Across OECD countries, almost one in every five students does not reach a basic minimum level of skills. In addition, students from disadvantaged socio-economic backgrounds are twice as likely to be low performers. Lack of fairness and inclusion can lead to school failure and this means that one in every five young adults on average drop out before completing upper secondary education.

Reducing school failure pays off for both society and individuals. The highest performing education systems across OECD countries combine quality with equity. This report presents policy recommendations for education systems to help all children succeed in their schooling.
Reducing school failure pays off for both society and individuals. It can also contribute to economic growth and social development. Indeed the highest performing education systems across OECD countries are those that combine quality with equity. Equity in education means that personal or social circumstances such as gender, ethnic origin or family background, are not obstacles to achieving educational potential (fairness) and that that all individuals reach at least a basic minimum level of skills (inclusion). In these education systems, the vast majority of students have the opportunity to attain high level skills, regardless of their own personal and socio-economic circumstances.

OECD countries face the problem of school failure and dropout

Across OECD countries, almost one of every five students does not reach a basic minimum level of skills to function in today’s societies (indicating lack of inclusion). Students from low socio-economic background are twice as likely to be low performers, implying that personal or social circumstances are obstacles to achieving their educational potential (indicating lack of fairness). Lack of inclusion and fairness fuels school failure, of which dropout is the most visible manifestation – with 20% of young adults on average dropping out before finalising upper secondary education.

Improving equity and reducing school failure pays off

The economic and social costs of school failure and dropout are high, whereas successful secondary education completion gives individuals better employment and healthier lifestyle prospects resulting in greater contributions to public budgets and investment. More educated people contribute to more democratic societies and sustainable economies, and are less dependent on public aid and less vulnerable to economic downturns. Societies with skilled individuals are best prepared to respond to the current and future potential crises. Therefore, investing in early, primary and secondary education for all, and in particular for children from disadvantaged backgrounds, is both fair and economically efficient.

Policies require investing in students early and through upper secondary education

In the path to economic recovery, education has become a central element of OECD countries’ growth strategies. To be effective in the long run, improvements in education need to enable all students to have access to quality education early, to stay in the system until at least the end of upper secondary education, and to obtain the skills and knowledge they will need for effective social and labour market integration.

One of the most efficient educational strategies for governments is to invest early and all the way up to upper secondary. Governments can prevent school failure and reduce dropout using two parallel approaches: eliminating system level practices that hinder equity; and targeting low performing disadvantaged schools. But education policies need to be aligned with other government policies, such as housing or welfare, to ensure student success.

Avoid system level policies conducive to school and student failure

The way education systems are designed can exacerbate initial inequities and have a negative impact on student motivation and engagement, eventually leading to dropout. Eliminating system level obstacles to equity will improve equity and benefit disadvantaged students, without hindering other students’ progress. Five recommendations can contribute to prevent failure and promote completion of upper secondary education:

1. Eliminate grade repetition

Grade repetition is costly and ineffective in raising educational outcomes. Alternative strategies to reduce this practice include: preventing repetition by addressing learning gaps during the school year; automatic promotion or limiting repetition to subject or modules failed with targeted support; and raising awareness to change the cultural support to repetition. To support these strategies, complementary policies need to reinforce schools and teachers’ capacities to respond appropriately to students’ learning needs, and to provide early, regular and timely support.
Decreasing grade retention rates also requires raising awareness across schools and society about the costs and negative impact on students and setting objectives and aligning incentives for schools.

2. Avoid early tracking and defer student selection to upper secondary

Early student selection has a negative impact on students assigned to lower tracks and exacerbates inequities, without raising average performance. Early student selection should be deferred to upper secondary education while reinforcing comprehensive schooling. In contexts where there is reluctance to delay early tracking, suppressing lower-level tracks or groups can mitigate its negative effects. Limiting the number of subjects or duration of ability grouping, increasing opportunities to change tracks or classrooms and providing high curricular standards for students in the different tracks can lessen the negative effects of early tracking, streaming and grouping by ability.

3. Manage school choice to avoid segregation and increased inequities

Providing full parental school choice can result in segregating students by ability, socio economic background and generate greater inequities across education systems. Choice programmes can be designed and managed to balance choice while limiting its negative impact on equity. There are different options possible: introducing controlled choice schemes can combine parental choice and ensure a more diverse distribution of students. In addition, to ensure balance, incentives to make disadvantaged students attractive to high quality schools, school selection mechanisms and vouchers or tax credits can be alternative options. Policies are also required to improve disadvantaged families’ access to information about schools and to support them in making informed choices.

4. Make funding strategies responsive to students’ and schools’ needs

Available resources and the way they are spent influence students’ learning opportunities. To ensure equity and quality across education systems, funding strategies should: guarantee access to quality early childhood education and care (ECEC), especially for disadvantaged families; use funding strategies, such as weighted funding formula, that take into consideration that the instructional costs of disadvantaged students may be higher. In addition it is important to balance decentralisation/local autonomy with resource accountability to ensure support to the most disadvantaged students and schools.

5. Design equivalent upper secondary education pathways to ensure completion

While upper secondary education is a strategic level of education for individuals and societies, between 10 and 30 percent of young people starting do not complete this level. Policies to improve the quality and design of upper secondary education can make it more relevant for students and ensure completion. To this end there are different policy options: making academic and vocational tracks equivalent by improving the quality of vocational education and training, allowing transitions from academic to vocational studies and removing dead ends; reinforcing guidance and counselling for students and designing targeted measures to prevent dropout - such as additional pathways to obtain an upper secondary qualification or incentives to stay in school until completion.

Help disadvantaged schools and students improve

Schools with higher proportions of disadvantaged students are at greater risk of challenges that can result in low performance, affecting education systems as a whole. Low performing disadvantaged schools often lack the internal capacity or support to improve, as school leaders and teachers and the environments of schools, classrooms and neighbourhoods frequently fail to offer a quality learning experience for the most disadvantaged. Five policy recommendations have shown to be effective in supporting the improvement of low performing disadvantaged schools:

1. Strengthen and support school leadership

School leadership is the starting point for the transformation of low performing disadvantaged schools but often, school leaders are not well selected, prepared or supported to exercise their roles in these schools. To strengthen their capacity, school leadership preparation programmes should provide both general expertise and specialised knowledge to handle the challenges of these schools. Coaching, mentoring and networks can be developed to further support leaders to achieve durable change. In addition, to attract and retain competent leaders in these schools, policies need to provide good working conditions, systemic support and incentives.

Support for restructuring schools should be considered whenever necessary. Splitting low performing disadvantaged schools, merging small ones and closing recurrently failing ones can be policy options in certain contexts.
2. **Stimulate a supportive school climate and environment for learning**

Low performing disadvantaged schools are at risk of difficult environments for learning. Policies specific for these schools need focus more than other schools on the following: prioritise the development of positive teacher-student and peer relationships; promote the use of data information systems for school diagnosis to identify struggling students and factors of learning disruptions; adequate student counselling, mentoring to support students and smoother their transitions to continue in education. In addition, these schools may benefit from alternative organisation of learning time, including the duration of the school week or year, and in terms of the size of schools. In some cases, creating smaller classrooms and schools can be a policy to reinforce student-student and student-teacher interactions and better learning strategies.

3. **Attract, support and retain high quality teachers**

Despite the large effect of teachers on student performance, disadvantaged schools are not always staffed with the highest quality teachers. Policies must raise teacher quality for disadvantaged schools and students by: providing targeted teacher education to ensure that teachers receive the skills and knowledge they need for working in schools with disadvantaged students; providing mentoring programmes for novice teachers; developing supportive working conditions to improve teacher effectiveness and increase teacher retention; and develop adequate financial and career incentives to attract and retain high quality teachers in disadvantaged schools.

4. **Ensure effective classroom learning strategies**

Often, there are lower academic expectations for disadvantaged schools and students, while there is evidence that certain pedagogical practices can make a difference for low performing students. To improve learning in classrooms, policies need to ensure and facilitate that disadvantaged schools promote the use of a balanced combination of student-centred instruction with aligned curricular and assessment practices. Schools and teachers should use diagnostic tools and formative and summative assessments to monitor children’s progress and ensure they are acquiring good understanding and knowledge. Ensuring that schools follow a curriculum promoting a culture of high expectations and success is highly relevant.

5. **Prioritise linking schools with parents and communities**

Disadvantaged parents tend to be less involved in their children’s schooling, for multiple economic and social reasons. Policies need to ensure that disadvantaged schools prioritise their links with parents and communities and improve their communication strategies to align school and parental efforts. The more effective strategies target parents who are more difficult to reach and identify and encourage individuals from the same communities to mentor students. Building links with the communities around schools, both business and social stakeholders, can also strengthen schools and their students.