

Leadership and Governance in New York City School Reform¹

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Contrary to media reports, Chancellor Joel Klein and Mayor Michael Bloomberg are not calling all the shots in New York City's education reform. But they, particularly Klein and a small number of like-minded people, have an unprecedented degree of influence over New York City schools policy. This paper shows how a small number, possibly as few as 40, people under Klein's leadership have set the basic terms for profound changes in New York's public education system.

The core of my analysis is the distinction between leadership and governance. The boundaries between these terms are sometimes blurry, but here I delineate them sharply. By *leadership* I mean the use of discretion by officials to cause change in the organizations they head. In contrast, by *governance* I mean constraints on leadership via established policies and routines, distributed powers, required consultations, and multiple independent approvals of actions. Under these definitions, leadership and governance are yin and yang: governance creates predictability and clarity. It constrains and in some cases crowds out leadership. Leadership can work within governance constraints but it can also try to work around or eliminate them.²

Before Bloomberg and Klein, governance in New York schools was so strong that it left little room for leadership, at either the citywide or the school level. For example, as the New York Times wrote of Chancellor Klein's immediate predecessor as he left the job:

The job of New York City schools chancellor is a thankless one. In recent years the most a departing chancellor could hope for was to slip out in a barrage of chilly silence. The alternative was to be ridden out of town on a rail. That's one of the reasons that when there's a vacancy, top-flight candidates don't exactly line up at the door...The New York City school system is like a massive old battleship, and all Mr. Levy could do was to nudge it closer to the right direction. *New York Times* editorial, August 7, 2002.

Bloomberg and Klein have reversed this arrangement, greatly strengthening leadership at both the system and school levels, and weakening if not eliminating governance constraints. How did they do this, why, and to what effect? I try to provide answers.

LEADERSHIP OVER GOVERNANCE

Shortly after Michael Bloomberg became mayor in 2002, he sought the state legislature's approval to take over the city's schools. After a brief legislative battle, the school board was disbanded and Bloomberg gained the control he sought. In May 2002, he appointed Joel Klein, an antitrust lawyer and communications company executive, as chancellor. To symbolize a break with the past and the close connection between the school system and the city, Klein moved system headquarters from 110 Livingston St. in Brooklyn to the Tweed Courthouse on the City Hall grounds.

Before Mayor Bloomberg took over the city's schools, governance constraints were paramount; for example:

- Meeting the demands of the elected school board and other oversight bodies limited the chancellor's freedom of action and took up a great deal of his time.

- The existence of 32 school districts within the city system, each with its own superintendent, board, and groups of supporters and vendors, buffered schools and educators against system-wide initiatives.
- State requirements governed teacher and principal hiring and school staffing tables.
- Federal and state laws governed allocation of money to schools and work assignments of people who were paid from those funds.
- Union contracts determined how teachers were assigned to schools, how teachers got pay increases, and what work teachers could be assigned.
- Other contracts also governed who could lead a school and limited school leaders' roles. Policies giving janitors control of building keys limited principals' and teachers' access to their own school buildings.³

Though the story of school reform under Bloomberg and Klein is mostly a local one, it was made possible by the state's transfer of authority from the school board to the mayor. Though the mayor, and through him Klein, gained unprecedented freedom of action, many constraints remained in place, including state and federal requirements on uses of grant funds and financial reporting, and laws governing collective bargaining and education of students with disabilities. The mayoral takeover legislation and subsequent actions by Bloomberg and Klein weakened some of these constraints on the chancellor and school leaders and eliminated others, by (for example):

- Replacing the elected school board with a virtually powerless Panel on Education Policy (2002).
- Eliminating the 32 community school boards in favor of 10 administrative regions (2003).
- Negotiating changes in the teacher contract to allow principals to choose among applicants and base teachers' pay on other factors in addition to seniority (2005).
- Transforming allocation of funds to schools, basing it on weighted pupil counts, and increasing principals' ability to allocate funds and control their buildings (2006–2007).

The story of how each of these changes was made is worth a paper in itself. For this chapter, however, they only illustrate a broader point, which is that Klein and Bloomberg altered the balance of leadership and governance for a purpose. That purpose, contrary to the claims of critics, was not simply to put themselves in control of everything. In fact, many of their actions were meant to improve instruction throughout the city system by empowering school leaders. This weakened the chancellor's ability to dictate school practices, schedules, and uses of funds. Klein and Bloomberg sought a system of strong schools, each fitted to the needs of its student body and the strengths of its teachers, not a strong bureaucracy that could bend all schools to its will. They strengthened leadership at both the central and the school levels, hoping to profoundly and permanently alter the way the New York City school system operates and the outcomes it achieves.

One close associate of Klein's explained the premises on which Klein, his associates, and the mayor agreed: "The [pre-2002] school system does what it was built to do: make stable jobs, accommodate the demands of interest groups and comply with state laws. It can do those things without providing effective schools for all kids. We intended to rebuild the system around a new mission, one that puts children and their learning first."

The collaboration between Klein and Bloomberg is also worth its own paper. In general, Bloomberg operated as a CEO of a conglomerate, overseeing a trusted and competent CEO of one of the conglomerate's businesses: He did not dictate Klein's actions, but wanted to be consulted and informed, not surprised. Bloomberg expected Klein to be effective both as a politician and a manager, and backed Klein in political controversies. However, Klein understood the need to avoid political firestorms, share credit when the news was good, and take the blame when it was bad. The two men were bound together—Klein could not have been effective without Bloomberg's support; and major missteps by Klein could threaten Bloomberg's reelection. But both were determined to transform the city's public education system, especially to improve educational outcomes for poor and minority students, and both agreed on the need for bold action.

LEADERSHIP AND GOVERNANCE IN THEORY

At the highest level of generality, the current New York City school reform strategy is one of decentralization, as practiced in business. Though in education decentralization has often been an effort to encourage initiative at the school level without changing the constraints imposed by central offices and unions,⁴ in business decentralization is something else. In business, decentralization often strengthens both the top and the bottom of the organization, but weakens the middle—the central and regional office bureaucrats who stand between the CEO and the people doing the day-to-day work. Top-level leaders do not abdicate responsibility or stop setting goals and allocating resources away from less productive initiatives toward more promising ones, or rewarding performance and punishing failure. However, top-level leaders cede control over means to the people doing the day-to-day work—to plant managers, sales groups, R&D units, and so on. Units that use their freedom to get good results are rewarded, but those with bad results are liable to being re-staffed or replaced.

In business decentralization, the governance units—those that that enforce rules, control hiring, routinize human resource management, manage complex consultations and clearances, and impose time and compliance demands on the leaders of productive units—shrink, if they do not disappear entirely. They are seen as blurring the organization's focus on its goals, buffering compliant non-performers from scrutiny, discouraging initiative, and standardizing functions that should be subject to experimentation and continuous improvement.⁵

The Klein-Bloomberg approach to decentralization evolved and sharpened over time. At this writing, New York City's reform strategy fits the description of business decentralization almost perfectly. The theory of change: strengthen the top and bottom (i.e., schools) against the middle (including unions and central and regional administration), let local productive units (schools) make the consequential decisions that affect their productivity, encourage innovation, centralize accountability via common outcome measures, make all arrangements contingent on performance, and continually search for better people and providers. Also like a business, they seek to continuously improve the options available to customers (families).

The New York reform puts into practice, perhaps unconsciously, a body of work by Columbia Law School political scientist Charles Sabel. Sabel writes about “experimentalist democracy”—governments that create opportunities for differentiation and innovation in services, but monitor results and press for continuous improvement of practice in light of evidence.⁶ Sabel argues that experimentalist democracy gives citizens greater opportunities to solve problems, and permits greater differentiation of government-sponsored activities in light of diverse needs. Democracies, he argued, do not need to limit themselves to centralized policymaking by elected officials and the bureaucrats whom they employ (e.g., by the former New York City school board and bureaucracy). Citizens who are neither elected officials nor bureaucrats can take part in problem solving by designing and operating some services, while government creates performance standards and open databases that support all parties’ “learning by monitoring.” Sabel’s theories intersected with ideas from education. Some senior leaders of Klein’s leadership team said they were inspired by Mike Schmoker’s papers urging decentralization as a path to evidence-based practice in schools.⁷

TRANSITION TO THE CURRENT STRATEGY

Klein’s approach to system-wide reform was not clear, at least to observers, in his first few years. Though the mayoral takeover had given him tremendous freedom of action, he did things that conventional superintendents might have done: hired a high-profile instructional leader, mandated citywide use of a reading method, and took some powers away from local sub-district superintendents. However, after a year in office, Klein started to strengthen the hand of principals and reengineer the system to become a supporter of strong schools, not a source of mandates about instructional method.

Did Klein change direction sometime late in 2004, or intend all along to standardize one part of the system and then decentralize? It seems likely that Klein came in with a vision of a system driven (in Sabel’s terms) by democratic experimentalism and learning by monitoring, and that vision became sharper over his first several years in office, as he became more sure that tight central management could not improve the schools very much.

After his first year, Klein reorganized the system several times, incrementally cutting the powers and staffing of the central bureaucracy, expanding school autonomy (via increased school-level control over staffing and spending decisions and choice of professional development providers), and strengthening his immediate leadership team’s ability to hold school leaders accountable for performance.

The key action in this process was creating the autonomy zone in 2004. That year 29 schools were selected to gain control over key staffing and spending decisions. Schools in the autonomy zone were funded on the basis of enrollment, did not have to accept the most senior teacher who applied for a vacancy, and could select their own sources of instructional assistance and teacher professional development. The school leaders chosen for the autonomy zone, including those starting new schools, were those judged the most likely to be able to handle the new demands of financial and human resource management. Klein and his leadership team also hoped that the new principals’ academy, created in 2003, would offer relevant training and assistance.

After a one-year trial of the autonomy zone, Klein expanded it very quickly, to 48 schools the

second year, 332 the third year, and to most of the schools in the city in 2006–2007.

Expansion of the autonomy zone was a critical turning point in the development of the reform. Klein’s leadership team was initially split on whether to treat autonomy as a reward for high performance—and thus offer it only to high-performing schools—or to commit to autonomy as a premise for the improvement of all schools. On the “reward” side were educators and business people who did not believe the typical school had the leadership or staff capacity necessary to build an effective improvement strategy. On the “premise” side were educator Eric Nadelstern and non-educators who believed that central office mandates and assistance could make schools mediocre at best; that the only way to get dramatic improvements in performance was to create room for experimentation, build incrementally on successes, and abandon failures. Those arguing for universal autonomy did not expect immediate success in all schools. Instead, they foresaw a continuous improvement process in which they would expand or duplicate schools that were making gains and prune out those in which students were not learning, and local educators and nonprofits would learn how to help schools whose staffs were determined to improve but needed new ideas.

Klein himself probably shifted from one side to another, in part to keep a productive debate going, but ultimately came down on the side of autonomy as a precondition for reform.⁸

Expanding school autonomy system-wide required major changes in policy. Robert Gordon, a member of Klein’s core leadership team, designed a new school funding system, which allocated most state and local funds directly to schools, based on enrollment weighted to take account of student risk factors.

In 2005, the city’s Department of Education (DOE) and the United Federation of Teachers (UFT) also built a system-wide collective bargaining agreement that allowed a school’s principal—in collaboration with the school’s teachers—to ignore seniority in all teacher hiring decisions. This amounted to abandonment of a core tenet of teacher unionism. Union leaders explained the agreement as being in teachers’ interest. As one union leader said in an interview for this paper, “Any time we can help teachers gain greater control over their working environments, we will do so.” This agreement also came at a time of rapidly expanding teacher salaries, as other chapters in this book will show.

Relations between the UFT and Klein’s leadership team have been extremely complex, and are impossible to categorize in just one way. Some union actions in support of the reform strategy continued after teacher salaries stopped rising: in 2006 the UFT agreed to operate a charter campus with a middle and elementary school in East New York. Overall, however, the two entities are like nations with many interests in opposition that nonetheless have found ways to cooperate on some matters. While going along with parts of Klein’s reform strategy, the UFT has remained a constant source of criticism, and did not support Bloomberg’s candidacy for a third term in 2009 or Klein’s successful campaign to raise the number of charter schools allowed in New York State.

For his part, Klein let the union bear the brunt of criticism for union protection of teachers in so-called “rubber rooms”— facilities where hundreds of tenured teachers who had been removed from their jobs in schools, or whom no school wanted to hire, drew full pay while waiting, sometimes years, for dismissal hearings. Salaries and benefits for teachers in this status grew to nearly \$100 million per year in 2009—a huge liability to both the city and the union. In 2010,

due to a budget crisis and the UFT's embarrassment over a *New Yorker* expose,⁹ Klein and the UFT reached a new agreement: Klein would force schools to accept some senior teachers they otherwise did not want and the union would agree to simpler processes to terminate unplaceable teachers.

The devolution strategy had its complement in the central office. Klein took as much business as possible away from established central office bureaus and had key decisions made by members of his small leadership team. He created new talent, accountability, and portfolio management offices, which subsumed existing human resources and assessment functions, and put members of his immediate leadership team in charge.

THE LEADERSHIP TEAM

Klein created a small and very coherent leadership team, initially composed of approximately 15 New Yorkers with broad experience in business, law, education, government, and nonprofits. Many of them shared Klein's antitrust views. As the government litigator in the Microsoft antitrust case Klein acted on the assumption that monopolies stifle innovation, sequester funds that should be available to the rest of the economy, retard economic growth and social progress, and hurt consumers. When Klein took office, the vast New York City schools bureaucracy looked a lot like a business monopoly, and the leadership team wanted to break its grip and set off competition and innovation.

Starting in Klein's first year and increasingly thereafter, the leadership team took charge of key parts of the system, including design of a new data-based school accountability system, the general counsel's office, funds distribution and financial oversight, talent (teacher and principal recruitment development and assignment), in-service teacher and principal training, portfolio management (monitoring the overall supply of schools to identify high performers, unmet needs, and schools in trouble), and overall operations management.

The fact that Klein and his key associates were New Yorkers familiar with the community and its politics sets this reform initiative apart. Big city superintendents and their close associates are usually outsiders—itinerant school administrators who lack local contacts and experience and are not prepared for political leadership.

Klein has personally recruited the individuals who have filled these positions, and works intimately with them in an open office environment where all key actors can see all others and communicate spontaneously at any time. The result is that functions that often hamstring a bold reform (e.g., the general counsel's legal interpretations) are tightly coordinated with the rest of the reform. As a key staffer explained, the general counsel is usually a force independent of the superintendent, and works to steer the district away from any actions that might lead to lawsuits. Under Klein the general counsel is the chancellor's lawyer, whose job it is to develop legal arguments for needed actions. The general counsel is responsible for steering the system away from actions that courts would likely reverse, but Klein and his lawyer are willing to take actions that might lead to litigation if they believe they can prevail in court. As one attorney associated with Klein said, "We will do things some people won't like and we expect to be sued. That's not troubling in itself. Of course we want our actions to be on firm legal grounds, so if we are sued we expect to win."

Klein's leadership team has included people who have previously controlled major government

bureaucracies (e.g., the State Controller’s Office) and know how to work with them and keep them from hamstringing the reform. It has also included major corporate lawyers and successful investment bankers, management consultants, and people who have been both business CEOs and government agency heads. The first director of the DOE accountability office was Columbia law professor James Liebman, a world-renowned expert on efforts to avoid errors in death penalty cases, who was recruited to the team in January 2006.

The leadership group has also included career educators, such as lawyer-educator Andres Alonso and widely admired school principal Eric Nadelstern, who served as communication links between Klein and rank-and-file educators. Nadelstern, Alonso, and others (e.g., current DOE accountability head Shael Suransky) have been trusted both to constrain Klein’s initiatives so they would be tolerable to educators, and to make the case for the reforms to rank-and-file educators. Senior Counselor Michele Cahill, who had developed small high school strategies nationwide for the Carnegie Corporation of New York, was perhaps the chief “boundary spanner” on the leadership team until mid-2007 when she left to rejoin the Carnegie Corporation.

Membership in Klein’s leadership team has changed over time, as individuals have left to return to their core professions or as they have gone to other cities to lead reform strategies with at least some of the elements present in New York. (Alonso is now CEO of the Baltimore Public Schools). Assignments with the core leadership also shift every year or so. Leadership team members say this is meant to ensure that team members do not become highly specialized or captured by the part of the system they oversee.

In 2009 and 2010 the number of educator-members of the team increased, so that educators were doing jobs previously assigned only to people with roots in law and business. The educators brought into the leadership team were generally drawn from teachers and principals who had worked on earlier Klein initiatives such as small schools and the autonomy zone.

The central group is strikingly similar to the *commando center* described by Sabel: “a crack team of civil servants at the very center of government who use the powers of the bureaucracy to foster cross cutting behaviors, and so transcend the structural limits ...”¹⁰

EXPANSION AND EVOLUTION

Klein’s reliance on a small, evolving leadership group has led some to assume that he started with a fully worked out game plan, but hid it from the public. I will argue for an alternative interpretation: that Klein and his intimates agreed on the goal of a diverse, innovative system of schools but were constantly learning from experience and adjusting the reform accordingly.

The shift from centralized mandates to a devolution strategy is the first of many examples of their commitment to continuous improvement, even when it meant abandoning earlier initiatives. When Klein and colleagues committed to devolution, school autonomy, and performance-based accountability, they were not sure of all the places the strategy would take them. Without knowing exactly when the decision to take additional actions was reached, it is still possible to identify elaborations of the strategy that Klein and others might not have anticipated. These include:

Organizational structure

- *Revamping the structures for school support.* The 32 community districts that existed in 2002 were first (in 2007) replaced by a set of 10 regions and 11 school support organizations (SSOs), some run by district staff and others by nonprofit organizations. Each SSO ran at least one (and often several) voluntary school support networks, and schools could choose which SSO and network to join. In 2010, trying to give schools more choices and cut out the layer of staff located in the SSOs, the chancellor dissolved the DOE-run SSOs and replaced them with 60 voluntary school support networks city-wide. Some privately run SSOs remained, but as managers of networks. The 60 networks also absorbed previously separate “Children First Networks” that provided financial and facilities services.

Human capital

- *Developing a citywide talent strategy to address teacher shortages and diversify the teacher and administrator workforce.* Strategies include recruitment of teachers and principals from non-traditional sources (e.g., Teach for America and the New Teacher Project) and a new partnership with Hunter College for innovative teacher training programs.
- *Giving school leaders more power over hiring decisions.* The 2005 collective bargaining agreement established “mutual consent hiring” and eliminated a practice known as “seniority bumping,” by which teachers were able to transfer schools based solely on their seniority. Principals are now able to interview all prospective teacher candidates and are no longer forced to hire teachers based on seniority. Teachers who are unable to secure a new job after losing their position in a school for budgetary reasons or due to a school’s closing are offered substitute positions within their district. They are not, however, able to displace more junior teachers.

Portfolio of school options

- *Creating new schools and using charters on a large scale to replace low performing schools.* Though precedents for creating new small high schools were established under earlier chancellors, Klein accelerated the development of small new high schools in facilities that previously housed just one large comprehensive school. Starting in 2004 he also used chartering as a way to establish many schools’ freedom from close bureaucratic and union oversight, urged formation of local charter provider organizations, and invited nationally known charter school providers to work in New York City. He also tried to eliminate one of the toughest barriers to charter schools’ success by offering them space in public facilities.
- *Assembling a sub-portfolio of schools offering “multiple pathways to graduation.”* Realizing that overall high school graduation rates could not improve dramatically unless something was done to reduce the nearly 50 percent dropout rate among disadvantaged students, Klein’s leadership team created a sub-portfolio of schools designed to rescue students who had dropped out of school or were likely to do so soon.¹¹ As with chartering, this effort involved partnerships with nonprofit organizations and innovation in uses of school time, staff, and facilities. JoEllen Lynch, who had

created community-based education programs for Good Shepherd Center, and Michele Cahill and Leah Hamilton, now of the Carnegie Corporation, supported this effort from both within and outside the city system.

- *Establishing a portfolio management office to coordinate school openings and closings.* The school accountability system identified schools in need of dramatic improvement, and the new schools development function identified promising new school providers. However, these functions were not well coordinated until Klein combined them in an office of portfolio management. The office is responsible both for allocating promising new school providers to the neighborhoods that need them most, and for developing new schooling options to meet the most severe needs.

Evidence and data

- *Building tools and incentives for evidence-based practice in schools.* Realizing that greater school-level autonomy was a necessary but not sufficient condition for evidence-based practice in schools, Klein and his associates created new tools to assist school-level reflection and problem solving—inquiry teams and the Achievement Reporting and Innovation System (ARIS) data system (both described elsewhere in this volume). They also designed the school accountability system to include on-site quality reviews that graded schools in part on evidence-based practice. In combination with the data-based accountability system and quality reviews, the inquiry teams and ARIS system are intended to fuel the continuous improvement of existing schools via what Sabel has called “learning by monitoring.”
- *Sharpening the focus of the accountability system on student learning.* When the formal value-added-based school accountability system produced anomalous results in 2009 (implausible improvements in grades given to previously low-performing schools), Klein and Suransky adopted a more stable method of measuring rates of student learning, based on Colorado’s student growth model.¹²

Continued innovation

- *Investing in new technology-rich school models.* Looking to make more effective use of existing funds, in 2010 the DOE started a new Innovation Zone (iZone) that would experiment with new uses of student and teacher time, schedules, and student grouping. New school models, gathered from European as well as American innovators, would be tested on a small scale before being used broadly in the city, ultimately replacing or redesigning many existing schools.

Other than the iZone, these initiatives are described in depth in other chapters. A future analysis might find still other initiatives, and possibly abandonment or changes in some of these. The point is that they demonstrate learning and adaptation by the leadership team. Contrary to charges that Klein and others think they know all the answers and are ideologically committed to privatization, these initiatives demonstrate the leadership team’s commitment to experimentation, private-public partnerships in an enterprise of democratic experimentalism, and “learning by monitoring.”

POLITICAL LEADERSHIP

Mayoral control and the absence of a school board mean that the chancellor has a constituency of one. However, that does not exempt the chancellor and his leadership team from paying attention to politics. School system leaders can lose the mayor's confidence, and even contribute to the mayor's downfall, if they cause unnecessary firestorms (as was demonstrated in the defeat of Washington, DC Mayor Adrian Fenty in September, 2010). Moreover, leaders like Klein, who hope to set the school system permanently on a more productive path, need to build lasting support for what they have done.

Klein and his close associates developed a positive political strategy, intended not only to limit the strength of opposition, but also to build new sources of support for a permanently reformed city system. Based on numerous interviews with key DOE leaders, I conclude that the strategy had three parts:

1. Build new constituencies in favor of a permanent strategy of devolution to strong, accountable schools;
2. Convert some groups that traditionally support a centralized, bureaucratic school system; and
3. Accept that some groups will not support the new model, but limit their influence.

The most important element of this political strategy is the first. DOE leaders hoped to activate some publics that had previously paid little attention to public education and to create new organized groups whose interests were closely tied to the reform. New attentive publics included business and media organizations concerned about the quality of the city's workforce; leaders of higher education institutions, such as Hunter College, that trained teachers and leaders for new roles created by the reform; families that might be drawn back to the city's schools from private and suburban schools; and philanthropic foundations. New organized groups included the nonprofit organizations that schools can hire to provide assistance (curriculum, assessment, and training), teachers and school leaders whose career opportunities the reform created, and families that felt previously trapped in and poorly served by the public schools. Klein also reached out to the pastors and congregations of African American churches, hoping to convince them that the most disadvantaged children would benefit from the reform.

Groups to be converted from support for a more traditional system included incumbent and new public school teachers and administrators (including union members), former central office employees who would now get the opportunity to work more effectively in new nonprofit assistance organizations, and parents and members of the public who had come to accept the old system but might change their minds if the reform made schools much fairer and more effective.

DOE leaders did not automatically relegate anyone the status of intransigent opposition. Because they were able to win agreement from the UFT to allow schools to discount seniority preference in hiring, they knew that this most important union would cooperate to some degree. However, they assumed the unions would be hard to move on many other issues.

Leaders also knew that families already highly satisfied with their schools might oppose the

reforms, especially pupil-based funding, which reallocated money away from schools that traditionally captured disproportionate public funding—usually those in the most stable and highest income neighborhoods. But Klein and his team hoped those families would be mollified by better overall school performance, and better outcomes for disadvantaged students.

At its core, the political strategy depended on key groups' seeing that the reform was both consistent with their interests and good for the city as a whole. That meant the reform had to be put in place as quickly and as thoroughly as possible so its benefits would be evident. As a member of Klein's leadership team said, "we were in a big hurry. We thought we might have only three years and we needed to put things in place so people could see results." Klein and others did not think a major charm offensive would fool anyone who would be naturally opposed, or convince any group that had learned over time to distrust school reform promises. Thus, though Klein, Cahill, and others met with many groups and held public forums to answer questions, they did not put a great deal of time or money into symbolic politics or courtship of individuals other than African American pastors (including the Reverend Al Sharpton).

Klein and his collaborators also expected, but were surprised at the virulence of, opposition from neighborhood political figures (including some state legislators) who had been able to work as "fixers" under the old system, getting jobs and contracts for supporters and intervening in the schools on behalf of constituent families. Klein closed off opportunities for "fixing" by eliminating central office employees' abilities to make deals with neighborhood figures. As one leadership team member said, "minor elected officials would call to get someone a job or ask someone in the central office to lean on a principal, and they would be outraged that there was no one able to do what they wanted." As a result, some neighborhood political figures complained that the DOE had moved too fast, consulted too briefly, excluded good people from jobs and opportunities for influence, and failed to negotiate over actions over which individuals had once held veto power.

Klein and his close associates thought they were seeking a deeply democratic purpose, providing good education for the disadvantaged, and would not pay a great price for going about it quickly. In that light, they took a calculated risk in closing down many pre-existing forums and channels of influence. Klein and others took pride in saying that there were no places in the bureaucracy where jobs could be bartered or groups paid off.

Thus, Klein's political strategy required that the DOE avoid the "politics of paralysis," acting fast and avoiding consultations that could only delay action or dilute results. He and his team believed that this was the only way to attract new supporters and convert parties that care about results above all else. But the strategy also generated opposition, much of it from groups that took the position, "we want better schools, just not this way."¹³ School closings, a complement to Klein's strategy of continuously searching for better school providers and better matches to the needs of groups of children, are always rallying points for opposition. In New York as elsewhere, the strength of opposition has little to do with the performance of the school up for closure or the quality of alternatives available. Opponents focus on jobs, neighborhood identity, and general suspicion of "downtown" authority.

The current local dispute over whether Klein's methods are democratic or dictatorial is itself evident that democracy is not dead, or even sleeping, in New York. Both sides frame choices in ways they believe will help them. Proponents emphasize the positive and try to minimize discussion of the downsides experienced by former employees, school communities that lost

money when the city went to pupil-based funding, and supporters of schools that were closed. Opponents like Diane Ravitch oversimplify the reform when they say it is based on privatization and naïve overreliance on testing.¹⁴ Other opponents pose an ideological claim—that by making parents into customers the reform weakens citizenship and detaches low-income people from (presumed more appropriate) neighborhood, class, and ethnic political affiliations.

The elite conversation often turns on different assumptions about democracy—whether, for example, all decisions on provision of public services should be subject to public deliberation and controlled directly by elected officials. Sabel’s theory of democratic experimentalism, which Klein and his colleagues put into practice even if they did not all know about it, assumes that elected officials can and should delegate some decisions to small groups of citizens, as long as the results are constantly available, shared, and built upon. Sabel’s theory says that democracies can legitimately prioritize problem solving over what he calls aggregative policymaking, where all interests converge on one decision point and one binding decision is hammered out. Some critics of the reform claim that only aggregative policymaking is legitimate, and that when people become customers of government they are no longer truly citizens.

To date, it is not possible to say for sure whether the opposition generated by New York’s reforms is strong enough to outweigh the support from new attentive publics, new groups that owe their existence to the reform, and families whose children have benefited from new educational opportunities. In New York, as in New Orleans, large numbers of parents appear content with the reforms for now,¹⁵ but there is enough opposition to keep system leaders under pressure. Democratic processes will, of course, decide the results of the current political struggles, as voters select the next mayor or determine whether the city’s schools should once again be controlled by an all-powerful elected school board.

STABILIZATION AND INSTITUTIONALIZATION

Bloomberg and Klein will certainly leave the scene long before all the implications of their initiatives are worked out and all opponents co-opted or defeated. Members of Klein’s leadership team say that the reform still has a long way to go to convert all teachers and principals to the idea of working in schools whose existence is contingent on performance, and to turn all central office bureaucracies into responsive service providers. Despite Bloomberg’s election to a third term, Klein’s freedom of action had already been constrained, by legislation strengthening the role of the Panel on Education Policy and new procedures for school closing.

The current reform—as defined by school empowerment—faces two threats, one internal and one external. The internal threat is that the DOE’s leadership team could lose track of their school empowerment objectives and erode school autonomy via new policies and compliance demands. This is unlikely to happen deliberately, but it is easy for central officials to add just a few new rules and reporting and requirements every time a new problem arises. That was one of the processes by which the system bureaucracy grew up in the first place, and why before the Klein reforms school leaders had so little control over their schools. School and support network leaders complain that data reporting and compliance demands are increasing over time, and that the leadership group does not have a good way of screening out such demands or terminating one demand when it is necessary to impose a new one.

The external threat is that opponents will gather enough allies to force abandonment of

devolution and accountability and a return to control of schools by politics, labor contracts, and mandates. Though some elements of the current reform initiative are likely to persist (e.g., independent networks to provide help to schools, data systems),¹⁶ it is possible that the NYC schools will revert to a system with a weak chancellor and weak school leaders, and no clear process for continuous improvement.

If the reform is to be stabilized against both threats, the system must find a new balance of leadership and governance. The leadership of a mayor or chancellor is too transitory a basis for sustained reform. If the current initiative is to be continued past the end of Bloomberg's term, something must be put into law or policy to guarantee school leaders' control over budgets, hiring, and choice of assistance providers, and to limit central authorities' powers to performance-based-accountability and portfolio management.

The eventual return of some sort of school board, whether appointed or elected, seems likely. If there are no clear limits to that board's powers—if it can make policy about anything it chooses, intervene in any decision, or once again control hiring and enter contracts that trade away school leaders' authority—it will probably exercise them. A more limited constitutional arrangement, one where the school board and chancellor have control over only a few decisions like school opening and closing and guaranteeing fair admissions to all schools, could sustain the empowerment aspects of the current reform. The state of Louisiana, which faces similar issues in returning control of New Orleans schools to a local oversight body, has made some progress in this direction.¹⁷

These issues might be too politically “hot” to resolve in New York. Klein and Bloomberg might indeed have more time to pursue their reform strategy today if they do not press to make it permanent. Based on opposition to the reform by some state legislators, they might have difficulty legislating a permanent change in board powers. Alternatively, any clear statement of the rules for the future, even an executive order from the state superintendent, governor, or mayor, would provide some stability.

As other chapters in this book will show, the reform's results are just emerging. The early indications, especially the high school graduation rate among high-risk students and the city's scores on the National Assessment of Educational Progress, are encouraging but not definitive. Several years of increases in the numbers of city students rated “proficient” on New York State exams came to an end in 2010. Though the numbers of questions students answered correctly on those tests continued to rise, higher “cut scores” meant that fewer students in the city and statewide won the “proficient” label. Critics were quick to seize on this change as evidence that Klein's strategies had not improved student achievement.

At this writing New York is probably only about halfway through the implementation of the reforms described here. Another book written nine years from now might tell a very different story. If the current reform or a related successor is still present in New York, it will be because the city has found a new and sustainable balance between governance and leadership.

ENDNOTES

¹ This paper is based on fieldwork done in the course of a study on portfolio school districts, based on a grant from the Carnegie Corporation of New York to the Center on Reinventing Public Education. This 30-month project involves close tracking of the evolution and results of “portfolio district” initiatives in New York City, Washington, DC, New Orleans, Denver, and Chicago, via analysis of public documents and press accounts, and interviews with key actors in the city government, school system, and interest groups. A “portfolio district” pursues a mixed strategy of new-school development (often via chartering) and improvement of existing public schools, under a common performance framework, so that all schools are judged on the same performance standards, and any school’s continuation depends on evidence of student growth. For a preliminary report on the study see Paul Hill et al., *Portfolio School Districts: an Interim Report* (Seattle: Center on Reinventing Public Education, 2009).

² As Susanna Loeb noted, in comments on an earlier draft of this chapter, these definitions leave out a third factor that determines the capacities of top management, i.e., systems. Data and oversight systems can both enable leadership (by giving leaders insight about what is happening beneath them, helping them identify problems that need attention, and signaling subordinates about what outcomes are valued) and act as governance constraints (e.g., by making leaders and subordinates spend time on issues that top management does not consider important).

³ Joseph Berger, “Report Details School Fraud by Custodians,” *New York Times*, November 13, 1992, <http://www.nytimes.com/1992/11/13/nyregion/report-details-school-fraud-by-custodians.html>

⁴ Bruce Bimber, *The Decentralization Mirage* (Santa Monica, CA: RAND, 1995).

⁵ See, for example, Thomas W. Malone, “Making the Decision to Decentralize,” *Harvard Business School Working Knowledge for Business Leaders Archive*, March 29, 2004, <http://hbswk.hbs.edu/archive/4020.html>

⁶ See, for example, Michael C. Dorf and Charles F. Sabel, “A Constitution of Democratic Experimentalism,” *Columbia Law Review* 98, no. 2 (1998): 267.

⁷ Mike Schmoker, “Tipping Point: From Feckless Reform to Substantive Instructional Improvement,” *Phi Delta Kappan* 85, no. 6 (2004): 424-427.

⁸ Few other cities adopting features of New York’s reforms are so clear about the uses of autonomy. Hartford and the District of Columbia, for example, still treat autonomy as a reward, only for the best.

⁹ Stephen Brill, “The Rubber Room: The Battle over New York City’s Worst Teachers,” *The New Yorker*, August 31, 2009, http://www.newyorker.com/reporting/2009/08/31/090831fa_fact_brill.

¹⁰ Charles Sabel, “What To Do about Wicked Problems after Whitehall (And What Scotland May Just Possibly Already Be Doing),” (paper presented to the OECD Conference on Devolution and Globalization Implications for Local Decision-makers, Glasgow, Scotland, February 28, 2000).

¹¹ See Shannon Marsh and Paul Hill, “Multiple Pathways to Graduation: New Routes to High School Completion” (working paper, Center on Reinventing Public Education, Seattle 2010).

¹² See Colorado Department of Education, “Associate Commissioner Richard Wenning on the Colorado Growth Model,” Colorado Department of Education, http://www.schoolview.org/media/Tutorial/CGM_PubTutorial_01.asp, for a discussion of the new

measurements for the school Progress Reports. See Childress et al. (this volume) for a more complete description of the results-based accountability system.

¹³ Similar opposition has arisen in New Orleans, Denver, and Washington, DC.

¹⁴ Diane Ravitch, *The Death and Life of the Great American School System: How Testing and Choice Are Undermining Education* (New York, NY: Basic Books, 2010).

¹⁵ Leaders in both New York and New Orleans cite long waiting lists for new schools opened up under their reforms. New Orleans has extensive survey evidence of parent satisfaction.

¹⁶ For evidence that elements of decentralization initiatives persist and accumulate over time despite political and governance changes, see Charles Taylor Kerchner et al., *Learning from L.A.: Institutional Change in American Public Education* (Cambridge, MA: Harvard Education Press, 2009).

¹⁷ See, for example, a report by Tulane University's Cowen Institute: *Managing Innovation: Models for Governing the System of Public Schools in New Orleans* (New Orleans: The Cowen Institute, 2010).

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