Governance and Accountability

Overview | Learning Systems | Teacher and Principal Quality
Supporting Equity | Career and Technical Education | Governance and Accountability

Governance System

The Ministry of Education and Culture oversees all publicly funded education, including the development of the national core curriculum through the Finnish National Board of Education and the accreditation of teacher training programs.

Below the national level, Regional State Administrative Agencies and Centres for Economic Development oversee basic education. These local government agencies are responsible for providing basic education (grades 1-9) for over 2,000 schools, one-third of which teach fewer than 100 students. However, larger schools exist, with the largest comprehensive schools enrolling more than 900 students. For upper secondary education, the Ministry of Education and Culture provides licenses to local authorities, municipal authorities, and registered associations and foundations to establish schools.

There are very few private schools in Finland; those that exist are granted the same government funds as public schools, and are required to use the same admissions standards and provide the same services as public schools. The majority of the private schools in Finland are religious.

Schools are managed by the teachers and staff. The local municipal authority in any given region appoints principals for six- or seven-year terms, but once appointed, the municipal authorities largely leave the running of the school to the principal and his or her teachers. Principals are responsible for managing the school staff, ensuring the well-being and success of the students, and managing the school budget, although they do this generally in collaboration with the teachers.

Education Funding

Funding responsibilities are divided between the federal and municipal governments with the federal government assuming about 60 percent of the financial burden of schools and municipal authorities assuming the remaining 40 percent. The amount of federal money given to each municipality is determined by the number of students and an annually calculated unit cost per student. In 2014, Finland spent $13,865 per student in lower secondary school, as compared to the OECD average of $10,235. Total spending on education represented 5.7 percent of
Finland’s GDP in 2014, compared to the average across OECD countries of 5.1 percent in 2014.

The Ministry of Education allocates additional funds for immigrant students who have been living in Finland for less than four years, for low-income students, for students in single parent families and for students with parents who are unemployed or undereducated. Municipalities can distribute these funds to schools as they wish but they all allocate more funding to high-need students, which often includes hiring additional staff to support these students.

**Accountability and Incentive Systems**

Finland used to have a central education inspectorate in charge of evaluating school performance, but this has been replaced by a National Evaluation Council. This council differs from an education inspectorate in that it serves to evaluate national policies rather than individual school performance. Schools are only formally evaluated periodically, with an exam administered to a sample of students in grades 6 and 9 across the country. Teachers are expected to use professional judgment and discretion, take collective responsibility for the education of their students and be accountable to their peers.

**Support for Low-Performing Schools**

Prior to the 1970s, Finland’s education system was characterized by few high-performing and many low-performing schools. Education was inequitable, and the achievement gap ran across socioeconomic lines. When Finland began its educational reforms, this was one of the central problems it set out to address. By establishing a comprehensive school for grades 1-9 with rigorous standards, improving teacher quality and making school funding based solely on student numbers, Finland has been able to almost completely eliminate what was once a huge disparity.

Now, there is little disparity in performance among Finnish schools. Only 8 percent of the variance in PISA science scores in 2015 was between schools, compared to an OECD average of 30 percent. Finland has also been successful in uncoupling socioeconomic status from academic success or failure: Students in Finland’s disadvantaged schools outperformed students in disadvantaged schools from every country in 2015.

**Annual Expenditure by Educational Institutions per Student for All Services**
(2013, in equivalent USD converted using PPPs for GDP, by level of education for public institutions only) Source: OECD

USEFUL LINKS