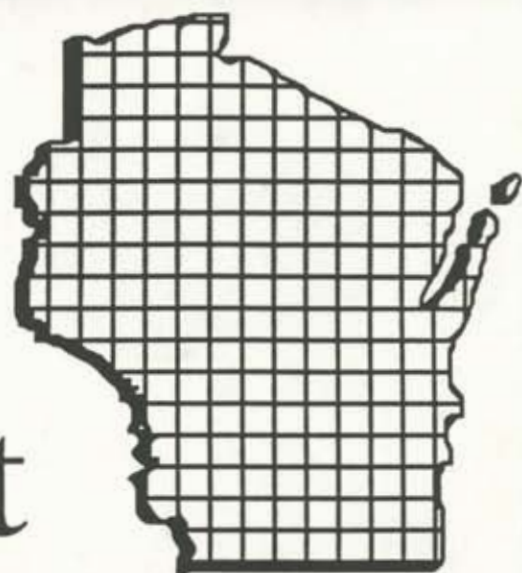


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Policy
Research
Institute

Report



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Why MPS Doesn't Work

*Barriers to Reform
in the Milwaukee
Public Schools*

Report from the President:

The purpose of this study is to show why years of education reform efforts and new programs systematically have failed to improve results in the Milwaukee Public Schools (MPS).

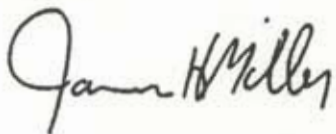
The author, Susan Mitchell, paints a picture of a publicly financed monopoly incapable of the kind of change that will lead to effective schools that produce students prepared to live and work in an increasingly competitive world.

The author's evaluation of decades of MPS reforms and her assessment of the MPS bureaucracy demonstrate that MPS behaves differently from successful organizations and effective schools by recycling failed strategies and setting and resetting the same goals year after year.

In the meantime, performance declines as costs increase. The graduation rate has fallen from 79% in 1971 to 44% last year while per pupil spending, adjusted for inflation, has increased 82% since 1973.

What this report clearly says is that these trends are almost guaranteed to continue until we address the fact that the system itself is the problem. It is time to make this issue central to the debate on school reform and to ask those who still believe that new programs and reforms will change MPS to show why that is the case.

Finally, we would like to acknowledge the Joyce Foundation for providing the funding for this project.



James H. Miller

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Why MPS Doesn't Work *Barriers to Reform in the Milwaukee Public Schools* by Susan Mitchell

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EXECUTIVE SUMMARY

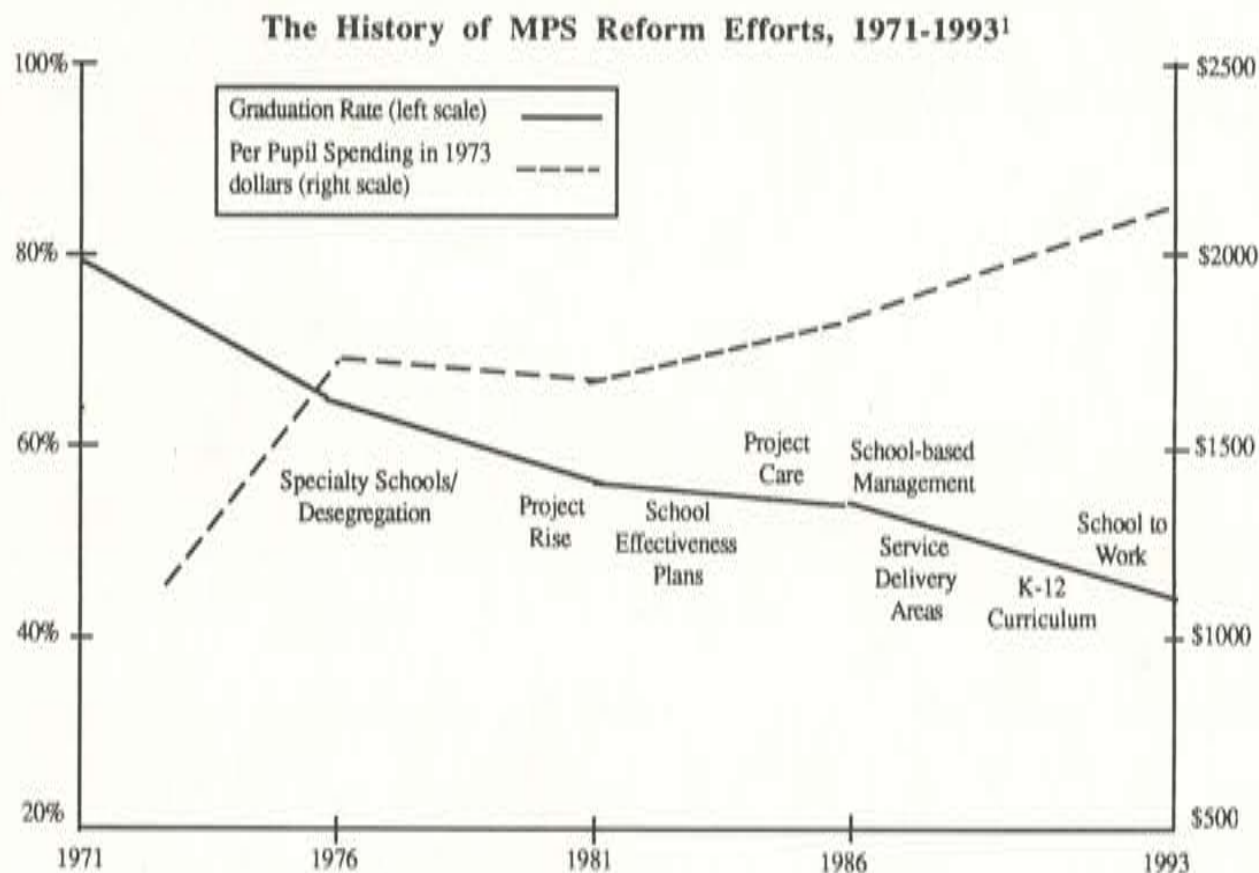
Years of reform efforts have failed to improve the Milwaukee Public Schools. By most measures, performance continues to decline. This study explains why and recommends action necessary to produce real change.

The study compares the Milwaukee Public Schools (MPS) with effective organizations which, to survive, are undergoing changes as dramatic as that occurred during the Industrial Revolution. Meanwhile, MPS continues to offer failed strategies and repackaged five-year plans.

Consequently, the gap between MPS and effective organizations is growing larger. MPS is less able than ever to produce the educated student who will be able to compete in the workplace. Further, its glacial pace of change means the gap in performance between itself and truly effective organizations will continue to widen.

The problem is the system, not the people. Most organizations must perform to survive, a requirement that produces accountability for results and incentives for improvement. MPS survives despite failure because its funding is guaranteed. It is not held accountable for its performance and has little impetus to take the actions needed to improve. Until MPS — with its inherent interest in protecting the status quo and resistance to real accountability — faces external pressure to change, reform efforts will continue to fail.

The figure below shows that results have declined as real costs have increased, despite the reform efforts shown. Without reform that changes the system, this pattern will continue.



Effective organizations display common characteristics: they define a clear purpose, establish goals and performance standards, and develop a strategy and structure to achieve their purpose. They focus on results because achieving purpose, for most organizations, is necessary to survive. The purpose is the end; the goals, standards, strategy, and structure are the means.

Rapid technological development, global markets, and more intense competition have speeded the pace and magnitude of organizational change. Effective organizations are more innovative, flexible, and attentive to their customers; they seek to build in the capacity for continuous improvement. Consequently, bureaucratic structure, designed to produce standardized results and maintain control, no longer works. Increasingly, workers must have the ability to use knowledge rather than depend on a set of specialized skills.

Some say schools cannot be compared to other organizations. Decades of research demonstrates that this is not true. Effective schools are very similar to other effective organizations. Specific organizational characteristics — clear purpose, high standards, significant autonomy at the school level, focus on learning and instruction, and attentiveness to customers *via* parental involvement — are repeatedly linked to academic achievement. More spending is not.

MPS demonstrates different characteristics than effective organizations and schools. With few incentives for success or consequences for failure, the district stubbornly resists change, maintains an unwieldy bureaucracy, and is unable to institute reforms that work. Where effective organizations find ways to cope with factors beyond their control, MPS frequently blames its failure on conditions such as poverty and violence in the community.

Like many organizations, MPS faces tough challenges. Some will assert it is those obstacles, not the factors cited in this report, that prevent MPS from succeeding. It is important to understand, however, that significant organizational improvement is within reach and that improving MPS' effectiveness as an organization is precisely what will allow the district to address the problems it faces.

The history of MPS reform efforts for the past 20 years shows the district has repeatedly initiated efforts in the name of reform that have failed to produce results. Three conclusions, useful in evaluating the potential of future reform proposals, emerge:

- Most reform efforts — whether generated by federal or state regulation or by MPS itself — ultimately become mandates imposed on schools through new layers of regulation. The result is more bureaucracy and less time for education, the opposite of what effective schools research shows is needed. This actually worsens prospects for improved academic achievement.
- MPS resists accountability. With numbing regularity, the district has set goals without developing plans to achieve them or without an overall strategy for achieving results. Existing plans have tended to focus on activities, not results. The district repeatedly displays its reluctance to endorse changes that would produce incentives for performance.
- Most notably, MPS has set and reset many of the same goals for more than 15 years, arguing the district needs more time to change (*see* Table 2.1, pp. 19-23). By continually issuing revised five-year plans, the district ensures the target date for improvement is always moving, although the goals are largely unchanged. This pattern of behavior fends off critics and forestalls real change.

As a consequence, decades of reform efforts have done nothing to simplify the bureaucracy or the degree of regulation impeding schools from developing the characteristics known to be associated with academic achievement. Major barriers are:

- Specialized programs with separate requirements and funding sources. The result is a Balkanized system that labels students and leads to ineffective use of resources and loss of flexibility.
- The wide-ranging impact of the busing program. The MPS system for student assignment and busing impedes parental involvement, hampers the ability of a school to build a sense of community, and consumes enormous administrative time and effort in addition to the actual transportation costs.
- Personnel practices that restrict entry to the organization, work against management at the school level, reduce the opportunity to reward merit, stifle incentive, and waste resources.
- A governing board that, unencumbered by the need to get results, is buffeted by public opinion, advocacy groups, and educational interests with a stake in the status quo and is unable to develop a cohesive strategy for reform.

To expect those who work in the schools to abide by these regulations *and* to create effective schools — where school autonomy, parental involvement, staff collegiality, and high standards are the norm — is wishful thinking. The fact that some principals, teachers, and other staff succeed in spite of these barriers is a tribute to their resourcefulness and tenacity.

Tinkering with the current system will not work. Breaking the district into smaller pieces, imposing new reforms such as "school-to-work" on the existing bureaucracy, or expecting MPS to regulate itself by closing failing schools are all new versions of strategies that have already failed. Such proposals divert debate from the real causes of continued failure.

Serious reform must produce accountability for results by shifting control from MPS to those it purports to serve. This can be done by allowing parents to choose the schools their children attend and providing them the financial resources to do so. In the context of organizational behavior, this is not a radical prescription for reform. Rather, it is the norm. What is more unusual is the defense of a system demonstrating so clearly its inability to improve performance.

Chapter I describes characteristics of effective organizations and schools. Chapters II and III describe the history of MPS reform efforts and the organizational impediments to improvements. Chapter IV argues that continued failure will result without fundamental change to the system. Chapter V describes the nature of that necessary, fundamental change.

I. EFFECTIVE ORGANIZATIONS AND EFFECTIVE SCHOOLS

This chapter provides a framework for comparing MPS to effective organizations and schools. The chapter: 1) outlines basic steps effective organizations use to achieve their purpose; 2) describes the stunning pace of change in the workplace and how organizations are reacting to it; and, 3) reviews the characteristics of effective schools and compares them to effective organizations.

Information in this chapter is based on: research on organizational effectiveness, public and private, and on changes in the workplace; research on the characteristics of effective schools; and the author's experience in the public and private sectors.²

Key points emerge that bear on how MPS operates and on the skills it must impart:

- **Effective organizations establish a clear purpose, set goals, develop a strategy and structure to attain them, and measure results.** These steps constitute sound management and have been the focus of management scholars for years. They are simple to articulate and difficult to execute.
- **The pace and degree of organizational change is accelerating.** Major changes in the workplace are well underway, driven by rapid development of technology, global markets, and intensifying competition. Milwaukee area executives cite the ability to compete as a major issue facing them.
- **To cope with and implement change, organizations are becoming more innovative, flexible, and attentive to customer satisfaction.** Many are seeking to build methods for continuous improvement into the enterprise.
- **Bureaucracy as a preferred organizational model is dead.** The need for more flexibility, speedier decision-making, increased productivity, and ongoing innovation is producing less rigid, more decentralized organizations.
- **Increasingly, organizations need workers who can apply knowledge to what they do rather than perform a set of specialized, well-defined skills.** During the last several decades, opportunities have shifted from labor intensive, mass production jobs to nonmanual jobs requiring the application of knowledge. Similarly, middle management jobs are disappearing.

To keep pace with these changes, MPS must change from a rigid bureaucracy that protects the status quo to an organization focused on improving results. To do so, MPS must undergo many of the same changes affecting other organizations.

Are Schools Different from Other Organizations?

Some argue that large, urban school districts are unlike other organizations because they have a public mandate to provide education to all children. This, they say, makes it inappropriate and unfair to compare school systems such as MPS to other organizations, particularly those in the private sector with the freedom to turn away persons they do not wish to serve. This argument ignores several key points:

- **First, research on the characteristics of effective schools — public and private — shows that they share many of the characteristics of other effective organizations.** Generally, effective schools have a clear

purpose, high standards, methods for measuring attainment of goals, and a strategy, often in the form of a strong curriculum and substantial time devoted to instruction, for attaining their goals.

- **Second, the most effective schools — public and private — already practice what many corporations are seeking to learn.** The most effective schools have substantial autonomy. Many are private. Others, particularly in large public districts, are led by principals who know how to beat the bureaucracy. Free from onerous regulation, their staff function as a team to accomplish their goals. In particular, teachers have responsibility, influence, and authority and are attentive to students and parents.
- **Third, the real difference between MPS and other organizations is not its function or mandate, but the fact that its funding is guaranteed whether or not it gets results.** Most organizations must perform to survive. Absent this fundamental accountability, MPS has been unable to respond effectively to declining performance and does not behave as an accountable organization.

For most organizations, satisfying customers is the basis of survival. This requirement produces accountability for results and provides an incentive for changes and innovations leading to customer satisfaction. By contrast, the basis for MPS survival is a continued guarantee of funding, an entirely different requirement.³ These differing incentives influence behavior. Common to nearly all research on organizations is agreement that organizations and individuals respond to incentives for performance and consequences for failure. The same people will behave differently in organizations with different incentives and consequences.⁴

Basic Characteristics of Effective Organizations

Effective organizations take common steps to achieve their purpose. They include:

- **Definition of clear purpose.** Clear purpose defines the reason the organization exists and provides the framework for other activity. In the broadest sense, the purpose of most organizations is to satisfy the customer or recipient of goods or services.
- **Establishment of goals and performance standards.** Goals are targets for achievement directing the organization to its purpose. Performance standards are used to show whether goals are achieved. Standards must be measurable to be useful, even though measurements are never perfect.
- **Development of a strategy or plan** for attaining goals. Without a plan, purpose and goals are likely to be just words and resources will be misused.
- **Development of a structure** allowing the strategy to be implemented. Structure follows strategy in effective organizations and impedes it in others.

The purpose is the end. The goals, standards, strategy, and structure are the means to the end. Effective execution of these steps separates the effective from the ineffective.

For most organizations, achieving purpose is necessary to survive. It is this requirement that imposes accountability and causes organizations to pay serious attention to goals, strategy, and structure as a means of attaining results. When an organization need not achieve its purpose to survive, accountability for results is no longer its focus. While such an organization may assert a

purpose and set goals, achieving these objectives is unlikely to be the driving force behind its actions.

The Rapid Pace of Organizational Change

Notwithstanding changing fashions in management techniques and terminology, for decades experts have noted the need for the basic steps summarized above. What is new to organizations is the breathtaking pace and magnitude of change underway and the resulting impact on the workplace and the worker.⁵ So stunning is the degree of change that economists and management experts liken it in magnitude to the Industrial Revolution.⁶

Management scholar Peter F. Drucker attributes this change to what he calls "a radical change in the meaning of knowledge."⁷ He explains that the application of knowledge to tools, processes, and products created the Industrial Revolution. Subsequently, the application of knowledge to the study of work — led by Frederick Winslow Taylor in the 1800s — led to an explosive increase in manufacturing productivity. Now, Drucker says, the revolutionary productivity gains in manufacturing have run their course and what matters is the productivity of nonmanual workers, a change that "requires applying knowledge to knowledge."⁸

These changes affect both workers and organizations dramatically. Only 40 years ago, the majority of the work force made or moved things. By 1990, only one-fifth of workers engaged in these activities.⁹ In this environment, education that produces workers able to use information to solve problems is the ticket to job success and mobility. Says Drucker:

As late as 1960, the quickest route to a middle class income — in the United States, Great Britain, and Germany (though already no longer in Japan) — was to go to work at age 16 in one of the unionized mass-production industries. There one earned a middle-class income after a few months — the result of the productivity explosion. These opportunities are virtually gone. Now there is virtually no access to a good income without a formal degree attesting to the acquisition of knowledge that can be obtained only systematically and in a school.¹⁰

Not only manufacturing jobs have been affected.¹¹ While productivity gains in service industries have been flat in comparison, this too is changing.¹² For those entering the workforce, this means even fewer unskilled jobs will be available. British economist Charles Handy notes that countries "live or die according to their comparative advantage" and says that for America and other industrialized countries, "that has, increasingly, become brains."¹³ Increasingly, jobs require the ability to use information.

As technology improves at a breakneck pace, markets are increasingly global and competition is increasingly intense. This is resulting in a virtual transformation of many organizations, a process that is untidy and chaotic, but undeniably underway. The speed of the process has left such popular authors of management advice as Tom Peters significantly revising his own views within a span of 10 years.¹⁴

Wisconsin companies are not immune from the pressures of intensified competition. In a recent survey conducted by *The Business Journal*, numerous Wisconsin chief executive officers cited the need to remain competitive as the key issue facing their companies.¹⁵ Similarly, a survey of executives of medium-sized companies in Milwaukee found 77% of them are "concerned about the ability of U.S. ... companies to compete effectively with their counterparts abroad."¹⁶ A third survey by the Metropolitan Milwaukee Association of Commerce (MMAC) showed 67% of its members considered customer satisfaction one of their top two concerns (the other was health care costs), something MMAC President Tim Sheehy attributed to competitive pressures on price and quality.¹⁷

Impact on Strategy and Structure

Organizations that want to survive understand they will have to be more productive, innovative, and flexible. To cope with intensified competition, they are: 1) seeking less regulation; 2) organizing themselves in less rigid, less bureaucratic structures; and, 3) using a variety of techniques to maintain their flexibility, improve productivity, and encourage innovation. These apply in particular to large organizations, often most resistant to change because of their sheer size.

Regulatory relief. Some companies in highly regulated industries are seeking less regulation to improve their chances to compete.¹⁸ Some regulators are inviting more competition. For example:

- Then Wisconsin Bell CEO Barry Allen announced in March, 1993, that its parent company, Ameritech, was seeking regulatory approval to give up its monopoly on phone lines in return for the right to provide other telecommunications services.¹⁹
- Similarly, some banking executives believe the industry must dismantle existing regulations in order to compete. Former Federal Deposit Insurance Corporation Chair L. William Seidman believes "the banking industry is heading for disaster unless it can compete fairly with its unregulated competition."²⁰
- United Wisconsin Services CEO Thomas F. Hefty told business executives that to be effective, health care reform must rely more heavily on competition than price regulation.²¹
- For the first time, the Public Service Commission has opened the provision of added electric capacity to a bidding process involving independent power producers and other utilities.²²

The trends are the same elsewhere in the world. The highly regulated communications monopolies in the European community face jarring competition.²³ The ultimate in regulation — state ownership — is also on the decline. Privatization of enterprises owned and operated by governments is well underway in France and England, and in Eastern European countries as well.²⁴

Change in organizational structure. Few of the consequences of change in the workplace are so visible as the slow but certain death of bureaucracy. One measure is the widespread elimination of middle management jobs in large corporations,²⁵ not just to cut expenses, but to move responsibility closer to those producing products and dealing with customers.

The bureaucratic structure, which served to control and standardize during the Industrial Revolution, simply does not have the capacity for innovation, flexibility, and continuous change required to compete today. It is, in fact, an impediment.²⁶ To show why this is the case, Table 1.1 on the next page compares the elements of a bureaucracy to those of emerging organizational structures.

TABLE 1.1 Characteristics of Bureaucracies versus Emerging Organizations²⁷

Bureaucracies	Emerging Organizations
Base authority and pay on status and rank	Base authority and pay on expertise and contribution
Reward adherence to rules and uniformity	Reward innovation and improvements
Channel and restrict information	Move information freely to improve decision-making
Slow change through hierarchy and division of labor	Speed change through flatter organizations and networks
Allocate resources to solving problems	Allocate resources to areas of opportunity

Strategies for change. In her study of change in large organizations, scholar Rosabeth Moss Kanter found three principles in practice.²⁸ They were to: 1) minimize obligations and maximize options by staying flexible; 2) rely on teamwork and discipline rather than on power from control and bureaucratic practice; and, 3) institutionalize teamwork, ongoing learning, and innovation by continuously regrouping people, functions, and products.

Well-established organizational trends illustrate these principles. Increasingly, effective organizations **maintain flexibility** by keeping fixed costs low and using competitive practices to their advantage.²⁹ Examples are:

- **The growth of contracting out for services.** Drucker calls this the unbundling of the corporation.³⁰ While the practice is not new, the growth is significant.³¹ Contracted services do not benefit just the companies buying services, but also the companies providing them, particularly in lower paying service jobs. Firms dedicated to providing specialized services offer their workers opportunities that may not exist within a large organization by providing a chance to advance in their own field.
- **The conversion of service components of an organization into competitive, profitable entities.** Many service units — examples are data processing, maintenance and repair services, and financial services — are virtual monopolies within large organizations because they do not compete for their "business." Increasingly, these units are being asked to add value by providing their services on a competitive basis and/or by seeking customers outside the organization.³² Government units have begun to use this technique; in the City of Milwaukee, for example, six internal service agencies now compete with non-city vendors to provide services required by other departments.³³
- **Growth in part-time workers.** Many companies are turning to part-time workers to supplement their work force.³⁴ This differs from contracting out in that companies often establish a sustained relationship, most likely with an agency providing workers on a part-time basis, to diminish the need for permanent staff. Like contracting out, this practice allows organizations significant flexibility and, no less important, permits them to end relationships when performance or need declines by simply terminating an agreement.

Some argue these trends hurt workers by depriving them of benefits and eliminating existing jobs. In fact, these trends open the doors to change. Companies serving these markets grow and offer new opportunities for workers to advance in specialized areas. Already, firms offering services on a part-time or contract basis are offering benefits to their workers.³⁵ No less important, the possibility that an organization may contract for services provides incentives for change to existing employees and employers.

Effective organizations also are seeking to build into their structure the **capacity to change** — to innovate, to improve productivity, and to learn continuously how to make the organization better. Methods include:

- **Techniques for improving process and solving problems.** Examples include the much-imitated Japanese quality circles³⁶ to "re-engineering."³⁷ Johnson Controls CEO James Keyes attributes profitability increases to "a quality program to get continuous improvement."³⁸ General Electric uses a process called "Work-Out," by which employers define problems, develop solutions, and present them to managers.³⁹ These methods recognize that the easiest increases in productivity come from eliminating what does not need to be done, not making unnecessary work more efficient.
- **Better use of information to make decisions and assess results.** Benchmarking, a comparison of performance to best practices, is an example. Xerox used L. L. Bean's warehouse operation as a benchmark because L. L. Bean moved materials three times faster than Xerox.⁴⁰ A benchmark study of 10 functions of a processed food products company found eight of them could be improved by 5% to 45%.⁴¹ Similarly, better accounting tools allow a far better understanding of the cost of process.⁴²
- **Ability to function as a learning organization.** Using teams is one approach: successful IBM spinoff LexMark International Inc. studied work practices in the U.S., Japan, and Europe and chose teams as the best approach.⁴³ Focusing on what works within an organization is another: Marshall Field revived its stores by "doing something everyone had known all along should be done ... but only the few ... had been practicing."⁴⁴ Emphasis on the value of continual improvement is another: the Ritz-Carlton, the first hotel company to win the Malcolm Baldrige National Quality Award, "aims to convince employees that they are important members of an elite team always looking to improve."⁴⁵
- **Changes in rewards and incentives to match contribution and to ensure that efforts to innovate are not penalized.** Of the areas of common agreement among behavioral scientists and management experts, perhaps the strongest is the relationship of rewards and consequences to performance.

These changes mean a more competitive workplace than ever before.

Effective Schools

Effective schools display many of the same characteristics as other effective organizations.⁴⁶ Research links specific organizational characteristics to academic achievement. Generally, schools that lack these characteristics simply do not perform as well as schools that have them. Noteworthy points are:

- **Effective schools behave in ways similar to other effective organizations.** They have a clear sense of purpose and high standards of academic achievement. Their strategies and structure reflect their purpose.
- **Effective schools have considerable authority and responsibility at the school level.** School autonomy is a prerequisite for performance. Researchers have long recognized that less regulated schools generally have higher academic achievement. This is why MPS and other urban districts aim at "school-based management."
- **Despite the educational establishment's persistent arguments that more money is needed to improve results, research shows little systematic relationship between resources and results.⁴⁷** Study after study has shown such measures as per-pupil expenditures or teacher-student ratios generally do not explain higher achievement.
- **Academic achievement is linked to high expectations, parental involvement, high teacher morale, focused use of instructional time, strong principal leadership, and positive school climate.** These threads run through dozens of studies of effective schools.

Effective schools research. Research on characteristics of effective schools began in earnest after an extensive 1966 government study toppled the common assumption that more resources lead to better student performance.⁴⁸ Nearly three decades of subsequent research has produced general agreement about organizational characteristics common to effective schools.

Why has this knowledge produced so little results? The answer is in the limited nature of the research. While much research focused on specific characteristics in isolation, remarkably few studies addressed the question of *why* some schools become effective organizations and others do not.⁴⁹ For the most part, educational researchers treated schools as isolated entities and avoided the very real questions of organizational behavior relating, in particular, to large urban school districts.

For example, what organizational incentives for improvement exist in a publicly financed monopoly? How does one achieve school autonomy in a highly regulated bureaucracy? For what is a district accountable and to whom? What evidence exists to suggest that proposed reforms applied to the current organization of urban school districts will work? Most research ducks these politically difficult policy issues.

Thus, much research on effective schools shows *what* is needed, but not *how* to accomplish it. As is apparent in the rest of this study, **many educators and others have tried to impose the characteristics of effective schools on large bureaucratic structures, ignoring the predictable resistance to change of a bureaucracy whose funding is assured whether it changes or not.** This approach is a fundamental impediment to public school reform in large urban districts such as MPS.

Despite failed educational reforms, research on effective schools has value. The key question is to identify policies and practices that will encourage rather than stifle effective school characteristics and to remove the impediments to implementation of those practices. Table 1.2 on the next page identifies the organizational characteristics of effective and ineffective schools.

TABLE 1.2 Effective and Ineffective Schools⁵⁰

Effective Schools	Ineffective Schools
School autonomy	Central bureaucracy
High academic standards	Low expectations
Parental involvement	Little interaction with parents
Focus on learning with more time spent on instruction	More teaching time consumed with non-instructional functions
High teacher morale	Low morale
Positive school climate	Chronic classroom disruption
Strong principal leadership	Authoritarian or weak principal

School autonomy means a school has the primary authority and responsibility to develop its own practices. Of all the effective school characteristics, it is critical because it provides the school with the necessary organizational freedom to develop other qualities linked to academic achievement.⁵¹ So important is school autonomy that it actually accounts for improved performance. In their analysis of some 500 public and private schools nationwide, John Chubb and Terry Moe found "school organization alone is capable of shifting student achievement gains by more than one full year during four years of high school. By itself, autonomy from bureaucracy is capable of making the difference between effective and ineffective organizations — organizations that would differ by a year in their contributions to student achievement."⁵² Table 1.3 below shows key ways in which schools with autonomy differ from highly regulated schools. The freedom of autonomous schools is the foundation for effectiveness

TABLE 1.3 Autonomous School versus Highly Regulated School

Autonomous School	Highly Regulated School
Authority to hire and fire	Strong union and central office controls hiring and dismissal
Authority to develop curriculum	Centralized curriculum
Ability to set disciplinary policy	Centralized policy
Teachers function as professionals	Strong union controls
School/parents determine relationship	"Parental involvement" defined by central bureaucracy
Ability to build teams and sense of community	Leadership discouraged by limited authority to make decisions

Highly regulated schools are less likely to develop other effective school characteristics because bureaucracy removes responsibility for results by limiting ability to make decisions. People in highly regulated schools are less likely to innovate and more likely to assert that problems are beyond their control. Thus school autonomy is linked inextricably to the ability to develop other

effective school characteristics — which in turn, national and local research shows, are linked to academic achievement. For example:

- **High expectations** characterize high achieving schools.⁵³ Schools with authority and responsibility for results are more likely to set high standards and develop the methods of operation and attention to parents needed to achieve them.
- **Parental involvement** in the home and school has a large impact on performance.⁵⁴ It is more likely to occur in schools where the administrators and faculty have the responsibility and authority to respond to parental concerns. Research in metropolitan Milwaukee public schools also shows parental involvement is linked to higher academic performance.⁵⁵
- **High teacher morale** is a function of parental involvement⁵⁶ and a sense of control of the workplace.⁵⁷ It is also closely related to the collegial function of a school community where teachers play a professional role in the institution.
- **Focus on learning and instruction** is more likely to occur in connection with school autonomy. Researchers have long concluded that quality and amount of instruction time improves performance.⁵⁸
- **Strong leadership** on the part of school principals is key to school effectiveness.⁵⁹ The ability to lead is associated with the freedom to exercise authority and build teams, and the absence of bureaucratic regulation.

Notably, effective schools, like other effective organizations have a clear sense of purpose, less bureaucracy and more flexibility, more teamwork, and increased efforts to satisfy customers. For most effective organizations, accountability drives effort. Organizations that must achieve their purpose to survive focus on attaining results. As the workplace changes in dramatic ways, effective organizations use a variety of tools to compete and increasingly move away from bureaucratic structures and practices.

II. THE FAILURE OF MPS REFORM

Faced with declining educational results, MPS has launched initiative after initiative in the name of educational reform. Its efforts have not produced improved academic achievement.

The efforts have failed because MPS lacks a key ingredient — accountability for results. This chapter shows that without accountability for performance, MPS is unable to focus on its stated purpose of improving academic results and that its goals and reform efforts do not result in positive change. A survey⁶⁰ of efforts to reform MPS demonstrates:

- **MPS reform efforts are usually top-down, fragmented, and inconsistent initiatives that are not linked to an overall strategy to improve schools.** Because old initiatives and projects are rarely eliminated, the district winds up with a patchwork of programs, each with its own requirements. Reforms are implemented in ways that increase, not diminish, bureaucratic control.
- **MPS states goals without developing plans for achieving results.** This pattern of words without actions devalues the significance of the goals. An example is the oft-repeated goal of closing the gap between minority and white achievement.⁶¹
- **MPS focuses on activities, not results.** To "empower" its staff, for example, the MPS 1990-95 plan includes a goal to increase by 33% the number of its staff members participating in "professional development" activities.⁶² In a 1991 progress report, MPS reported that staff "participations" rose to 29,413 — up 150% from a year earlier.⁶³
- **To mask failure and stave off real change, MPS sets and resets the same goals.** MPS buys more time and presents a facade of change by repeatedly introducing "new" plans and asserting the district needs more time to change.
- **MPS blames failure on factors beyond its control.** This is a luxury most organizations can't afford; in fact, overcoming such factors is their main challenge.⁶⁴ Clearly, MPS faces difficult challenges. But instead of demonstrating the innovation and adaptability of an effective organization, MPS uses such factors as poverty and violence as reasons it cannot perform. This legitimates failure and decreases the expectation that MPS can address these factors effectively.⁶⁵

To illustrate the above points, this chapter: gives examples of the piecemeal approach to reform that characterizes the past 10 years; describes the history of the longstanding effort to decentralize the district, now labeled "school-based management;" demonstrates the district's failure to produce accountability; and shows how MPS perpetually defers the date by which it will improve by regularly issuing new plans.

The Patchwork of Reform

MPS administers numerous state and federal programs intended to compensate for a variety of student disabilities, language differences, lack of learning, and socio-economic disadvantages.⁶⁶ Each of these programs, driven by different funding streams and regulations, produces its own workload in the central administration and schools.

To such externally funded programs, MPS regularly adds its own initiatives. Examples include: Project Rise, a program begun in 1979 to improve basic skills in selected elementary schools;

Project Care, begun in 1985 to "create a climate of success" for ninth grade students; the specialty schools and high school specialty programs, developed as part of the desegregation plan; requirements for school effectiveness planning; business partnerships; and an ongoing effort to achieve "school-based management."

None of these internal initiatives was ever eliminated by the MPS Board of School Directors, although some just faded away. Others, some of them expensive, have continued for years without regard for results. For example, MPS high schools offer such programs as: international studies at Vincent High School; medical sciences and health care at North Division; transportation at Pulaski High school; and tourism, food service, and recreation at South Division.⁶⁷

In addition to these efforts, MPS budgets regularly include new initiatives such as district reorganizations, more staff development, special projects to improve the curriculum, early childhood education projects, and specialized staffing for schools.

In some cases, the ink is barely dry on one project before the next is begun. An example is the K-12 curriculum plan, approved by the Board in 1991. The plan was developed by a 64-person task force convened in February, 1989, by then Superintendent Robert Peterkin using a process involving hundreds of persons.

The plan set forth 10 "teaching and learning goals" — including statements calling for students to "project anti-racist, anti-biased attitudes through their participation in a multi-lingual, multi-ethnic, culturally diverse curriculum," "think logically and abstractly, applying mathematical and scientific principles of inquiry to solve problems, create new solutions, and communicate new ideas and relationships to real world experiences," and "make responsible decisions, solve problems and think critically."⁶⁸

MPS has budgeted millions of dollars during the past three school years for "staff development" aimed at implementing the K-12 plan. The district continues to work on the issue of how to assess results of this reform effort.

The magnitude of the K-12 effort notwithstanding, MPS voted in October 1993 to accept and develop a plan to implement recommendations in a report from the School to Work Transition Task Force.⁶⁹ The report calls for developing an "Integrated School Curriculum," which will require "restructuring of school experiences in which all teachers work together to engage students in experiential learning to master academic skills in a real life context."⁷⁰ Among the recommendations are rigorous goals, parental involvement, reconfigured use of time, and assessment.

The task force also recommended a top level MPS administrator be appointed to direct the effort and that a 20- to 25-member planning council of community members be appointed and "empowered" to report to the community. This new consortium would create "bylaws for organizational and fiscal procedures, further appointment of consortium members and the creation of an operating or executive committee."⁷¹

What is likely to happen to this effort? A more detailed review of the reform effort to which MPS has devoted the most attention during the past decade, school-based management, provides a likely answer.

School-Based Management

MPS has said for more than a decade that it wishes to give schools more authority. This reflects the fact that educators and others have recognized the importance of increased school autonomy for

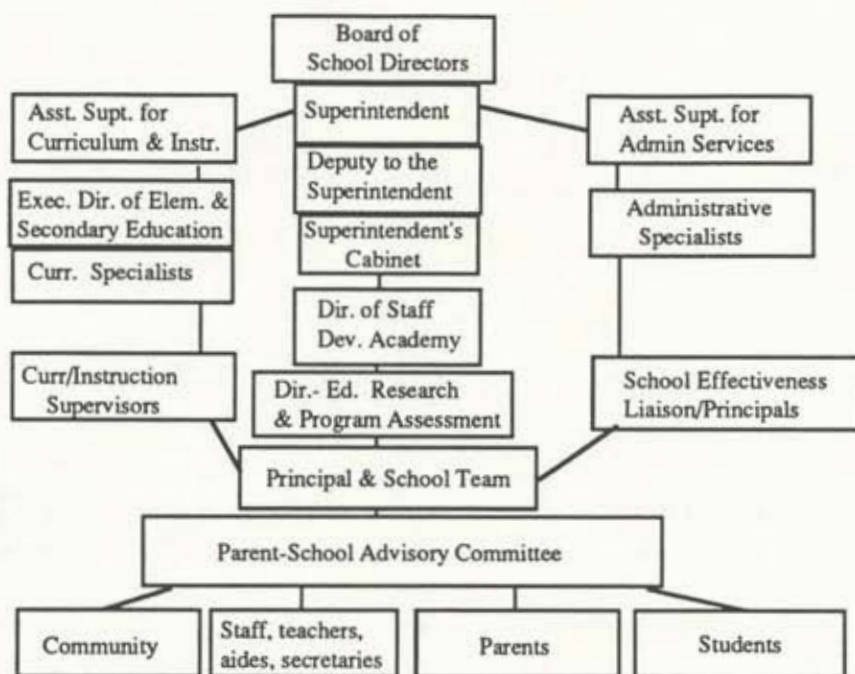
decades. As described in Chapter 1, schools with authority to make key decisions — particularly in matters of personnel, curriculum and budget — perform better than schools with substantial external control and regulation.

As early as 1967, MPS was advised to give schools more authority and responsibility.⁷² The theme, along with the other elements of research on effective schools, surfaces repeatedly in MPS documents describing new initiatives from 1967 to the present.

MPS first tried to apply effective schools research systemwide by requiring all schools to develop "school effectiveness plans" showing how they would develop the characteristics of effective schools.⁷³ The plans were to be developed by principals, who were to engage their staffs in setting specific goals and objectives, and submitted to the central administration for review. Principals were then to hold a 30-minute conference annually with the central administration to discuss results.⁷⁴

The theory behind the imposition of the planning requirement was to give schools more responsibility for results.⁷⁵ The process, however, gave schools no more flexibility or authority than they had had before, nor were the plans linked to consequences for failure to meet objectives or rewards for success. The prescribed structure for planning, reproduced in Figure 2.1 below, increased rather than lessened bureaucracy.

FIGURE 2.1 "Effective Schools Structure"⁷⁶



In 1987, the MPS Board launched a new effort to develop "school-based management" (SBM). The previous requirement for the school effectiveness plan remained in effect, along with other planning requirements.⁷⁷

The new initiative began as a pilot, available to schools who accepted the program requirements established by the MPS Board.⁷⁸ Chief among those requirements was an unvarying management structure which required a school to be governed by an SBM Council. The SBM Council was to

include: the principal; teachers from the school and, in addition, teachers who represented the teachers' union; parents; a community representative; a student representative; and a school staff representative. While the principal had some flexibility in determining the exact make-up of the Council, teachers had to be in the majority.⁷⁹

The powers of each school's SBM Council were restricted and those that existed were to be exercised through "shared decision-making" and "arrived at by consensus to the extent possible."⁸⁰ The councils were to "comply with all collective bargaining agreements" and to "adhere to rules, regulations, policies and procedures of the Board," with limited exceptions. The councils were authorized to exercise "shared decision-making" over a small portion of the school budget and some "curriculum areas" — including activities such as field trips, homework policies, recess schedules, report card format, and use of computers.

The board subsequently added to these rules the opportunity for schools to waive 47 district requirements by applying for each waiver desired and following specific procedures for exemption.⁸¹ Examples provide a glimpse of the highly centralized regulation that is the norm. The waivers included the ability to pay for field trips out of the school budget, the right to determine dates of competency tests, the right to display posters with advertisements judged to have educational value, the right to choose in-service days, the authority to approve teacher attendance at functions outside the school, and the right to purchase supplies up to \$2,000 directly from an approved outside vendor.⁸²

Schools choosing to participate in this reform⁸³ were assigned to varying "levels" of SBM according to their longevity in the program. Level I schools were new entrants; Level II participants had two years of experience. In theory, schools with more experience were to gain more flexibility. By 1991, MPS had SBM schools at five different levels, but central office departments were unaware of the distinctions among levels and had no written procedures defining them, a fact that led to ongoing confusion not just for the schools but for the central office as well.

The complexity of administering the program increased in 1988 when then Superintendent Peterkin proposed and the board approved a reorganization to divide the district into six regions, termed service delivery areas (SDAs). The proposal was based on recommendations from a consulting firm, which found "principals have little flexibility and resources" at the school level.⁸⁴ The stated purpose of the reorganization was to improve instructional support to schools and to expand school-based management.⁸⁵ In fact, many believed MPS reorganized simply to forestall a move by the governor and state legislature to break the system into smaller parts.⁸⁶

Subsequent evaluations of the reorganization into SDAs showed the change not only created considerable confusion about who was responsible for what, but did little to produce more school autonomy.⁸⁷ A 1990 report to Superintendent Peterkin noted MPS principals felt the reorganization had created another layer of bureaucracy and the principals' concerns that they had little input into the key budgetary process of staffing their schools.⁸⁸ Roughly a year later, "community superintendents" in charge of the new regions told school board members and administrators their decision-making authority was unclear and mandates from the central office often conflicted with their decisions or those of the schools.⁸⁹ Despite the confusion, the board mandated in June 1990 that all MPS schools use some form of shared decision-making by 1994-95.

In mid-1991, newly appointed Superintendent Howard Fuller proposed during MPS budget deliberations to eliminate the SDAs and redistribute most of the financial savings to the schools.⁹⁰ The board approved the change.

In the 1992-93 MPS budget, Superintendent Fuller proposed eliminating the complex and highly centralized method of developing school budgets and allocating resources to schools on a per-pupil basis, so schools could decide how to use the funding.⁹¹ This gave schools discretion over funds used for instruction, school administration, and supplies — but maintained central control over funding for transportation, custodial staff, security aides, exceptional education programs, and other categorically funded programs.⁹²

In addition to simplifying budgeting, the change required a funding shift among schools for two reasons. First, some schools received much more than others on a per-pupil basis. Second, high schools and middle schools received considerably more per-pupil than did elementary schools.⁹³ The board approved the proposal, adding some funding to the original proposal.

The board subsequently approved a policy to allow schools to keep any budget surplus and to require them to pay for any deficit out of their next year's budget. The results show how policies that provide consequences change behavior. For 1992-93, school deficits dropped to \$526,178 from \$7.4 million a year earlier. School surpluses available for carryover totaled \$2.9 million, up from \$1.1 million.⁹⁴ Despite the stunning results, the board promptly waived its own policy, forgiving schools with deficits half their shortfall.⁹⁵

Despite actions to give all principals more budget authority, the MPS Board did not eliminate the existing regulations for SBM schools, making it unclear whether all schools share the same operating policies and procedures and how MPS in fact would move to a system where all schools had similar authority and responsibility. The board policy manual now contains four separate requirements for school committees. Schools must establish a "school-community advisory committee" (1976), a "school planning council" to identify goals and measure educational effectiveness (1983), a site-based management council for SBM schools (1987), and a shared-decisionmaking group composed of parents and "school community representatives" (1992).⁹⁶

In the 1993-94 budget, MPS provided some additional autonomy to K-8 schools, authorizing them to take responsibility for the exceptional education programs in their schools. Overall, however, the pace of change slowed: the period for implementing more equal funding on a per-pupil basis was stretched from three to seven years and other funds spent at the school level remained the province of the central office rather than the schools. The board instituted a pilot program in just one school to demonstrate how broader decentralization would work.⁹⁷

MPS has done little to evaluate its version of school-based management. The available information suggests the program for SBM schools begun in 1987 has no specific correlation with academic achievement. For example, of 13 schools found to be "effective" in terms of steady improvements in student achievement, only two were SBM schools.⁹⁸ The result is unsurprising, given the lack of real school autonomy that accompanied this reform effort.

Lack of Accountability

An accountable organization takes responsibility for results. Where competition exists, customers impose accountability by choosing whether to buy the product or service, forcing organizations to focus on offering products they want or to fail. By contrast, MPS resists any form of competition that would shift power to parents or funding to non-MPS providers and seeks instead to guarantee its funding. For example:

- The MPS Board opposed the portion of Superintendent Fuller's "Strategy for Change" that would have provided such incentives — his proposals to expand choices for parents. At an August 1991 retreat, only three months after his

appointment, the board instructed Superintendent Fuller to put his plans for more options for parents on hold.⁹⁹

- On the recommendation of the MPS administration, the board opposed Governor Tommy Thompson's proposal to expand the Milwaukee Parental Choice Program (MPCP) because MPS would lose state aid.¹⁰⁰ The MPCP allows low income students to attend private, nonsectarian schools and provides a voucher equal to the state aid MPS would receive if the students remained at MPS.
- The board hesitated to consider proposals from private companies to contract with MPS to operate schools. In August 1993, the board's Committee on Instruction and Community Relations heard presentations from representatives of Education Alternatives Inc. and the Edison Project,¹⁰¹ both for-profit ventures. The committee took no further action to permit the firms to make specific proposals to MPS until December. Some Board members attributed the delay to the need to discuss the broad policy of contracting with for-profit companies.
- Four MPS superintendents have denied parents' requests to enroll their children in nonsectarian, private schools in the district, an option available under current law.¹⁰² Under this statute, MPS would be required to pay tuition at the school chosen by the parent.
- MPS argued against including Milwaukee in a legislative proposal that would allow parents to choose to send their children to any *public* school in the state.¹⁰³

Absent external pressure to perform, MPS is not able to produce internal accountability. For example:

- Poorly performing schools have faced few consequences, despite occasional talk of closing failing schools.¹⁰⁴ Sometimes, in fact, failure has meant more money.¹⁰⁵
- Few teachers face consequences for poor teaching.¹⁰⁶ Principals often conclude it is not worth the effort required to discipline teachers. Thus, poor teachers have been discouraged informally from returning to schools where they are not wanted and instead have been placed in other schools, resulting in what some MPS employees call the "annual dance of the lemons."
- Principals have been replaced on some occasions. However, because they are members of a union *and* enjoy tenure after three years, they in fact are rarely fired.¹⁰⁷ Instead, MPS sometimes uses its reassignment process in lieu of direct personnel actions, assigning some poorly performing principals to the central office and others to different schools.¹⁰⁸
- While student expulsions and suspensions have increased, students who wish to learn are still penalized by the minority who misbehave. For the 1992-93 school year, schools continued to report large numbers of incidents involving classroom disruption.¹⁰⁹
- The board spent more than a year debating whether to put the superintendent in charge of the entire district rather than maintain a dual reporting system by which some employees reported to the superintendent and others to the secretary-business manager.¹¹⁰ In early 1993, the board finally eliminated the dual reporting

structure, but replaced it with a new "Office of Governance Affairs," at a proposed additional cost of \$190,000.¹¹¹

These examples notwithstanding, MPS has asserted for years that it wishes to be held accountable for results. Actual experience shows this is not so. The district resists changes that would impose accountability and instead is paralyzed by what one administrator calls "the inability to propose a perfect measurement process." When it does measure, it substitutes the act of measuring results for taking responsibility for them. While sound and practical assessments of student performance and good program evaluation are important issues, it is hard to argue MPS needs more data to conclude it is failing many students. Such simple indicators such as dropout rates, grade point averages, course failure rates, and attendance tell the tale (see Chapter IV, pp. 31-36).

MPS Goals as Moving Targets

Perhaps the key indicator that MPS is not able to take responsibility for results is the practice of **setting and resetting goals**. A review of MPS planning documents shows MPS:

- **Regularly buys more time by announcing goals and objectives which it labels bold new initiatives to save the system, but which in fact repeat efforts that have already failed to produce results.** As Table 2.1 below shows, parental involvement plans, business partnerships, discipline plans, efforts to close the gap between minority and white achievement, and high goals for attendance and test results are standard fare.
- **Tends to measure activities, not results, in its annual assessments of accomplishments.** It is perhaps telling that for most of the 1980s, the most specific and consistent measurement in administrative reports of accomplishments to the MPS Board was the number of negative and positive inches of press the district had received during the prior year.¹¹²
- **Consistently imposes new requirements on schools rather than demonstrating any ability to free them from administrative burdens, thus reversing the lessons of research on effective schools.**¹¹³

Table 2.1, which follows below and on the next four pages, shows 10 years of MPS goals and objectives and accompanying comments by MPS officials. The table demonstrates how MPS asserts repeatedly that major change is needed while setting and resetting the same or similar goals.

TABLE 2.1 MPS Goals and Objectives, 1983-1992¹¹⁴

Date	Goals & Objectives	MPS Comment
1983-84	Annual school-effectiveness plans for all schools New academic & attendance standards Increased high-school graduation requirements Start "Academy for Staff Development"	"Far-reaching changes in MPS covering almost every aspect of the school system, were proposed ... Superintendent Lee McMurrin ... said the plans were aimed at both excellence and equity ... [M]any of the ideas have been recommended in several of the studies of American education published in recent months." ¹¹⁵

1984-85	<p>School effectiveness</p> <p>Computer literacy</p> <p>Parental involvement</p> <p>Better attendance/reduced dropout rate</p> <p>Expand Academy for Staff Development</p>	<p>Activities included:</p> <ul style="list-style-type: none"> • Project FOCUS at all middle schools • Project CARE at 10 high schools • Business partners for 27 schools • Computerized attendance system <p>"Most of the policy is already in place ... to move forward with the effective schooling strategy at all levels"116</p>
1985-86	<p>Close gap in achievement between minority/white students</p> <p>School-planning councils, with parental involvement</p> <p>Community involvement; 53 schools had business partners</p> <p>Implement new discipline plan</p> <p>Improve school attendance to 95%; cut dropout rate.</p>	<p>"Initial systemwide K-12 school effectiveness planning and implementation efforts have begun to yield impressive student outcome results"117</p> <p>"Three members of the Milwaukee School Board (Bills, Mallory, Cullen) want to 'turn the system upside down' in a search for ways to guide the city's schools into the 21st century ... by moving the power out of the Administration Building and into our schools, the three said in an eight-page paper."118</p>
1986-87	<p>Eliminate achievement gap in 10 years</p> <p>Reduced dropout rate; 95% of ninth graders will graduate</p> <p>Cut subject failures to 15% in five years and 10% in 10 years</p> <p>Each school to use parental-advisory council</p>	<p>"The major educational goal of MPS is to provide an effective educational program for each child ... [D]istrictwide K-12 school improvement efforts have begun to yield impressive student outcome results in terms of improved achievement, attendance and attitudes."119</p>
1987-88	<p>Set specific three-year goals to improve student achievement and behavior</p> <p>Give principals, teachers, and parents more power and change central role to support</p> <p>Improve testing</p> <p>Eliminate inequity in student achievement</p> <p>Develop a more effective student assignment process.</p>	<p>"Faced with what one School Board member (Mallory) called the need to restore confidence in MPS, the Board announced plans Monday for several far-reaching changes in the way schools are run"120</p> <p>According to one school-board member (Mitchell), "the Board and Administration spent months developing these goals and mission statements. We felt it was important to come together as a group and say what were concerned about [W]e know we are going to have to do something innovative."121</p>

1988-89	<p>MPS reorganized into six Service Delivery Areas (SDAs)</p> <p>Increase achievement through new K-12 curriculum; task force established</p> <p>Evaluate school assignment process</p>	<p>"Community Superintendents can be expected to play significant roles in bringing about increased student achievement [W]e can hold them <i>accountable</i> for demonstrating change and improvement in their schools [I]n the current structure, no one except the teacher and the building principal is held accountable for student achievement [T]his had to be turned around."¹²²</p>
1989-90	<p>Increase number of students scoring at or above average in reading and math to 50%</p> <p>Increase attendance to 95% at elementary and middle schools and to 90% at high schools</p> <p>Reduce annual dropout rate to 9%</p> <p>Expand school-based management (SBM)</p> <p>Narrow achievement gap between minority/white pupils by 10% each year</p> <p>Develop comprehensive evaluation system to report program-goal achievement and cost effectiveness</p>	<p>The goals for this year were part of a five-year plan submitted to the Department of Public Instruction under the settlement agreement in the desegregation lawsuit.</p> <p>"The years from 1989-90 saw the Superintendent fostering the decentralization effort ... unleashing massive reform in curriculum and staff development and restructuring of the academic focus of the district."¹²³</p>
1990-91	<p>Safe, orderly schools</p> <p>Increase percentage of national test scores at or above national average by 5% or more each year so that 2/3 will meet or exceed national average in five years</p> <p>Reduce academic-achievement gap by half (to 16%) in five years</p> <p>Reduce annual dropout rate to 95 or less</p>	<p>Goals came both from Superintendent Peterkin's "Milwaukee Promise," a new plan announced in August 1990, and a separate update to the older five-year plan.</p> <p>Commenting on the plan, one school board member (Mitchell) noted, "I know that locally, people have a lot of concern that we're not moving faster. It just takes time. We're ahead of the game, really. Just look at what Milwaukee has done. We've already put out our goals, and made a commitment to the community."¹²⁴</p>

1991-92	<p>Percentage of high-school students with a grade-point average (GPA) of 2.5 will increase to 50% from 36%</p> <p>High-school attendance will reach 90%; middle-school and elementary will reach 95%</p> <p>Annual dropout rate will decrease to 5%</p> <p>Staff-development activities will increase by 33%</p> <p>Third graders scoring at approximately state standard for reading will increase to 85%</p> <p>Students passing competency tests for high school will increase 20%</p>	<p>Goals are part of 1990-95 five-year plan. Notably, the board dropped the goal of reducing the achievement gap between minority and white students and replaced it with the goal that "the student population of all educational programs and student activities will reflect the academic, racial, socioeconomic, and gender diversity of the school system."¹²⁵ For 1990-91, MPS reported "the proportion of the male students was too high in exceptional education and too low in advanced courses and the Academically Talented Program. Too few minorities and low income students participated in enrichment programs and too many were enrolled in compensatory and remedial programs." Assessment: erasing long-standing disparities along ethnic and economic lines will require major efforts."¹²⁶</p>
1991-92 ¹²⁷	<p>Higher graduation standards; use of tougher math, writing tests</p> <p>More authority to schools</p> <p>Improved school climate</p> <p>Parental involvement through more choices (neighborhood schools, private-school options, and more alternative programs)</p> <p>Incentives: charter schools, plan to close failing schools, parent options, etc.</p>	<p>"The Milwaukee School Board gave Supt. Howard Fuller mostly good grades ... for his plans for opening the 1991-92 school year and his ambitious, long-term reforms of MPS [B]oard members' only significant disagreement ... came over his proposal for greater school choice for parents. In effect, he was told to put the idea on a back burner Fuller said such a plan ... would give schools a strong incentive to improve 'This can come later,' said Board member Mary Bills. 'First, we need to prove to parents that we're legitimate before we give them other options.' "¹²⁸</p>
1992-93	<p>Revision of specific goals in existing five-year plan (<i>see below</i>)</p> <p>Implementation of new parental-involvement/empowerment plan adopted in November</p> <p>Development of specific plan for accountability</p> <p>Comprehensive technology plan</p> <p>Revised school-effectiveness planning process</p> <p>Effort to pass facilities plan</p>	<p>"[A]s a system, we are failing to educate too many of our children [W]e need dramatic change," according to Superintendent Fuller.¹²⁹</p> <p>"When Howard Fuller was hired as Milwaukee school superintendent, he was expected to rescue a largely failing school system. But increasingly, administrators, teacher, and others — even members of the School Board that hired him — have dug in their heels."¹³⁰</p>

1993-94	<p>Revised 1993-95 goals, with five-year targets:¹³¹</p> <ul style="list-style-type: none"> • Close the achievement gap • Significant increases in student achievement • At least 85% of third graders will score above the state reading standard • The average GPA will increase to 2.00 • Graduation rate will increase • All students will engage in activities to prepare them for work 	<p>According to <i>The Milwaukee Journal</i>, "Reform has proved so slow and tedious, so great are the forces against it. The important thing is that the school system move in the right direction, even if it must do so an inch at a time."¹³²</p> <p>Superintendent Fuller said "the district needs to 'explode' old ways of thinking about how to prepare students for work and college, and about how to make them productive members of society."¹³³</p> <p>"Our job is to set the bar high. We need a system of accountability. This is not the case at this time but we're working on it."¹³⁴</p>
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The examples in this chapter show how, in the name of reform, MPS imposes new regulations on schools, initiates new project after new project without a strategy for achieving results, and sets and resets goals to defer the date when it must show improvement. Without accountability for results, MPS is unable to behave as an effective organization and instead diminishes its credibility and misuses its resources.

III. THE MPS BUREAUCRACY

Bureaucracy and regulation strangle schools. This chapter describes major elements of the MPS bureaucracy that impedes reform and demonstrates that MPS is unable to reduce bureaucratic control. In fact, the district produces more regulation in the name of reform. Both conditions persist because MPS does not need to get results to survive.

MPS bureaucracy impedes schools from developing the characteristics known to be linked to academic achievement. Major impediments fall into the following categories:

- **Rules and regulations linked to specific programs.** Often imposed by the state or federal government as a condition of funding, these requirements create a Balkanized system of separate programs that significantly increase the complexity of operating a school. To no small extent, the MPS Board has increased the bureaucratic load; its list of policies and requirements is so long that the schools and even the central administration have been unable to keep track of them, much less implement them.¹³⁵
- **Student assignment and busing.** Much criticism of busing has focused on the cost of transportation. In fact, this is only a small part of the impact of administering this program. It also impedes parental involvement, makes it more difficult to create a sense of school community, and diverts significant management time to non-educational issues.
- **Cumbersome and restrictive personnel practices.** The combination of civil service bureaucracy, state educational certification requirements, statutory tenure for teachers and principals, and contract provisions that work against school-based management reduces incentives and lessens authority at the school level.
- **A board that fails to exercise its real responsibilities.** Unencumbered by the need to get results, the board behaves erratically, setting policies it never enforces and entangling itself in minor administration affairs. Unwilling to cede power to the schools or to trust the people it hires, the board maintains control through regulation.

These impediments to performance continue even when central office staff is reduced. This is because staff reductions are usually driven by budget shortfalls, not by changes in how work is performed; this usually means fewer employees to administer an unchanged number of programs and regulations. The bureaucracy survives through ongoing hierarchical control and continued regulation imposed on the schools.

To expect those who work in the schools to abide by all of these regulations *and* to create effective schools — where school autonomy, parental involvement, staff collegiality, and high standards are the norm — is fanciful. The sheer volume of regulation saps the energy of employees by diverting resources to non-educational tasks. The fact that some principals and teachers succeed in spite of these barriers is a tribute to their resourcefulness and tenacity.

Specialized Programs Fragment the System

MPS participates in numerous state and federal program requirements, usually as a condition of funding. It also is governed by regulations in the areas of employment, facilities, accounting, environmental hazards, and so on. Taken together, these rules and regulations result in:

- **Ineffective use of resources.** The major programs, driven by separate funding streams, goals, and administrative requirements, tend to operate independently of one another. This fragmentation makes most tasks — school assignment, budgeting, school administration — more difficult.
- **Heavy reporting requirements.** The district — and in many cases, individual schools — must comply with separate reporting requirements to participate in programs. Excessive paperwork reduces instructional time available.
- **Loss of flexibility.** Many mandates are administered top down. For individual schools, the price of compliance is loss of flexibility in the use of time and funds.

For MPS and other Wisconsin districts, the common requirements are standards spelled out in the statutes and rules of the Department of Public Instruction (DPI).¹³⁶ The standards require activities, not results. They include, for example: state certification or licensing of most school personnel; remedial reading services; an annual staff development plan; a plan for students "at-risk;" instruction in health, physical education, art and music; five-year-old kindergarten; instructional materials reflecting cultural diversity; programs for the gifted and talented; and programs for education for employment.

DPI's rules for the education for employment program show how just one requirement can consume district resources and why regulation results in a loss of authority at the school level. Under DPI rules,¹³⁷ the school board must appoint a districtwide education-for-employment council to develop a long-range plan, which must be approved by DPI, based on "pupil needs and interests, equality of educational opportunity, labor market information, impact on economic development and job creation, employment needs, periodic follow-up studies of graduates, and an evaluation of current programs and staff development needs." All K-12 students must have "access" to a program providing basic skills, supervised work experience, career planning, and the practical application of economics, including "entrepreneurship education." The school board must then integrate this new program with existing programs — including the "at-risk" program, vocational education programs, and high school graduation requirements. Then it must coordinate the new program with vocational and technical institutes, job training programs, and other public school districts. The school board must also track pupil participation in the plan by race, sex, and disability. There is no measurement of whether all this produces results.

The statutes require DPI to audit districts for compliance with state standards at least once every ten years; districts failing to correct inadequacies could lose up to 25% of their state aid.

On top of the state standards are loaded other state and federal programs, each with their own requirements. Three major examples include:

- Chapter 1,¹³⁸ providing federal funds to school districts for programs to help underachieving students in schools with high concentrations of low income students. For 1993-94, MPS will receive approximately \$35 million in Chapter 1 funding.¹³⁹
- The Exceptional Education Needs (EEN) program, providing funding for programs for children with a wide range of learning and physical disabilities.¹⁴⁰ The MPS budget for the EEN program was \$58.7 million for 1992-93.¹⁴¹
- The Bilingual-Bicultural program, requiring districts with certain numbers of students with limited ability to speak English to provide instruction in their native

language.¹⁴² The state pays part of the cost of the program, budgeted at \$2.5 million for 1992-93.¹⁴³

Within the MPS central office, separate administrative units oversee each of these programs. These units distribute funding to the schools, monitor compliance with rules and regulations, and, in the case of the EEN and bilingual programs, also assign students to schools each year.

The Chapter 1 program provides one example of how these segmented funding streams affect schools and children. Most MPS schools receiving Chapter 1 funding must use these resources only for students who meet program requirements.¹⁴⁴ The result is that teachers paid with Chapter 1 funds to provide remedial reading and math assistance can help students in a school who meet the eligibility requirements, but not others who may need the same type of assistance. For principals and classroom teachers, this can be a frustrating and unproductive limit. (Teachers funded through the EEN program face similar restrictions. Children with disabilities insufficiently severe to qualify for the program aren't eligible for services and are frequently referred to as "gray area" children who simply fall outside various program requirements.)

While Chapter 1 requirements impose extra administrative work and loss of flexibility for many schools, it is not clear the program produces academic improvement. For 1993-94, 63 of the 72 MPS elementary, middle, and high schools in the program have been required to develop and implement a "Program Improvement Action Plan" because of lack of progress in at least one of the areas required to be measured.¹⁴⁵

These are not the only programs adding regulation, sometimes in return for funding. Others include: Wisconsin's P-5 program, providing funds for economically disadvantaged students;¹⁴⁶ the school-age parents' program;¹⁴⁷ technical preparation programs in each high school allowing students to attain advanced standing in vocational technical institutes;¹⁴⁸ programs for the gifted and talented;¹⁴⁹ and programs for children at risk because they are dropouts, frequently absent, or behind their classmates.¹⁵⁰ In addition to these state programs, the board has added its own mandates, such as SBM requirements, disciplinary policies, and school-assignment procedures.

With these programs come planning and reporting requirements for the district and for individual schools. A partial list of what schools must produce, includes, for example:¹⁵¹ a non-discrimination compliance report; data on children at risk; records on children in the bilingual program; records on children in the exceptional education program; a school effectiveness plan; a log of in-service events, including reports on training in human relations and multicultural education; test data for Chapter 1; test data for P-5 plus an evaluation report; and test data required by state standards. Schools must also produce attendance data, disciplinary incident reports, transportation records for each child, daily records of lunch and breakfast participation, a daily menu evaluation report and production record, Learnfare data, and immunization records. The district itself has additional planning and reporting requirements.

The workload imposed by these regulations and the inadequate tools to manage it have frustrated MPS employees for some time.¹⁵² A committee appointed to address this issue reported in 1988, "Given ... the relative ineffectiveness of our current systems of communication, we appear unable to make timely, accurate and reasoned decisions based on solid, factual data. Today's world turns faster than our paper-based, labor intensive systems. We need to rethink the tools and structures of educational administration. We need to recapture control over our time. We need to be able to manage our data in a way that makes us masters of our information and reports."¹⁵³ The problem persists.

Student Assignment and Busing

Few reform efforts have produced a burden as heavy as the student assignment process and related busing growing out of the 1976 court-ordered desegregation plan.¹⁵⁴ The impact is far larger than the cost of operating the buses.¹⁵⁵ The way in which MPS implemented its desegregation makes it far more difficult for schools to operate effectively. The process:

- Has impeded parental involvement by moving pupils to schools distant from their neighborhoods and, in some cases, to schools parents would not voluntarily choose. MPS has for years asserted that under the desegregation plan, most parents get one of the three schools they choose. But this result is based on MPS' advice to parents *not* to choose more than one of the citywide specialty schools (these are among the most attractive to parents), *not* to pick as second or third choices schools that usually have more applicants than seats, and, because attendance at neighborhood schools is not guaranteed, *not* to make attendance area schools second or third choices.¹⁵⁶ MPS calls these "inappropriate choices."¹⁵⁷
- Has required children to spend an *average* of 90 minutes on the bus each day.¹⁵⁸ This was reduced somewhat under a 1991 revision of the plan allowing more neighborhood school attendance and creating five busing regions to reduce travel.
- Diminishes the ease with which a school is able to build a sense of community by seriously limiting options to attend neighborhood schools and, conversely, by assigning to a school children from all over the city who may not wish to attend.¹⁵⁹ Unsurprisingly, some MPS principals cite this as a key impediment working against bringing children together, involving them in extracurricular activities, and involving their parents.¹⁶⁰
- Encumbers MPS with ongoing administrative duties having little to do with improving education. For the central office, the assignment process is complicated and time-consuming and makes more complex tasks such as determining enrollment in each school, assigning staff, organizing transportation, and keeping student records. Because the process is highly centralized and continues even after school opens, a school's ability to plan is limited while its paperwork is increased.

The plan's major legacy, in addition to the ongoing diversion of resources, is that it will be difficult and expensive to undo. This is because implementation of the plan produced too little space in neighborhood schools in the central city and more space than needed in the schools in outlying, mostly white neighborhoods. In mostly black neighborhoods in the central city, MPS lacks space for roughly 14,000 children, not counting those who choose suburban schools through Chapter 220 or those who choose citywide schools. In contrast, for at least 15 schools in mostly white neighborhoods, neighborhood children would fill less than half the school.¹⁶¹

This mismatch occurs because, during a 15-year period, MPS: 1) opened specialty schools in predominantly black attendance areas, displacing black children who lived there; 2) built new schools in outlying, mostly white neighborhoods without enough children to fill them; and, 3) closed and did not replace some schools in the central city. Without new facilities or other choices for parents, thousands of black parents will continue to be forced to bus their children and they, the district, and taxpayers will pay the considerable price.¹⁶²

MPS has recognized the drain on the district. The board asked then Superintendent Robert Peterkin to formulate a plan to meet a long list of sometimes conflicting goals, including a lessened burden on black students, controls on increasing costs, equity in school assignments, more choices

and information for parents, building a sense of community, simplifying the assignment process, and maintaining school desegregation.¹⁶³

This request resulted in a proposal, commonly known as the "Willie Plan,"¹⁶⁴ to split the district into two zones. The plan was rejected by the board after vigorous disapproval from parents. In 1991, the board adopted a proposal by Superintendent Fuller dividing MPS into five regions; requiring elementary school parents, except for those whose children won spots in specialty schools, to choose schools within the region in which they live; and allowing more students to attend neighborhood schools. A subsequent MPS facilities plan, rejected by voters in 1992, would have built more schools in underserved neighborhoods.

Essentially, MPS remains saddled with a plan of its own making that works against the development of effective schools.

Personnel Practices

In the area of personnel, MPS is fettered by rules, regulations, and contract provisions that restrict entry into the organization, stifle innovation, reduce the opportunity to reward merit, and provide significant job security. Notably, many of these regulations work against management at the level of the school by virtue of centralized and bureaucratic procedures. They include:

- State licensing requirements.¹⁶⁵ These include licenses for teachers, counselors, library personnel, psychologists, and other school personnel. School administrators, including principals, business administrators, and superintendents must also be licensed. Each licensee must meet specific course requirements, in most cases by participating in approved educational programs.
- Contracts with 13 bargaining units. In MPS, the management staff, including the principals, are members of a union as well as teachers, custodial staff, and others.
- Residency requirements for all MPS employees, except those hired before 1978.¹⁶⁶
- Tenure after three years for MPS teachers and principals. Once teachers gain permanent employment, they may be dismissed only for "inefficiency or immorality, for willful and persistent violation of reasonable regulations ... of the school system or school, or for other good cause," and they have a right to a hearing before the school board.¹⁶⁷
- The civil services rules of the City of Milwaukee, applying to most MPS employees who are not required to be licensed by the state as a condition of employment.¹⁶⁸ The city actually recruits, tests, and screens individuals for clerical and other positions and provides MPS with lists from which employees must be selected.
- Assorted affirmative action requirements, resulting from federal program regulations, the desegregation settlement agreement, contractual provisions, and board policies.

Abiding by all of these regulations inhibits MPS from developing the leadership it needs to succeed and impairs the ability of MPS schools to develop the sense of community and collegiality characterizing high performing schools. It is true that many teachers, principals, and other staff work harder than their contracts require. Overall, however, personnel practices operate to limit, not encourage, leadership and professionalism.

Consider the position of school principal. Effective schools research and common sense lead to the conclusion that the principal is the key leader of a school and a key member of management within a school system. An effective organization would seek ways to attract leaders with proven ability, expect them to function independently, provide incentives for achievement, reward them for results and, ultimately, remove them for incompetence.

Little about the job of principal at MPS matches this scenario. MPS principals are members of a union, the Administrators and Supervisors Council (ASC). They also enjoy tenure. They are paid according to a salary schedule established through collective bargaining; merit plays no role. Access to the job is limited by state licensing requirements; MPS principals are former teachers who become administrators after completing additional education courses. Very strong principals who demonstrate results do no better financially than their weaker counterparts. The handful who are removed from a school for performance reasons rarely leave the system, but are relegated to a central-office position or another school because the process of termination is considered extremely onerous, uncertain, and time-consuming.

The ASC represents supervisory staff other than principals, including most managers in the central office; exceptions include those appointed by the superintendent to a cabinet position. Under state law, MPS was not obliged to recognize the ASC, but chose to do so in 1971, thus ceding important management prerogatives.¹⁶⁹ The very existence of a union for management reinforces the tendency of some MPS managers to focus on such concerns as their rights, hours, and grievance process. Their contract, for example, provides that employees need not report to work in inclement weather unless specifically requested to do so.¹⁷⁰ In early 1992, when schools closed because of a predicted storm, Superintendent Fuller, to his surprise, found only a handful of managers at work by mid-morning even though the roads were clear.

Where the ASC has unionized management, the teachers' union imposes contractual provisions on schools and enforces them rigidly. The Milwaukee Teachers Education Association (MTEA), an independent union not affiliated with its state or national counterparts, is the most powerful union in MPS.¹⁷¹ It derives its power from the absence of competition to check its demands, the needs of its members to protect themselves from weak management, and a strong, centralized operation.

MTEA contract provisions provide another layer of regulation for schools. The 1990-92 contract between MPS and MTEA includes detailed provisions regarding:

- Starting and ending times. For example, elementary teachers have a seven-hour-and-five-minute day with at least an hour for lunch. Middle and high school teachers have a seven-hour-and-33-minute day with at least 50 minutes for lunch.
- Limits on other teaching duties. For example, elementary school teachers may be assigned up to three hours per week of extracurricular assignments without extra pay. Similarly, teachers may be required to attend not more than 2-1/2 hours per month of faculty and in-service meetings at their school.
- Compensation for tasks outside prescribed job duties. Teachers must be paid for supervision before and after normal working hours, help with extracurricular activities such as plays and concerts, filling in for an absent colleague, and supervising buses outside the normal workday.

Other contract provisions maintain centralized, rather than school-based, practices, limiting the personnel choices available to individual schools. The most significant of these is the provision guaranteeing seniority for teachers on a systemwide basis. Except in special circumstances, such as teacher cutbacks or issues relating to conduct, teachers assigned to a school cannot be

reassigned voluntarily. For those who do request transfers, preference is based on seniority, so a school seeking to fill a vacancy must take the senior teacher on the transfer list whether or not that person is the best teacher. But lack of freedom to choose the best teacher is not the only issue. Transferring teachers may be under informal pressure from school administrators and other faculty to leave a school because of performance issues.¹⁷²

This indirect method of dealing with personnel issues results in part from cumbersome contractual provisions for solving problems such as allegations of misconduct against teachers and grievances regarding the contract. The grievance procedure, for example, requires five levels, four of them out of the school: teacher and principal, teacher and department head, teacher and superintendent, teacher and school board, and then binding arbitration.

The MTEA works to enforce contract provisions rigidly. Recent examples include:

- Efforts to limit the number of black teachers at Berger Elementary School and Fulton Middle School, designated as African-American immersion schools, by enforcing a requirement that black teachers make up no more than 23% of the faculty.¹⁷³
- A complaint to halt a plan to establish a clinic in Hi-Mount Elementary School staffed by medical personnel to screen young brothers and sisters of Hi-Mount students.¹⁷⁴ The clinic is now based in the Girls and Boys Club in Sherman Park instead.
- An action to determine whether teachers at North Division remain union members after participating on a committee designated by Superintendent Fuller to manage the high school.¹⁷⁵

Other personnel practices in noneducational areas limit school-based management and effective use of resources. Maintenance personnel who work in the schools, for example, report to the central Department of Facilities and Maintenance Services (DFMS), which assigns them to schools according to the physical sizes of the facilities and the number of students in them.

The tasks assigned to maintenance staff in the schools — building service helpers, boiler attendants, and building engineers — are defined by job classifications and contract provisions. The result is sometimes an unproductive division of labor. A boiler attendant or building service helper, for example, can clean a kitchen exhaust fan, but an engineer cannot. Requests for repairs and minor maintenance are submitted to DFMS, where by virtue of sheer volume — some 80,000 per year, according to DFMS — they are backlogged. MPS is working through a newly constituted labor-management committee to improve department productivity.

Board Policies and Practices

The MPS Board is composed of nine members elected for four-year terms. Eight represent specific districts; one is elected at large. The board has broad oversight duties, including appointment of the superintendent, approval of a budget about as large as that of the City of Milwaukee, oversight of MPS operations, and responsibility for facilities.¹⁷⁶

In an effective organization, the board members' major role would be to set policy for the district and to ensure they hired and supported a chief executive capable of achieving their goals. They would delegate to their staff responsibility for achieving results and would hold the staff accountable.

The MPS Board as a whole, does not conform to this model. It lacks focus and shirks accountability. It is buffeted by public opinion, advocacy groups, and educational interests with a stake in public funding. Consequently, changes in individual board members mean little, despite the occasional election of strong members. Overall, board actions are characterized by:

- **Inability to focus on a consistent strategy for school improvement.** Absent any core philosophy as to why or how schools will improve, the board has lurched from reform to reform. Some, like the desegregation plan, have inflicted ongoing damage. Some, like the six Service Delivery Areas, were designed primarily to fend off outside intervention in MPS affairs and were short-lived, expensive diversions. And some, like school-based management, appear to stem from effective schools research, but in fact become the reverse of what they seem. In 1992, a consulting firm retained to recommend ways improve efficiency found the board had no documented strategic plan. The report noted Superintendent Fuller had introduced a strategic plan earlier but that his plan had not been "completely interfaced with the vision of all Board members."¹⁷⁷
- **Willingness to substitute words for actions.** For many years, the MPS Board has said it wishes to be held accountable for results. But faced with declining performance, the board repeatedly has introduced a new plan and moved the deadline for improvement ahead. Between plans, individual board members repeatedly have cited "window(s) of opportunity," "wake-up calls," and "last chance(s) to succeed."¹⁷⁸ This will continue so long as it pacifies the community.
- **Distrust of district staff.** Lacking incentives to hold individuals accountable for results, the MPS Board reverts instead to the recurring theme of distrust of staff, a behavior that saps morale and inhibits risk-taking.¹⁷⁹ From this distrust came the prolonged debate over whether to eliminate the structure under which two top administrators reported to the board and instead to make the superintendent the sole administrator reporting to the board. Some board members agreed to the change reluctantly, expressing the belief that having two top administrators reporting to the board provided "checks and balances" for the district.¹⁸⁰
- **Control through increased regulation.** Given its distrust of staff and absence of a strategy, the board maintains control through regulation and involvement in detail.¹⁸¹ A review of any monthly board calendar shows that much board work is unrelated to policy. Board members regularly review such items as: appointments, promotions, leaves, and other personnel issues; school name changes; requests to use schools for non-MPS activities; and other administrative matters minor in the context of so large an enterprise. Board members also serve as the final review body for student and teacher disciplinary actions, adding hours of hearings to their regular meeting schedule. Board members themselves believe they spend excessive time on insignificant matters.¹⁸²

In theory, the public holds the board accountable for results through periodic elections. In fact, this is not a system that has led to improved academic results. The district lacks the incentives to remove or reduce major impediments to the operation of effective schools: fragmented funding sources for multiple programs, the ongoing impact of the district's desegregation plan, personnel practices discouraging any innovation and leadership, and a governing body without incentives to focus on results. These conditions impose a heavy and continuing burden on MPS by diverting resources from educational purposes.

IV. WHY MPS WILL CONTINUE TO FAIL

MPS will continue to function ineffectively so long as the system lacks the accountability for results. This chapter: 1) summarizes the differences between MPS and effective organizations and schools; and concludes 2) that the primary reason these differences exist is that where most organizations must perform to survive, MPS need not; 3) that given this difference, MPS behaves in highly predictable ways that will not change until it has more incentives for performance; and, 4) that the decline of MPS will continue, unabated by reform efforts and increased spending, until the system faces and reacts to incentives to perform.

Effective Organizations and MPS

Effective organizations and MPS have little in common. Research and experience show successful organizations — and effective schools — are purposeful, focused, attentive to the people they serve, flexible, and able to innovate. To succeed, effective organizations must be less bureaucratic and more capable of sustained improvement than ever before.

By contrast, while MPS asserts its purpose is to educate children, the goals MPS sets are meaningless and unmet, and MPS lacks the structure and strategy to achieve them. MPS remains bureaucratic and resists change. Table 4.1 below compares effective organizations to MPS.

TABLE 4.1 Effective Organizations versus MPS

Effective Organizations	MPS
Define clear purpose which drives goals, strategy, structure, and measure	Asserts purpose is to provide excellent and equitable education
Set goals to achieve purpose	Sets and resets goals, sometimes without plans to implement them
Develop increasingly decentralized structure to achieve goals, to provide flexibility and timely decision-making at levels closer to customer	Controls through centralized bureaucracy; imposes "reform" from the top through new regulations.
Seek performance measures providing comparisons to high achievers and/or set high standards	Establishes performance measures, but fails to relate them to purpose or strategy to achieve purpose
Make changes when performance declines; do not blame customers	Seeks more money when performance declines; blames students and parents.
Develop methods of continuous improvement	Inhibits change through regulation, standardized process, and controls
Seek most effective way to operate; for example, contract out and purchase services when they benefit organization	Resists new ways of providing educational services, particularly those giving parents more options.

These differences assume increasing importance as more intense competition heightens the need for organizations to be productive, flexible, and innovative in providing products and services customers want and drives the growing need for workers who use information and knowledge in their jobs. Many organizations are making massive changes to survive: flattening and restructuring their organizations, increasing productivity, and developing new ways to increase organizational flexibility and innovation.

The rapidity and degree of this change is in sharp contrast to the lack of improvement at MPS. The bureaucratic model created to serve the needs of the Industrial Revolution is alive and well at MPS. Bypassed by near-revolutionary changes in the workplace, MPS continues to try to achieve educational reform without reforming the very organization that impedes it. As an organization, MPS is a dinosaur left in the dust.

The MPS bureaucracy and the characteristics accompanying it are major impediments to the development of effective schools because they discourage development of the very characteristics known to be associated with successful schools: autonomy, high expectations, strong parental involvement, high teacher morale, and focus on educational goals. Not only does bureaucracy sap the authority and responsibility schools need to perform, it drains resources from educational purposes to administer rules and regulations. As the history of MPS reform shows, bureaucracy breeds more bureaucracy. New programs begin, but old ones don't die. This diminishes not only the productivity but the credibility of the institution.

Why MPS Won't Perform

The most significant barrier to reform of MPS is the absence of accountability for results to children, parents, and taxpayers. For most organizations, achieving their purpose is necessary to survive, causing them to focus on results, to change, innovate, and improve.

MPS can survive without achieving its stated purpose of educating children because it is a publicly funded monopoly with captive customers for whom it receives funding whether or not it meets its stated goal of educating children. As the record shows, the lack of accountability for performance causes MPS to:

- **Act most vigorously to preserve its guarantee of funding, not to improve academic performance.** MPS has generated ever higher levels of financial support while its performance declines.
- **Blame failure primarily on others, including those who receive its services, rather than examining and changing its own practices.** Undeniably, some factors are outside its control; many others, however, are not.
- **Resist the consequences for success and failure that produce accountability for results.** Instead of developing incentives, MPS fends off critics by announcing new goals and deferring the deadline for improvement.

The guarantee of funding regardless of performance also allows: unions far more powerful than their private counterparts; a school board unable to function as a board of directors responsible for a major enterprise; key leaders — principals — who are members of a union and enjoy the protection of tenure; and a bureaucracy incapable on a sustained basis of delegating authority and simplifying process.

These institutional characteristics impede the very goals some MPS Board members *say* they espouse: improved academic achievement; an egalitarian system that offers real opportunity and similar resources for each child, regardless of race or socioeconomic status; the pluralism allowing different schools to offer diverse opportunities; and a system of education where individual schools truly have the responsibility and authority giving them the freedom to succeed.

The Predictability of MPS Behavior

As an organization, MPS behaves in highly predictable ways and will not change so long as it lacks external incentives to perform. This is the critical issue in assessing how to improve performance.

For the past decade, civic organizations, parents, taxpayers, and the media have called on MPS to hold itself accountable for performance. MPS has proven itself incapable of doing so by repeatedly setting lofty goals, restating them when performance declines, and resisting real incentives for performance or consequences for failure. This is not surprising. In no arena other than public education is a monopoly — public or private — expected to develop the characteristics of a successful organization, for the simple reason that a monopoly does not depend on performance to survive and thus has little need to improve. Years of failed reforms demonstrate MPS is no exception.

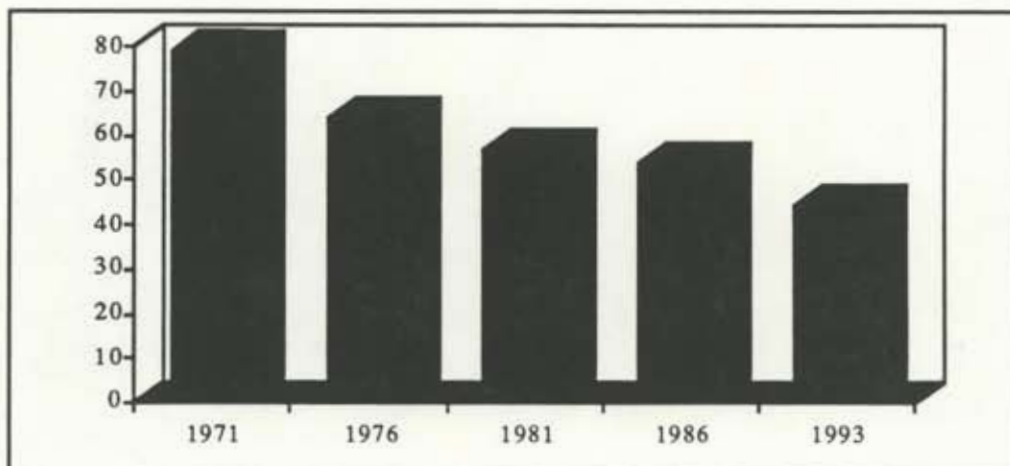
Lack of accountability is a problem with the system, not the people. The longstanding inability to implement reforms that work demonstrates that tinkering with the current system won't work. Without externally imposed accountability for performance, MPS has few incentives to address barriers to improved academic achievement.

The Failure of MPS to Perform

There is no longer any doubt that decades of reform efforts and increased spending have failed to improve MPS performance. By almost any measure — academic achievement, productivity, parent and taxpayer satisfaction — MPS continues to fail to meet the goals that it sets. The magnitude of the failure stands in stark contrast to the assertions of MPS leaders less than a decade ago that children in MPS performed above the national average, a contention based on a misleading method of reporting test scores.¹⁸³

Academic achievement. Indicators of academic achievement show that fewer students graduate and those who do have a grade point lower than C. Figure 4.1 below shows the decline in graduation rates since 1971. The percentage of a freshman class graduating four years later has fallen from 79% in 1971 to 44% in 1993.

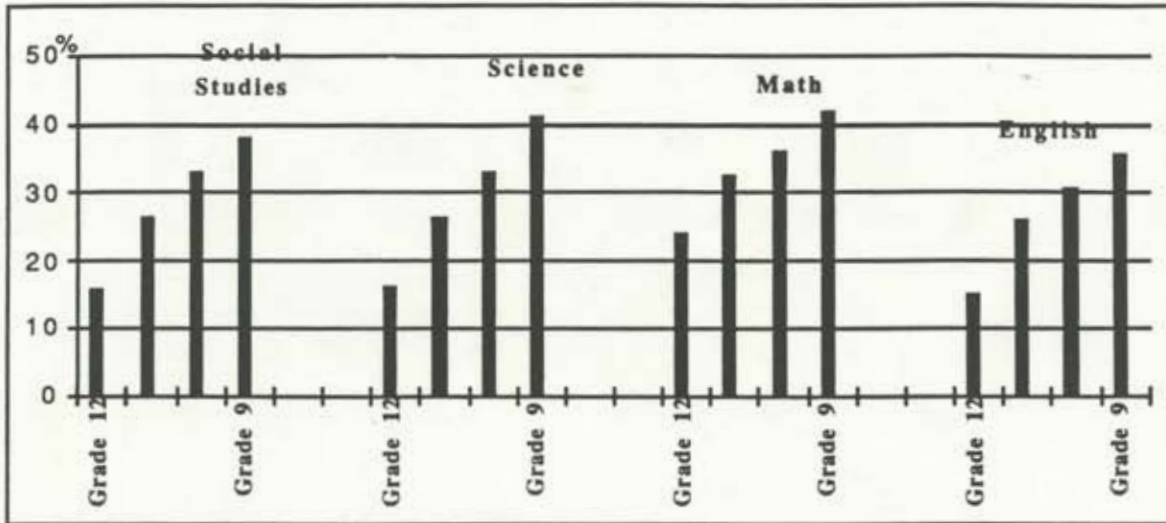
FIGURE 4.1 MPS Graduation Rate, 1971-1993¹⁸⁴



Students who did graduate at the end of the 1992-93 school year had a GPA of 1.66 on a scale of 4, an average remaining steady during the past decade.¹⁸⁵ Depending on your perspective, that is a C- or a D+. The most-frequently earned grade at MPS is a D.

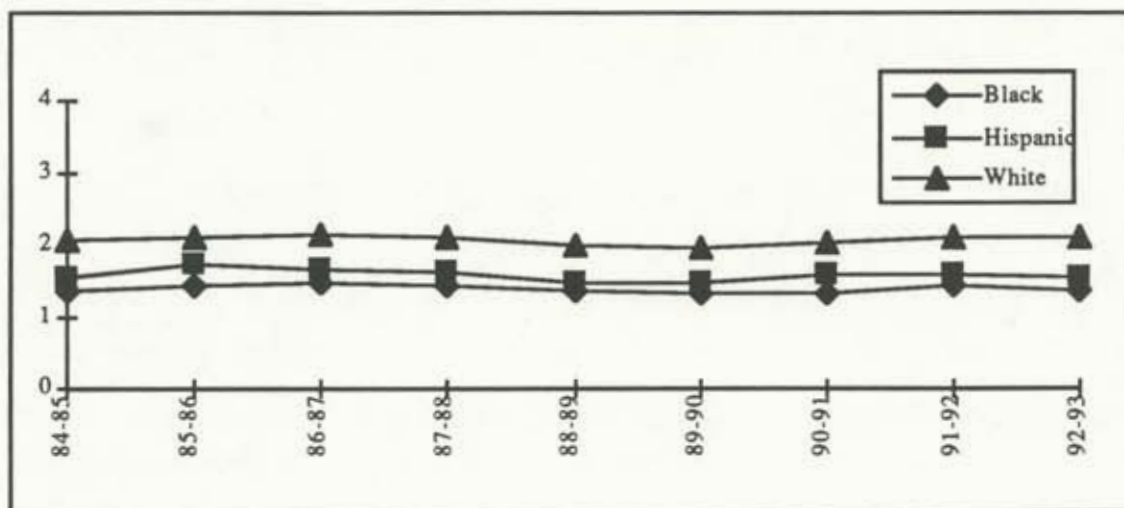
On average, nearly one in three high-school students fails each course. Figure 4.2 below shows course-failure rates for the first semester of 1992-93 by subject and grade. Among freshmen, the average failure rate for all courses is nearly 40%. By senior year, when many students have dropped out, the average failure rate drops to about 18%.

FIGURE 4.2 MPS Course Failure Rates, First Semester 1992-93¹⁸⁶



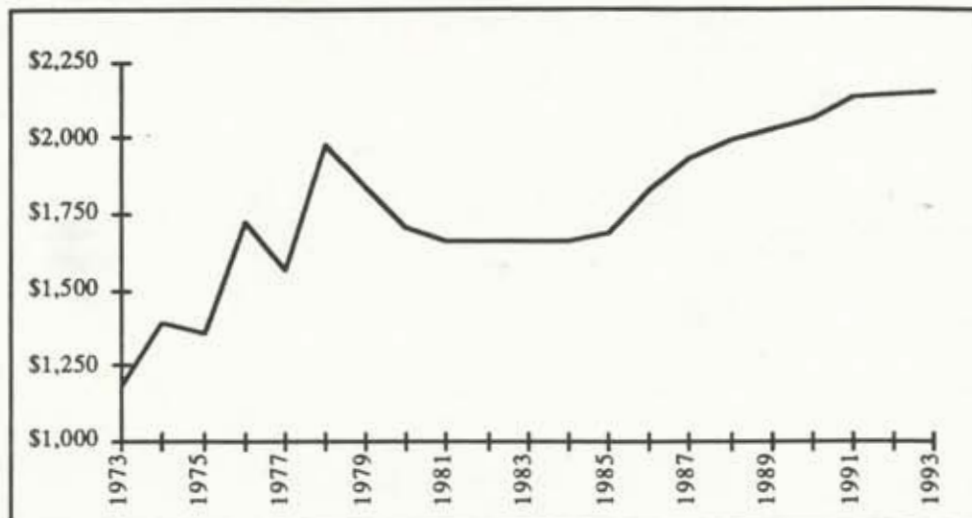
Average grade points and course-failure rates mask an unchanging gap in achievement between minority and white students. Figure 4.3 below shows grade-point averages for black, Hispanic, and white students from 1984-85 through 1992-93 on a four-point scale. In some schools, half to three-quarters of minority students fail the courses they take.

FIGURE 4.3 GPAs for Black, Hispanic, and White Students, 1984-85 through 1992-93¹⁸⁷



Funding increases. As academic achievement has declined, costs have increased. In 1973 dollars, per-pupil spending rose from \$1,179 in 1973 to \$2,155 in 1993, a real increase of 82%. Enrollment during that period fell from 128,734 to 94,301. Figure 4.4 below shows the increase in per-pupil spending with the effects of inflation removed.¹⁸⁸

FIGURE 4.4 MPS Expenditures Per Pupil Adjusted for Inflation, 1973-1993¹⁸⁹



Other measures of dissatisfaction. Parents and taxpayers have expressed significant dissatisfaction with MPS. For example:

- A 1990 survey¹⁹⁰ conducted for the MPS Board of School Directors showed 45% of city residents surveyed thought MPS schools had "gotten worse" during the past five years; the most frequently given reason was lack of discipline. Sixty-six per cent said they would move their children to another school if given a \$3,500 voucher, and 72% said they believed private and parochial schools offered a better education. Nearly one in three knew someone who had left the city during the past two years; "poor schools-teachers" led the list of reasons.
- A 1992 survey¹⁹¹ showed 89% of respondents rated MPS unfavorably. Twenty-nine per cent thought a "complete overhaul" was needed, and an additional 43% favored major change.
- A program offering scholarships to low-income children¹⁹² received 4,094 applications during its first year of operation. Of the 2,089 scholarships, 1,151 were awarded to students new to private schools and 938 were awarded to children already attending private schools.¹⁹³
- Demonstrating a lack of confidence in MPS, voters defeated a \$474 million facilities plan by a three-to-one margin in a spring election drawing an unusually high turnout. The 10-year plan would have funded deferred maintenance eased elementary overcrowding, built schools in neighborhoods where children are bused because of space shortages, lowered class sizes at early grade levels, and provided funds for vocational technical education.

Reversing the Decline

Avoidance of the simple question of why a publicly financed monopoly will transform itself has distorted public debate about reform and encouraged acceptance of new "reforms" no more likely to succeed than those described in Chapter II.

In the meantime, MPS remains untouched by what is known about effective organizations and the incentives that propel them to succeed. MPS continues to resist incentives causing effective organizations to improve performance. Instead, it continues to offer failed strategies in the guise of new plans and asserts it needs more funding to implement them. This produces severe inequities in the quality of education available to children without the resources to leave the system. To stop this cycle, MPS must:

- Face the fact there are no superstars who will be able to reconstruct the system *from within*. The last two superintendents — Dr. Robert Peterkin and Dr. Howard Fuller — each have been heralded as individuals capable of saving the system, only to confront its intractability.
- Halt the practice of reapplying failed strategies with new names, admit monopolies are not effective organizations, decide how to preserve public accountability without a publicly financed monopoly, and take actions to create the conditions for effective schools.
- Support internal changes in MPS that will release the energy of its people by providing more school autonomy and reducing regulation.

V. THE NATURE OF REAL REFORM

MPS lacks organizational incentives to produce improved academic results. This is why years of effort in the name of reform have failed to improve performance. Without changes leading to an effective organization, this failure will continue.

Chapter I shows how effective organizations focus on results. They use goals, strategy, and structure as means to achieve objectives. Performance is a requirement of survival. National and international competition have accelerated the pace of organizational change, increasing the emphasis on productivity and innovation and decreasing bureaucracy.

Chapters II and III show MPS, by contrast, is not capable of instituting reform leading to improved academic achievement. Instead, it protects the status quo — a highly bureaucratic system — even in the face of declining performance. Chapter IV concludes the barrier to real reform is the system itself. Unaccountable for results, MPS lacks incentives to improve.

The history of reform efforts at MPS demonstrates that strategies that don't change the way the system works won't improve it. Instead, they delay improvement by diverting resources from the real issues. The record shows:

- Reform efforts intended to allow MPS to hold itself accountable by giving the board power to close failing schools, contract for services, or start charter schools are by themselves insufficient. MPS has demonstrated it will not actively fight for or effectively use such tools absent any impetus to change.
- Initiatives such as the new "school-to-work" plan recently approved by the MPS Board will be converted by the bureaucracy into new rules and regulations, repeating the pattern of efforts to achieve school-based management.
- Actions to break the system into smaller pieces will result in more, not less, bureaucracy, repeating the experience of the Service Delivery Areas. They change nothing about the way the organization works.
- Proposals to add funding aimed at isolated elements of the system — class size or funding for staff development, for example — have been tried and do not lead to more effective schools on a systemwide basis.
- Expectations that individuals — superintendents or others — can save the system without changing the system itself are misplaced. Reliance on such expectations underestimate the pressure the system exerts to maintain the status quo.

Real reform must produce accountability for results by allowing parents to choose the schools, public or private, their children attend. This will:

- Create the critical condition for performance that does not exist now — the need to satisfy those who receive and pay for the services MPS provides.
- Liberate hard-working, innovative educators and reward them for creating schools attracting parents and students.
- Produce intrinsic and meaningful accountability to parents, a far more powerful impetus to change than more bureaucratic regulation.

Letting parents pick schools is the first and necessary step to reshaping organizational incentives and producing a focus on performance. Only if this first step is taken will MPS begin to demonstrate the characteristics of effective organizations by making the internal changes leading to improvement. Creating a performance-based system will provide incentives for MPS to:

- **Encourage innovation and competition** by providing more options to parents and comparing the benefits of buying educational and other services versus providing them directly. This might lead to establishing independent charter schools, hiring teachers in private practice, and contracting for school management or other specialized educational services.
- **Treat principals as key leaders in the system** by providing significant financial incentives for performance, treating principals as management rather than union members with the consequent authority and responsibility their positions require, and opening the position to persons with proven ability to lead.
- **Decentralize the system** by placing more responsibility and resources at the school level, by providing the tools — authority to budget, hire and fire, and develop curriculum — to get the job done, and by dismantling most of the central administration.
- **Work to simplify existing regulations** complicating or precluding the ability to improve academic achievement.
- **Set high standards of performance** against which all schools are measured.
- **Provide parents with information about all of their options** to improve parents' ability to make sound choices.

As Chapters II and III demonstrate, these changes won't occur within the current system even when the MPS leadership asserts they should. Instead, the district will continue to control through regulation, place job security for its members before incentives for performance, and avoid accountability to parents, students, and taxpayers.

In the context of organizational behavior, customer, or parent, choice is not a radical prescription for reform. On the contrary, what is radical is a defense of the monopoly as a viable structure for change. Nonetheless, any proposal for customer choice in education will continue to be stoutly resisted by those who argue that a market-driven system will destroy public education and who offer business as usual in the name of change. To them falls the responsibility of demonstrating why and how we should expect a failing public monopoly to transform itself into a successful organization.

NOTES

- ¹ MPS data showing graduation rates and per-pupil spending in 1973 dollars, graphed at intervals to show trends. For more specific data, see Figure 4.1, *infra* p. 35; Figure 4.4, *infra* p. 37.
- ² The author's experience includes consulting work at MPS during an 18-month period beginning in June 1991. Subsequent footnotes identify specific issues on which the author worked.
- ³ Management authority Peter F. Drucker's notes that in "budget-based" institutions such as MPS, the goal of obtaining the budget is incompatible with efficiency and effectiveness and in fact produces the temptation to respond to lack of results by redoubling ineffective efforts. Peter F. Drucker, *People and Performance: The Best of Peter Drucker on Management* (Harper's College Press, 1977), pp. 136-138.
- ⁴ See *Large-Scale Organizational Change* (Jossey-Bass Publishers, 1989) for a collection of articles describing the impact of consequences, rewards and recognition on organizational behavior.
- ⁵ British economist Charles Handy offers as a caution to those who fail to understand the magnitude of change underway the following anecdote: "I like the story of the Peruvian Indians who, seeing the sails of their Spanish invaders on the horizon, put it down to a freak of weather and went on about their business, having no concept of sailing ships in their limited experience. Assuming continuity, they screened out what did not fit and let disaster in. I like less the story that a frog if put in cold water will not beat itself if that water is heated up slowly and gradually will in the end be boiled alive, too comfortable with continuity to realize that continuous change at some point may become intolerable and demand a change in behavior." Quoted in Charles Handy, *The Age of Unreason* (Harvard Business School Press, 1989), p. 9.
- ⁶ For extensive discussions of these changes and their consequences, see Tom Peters, *Liberation Management* (Alfred A. Knopf, 1992); Handy, *The Age of Unreason*, *supra* note 5; Rosabeth Moss Kanter, *When Giants Learn to Dance* (Simon & Schuster, 1989); Peter F. Drucker, *The Age of Discontinuity* (Harper & Row, 1969).
- ⁷ Peter F. Drucker, "The Rise of the Knowledge Society," *Wilson Quarterly*, Spring 1993.
- ⁸ *Ibid.*
- ⁹ *Ibid.*
- ¹⁰ *Ibid.*
- ¹¹ For an account of changes underway in the health-care industry, for example, see "Health-Care Industry Is Now Restructuring; With It Comes Pain," *The Wall Street Journal*, June 16, 1993.
- ¹² Service industries are finally "making great strides in getting work done with fewer employees, mainly because of the advances in technology." "Service Jobs Fall as Business Gains," *The New York Times*, April 18, 1993.
- ¹³ Handy, *The Age of Unreason*, *supra* note 5.
- ¹⁴ Peters' 1982 book, *In Search of Excellence*, extolled the virtues of large manufacturing companies and suggested models for effectiveness. Five years later, in *Thriving on Chaos*, he suggests that there are no excellent companies and advocates flexibility. His latest book, *Liberation Management* (Alfred A. Knopf, 1992) suggests readers view products as "fashion" and learn to liberate employees through "necessary disorganization." His work provides a good example of the difficulty that the "experts" face in explaining how to cope with the enormous changes underway.
- ¹⁵ "The CEOs of Wisconsin," *The Business Journal*, March 27, 1993. Examples of key issues cited are "competition, particularly from unregulated independent power producers" (Richard Abdo, Wisconsin Energy Corp.); "Keeping pace with the rapid pace of technology ..." (Calvin Aurand Jr., Banta Corp.); "Being competitive on a world basis ..." (Michael Batten, Twin Disc); "Being competitive. The utility industry is changing from a regulated monopoly to a regulated competitive business..." (Daniel Bollam, Wisconsin Public Service Corp.); "The challenge will be competing globally with foreign competition ..." (Jeffery Grade, Hamischfeger Corp.); "Managing in times of rapid change" (Thomas Hefty, United Wisconsin Services Inc.); "remaining competitive in the face of Asian competition; opening the growing Third World markets; overcoming Washington's impending new bureaucratic doctrine" (Michael Koss, Koss Corp.).
- ¹⁶ Survey by BDO Seidman of area executives of companies with annual sales of \$2 million to \$100 million, April, 1993.
- ¹⁷ From the April 1993 newsletter of the Metropolitan Milwaukee Association of Commerce.
- ¹⁸ See "The CEOs of Wisconsin," *supra* note 15. For example, a key issue for Firstar is "reforming the regulatory constraints to allow banking to be competitive both domestically and internationally in the financial services industry" (quoting Roger Fitzsimonds, Firstar Corp.).
- ¹⁹ "Wis. Bell's Allen to lead Illinois Bell," *Milwaukee Sentinel*, June 17, 1993.
- ²⁰ *Milwaukee Sentinel*, June 9, 1993.
- ²¹ Speech to Milwaukee-area executives on "Business Outlook," June 3, 1993.
- ²² "Power Plant Bidding May Threaten Wisconsin Electric Deal," *Milwaukee Sentinel*, June 15, 1993.
- ²³ "Europe's Telecom Monopolies Transform," *The Wall Street Journal*, June 19, 1993.
- ²⁴ In May, 1993, for example, France announced it would privatize 21 of its largest state-owned companies. "A French Lesson for Clinton," *The Wall Street Journal*, May 28, 1993.

- ²⁵ Job losses totaled 72,000 at Eastman Kodak, 13,000 at Siemens, 27,000 at Daimler-Benz, 40,000 at Philips since 1990, 25,000 this year at IBM after 40,000 in 1992. *The Economist*, April 3, 1993.
- ²⁶ General Electric CEO Jack Welch found that the major threat to revenue growth was "the company's highly organized bureaucracy — the pitiless enforcer of scientific management — and the corporate culture that sustained it. Once-useful means of disciplining the organization had started to strangle the business." Quoted in Noel M. Tichy and Stratford Sherman, *Control Your Destiny or Someone Else Will* (Doubleday, 1993), p. 6.
- ²⁷ Based on discussions of bureaucracy and emerging organizations in Handy, *The Age of Unreason*, *supra* note 5; Rosabeth Moss Kanter, *When Giants Learn to Dance*, *supra* note 6; Robert H. Waterman, Jr., *The Age of Renewal* (Bantam Books, 1987); George S. Odion, *The Change Resisters* (Prentice-Hall Inc., 1981).
- ²⁸ Kanter, *When Giants Learn to Dance*, *supra* note 5, p. 354.
- ²⁹ Charles Handy, in *The Age of Unreason*, *supra* note 5, defines several new forms of organization. One is a "shamrock" organization composed of three segments: 1) a core of essential executives and workers; 2) outside contractors; and 3) part-time help. Those in the first leaf — professionals, technicians, and managers — are essential because they own organizational knowledge. In the second leaf are organizations under contract who are paid for results, not time, and who service those in the first leaf. In the third leaf is a flexible, part-time labor force.
- ³⁰ Peter F. Drucker, *Managing for the Future* (Truman Talley Books/Dutton, 1992), p. 275.
- ³¹ In Milwaukee, for example, five of the new businesses on the list of fast-growing "Future 50" companies provide such contracted services, according to the Metropolitan Milwaukee Association of Commerce. Contract services now account for 20% of Manpower's business, up from eight per cent two years ago. "More Workers in the U.S. Are Becoming Hired Guns," *The New York Times*, August 14, 1992.
- ³² George Dalton, CEO of Fiserv Inc., provides an example of this and the preceding point. He ran the data-processing department of a local bank as a profit center before he went on to found his highly successful provider of information-management services to financial institutions. *The Business Journal*, March 27, 1993.
- ³³ The program, instituted by Milwaukee Director of Budget and Management Anne Spray Brooker, is called the Internal Services Improvement Program and is intended to free city departments to become more competitive and customer oriented.
- ³⁴ Temporary agencies supply 1.5 million workers daily, triple the volume of a decade ago, according to John Naisbitt's "Trend Letter," September 1993.
- ³⁵ ProStaff Inc. provides workers with health benefits, according to President Susan Marks.
- ³⁶ Copying the Japanese hasn't worked for some manufacturing companies. See "Some Manufacturers Drop Efforts to Adopt Japanese Techniques," *The Wall Street Journal*, May 7, 1993. The Japanese themselves have already moved beyond quality circles. See Drucker, *Managing for the Future*, *supra* note 30.
- ³⁷ "Re-engineering" includes such methods as work teams, by which individuals are trained to do multiple jobs — pushing down decision making authority, simplifying and speeding work. "Re-engineering Gives Firms New Efficiency, Workers the Pink Slip," *The Wall Street Journal*, March 16, 1993.
- ³⁸ "Mining Money in Mature Markets," *Fortune*, March 22, 1993.
- ³⁹ Tichy and Sherman, *Control Your Destiny or Someone Else Will*, *supra* note 26.
- ⁴⁰ Alexander Hiam and Charles D. Schewe, *The Portable MBA of Marketing* (John Wiley & Sons, Inc., 1992).
- ⁴¹ "Dare to Compare for Better Productivity," *HRM Magazine*, September 1992.
- ⁴² Peter F. Drucker, "We Need to Measure, Not Count," *The Wall Street Journal*, April 13, 1993 (we need to go further than "activity-based accounting" — particularly in schools, hospitals, and other service enterprises).
- ⁴³ "For IBM, A Template for Change in a Spinoff," *The New York Times*, March 29, 1993.
- ⁴⁴ Peter F. Drucker, "Don't Change Corporate Culture, Use It," *The Wall Street Journal*, March 28, 1991.
- ⁴⁵ "Ritz-Carlton's Keys to Good Service," *The New York Times*, March 31, 1993.
- ⁴⁶ General characteristics are drawn from national research on effective schools, including but not limited to John E. Chubb and Terry Moe, *Politics, Markets, and America's Schools* (Brookings Institution, 1990); Herbert J. Walberg and John J. Lane, eds., *Organizing for Learning toward the Twenty-first Century* (National Association of Secondary School Principals, 1989); Gilbert R. Austin and Herbert Garber, eds., *Research on Exemplary Schools* (Academic Press, Inc., 1985); and from the extensively researched "Report of the Study Commission on the Quality of Education in the Metropolitan Milwaukee Public Schools" (1985).
- ⁴⁷ See, for example, *Education Week*, September 15, 1993, p. 24 (citing 1993 American Legislative Exchange Council study finding no correlation between spending and performance); Eric A. Hanushek, "The Economics of Schooling: Production and Efficiency in Public Schools," *Journal of Economic Literature*, September 1986 (summarizing studies of the relationship between resources and academic achievement); "Report of the Study Commission on the Quality of Education in the Metropolitan Milwaukee Public Schools," *supra* note 46.
- ⁴⁸ James S. Coleman, "Equality of Educational Opportunity" (U. S. Department of Health, Education and Welfare, 1966).
- ⁴⁹ In a synthesis of thousands of research studies, University of Illinois Professor Herbert J. Walberg notes: "Following the lead of early agricultural experimentation, much educational research focuses on the relation of single causes and effects." He suggests that more attention should be given to educational

productivity, despite the fact that such thinking is alien to many educators. Herbert J. Walberg, "Improving the Productivity of America's Schools," *Educational Leadership*, May 1984, no. 8, p. 20.

50 Drawn from a survey of the literature on effective schools, including but not limited to Walberg and Lane, eds., *Organizing for Learning*, *supra* note 46; Austin and Garber, eds., *Research on Exemplary Schools*, *supra* note 46; "Rethinking Reform: The Principal's Dilemma" (National Association of Secondary School Principals, 1986); "Report of the Study Commission on the Quality of Education in the Metropolitan Milwaukee Public Schools," *supra* note 46.

51 According to TheodoreSizer, leader of the "Essential Schools Coalition," researchers and others who have examined successful schools conclude that "a good school is the special creation of its own faculty — its teachers, counselors, and administrators ... a commitment (that) arises only when a faculty feels a sense of authority and control over its own school." Theodore R. Sizer, "Diverse Practices, Shared Ideas: The Essential School," in Walberg and Lane, eds., *Organizing for Learning*, *supra* note 50, p. 1.

52 Chubb and Moe, *Politics, Markets, and America's Schools*, *supra* note 46, p. 180.

53 See, for examples, *ibid.*; Austin and Garber, eds., *Research on Exemplary Schools*, *supra* note 46; Stewart C. Purkey and Marshall S. Smith, "Effective Schools: A Review," *The Harvard Education Letter*, May/June 1992; "Catholic Schools: Do They Offer Lessons for Public School Reform?," *The Harvard Education Letter*, May/June 1992.

54 See "Improving the Productivity of America's Schools," *Educational Leadership*, *supra* note 49, p. 25; see also Harold W. Stevenson, "Learning from Asian Schools," *Scientific American*, December 1992 (discussion of role of Asian parents in setting expectations for children).

55 "Report of the Study Commission on the Quality of Education in the Metropolitan Milwaukee Public Schools," *supra* note 46, No. 6, p. 60 ("teachers' perceptions of the relationship of parents to their schools is the most consistent indicator of performance ...").

56 *Ibid.*

57 *Ibid.*; see "Report of the Study Commission on the Quality of Education in the Metropolitan Milwaukee Public Schools," *supra* note 46, Report No. 2, p. 20 (teachers with higher job satisfaction indicate "they have more control in the workplace").

58 Herbert Walberg cites the quality and length of instruction time as factors within the control of a school that have a significant impact on academic performance. See Walberg, "Improving the Productivity of America's Schools," *supra* note 49, p. 23.

59 See Kenneth A. Leithwood and Deborah J. Montgomery, "The Role of the Principal in School Improvement," in Austin and Garber, eds., *Research on Exemplary Schools*, *supra* note 46; "Rethinking Reform: The Principal's Dilemma," *supra* note 50.

60 The information in this chapter is based on a wide-ranging review of MPS documents, including annual reports and five-year plans, descriptions of particular reform initiatives, board and administrative policies and procedures used to implement reform plans, evaluations of specific projects, and interviews with MPS employees.

61 "The Superintendent's Annual Report to the Board on Goals and Achievements: 1985-86" called for "closing the gap in achievement among ethnic, racial, and gender subgroups." Board Policy AE, adopted in January 1986, called for eliminating the gap in 10 years. The 1990 update to "A Five-Year Plan for Improvement of Milwaukee Public Schools" sets as an objective "reduc[ing] by one-half or more the gap in academic achievement between minority and white students." Subsequent updates do not include this goal, but instead state the "student population of all educational programs and student activities will reflect the academic, racial, socioeconomic and gender diversity of the school system," thus converting the goal from achievement to one of ensuring that all programs — exceptional education, vocational education classes, advanced courses, and so on — reflect the makeup of the district.

62 "A Five-Year Plan for Improvement of the Milwaukee Public Schools, 1991 Update" (MPS, December 1991).

63 *Ibid.*

64 The health-care industry, for example, faces enormous difficulties in coping with higher costs, demands for universal coverage, and government proposals for reform. Successful health-care organizations will change to meet these challenges; others won't survive.

65 As an example, MPS Board President Mary Bills and Superintendent Howard Fuller termed violence — not poor academic performance — the number-one problem in MPS. "Fuller Calls for Focus on Safety," *Milwaukee Sentinel*, October 21, 1993.

66 Examples are the Chapter I, Bilingual, Exceptional Education, and P-5 programs, funded with federal and state revenues.

67 The programs were not evaluated until 1992, when an assessment showed few students completed four years in career-specialty programs. The cost of the programs during a three-year period was \$7.5 million. Department of Finance, MPS; Office of Planning and Research Reports, MPS.

68 "Moving Forward with K-12 Teaching and Learning: A Report to the Board of School Directors and the Milwaukee Public Schools Family" (MPS, September 1991).

69 The task force, chaired by Carl Weigell, chairman of Motor Casing Co. Inc. and longtime advocate of improved vocational training, was appointed by Superintendent Howard Fuller to recommend actions MPS should take to prepare students for work.

70 "Report of the School to Work Transition Task Force" (MPS, October 1993), p. 8. The language is very similar to board policies adopted in 1976 (Board Policy IGAD) and 1991 (Board Policy IGAD).

71 *Ibid.*, pp. 25-26.

72 In a report prepared for the MPS Board and the Citizens Advisory Committee to the Comprehensive Survey of Milwaukee Public Schools, the New York-based Academy for Educational Development, Inc., recommended that "a greater measure of autonomy and responsibility should be vested in individual schools." The report, following a year-long study, specifically called for more decentralization of curriculum development and greater flexibility for schools to develop programs. "Quality Education in Milwaukee's Future" (Academy for Educational Development, 1967), p. 8.

73 This effort was preceded by reform initiatives aimed at individual schools, including Project Rise in 1979, an effort to improve basic skills in 18 elementary schools, and Project CARE in 1985, a plan to "create a climate of success" for ninth grade students. (Former MPS Superintendent) Lee McMurrin, "Proposals for Effective Schools in the Milwaukee Metropolitan Area," (MPS, June 19, 1985), p. 81.

74 See "Effective Schools Project: A K-12 Planning Guide" (MPS, February 1985).

75 In describing the rationale for this effort, former Superintendent McMurrin noted "recent research and theory ... have resisted the notion of schools as classical bureaucracies, susceptible to rational control with high responsiveness at the lowest level (the classroom) to the goals set by the administration." "Planning for the Middle '80s: 1983-1988" (MPS, November 12, 1982).

76 "Planning for the 1985-86 School Year: Plans for Educational Excellence and Equity" (MPS, December 18, 1984), p. 12 ("Effective School Structure").

77 A 1990 MPS "planning guide" instructed principals on how to integrate their "effective school plans" with other required plans, including those for the North Central Association School Based Evaluation, Wisconsin's P-5 program, "At-Risk" programs, Chapter 1 plans, Wisconsin Educational Standards, and the district's K-12 Curriculum Plan.

78 MPS required that the school principal, two-thirds of the staff, and a majority of the parents agree to participate before a school could adopt the program. "Board Guidelines on School Based Management Pilot" (MPS, June 1987), p. 1.

79 *Ibid.*, p. 3.

80 *Ibid.*, p. 4.

81 "Implementation of the Forty-Seven Policy Waivers for SBM Schools" (MPS, December 1989).

82 *Ibid.*

83 In interviews, MPS principals and others noted that some well-regarded schools chose not to participate in the belief that they had more freedom outside the program.

84 "Options for Organizing the Milwaukee Public Schools: Final Report" (The McKenzie Group, August 15, 1988), p. 6.

85 Robert S. Peterkin, "Superintendent's Transition Report to the Board of School Directors" (MPS, October 17, 1988), pp. 2, 7.

86 An MPS survey found this a "commonly held perception." Jeffery N. Gotsky (Office of Planning and Development, MPS), "Organization of the Milwaukee Public Schools" (MPS, March 11, 1991), p. 2.

87 In addition to the findings below, the author evaluated the impact of the SDA reorganization for MPS, using as a basis interviews with more than 75 MPS employees in various positions.

88 Dennis Holmes (The George Washington University, Washington, D.C.), "Report to Superintendent Peterkin" (GWU, June 30, 1990).

89 Memorandum from Community Superintendents to MPS Board and Administrators, March 6, 1991.

90 The author was retained by Superintendent Fuller to evaluate the effectiveness of the SDAs and recommended their elimination. See *supra* note 86.

91 "1992-93 MPS Proposed Budget." The author assisted in the development of these proposals.

92 The largest example is the federally funded Chapter 1 program.

93 The shift in funding was to occur during a three-year period under the proposed 1992-93 budget.

94 "MPS Report to the Finance and Facilities Committee" (MPS, September 1993).

95 "Meeting of the MPS Board of School Directors" (MPS, September 29, 1993).

96 Board of School Directors, MPS, "Policy Manual." A March 1993 survey showed 81 of 111 principals surveyed disagreed with the 1992 policy.

97 "MPS 1993-94 Adopted Budget." As a result of substantial work by board member David DeBruin to advance his amendment, Hi-Mount School was given more budget flexibility, but still does not truly control all dollars spent at the school level.

98 "The Identification of Effective Schools" (Department of Planning, MPS, 1992).

99 At the retreat, board member David Lucey endorsed more parent options. The remainder of the board instructed Dr. Fuller not to act on these proposals. Board member Mary Bills said, "[F]irst, we need to prove to parents that we're legitimate before we give them other options."

100 See March 1993 recommendations to the board for their special meeting on legislative matters.

- 101 During that period, the author worked as a consultant to the Edison Project to advise them on MPS operations.
- 102 Wis. Stat. § 118.15(1)(d)4.
- 103 MPS lobbyist Douglas Haselow said such a proposal might result in increased property taxes because MPS would need to pay the tuition of suburban districts chosen by MPS students and might "upset racial balance" in MPS schools. "MPS Wants City Kept Out of Choice Bill," *Milwaukee Sentinel*, October 21, 1993.
- 104 Board President Mary Bills has proposed closing failing schools twice during the past five years. Superintendent Fuller also called for closing failing schools in his August 1991, proposed "Strategy for Change."
- 105 North Division High School, with the lowest grade-point average of any MPS high school, receives the highest per-pupil allotment.
- 106 In a May 2, 1990, article entitled "Bad Apples: Firing Teachers Is Tough," *The Milwaukee Journal* reported that not one teacher had been fired for bad teaching for at least five years and not one of 1,000 new teachers had been denied tenure. According to MPS officials, no teachers have been fired for poor performance since 1990 although five have resigned in the course of a disciplinary process.
- 107 Since 1990, three principals and three assistant principals failed to win reappointment during their three-year period prior to tenure. MPS officials know of no terminations of principals known by MPS to have gained tenure.
- 108 MPS does not distinguish reassignments to solve performance issues from those made for other, non-performance issues.
- 109 For 1992-93, MPS schools reported 79,513 incidents in the categories of "classroom disruption" and "refuses instruction." Department of School Safety, MPS.
- 110 This recommendation was made as early as 1967 in the report prepared for the MPS Board and the Citizens Advisory Committee to the Comprehensive Survey of Milwaukee Public Schools by the New York-based Academy for Educational Development. "Quality Education in Milwaukee's Future," *supra* note 72.
- 111 Some school-board members (Bills and Sinicki) resisted elimination of the two-headed system because, they said, it provided "checks and balances" for the district. See "Dual Posts for MPS Defended," *Milwaukee Sentinel*, May 11, 1992.
- 112 The "Superintendent's Report to the Board on Goals and Accomplishments for 1985-86" reports on page 7, "[F]or the 1985-86 school year, the number of column inches dropped three per cent to a total of 11,368 column inches ... [T]he positive/neutral category won out over the negative/controversial category 57% to 43%."
- 113 Mandated staff development and mandated parental involvement on school councils are two examples of misusing research findings. Research shows staff development is effective when generated at the school level, not imposed from the outside. Studies also suggest effective parental involvement means parents involved with their children and their homework, not with managing the schools.
- 114 Sources, all from MPS, include "Planning for the Middle '80s: 1983-1988;" "Superintendent's Annual Report to the Board on Goals and Achievements for 1982-83 through 1989-91;" "Plans for Educational Excellence and Equity," for 1984-85 through 1986-87; "Five-Year Plan for Improvement of the Milwaukee Public Schools: 1990-1995" and annual updates; and the proposed 1993-95 plan.
- 115 "Far-Reaching Changes Proposed For City Schools," *The Milwaukee Journal*, December 1, 1983.
- 116 "Plans for Educational Excellence and Equity: 1984-85," *supra* note 114, p. 11.
- 117 "Plans for Educational Excellence and Equity: 1985-86," *supra* note 114, p. 8.
- 118 "School Officials Call for Changes from the Ground Up," *The Milwaukee Journal*, November 17, 1985.
- 119 "Plan for Educational Excellence and Equity: 1986-87," *supra* note 114, p. 5.
- 120 "Board Plans Major Changes in City Schools," *The Milwaukee Journal*, March 9, 1987.
- 121 "Board of School Directors Proposed System-Wide Mission Statement, Goals, Objectives," *The Milwaukee Journal*, November 8, 1987.
- 122 Peterkin, "Superintendent's Transition Report," *supra* note 85, p. 10.
- 123 Robert S. Peterkin, "Superintendent's Report to the Board: Goals and Achievements for 1989-90" (MPS), p. 1.
- 124 "Milwaukee's Promise: To Our Children, for Our Future," *The Milwaukee Journal*, January 20, 1991.
- 125 "A Five-Year Plan for Improvement of the Milwaukee Public Schools, 1991 Update," *supra* note 62, p. 2.
- 126 "MPS 1991 Report Card" (MPS), p. 7.
- 127 From "A Strategy for Change" (MPS, August 1991). The plan was never adopted by the board, although specific components relating to a new discipline plan, assignment plan, and budget decentralization were approved individually. The author worked on all of these as a consultant to MPS. The board continued in effect all goals noted for 1990-91.
- 128 "School Board Warns To Most Of Fuller's Changes," *The Milwaukee Journal*, October 5, 1991.

- 129 Robert S. Fuller, "Report Card to the Community" (MPS, November 5, 1992).
- 130 "Time to Attack MPS Inequities" (editorial), *The Milwaukee Journal*, May 28, 1992.
- 131 "MPS Goals and Objectives: 1993-95," adopted February 3, 1993. These goals are restated in a new draft plan issued by MPS in December 1993, called "Education for the 21st Century."
- 132 "Good Start on a Rough Road" (editorial), *The Milwaukee Journal*, August 27, 1993.
- 133 "Fuller Urges New Way of Thinking," *Milwaukee Sentinel*, October 4, 1993.
- 134 Comments of MPS Board President Mary Bills at "Educating Milwaukee," a forum on education issues, November 16, 1993.
- 135 In October, 1992, Deloitte Touche reported to the MPS Board that the board's policy manual was several years out of date, making it difficult for board members to review their own policy. Since then, the manual has been updated; several inches thick, it contains an incoherent set of policies, some in apparent conflict with one another.
- 136 Wis. Stat. § 121.02.
- 137 Wis. Admin. Code § PI 26.
- 138 Chapter 1 was passed in 1965 as part of the Elementary and Secondary Education Act. It is the largest source of federal funds for elementary and secondary education. "National Assessment of the Chapter 1 Program: Interim Report" (U. S. Department of Education, June 1992).
- 139 "Report on the 1993-94 Chapter 1 Program" from the Superintendent to the MPS Board's Committee on Instruction and Community Relations (MPS, June 1993).
- 140 Wis. Stat. Ch. 115.
- 141 Department of Finance, MPS.
- 142 Wis. Stat. Ch. 115.
- 143 Department of Finance, MPS.
- 144 Some schools with sufficiently high concentrations of low-income students receive funding on a schoolwide basis, thus giving the school more flexibility. In 1993-94, 27 of the 72 MPS Chapter 1 schools had schoolwide programs.
- 145 "Report on the 1993-94 Chapter 1 Program," *supra* note 139.
- 146 Wis. Stat. § 115.45.
- 147 Wis. Stat. § 115.91.
- 148 Wis. Stat. § 118.34.
- 149 Wis. Stat. § 118.35.
- 150 Wis. Stat. § 118.153.
- 151 Examples are from the Mandate Data Base, produced by an MPS task force in February 1992 to try to compile a single list of non-contractual mandates as a basis for simplifying paperwork.
- 152 For years, principals have driven from their schools to the central office to drop off and pick up certain data-processing reports because the district had not developed another method for transmitting this information. That practice has been reduced, but not eliminated.
- 153 "The Report of the Superintendent's Committee to Increase the School System's Efficiency and Responsiveness" (MPS, Spring 1988), p. 2.
- 154 This section focuses on busing *within* MPS, *not* the MPS-suburban busing plan commonly known as Chapter 220.
- 155 MPS buses about two-thirds of its students at a total annual cost of over \$45 million. This includes busing for integration (within the district and to the suburbs), exceptional education, extracurricular activities, and other state requirements such as distance and hazardous conditions.
- 156 "Tips for School Selection," *Directions*, 1992-93, p. 3.
- 157 *Ibid.*
- 158 "Transitional Student Assignment Plan" (MPS, November 1991), p. 5.
- 159 For many years, children from a single attendance area were bused to more than 80 schools, a process fracturing neighborhoods. In 1991, before the assignment process was revised, this occurred in 16 attendance areas. Department of Business Support Services, MPS.

- 160 From 1991 principal surveys conducted by MPS.
- 161 From an analysis by the Department of Business Support Services, MPS.
- 162 George Mitchell, "An Evaluation of State-Financed School Integration in Metropolitan Milwaukee," by George Mitchell, Wisconsin Policy Research Institute Report, Vol. 2, No. 5, June, 1989.
- 163 Charles V. Willie, Michael J. Alves, and David J. Harman, "Long-Range Educational Equity Plan for MPS" (MPS, February 1990), p. ii (summary of goals).
- 164 *Ibid.*
- 165 Specific licenses are listed in Wis. Admin. Code Ch. PI 3.
- 166 MPS employs a private investigator to track down employees who live outside the district. "Homework: Firm Verifies Teacher Residency," *Milwaukee Sentinel*, September 27, 1993.
- 167 Wis. Stat. § 118.23(3).
- 168 Wis. Stat. § 119.18(10).
- 169 See the contract between the MPS Board of School Directors and the ASC, July 1, 1991 to June 30, 1992, p. 2.
- 170 Contract between MPS and ASC, July 1, 1991 to June 30, 1992, p. 29.
- 171 The MTEA Executive Board recently voted to rejoin the state and national organizations; members must vote on that proposal.
- 172 Human-resources officials have worked to limit such transfers in recent years.
- 173 "Fuller Hits Union As Inflexible," *Milwaukee Sentinel*, March 24, 1993.
- 174 "Thwarting Health Care for Kids," *The Milwaukee Journal*, March 31, 1993.
- 175 Called a "unit clarification," the petition is pending before the Wisconsin Employment Relations Commission.
- 176 Wis. Stat. Ch. 119.
- 177 Deloitte Touche Tohmatsu International, "Review of Operational Structure and Procedures of the Board," October 1992, p. 6.
- 178 "Telling Tales Out of School," *Milwaukee Magazine*, December 1991; "MPS urged to redo schools for 'at-risk,'" *The Milwaukee Journal*, September 13, 1993.
- 179 In a June 1992 letter to the board, Superintendent Fuller noted "[B]oard members repeatedly have asserted that they cannot trust the information they receive from the administration." It is not uncommon at committee and board meetings for individual board members to attack the integrity of MPS administrators.
- 180 Bills and Sinicki, "Dual Posts for MPS Defended," *supra* note 111.
- 181 Former Superintendent Peterkin estimated that urban superintendents spend 60% to 90% of their time on getting along with the board, leaving little time for priority educational issues. *Education Week*, March 1991.
- 182 See Deloitte Touche, "Review of Operational Structure," *supra* note 177, p. 10.
- 183 By reporting for years that all children performing above the 22nd percentile of test results were "at or above" average, MPS overstated to the lay observer the district's academic achievement. This was exacerbated by using outdated scoring norms. The district's methodology resulted in the so-called "Lake Wobegon effect," a reference to Garrison Keillor's mythical town where, among other things, all the children are above average.
- 184 Office of Planning and Research, MPS.
- 185 *Ibid.*
- 186 *Ibid.*
- 187 *Ibid.*
- 188 Average spending for MPS is roughly equivalent to average per-pupil spending in Wisconsin, which ranks 10th highest nationally. *Your Wisconsin Government* (Wisconsin Taxpayers Alliance), No. 32, September 1993.
- 189 MPS data provided by Department of Finance, MPS. Figures are adjusted using the consumer-price index (CPI) for Milwaukee.
- 190 The telephone survey of 1,057 Milwaukee residents was conducted by Hyco Inc., a Milwaukee-based research firm, to assess perceptions and attitudes about MPS.

¹⁹¹ The survey of 401 likely voters was conducted for MPS by Peter D. Hart Research Associates.

¹⁹² Partners Advancing Values in Education (PAVE). In June 1992, PAVE announced it would provide scholarships equal to half the tuition at 95 private schools, including parochial schools, in Milwaukee.

¹⁹³ "First-Year Report of the PAVE Scholarship Program" (Family Service America, Inc., 1993).

ABOUT THE INSTITUTE

The Wisconsin Policy Research Institute is a not-for-profit institute established to study public policy issues affecting the state of Wisconsin.

Under the new federalism, government policy increasingly is made at the state and local level. These public policy decisions affect the lives of every citizen in the state of Wisconsin. Our goal is to provide nonpartisan research on key issues that affect citizens living in Wisconsin so that their elected representatives are able to make informed decisions to improve the quality of life and future of the State.

Our major priority is to improve the accountability of Wisconsin's government. State and local government must be responsive to the citizens of Wisconsin in terms of the programs they devise and the tax money they spend. Accountability should be made available in every major area to which Wisconsin devotes the public's funds.

The agenda for the Institute's activities will direct attention and resources to study the following issues: education; welfare and social services; criminal justice; taxes and spending; and economic development.

We believe that the views of the citizens of Wisconsin should guide the decisions of government officials. To help accomplish this, we will conduct semi-annual public opinion polls that are structured to enable the citizens of Wisconsin to inform government officials about how they view major statewide issues. These polls will be disseminated through the media and be made available to the general public and to the legislative and executive branches of State government. It is essential that elected officials remember that all the programs established and all the money spent comes from the citizens of the State of Wisconsin and is made available through their taxes. Public policy should reflect the real needs and concerns of all the citizens of Wisconsin and not those of specific special interest groups.