



12 Highland Street, Natick, Massachusetts 01760 * 508-650-5044 * www.artslearning.org

Fundamentally Changing the Way We Organize & Manage Public Schools: A District Reform Approach

Eric Oddleifson

This paper is based upon extensive research and study.¹ As a result of several years investigating these issues, Arts|Learning has made the following conclusions about the status of US education as it relates to urban and rural school districts around the nation, followed by suggestions of how to remedy the situation in local Massachusetts schools.

Findings:

- School effectiveness: Some K-12 urban/rural public schools range between ineffective to dysfunctional. Many of these districts are massively inefficient, and need to be reinvented.
- Achievement Gap: The significant achievement gap existing between more affluent suburban children compared with lower income, special education, and English language learners, has not improved—and in some instances has widened—with the standards-based school-reform measures of the past 2 decades.
- At-Risk Students and the Arts: The most dysfunctional urban and rural schools and districts also have the least resources and time for arts programs. At-risk students are likely to benefit the most from expanded, sequential arts instruction, and yet this is frequently denied to these children.
- Turf issue 1: Battling for Control: Governors struggle to exert control over state boards of education, education mayors are emerging to exert control over school boards, school boards without a clear point of view about how to improve practice hold fast to budget authority and control over the jobs that come with it.
- Turf issue 2: Teacher Disenfranchisement: The two major teachers' unions are locked into arbitration and grievance procedures despite their quest to develop professional

¹ This paper is based upon the following: William Ouchi's new book, *The Secret of TSL*, plus *Facing the Future – Financing Productive Schools* (CRPE); *Fund the Child: Tackling Inequity & Antiquity in School Finance* (Thomas B. Fordham Foundation); the work of Education|Evolving on a split screen strategy and teacher professional partnerships; *Performance Management in Portfolio School Districts* (CPRE); the analysis of the Reason Foundation on weighted student formulas; Allan Odden's work on school finance adequacy; the Wallace report, *Leading for Learning*; and the EducationSector report, *Teachers at Work: Improving Teacher Quality Through School Design*.

Table 2. Status of the Portfolio Strategy in Four Cities

	CORE STRATEGY DISTRICTWIDE	PARTLY FORMED, LOCALIZED	NOT PRESENT
New schools	New York, New Orleans	Chicago, D.C.	
Closing unproductive schools	New York	Chicago, D.C., New Orleans	
Data-based decisions	New York	Chicago, D.C., New Orleans	
Uniform performance accountability system	New York	Chicago, D.C., New Orleans	
New school providers	New York, New Orleans	Chicago, D.C.	
External assistance providers	New York	New Orleans, Chicago D.C.	
Portfolio management system	New York, New Orleans	D.C., Chicago	
Longitudinal performance data	New York, New Orleans	Chicago, D.C.	
System for shifting funds	New York	New Orleans	Chicago, D.C.
Devolution of decisions to schools, pupil-based funding	New York	New Orleans, Chicago	
Family choice	New York, New Orleans	Chicago, D.C.	
New terms of employment for teachers and principals	New York, D.C., New Orleans	Chicago	
Analytical capacity	New York Chicago	New Orleans, D.C.	
Formal accountability system	New York	Chicago, New Orleans	D.C.
Talent strategy	New York, D.C., New Orleans	Chicago	
Culture strategy	New York, D.C.	New Orleans	Chicago
New approach to facilities	New Orleans	New York, Chicago	D.C.

Source: Center on Reinventing Public Education, University of Washington

recognition and practice for their members. This has resulted from teachers being treated as low-level employees who are controlled by top-down bureaucratic administrative models, with little room for professional advancement.

- What Schools Really Cost: Citizen taxpayers are blissfully unaware of much of this, believing that we spend only a few thousand dollars per student, when the real cost is many times that, with ever-increasing health care and retirement costs.
- Economic Crises: As the seriousness of state and local budget problems begins to sink in, taxpayers will demand both *efficiency* and *effectiveness* in the management of the educational system. These demands will accelerate once the public understands not only how much we really spend on ineffective K-12 urban education, but that total compensation packages of many public employees exceed those of workers in the private sector..
- New Thinking and a Solution: A revolution is now underway, led by academics Paul Hill, Marguerite Roza and William Ouchi, and in practice, by Mayor Bloomberg and Chancellor Joel Klein in New York City. This solution? *Real* decentralization.

Real Decentralization

It is now clear that *real* decentralization² (empowering schools) plus innovation through a district's *portfolio approach*³ (providing schooling through multiple means) substantially improves both student learning and district efficiency and effectiveness in the use of funds.

The challenges, however, are almost insurmountable. In the opinion of William Ouchi, true decentralization is so difficult that there is no reason to attempt it, except that it's the only thing that works when a district is failing.

Benefits include:

- No increase in funding necessary to substantially increase student performance. Strategic use of existing funds by those at the individual school level can double school performance over the next seven to 10 years.
- Reductions in subject teachers' total student load (TSL) from 120-140 students (or higher) to 80. Implementing innovations which are possible when individual schools have control over curriculum, budget, staffing and schedule has a huge impact on student learning.

² Decentralization differs from "site-based" management. It requires that a majority of finances collected by a school district are sent directly to each school, empowering schools to make decisions about staffing and program needs at all levels of the school. Thus, the role of the school board and central administration are radically altered.

³ Also called a "split-screen" strategy, whereby K-12 districts promote different models of schools to develop alongside the traditional, all the while trying to improve educational outcomes for everyone. This can include a "portfolio" of pilot, magnet, Innovation, traditional, and charter schools as part of a district.

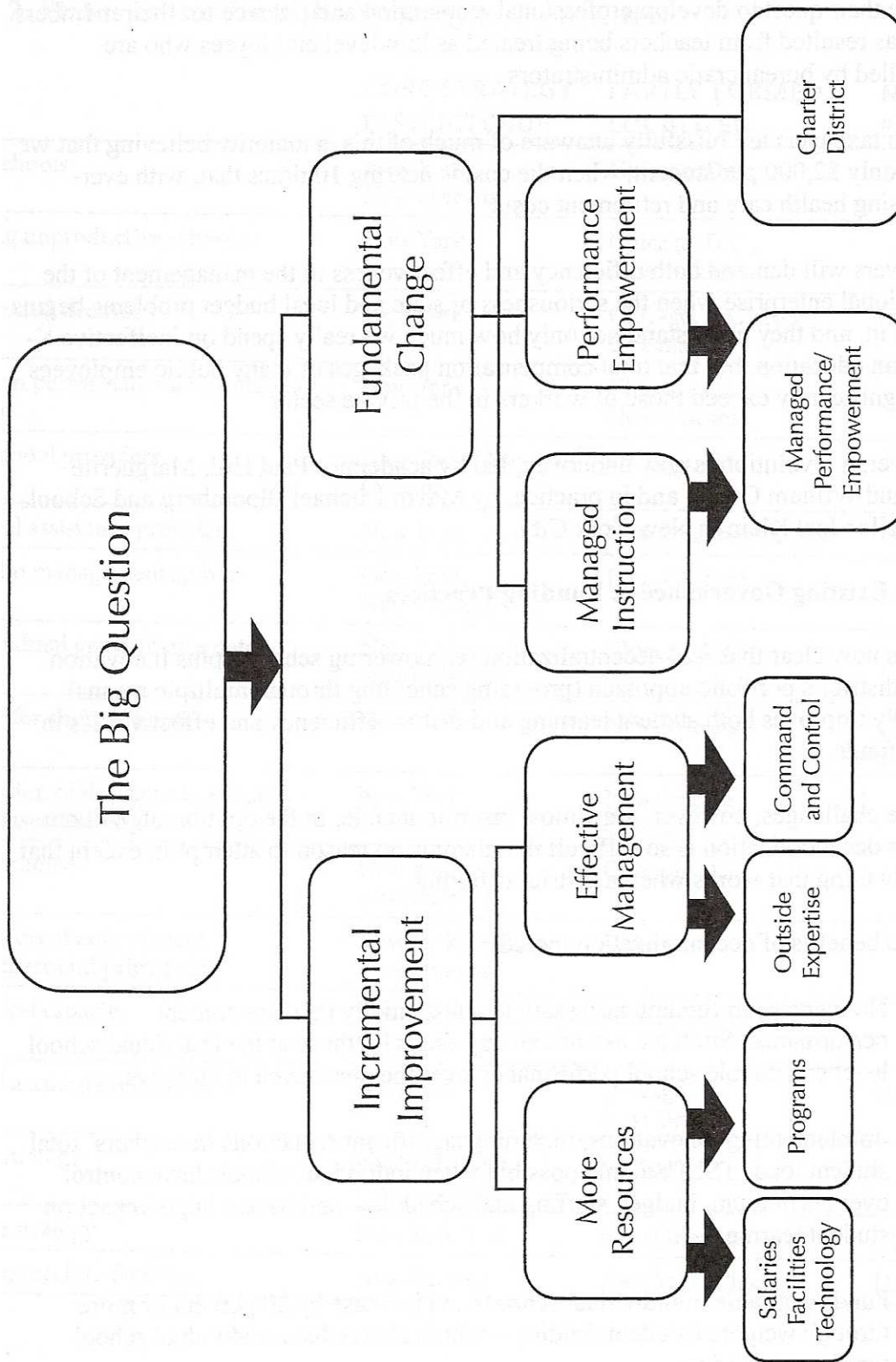


Figure 4.3. Theory of action decision tree.

Source: The Center for Reform of School Systems, Houston, Texas

- Funds available to individual schools can increase by 20 percent or more through *weighted student funding*⁴ – which also reduces individual school funding inequities.
- Focusing on principal, and teacher, professionalism serves to align teacher union interests with district and taxpayer interests.

The Five Pillars and Four Freedoms

The Five Pillars of decentralization identified by William Ouchi are:

- School choice (to include a portfolio approach)
- Empowered principals, and teacher professional partnerships control **budgets** (receive money, not positions), **staffing**, **curriculum**, and **scheduling** (the Four Freedoms).
- Effective principals
- An accountability framework (added tools besides the usual include competition through choice, qualitative school performance measures, full disclosure to parents, teachers)
- Weighted student formula budgeting (includes reporting actual salaries, not teacher positions; see footnote 4).

Challenges

- Difficult to implement. This is a very new idea which calls for significant policy and structural changes. School boards usually consist of lay people who are unlikely to initiate change. Appointed (rather than elected) school boards historically are more likely to be open to change. Requires a superintendent who “gets it” after having visited decentralization models and reading Ouchi’s books; needs proactive support from mayor and elected officials.
- Requires a sustained commitment over 5-7 years, or more. Progress can be easily reversed by changes in elective offices (schools boards, mayors)
- Bureaucracies in central administrations must be reinvented to support empowered schools, otherwise they tend to claw back authority over budget, curriculum and staffing decisions.

⁴ Weighted Student Formula is a fair and equitable way to distribute funds for school budgets. The amount of money given to a school will be based on individual student need, not enrollment. This means that students with more needs will receive more resources. For the first time, funding will follow students to whichever schools they attend, equalizing opportunities at the student level. This differs drastically from the previous system, called the “staffing ratios” model. Through staffing ratios, the central office basically directed school sites to spend the bulk of their resources in a particular way, through allocations of staff and a small supplies budget.

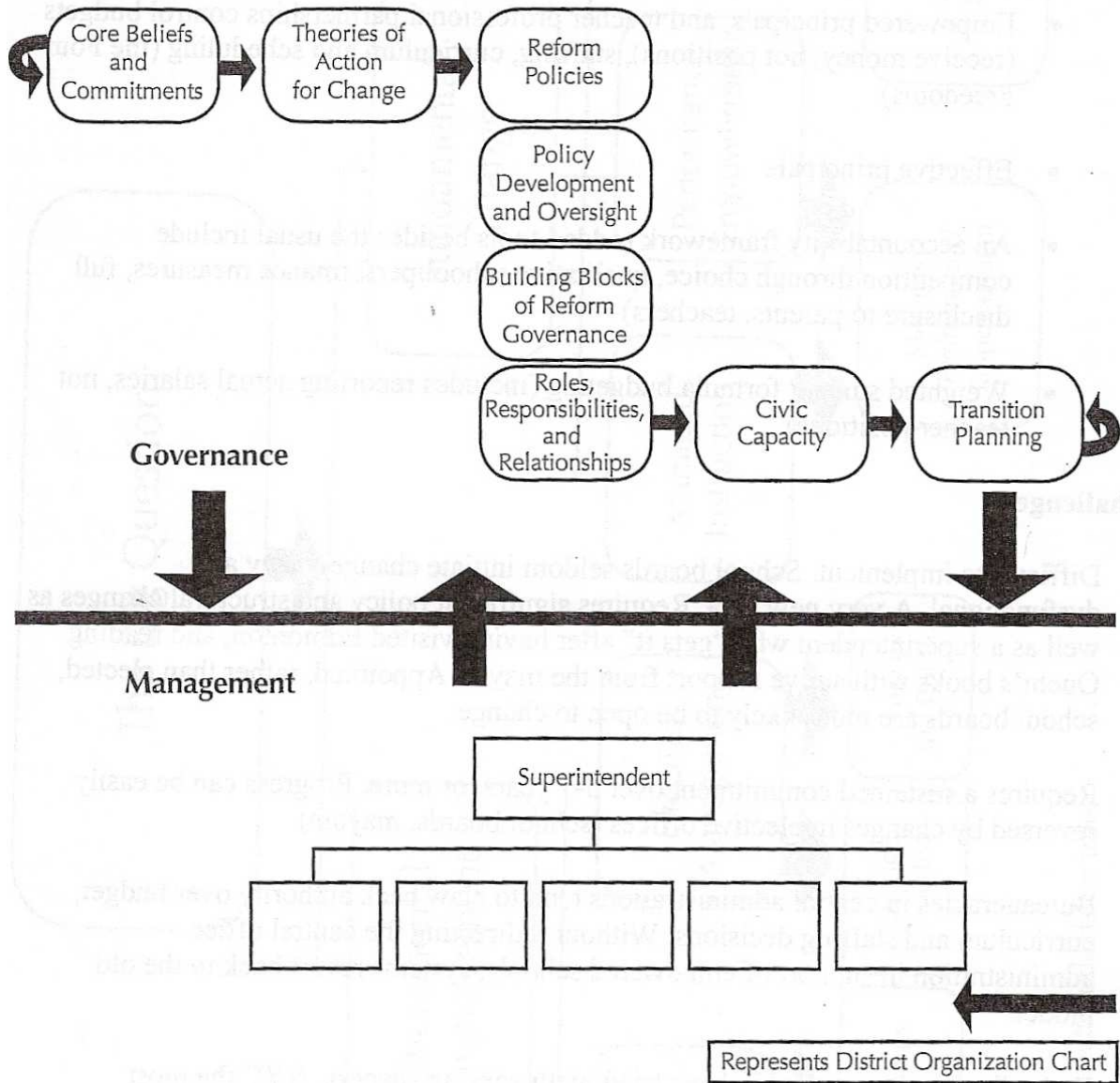


Figure 2.1. Reform Governance Framework.

Source: The Center for Reform of School Systems, Houston, Texas

- Eight districts across the US have tried, with varying success. NYC the most promising initiative.
- Need to train teacher/leaders to become effective principals, and find teachers interested and able to form teacher professional partnerships to run district-empowered schools, as well as charters, pilots and Innovation Schools under a portfolio strategy.
- Both internal (to the district) and external school support organizations are required.

The Opportunity

The Massachusetts Department of Elementary & Secondary Education (ESE) wants to try weighted student funding at the district level (not included in state legislation because of uncertain costs). The U.S. department of Education is encouraging innovative approaches to school reform through the “Race to the Top” and “Investing in Innovation” funding.

The A|L Systems Approach

- A high level, invitation-only conference on **Fundamentally Changing the Way We Organize & Manage Public Schools** for Massachusetts mayors, superintendents and school committee⁵ chairs, in both rural and urban districts of over 2,000 students.

Speakers might include NYC’s Joel Klein and Mayor Bloomberg, to discuss the status of their portfolio strategy (see Table 2, page 2).

The purpose of this conference will be to expose key decision makers to best reform practices available, understand impediments to action, and solicit interest to the Arts|Learning, Inc.’s systems approach to district reform.

- On an invitation-only basis, offer research training from the Center for Reform of School Systems (Houston) to a cohort of Massachusetts urban school committees interested in identifying a **Theory of Action** (see figure 4.3, page 4, “Theory of Action Decision Tree) based on their core beliefs and convictions, in support of a policy framework for reform.

School committees have three major levers:

- using reform-oriented policy to drive change
- building community support for the agenda
- hiring superintendents who can carry out the vision

The purpose of this research training is to help stakeholders agree on constructive ways to improve educational outcomes for all children.

- In collaboration with the two Massachusetts teachers unions, design and establish a network of 10-12 empowered schools in those districts embracing fundamental change

⁵ In Massachusetts, local town & city school boards are called “school committees.”

by adopting a reform-governance framework (see figure 2.1, page 6) and a *managed performance empowerment portfolio* theory of action. This will include decentralized district schools plus innovative autonomous schools (charters, pilots, Innovation Schools), all funded by a weighted student formula.

As a cohort, these districts and schools will provide a working example of the results achievable through a systems approach to school reform.

- Arts/Learning is particularly interested in supporting schools adopting a central role for the arts (dance, music, theatre, visual arts, media arts) taught as discrete subjects to high mastery learning standards, as well as arts integration across the curriculum through interdisciplinary studies.

School-design approaches with promise, possible with a decentralization strategy, include the Generation Schools model which, in addressing the strategic use of people and time, fundamentally overhauls the way the work of teachers is organized within schools.

Our approach will seek to eliminate rancor between teacher unions and school systems, by vesting control of decisions and resources with principals and teacher professional partnerships. We hope in this way to initiate a teacher movement to accept full responsibility for school outcomes, in exchange for control over budgets, staffing, curriculum and scheduling.

The Conservatory Lab Charter School (Boston) offers a model teacher contract acceptable to union membership. New Haven, CT also offers a union-supported contract that includes many of the best reform ideas.

With the economies of scale available in working with a cohort of districts and 10-12 schools, we seek to establish a principals' training center and develop relationships with both *Teach for America* and the *New Teacher Project*

Next Steps

- Identify mayors, school committees and superintendents in Massachusetts interested in fundamental change, and offer training from the Houston-based Center for Reform of School Districts.
- Begin the design of a Commonwealth-wide conference for the fall of 2010.
- Identify at least one district partner for the Arts|Learning decentralization program, create a budget, and seek expressions of interest from private funders to support 20 percent of its cost, to qualify for consideration by the Federal Government's "Investing in Innovation" (i3) Fund.



Preliminary Three Year Budget

Fall 2010 conference.

Professional conference organizer, speaker expenses, space rental, food, publicity, invitations, taping

\$150,000

School board/superintendent training

(sub contract to CRSS - \$200,000 per district)

\$600,000

Weighted Student Formula design, community meetings

\$100,000 per district.

\$300,000

Start-up financing, 10 Readiness Schools.

Find qualified principals, or teacher professional partnerships, design innovation plans, meet first year's operating costs. Legal (costs of incorporation). Estimated \$300,000 per school

\$3,000,000

Arts|Learning

Management, overhead, grant writing, legal (pro forma union contract)

\$300,000

	Totals	\$4,350,000
	10% contingency	\$435,000
	Total	\$4,785,000

To be submitted to ARRA's Investing in Innovation Fund, by Spring, 2010