatest promise.

A recent study commissioned by the Southern Minnesota Regional Competitiveness Project did just that. Conducted by the University of Missouri's Center for Regional Competitiveness, the study identified six strategic opportunities key to the region's future.

**Manufacturing:** One in five southern Minnesota workers are employed by manufacturing firms, a much higher proportion than in the nation as a whole. These manufacturing firms represent everything from office furniture and boat manufacturers to breweries

and distilleries. Global competition is applying tremendous pressure to certain manufacturing segments, so it is critical that we focus intently on industries that are growing and can help raise the income bar in southern Minnesota.

**Food and Agriculture:** Southern Minnesota is an agricultural powerhouse, producing a dominant share of the state's corn, soybean, turkey, sugar beet, swine and dairy output. This sector of the regional economy will likely remain strong moving forward, but we must keep a close eye on the ongoing impact of farm consolidation. Additionally, to raise wages in the packaged food sector, we should consider developing a regional "brand" for southern Minnesota products to command value in the marketplace and attract tourists (similar to what Napa Valley has done with wine).

**Health Care:** Nearly 100,000 workers in southern Minnesota are employed in the health care sector, almost 30,000 more than would be the case if the regional economy looked just like the nation. Beyond its size, health care is also a source

of great pride in the region, with Mayo Clinic at the forefront. Moving forward, we need to develop strategies to capture more economic benefit from the region's high quality health care. One option is to better tap into the growing demand for elder care, attracting not only aging southern Minnesotans to area elder care facilities but people from beyond the region, too.

**Renewable Energy:** Southern Minnesota has a clear footprint in renewable energy. There are 16 corn ethanol plants in the region and wind turbines are multiplying across the prairie, especially in the western reaches of the region. Cellulosic ethanol and the region's industry knowledge could open up new opportunities even as corn ethanol's future becomes less certain. Additionally, Minnesota's law requiring 25 percent of our state's energy to be generated through renewable resources by 2025 holds great opportunity for wind generation in the region. With transmission capacity key to this opportunity, we must organize and speak with one voice to be able to influence the location of and access to new transmission lines.

**Bioscience:** Southern Minnesota is just beginning to tap its incredible potential in bioscience. The region has all the assets needed to power future growth: World class medical research, deep expertise in life sciences and an agricultural powerhouse. The real challenge is connecting these assets in creative ways to capture explosive growth in new markets for bioscience products. No other region has mastered the synergies required to

do this, but perhaps no other region is better positioned to do so than southern Minnesota.

**High Technology:** Southern Minnesota has a major presence in high technology, with nearly 38,000 jobs in this sector. Specifically, the region has a strong cluster of information technology businesses, many involved in the manufacture



of precision products. The challenge is that jobs in this sector are declining throughout the nation, though at a somewhat slower rate in southern Minnesota. To protect this sector and fuel growth, we must ensure all potential synergies between high technology companies, research organizations and higher education institutions are being fully exploited.

Southern Minnesota has an abundance of distinctive assets on which an already vibrant economy is built. The region can do better, though, and that's exactly what the Southern Minnesota Regional Competitiveness Project has been formed to do. ●

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## RECOMMENDATIONS

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school districts. While consolidation has been a common strategy in rural education, the authors' research on cost-effective policies strongly caution against this strategy as the negatives outweigh the positives.

**Distance is key:** Distance is an overriding reality for most rural school districts, eating up time and resources. The state should reconfigure the funding categories of elementary and secondary sparsity as well as transportation sparsity.

**Use technology to its best advantage:** Online professional learn-



ing communities should be established to help rural educators share best practices and reduce isolation, and online general subject or enrichment courses should be made

available to isolated rural learners.

**Help the Minnesota Department of Education help rural districts:** Rural school district administrators are frustrated with the

Minnesota Department of Education, especially in the areas of testing and staff development. A review of the department's policies and procedures should be conducted to determine if they meet the needs of administrators and educators in rural Minnesota.

The authors' additional recommendations and the complete research report can be viewed on the Center for Rural Policy and Development's website at [www.RuralMN.org](http://www.RuralMN.org). ●

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# NEWSletter

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