

ADMIN & MANAGEMENT

How to get creative and save the world in this year's budget battles

By Dr. Dana Godek and Michael Moore July 14, 2025



Welcome to the new fiscal year, with just two months until the federal calendar resets. The first lesson? The old rules no longer apply.

As Secretary Linda McMahon outlined in declaring the Department of Education's "final mission," K12 funding must now prioritize core academics and restore state authority. Federal overreach is out; localized accountability is in. The result: districts are navigating a new game—without the usual playbook.

If you're feeling déjà vu from last season's budget battles, you're not alone. It's starting to feel like a new round of Fortnite: each year brings new rules, shifting terrain and unexpected alliances. In this high-stakes game, superintendents must choose their game mode wisely:

- **Battle Royale**—Competing for survival: shrinking funds, school closures and reactive decisions.
- **Creative**—Building new partnerships, designing service models and crafting unconventional funding streams.
- **Save the World**—Collaborating with nonprofits and charter partners to address systemic challenges as a team.

The modes we play in moving forward:



- **Battle Royale**—Everyone's fighting to be the last school standing, struggling for funds and closing schools across the island of student needs.
- **Creative**—Lean back, grab your metaphorical pickaxe and innovate by building partnerships, designing new service models and crafting unheard-of funding streams.
- **Save the World**—Team up with nonprofits, charter schools, and private partners to take on systemic challenges: tutoring deserts, special-ed gaps, and mental health threats as a community team.

In this fiscal game, "Creative" and "Save the World" modes are where the real value lies. Like V-Bucks in Fortnite, which are used not for survival but for signaling identity and upgrading experience, some funds may not shift your bottom line but do shape how your district shows up.

Communication tools, staff incentives and culture-building investments aren't just extras: they define your presence on the field. Spend them wisely.

Crash course in game theory

Back in 1944, John von Neumann and Oskar Morgenstern published *Theory of Games and Economic Behavior*, birthing modern game theory and showing us how interdependent strategies drive outcomes. They distinguished two types of games:

1. **Rule-based games:** Defined by explicit "rules of engagement" like contracts, MOUs and grant agreements. Everyone knows that playbook.
2. **Freewheeling games:** Unstructured interactions where buyers and sellers, or in this case districts and vendors, create value on the fly, unconstrained by rigid guidelines.

This still-relevant [Harvard Business Review article](#) reinforces this distinction, noting that rule-bound environments call for backward reasoning by identifying constraints and planning accordingly, while open-ended settings reward forward thinking by focusing on possibilities and generating new options.

The key insight is that success depends on "looking forward and reasoning backward," rather than treating every decision as a zero-sum game.

Substitutors, complementors and the allocentric perspective

In the public-education ecosystem, we often view other players such as charter networks, private schools and tutoring firms as competitors. Game theory urges us to reframe them as either substitutors or complementors:

- Substitutors offer alternatives to what districts typically provide, like outsourcing tutoring instead of using in-house teachers.
- Complementors expand or enhance district efforts, such as microschoools serving specialized learners or nonprofits providing mental health support.

For example, a high-quality tutoring firm offering certified staff at lower HR costs may be a better fit than stretching district teachers with stipends and burnout. It's an "allocentric" move, shifting the question from "How do we compete?" to "How do we leverage what others do best?"



The term allocentric describes organizations that adapt to an ecosystem that has both substitutors and complementors. They see and acknowledge other providers in the ecosystem.

When possible, they coordinate rather than compete. They focus on maximizing value to the end-user: students or families in the case of schools.

Instead of focusing on “We did it all,” an allocentric approach says, “Look at us taking advantage of this crowded landscape!”

Changing the game: Putting ourselves in their shoes

Adopting an allocentric perspective means taking a non-competitive approach. Instead of hoarding resources, we ask, “How can our district add value to what others in this ecosystem are offering?”

It’s counterintuitive, but sometimes the fastest way to win is to let others score. In cooperative modes, everyone finishes stronger.

Behavioral science shows that shifting from a zero-sum mindset is hard. We cling to Battle Royale tactics like protecting turf, guarding grants and outbidding rivals.

Yet districts that embrace Creative and Save the World modes build long-term trust with families, vendors and legislators. That trust becomes political capital, unlocking funding streams and flexibility that rigid competition never could.

Quick take: Microschools as complementors

Eastern Hancock School Superintendent George Philhower helped launch the Indiana Microschool Collaborative, a separate nonprofit public charter school designed to work in close collaboration with traditional districts.

Rather than compete with public schools, the collaborative aims to expand what’s possible, offering personalized, relationship-driven learning environments that reimagine what school can be.

The collaborative serves as a learning lab for future-ready education, meeting diverse student needs through career-connected learning, flexible pacing and authentic assessment.

By innovating alongside traditional schools, Philhower and his team empower educators, offer families meaningful options and ensure public education evolves to serve all learners. It’s a textbook win-win.

Recommendations for winning in 2025

1. **Map your players:** Conduct an ecosystem audit. List substitutors (tutoring networks, charter operators) and complementors (mental-health agencies, community colleges).
2. **Adopt the allocentric lens:** Host a “What Can We Offer?” workshop for your cabinet. Identify district strengths and how they serve outside partners.
3. **Build creative alliances:** Pilot micro-partnerships such as early-learning co-ops, shared-services hubs, joint grant applications.



4. **Institutionalize cooperative modes:** Embed collaboration metrics into budget reviews. Reward Creative and Save the World strategies alongside traditional performance goals.

Each step shifts us further from cutthroat scrums toward collaborative ecosystems where resources multiply rather than zero out.

Practical tool: The cabinet workshop

We recommend using the DA+ Customer Value Proposition Canvas. It's a toolkit that guides teams through:

- Stakeholder needs: What do families, teachers and partners truly need?
- Our district's assets: Where do we excel, e.g., data analytics, professional development, facility access?
- Collaboration opportunities: Which substitutors and complementors align?

This toolkit was shared during the DALI July Executive Cabinet Retreat in Naples, FL. Teams worked through a rubric, options, and developed strategies for updating game strategy in the playing field of public education.

Playing for keeps

When the fiscal landscape feels rigged, we have a choice: keep battling solo in Battle Royale or reboot into Creative and Save the World modes. We can reason backward from desired outcomes, adopt allocentric perspectives and forge strategic alliances by applying game-theory insights.

This fiscal year, let's pledge to be architects of opportunity, not defenders of the status quo. In doing so, every district, partner, family and, ultimately, every student can emerge as the last one standing...together.

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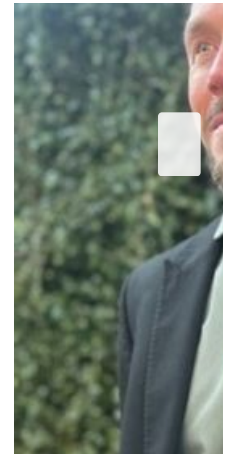
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