

Creating a Performance Culture?  
Informal Institutions and Education Reform

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A dissertation  
submitted in partial fulfillment of the  
requirements for the degree of

Doctor of Philosophy

University of Washington

2013

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Program Authorized to Offer Degree:

Evans School of Public Affairs

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**Abstract**

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Performance management, despite its popularity as a strategy to improve public service quality, has had mixed results. One reason is that successful reform depends not just on changes in formal systems but also on changes in organizational values. This mixed-method dissertation analyzes a large urban school district to assess the role of performance pressure and organizational climate in the development of performance management values.

In contrast with prior research, it finds that pressure has a negligible effect on espoused performance values and a negative and significant impact on the adoption of performance management behavior. By contrast, organizational climate has a strong and positive impact on performance values. Follow-up analyses suggest, first, that pressure may not be necessary for organizational change, and second, that values conflict and features of the managerial and policy context itself—policy complexity, fiscal austerity, and contested outcomes and outcome measures—reduce organizations' responsiveness. These findings raise serious questions about the efficacy of high-stakes accountability reforms, and highlight the need for policymakers to consider alternate approaches that foster organizational trust and the build capacity for reform.



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## **Dedication**

I dedicate this dissertation to my parents, Mac and Harriett Destler, who, through countless conversations at the dinner table, instilled in me from a young age a deep commitment to public service and an appreciation for its challenges.



## **Chapter 1: Performance Management Reform and the Challenge of Change on the Front Lines**

Performance management reform<sup>1</sup> emerged over a decade ago as a managerial tool designed to make government run more smoothly so the quality of public services would rise. Its goals were laudable and straightforward: to increase organizational performance through enhanced managerial discretion, the collection and dissemination of rigorous performance data, and formal accountability for organizational performance. Throughout the 1990s and 2000's, these reforms gained traction in a range of policy domains, from public health and international development to local government and the federal bureaucracy (Christensen, Lægheid, & Stigen, 2006; Hatton & Schroeder, 2007; McBeath & Meezan, 2009; Moynihan, 2008).

Yet the management of performance management systems has proved much more difficult than the enactment of performance management reform. While success stories exist, all too often, high-profile reforms produce few changes in front-line practice or organizational outcomes. In some cases, implementation is symbolic: organizations comply with data collection and reporting requirements but do not incorporate data into decision-making. In others, implementation is superficial or even devious—implementers focus exclusively on improving performance scores without seeking to improve performance overall. And in virtually all cases, the response to performance management is uneven; some units respond actively, some partially, and some, perhaps not at all (Heinrich, 2007; Moynihan, 2008; Radin, 2006).

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<sup>1</sup> I define performance management reform as a set of policies that require the collection, analysis and dissemination of performance information and hold organizations formally accountable for performance. This reflects the working definition of the National Performance Management Advisory Commission, which describes performance management as “an ongoing, systematic approach to improving results through evidence-based decision making, continuous organizational learning, and a focus on accountability for performance” (National Performance Management Advisory Commission, 2010).

Understanding why this is the case requires examining not only organizational theory but also the real-world institutions in which such theory plays out. Thus, this dissertation looks not at the relationship between performance management and performance outcomes but instead at the conditions under which performance management reform changes organizational behavior. I argue, moreover, that organizational behavior is rooted in a deeper set of organizational values and beliefs: culture. My dissertation asks,

What are the factors that contribute to and impede the development of a performance management culture in the face of performance management reform?

Understanding these factors is critical to recognizing what conditions, if any, would enable performance management reform to achieve more uniformly positive results. I posit that a key reason why performance management reforms have had uneven results is that they require not just changes in formal oversight systems (e.g. data collection and strategic planning mechanisms and formal outcome-based accountability systems) but, first and foremost, behavioral changes that reflect organizational culture and values (Coburn, 2001; Hartmann & Khademian, 2010; Honig, 2006; Moynihan, Pandey, & Wright, 2012; Moynihan & Pandey, 2010). As a result, it is essential to study closely the dynamics of organizational culture change.

To understand these dynamics, I analyze data from a large urban school district to explore and test two theories of organizational culture change: one rooted in external incentives and the other in the belief that culture change is a product of internal organizational dynamics. To do so, I examine two levels of organizational values: espoused values, which represent the stated beliefs of organizational members, and organizational values-in-use, tacit belief systems reflected through organizational behavior (Argyris & Schön, 1974, 1978; Schein, 2004). I ask:

To what extent do external incentives and organizational climate affect the espousal of performance management values and the adoption of performance values on the front lines?

As I detail in the chapters, my analysis finds organizational climate to have a strong and consistent relationship both to the espousal of performance management values and the enactment of performance values-in-use. Follow-up tests highlight, in particular, the importance of teachers' interpersonal relations and trust as factors that facilitate the espousal of performance management values and adoption of performance management values-in-use.

By contrast, external incentives (as reflected in organizational survival anxiety) are minimally associated with the espousal of performance management values and have a negative relationship to performance management values-in-use. Evidence from a comparative case study of four elementary schools helps to explain why. Individuals at low-performing schools in the city certainly experienced performance pressure as real, and expressed both frustration at “embarrassing” labels and concern that their schools could, in fact, be shut down. At the same time, they openly questioned whether teachers had much control over the school performance scores developed by the Department of Education (DOE). Furthermore, teachers and, to a lesser extent, principals, critiqued the underlying values of the reform and struggled to implement measures they felt were extraneous or even detrimental to their core professional responsibilities. By contrast, teachers and the principals at a high-performing school, which was also critical for the DOE, found ways to redefine the external mandates so they better aligned with the school's pre-existing culture and values. By adapting the reform mandates to align with the school's values, the school underwent deeper changes in values.

Beyond highly salient and surprising findings, my research approach fills gaps in the literature on performance management and administrative reform in two ways. First, by measuring the impact of external incentives and organizational climate side by side, it provides a test of two dominant theories on organizational change: one which emphasizes external demands, and a second that emphasizes internal organizational characteristics such as climate. Second, by considering not only the self-reported values of organizational members but also organizational values as revealed

through individuals' observable behavior, this dissertation provides a richer understanding of organizational culture and avoids some of the measurement problems, such as common source bias, that have plagued previous research.

### **Context of the Study:**

In late 2002, the New York state legislature granted Mayor Michael Bloomberg sole governing authority over the city's schools based on his promise to overhaul the system. It did not take long for him to begin fulfilling this task. Together with his top appointee, Chancellor Joel Klein, Bloomberg embarked on a dramatic re-organization of the New York City school system. He began by symbolically emphasizing his control by moving the Department of Education to a building across the street from City Hall. At the same time, Klein changed the traditional hierarchical governance structure by eliminating first (in 2003) the thirty-two community school districts and then (in 2007) the ten geographic regions that had replaced them.

In its place, Klein created a system that awarded substantial decision-making authority to school principals. Principals gained the ability (and the responsibility) to control their own budgets, hire teachers and other employees directly, and, within the constraints of common outcome expectations, alter curricula and instructional approaches. Through this change, Klein sought to encourage greater organizational innovation at the school level. Second, he reorganized the district's central office around the core task of performance accountability— holding schools to common academic standards through a quantitative school progress report (published annually) and a qualitative school inspection dubbed the quality review. Principals that failed to boost student achievement faced termination; chronically low-performing schools faced closure.<sup>2</sup> Furthermore, in a

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<sup>2</sup> Between 2002 and 2010, Klein's office closed just over ninety schools, citing underperformance (Otterman, 2010). This represents approximately 5% of the total number of schools in the system. Many of the closed schools were replaced by new small schools, operated as charter schools or directly overseen by the district.

break from traditional school system design, Klein moved schools' day-to-day support functions (ranging from human resources and payroll support to curricular guidance and professional development) from the central office to a quasi-market of school support organizations, each responsible for approximately twenty-five schools. These organizations, led by district officials or pre-screened non-profit organizations (such as Fordham University and New Visions for Public Schools) offer their services on a fee basis to individual schools. Under the new regime, all schools purchase the services of a support organization, but principals choose one to join.

Finally, in an effort to foster innovation and learning at the school level, New York has supported and mandated the creation of school-level “inquiry groups”—small collectives of schoolteachers and administrators that meet regularly to analyze student data, identify specific areas in need of improvement, and redesign instruction and other work processes to improve student learning. Though implemented somewhat differently across schools (Talbert, 2011) these teams are a common element in an otherwise decentralized system.

Supporters and critics acknowledge the ambition of Bloomberg and Klein's school district redesign<sup>3</sup>. Through its radical decentralization of operations, its focus on accountability for outcomes and its willingness to work through independent providers (both charter schools and private network support organizations), New York provides a textbook example of a reform known as the “portfolio school district”: an alternate governance structure that seeks to supplant a vertically-organized hierarchy that has been in place since the turn of the 20<sup>th</sup> century (Bulkley, Henig, & Levin, 2010; Hill et al., 2009; Tyack, 1974).

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<sup>3</sup> Joel Klein resigned as a New York City Chancellor in the fall of 2010. However, all indicators suggest the trajectory of the reform is likely to remain unchanged. Mayor Bloomberg, whose statutory power to oversee the city schools was renewed by the state legislature, remains in office, and has personally selected and appointed Klein's replacements. Moreover, the current Chancellor, Dennis Walcott, is closely aligned with the reform, having served throughout Klein's tenure as the Deputy Mayor of Education, and has stated that his vision for the school district is “basically the same” as that of his predecessor (Grossman, 2011).

Less clear is the impact of the new governance system on the perceptions and practice of teachers and school principals. Many scholars have documented the extent to which public schools—and, more specifically, the “core” of educational practice—are impervious to reform efforts (Elmore, 1996; Hess, 1999; Tyack, 1974). Radical efforts to change educational practice often have only muted effects because schools, whether consciously or unconsciously, adapt new policy directives to into pre-existing institutions, what Tyack and Cuban call the “grammar of schooling.” (1995).

What sets the portfolio district approach apart from previous reform efforts is its effort not to dictate school-level practice directly (Klein has himself acknowledged that neither he nor his leadership team had the answer to “what worked” in urban education) but to induce experimentation and effort through increased managerial discretion and potent performance incentives (Hill et al., 2009). This represents a cultural change both for school personnel and for their overseers, who have little experience working in a decentralized, incentive-based system (Honig, Copland, Rainey, Lorton, & Newton, 2010). One high-ranking district official noted this challenge and described it as an effort to change an organization “built around relational dynamics” through the use of an economic model:

People, they can't talk to each other because the people with the economic framework are essentially saying, “Look it works in this other sector in society.” The people steeped in relational social science say, “Education isn't a business. Kids aren't widgets.” There's just no middle ground for people to meet. They talk at each other (Personal Interview, 11/2/09).

Resolving this tension—finding the middle ground that allows people to talk with, rather than “at” one another—is a critical challenge for New York City's reform. Because, as theory predicts and prior research has shown, sustainable reform depends not just on shifts in formal rules and incentives but also on changes in norms, understandings and beliefs on the front lines (Brodkin, 2011; Coburn, 2003; Lipsky, 1980; Riccucci, 2005; Spillane, Reiser, & Reimer, 2002). Thus it is important to know more about the circumstances under which change can and does occur. In other

words, how do formal policy shifts and organizational culture interact to shape the beliefs and the practices of front line workers?

### **Performance Management Reforms: When Ideals Meet Reality**

Because performance management is both new to public education and dramatically different from traditional approaches to school oversight, Klein and Bloomberg's "portfolio school district" reform provides a valuable context for understanding the organizational dynamics of performance management reform.

As noted in the introduction, reformers in a range of policy domains have enhanced performance tracking and incentives as means to improve the quality of public services. While the specifics vary by institution and by policy domain, performance management reforms typically share three common elements: collection, analysis, and dissemination of performance data; managerial discretion; and outcome accountability. By increasing decision-making power at the front lines and making performance information accessible both to governmental organizations and the public at large, performance management reforms seek to realign incentives towards a finite number of organizational objectives.

The idea behind such reforms is that they will improve organizational performance through three mechanisms. First, performance measurement can *enhance goal clarity* by demonstrating to workers which elements of their work really count (Hatry, 1997; Hood, 2012; Jennings & Haist, 2004; O'Day, 2002). Second, performance management can *align the incentives of government workers with agency goals*. Principal agent theory (and rational choice theory more generally) asserts that rewards for high performance and other accountability measures encourage workers to orient their behavior around agency objectives, especially in contexts where behavior cannot be monitored or directly controlled (Eisenhardt, 1989; Hatry, 1997; Hood, 2012; Miller, 1993; Pratt & Zeckhauser, 1985). Third, when the public management problem involves not just information asymmetry but policy

uncertainty more generally, performance management reform *can contribute to greater system-wide learning* about what works (and does not work) in government service (Behn, 2003; Bovens, Schillemans, & Hart, 2008; Hood, 2012; Matland, 1995; May, 1992; Moynihan, 2008). This is the case not only in technologically advanced fields but also in many complex human service policy domains, where social outcomes are jointly produced by government workers (often in multiple agencies), clients, and the broader social context (Bovaird, 2007).

Yet performance management's critics remind us that the outcomes of these reforms are, at best, mixed. Performance management reforms are all too often driven by questions of political expediency rather than actual organizational performance: policymakers enact performance management reforms to battle "wasteful bureaucracies" but often fail to track and analyze the data that performance systems produce or adjust policy on the basis of that analysis (Light, 1997; Moynihan & Pandey, 2010; Moynihan, 2008; Radin, 2006). The impact of performance management reform on the front lines can be similarly political in nature, as mid-level managers either symbolically comply with reforms or tweak performance measures without serious regard to overall organization performance, such as by narrowing their focus to "teach to the test" or focusing on "bubble" clients—those near passing thresholds who are most likely to affect overall ratings (Corcoran, Jennings, & Beveridge, 2010; Heinrich & Marschke, 2010; Heinrich, 2007; Jacob, 2005; Jennings & Haist, 2004; Ladd, 2012).

A second challenge involves the nature of performance information itself. While it may *seem* to be objective (one rationale for performance management systems is that they are oriented around unbiased, apolitical and unambiguous measures of quality), more often than not, performance information is highly ambiguous. In particular, what constitutes *adequate* performance, or *adequate* improvement, involves a value judgment. As a result, both the choice of what data to collect and the interpretations of performance data and normative assessments of agency quality are shaded by pre-

existing conceptual schema and ideological or political beliefs (Moynihan, 2008; O'Day, 2002; Thomas & Fumia, 2011) and reflect tacit assumptions of policymakers' which may or may not accord with those held on the front lines.

Moreover, many government services are complex, and, by their very nature, address multiple and possibly contradictory goals. As tempting as it is to use performance indicators to narrow front-line workers' focus, doing so in the context of contested objectives may lead to a backlash from workers and the public alike who disagree with the prioritization of some goals over others (Jennings & Haist, 2004; Lipsky, 1980; Wilson, 1989). For example, asking health-care providers to focus predominantly on cost, or school teachers on standardized test scores runs the risk of worsening, rather than improving, public performance.

The extant literature suggests that performance management reform is shaped by both formal and informal factors (Behn, 2003; Hatry, 1997; Miller, 1993; Moynihan, 2008; Osborne & Gaebler, 1992). Based on a cross-state and cross-agency study of performance management reforms, Moynihan (2008) found that successful performance management reforms depend on four formal policy features:

- Relevant and reliable data
- Meaningful Managerial discretion
- Real Accountability for Performance
- Learning forums (systems to help individuals make sense of new information)

In the paragraphs that follow, I describe each of these formal mechanisms in greater depth and tie them to the performance management mechanisms introduced at the beginning of this section: focusing attention, providing incentives for new behavior, and fostering learning.

*Relevant and Reliable Data.* A performance management system is no better than the data upon which it rests. For performance data to inform the practice of front-line workers and managers, it must be multi-faceted (consisting of multiple measures of performance), regularly collected, and

made available in a form that is accessible and relevant to individual and organizational action (Behn, 2003; Hatry, 1997; Jennings & Haist, 2004; Moynihan & Pandey, 2010). For example, performance data that is collected too infrequently, or at a high level of aggregation (e.g. city or state-wide) may not provide information that is actionable on the front lines of most agencies. Quality data collection is necessary for all three performance management mechanisms: focusing attention, incenting new behavior, and fostering learning.

*Meaningful Managerial Discretion.* Next, public managers need the freedom to act upon the performance information they gather (Jennings & Haist, 2004; Moynihan & Pandey, 2010; Osborne & Gaebler, 1992). Without such discretion, the use of performance information can only be used to measure performance—not to improve it. True managerial discretion (as opposed to token discretion on paper) has proved difficult in some policy contexts—perhaps policymakers are more inclined to increase their control via performance measures than to let go of control through decentralization (Moynihan 2008). At the same time, scholars (e.g. Moynihan and Pandey 2010) *have* found that flexibility or managerial autonomy is associated with higher levels of performance information use. The rationale is clear. Without the ability to act on new information, front-line managers and workers have a diminished incentive to take that information seriously; moreover, they cannot engage the in small-scale experimentation and innovation necessary to foster system-wide learning.

*Accountability for Performance.* Prior scholarship also argues that performance ratings must have meaningful consequences attached (Hatry, 1997; Osborne & Gaebler, 1992; Osborne & Plastrik, 1997). While the empirical findings on the relationship between performance incentives and front-line behavior is mixed (Moynihan and Pandey 2010), theory suggests that if front line workers do not face accountability tied to performance measurement, they are less likely to invest time and other organizational resources in strategies related to performance data (Jennings & Haist, 2004). In other

words, without real accountability for performance, misalignment between the interests of organizations and their overseers will persist.

*Learning Forums.* Finally, Moynihan argues, managers must develop formal systems to facilitate the analysis and discussion of performance data and policy. These systems are important for two reasons. First, as noted above, performance information is not only complex to understand but also in many cases highly ambiguous. Thus, individuals would benefit from collective opportunities to make sense of relevant performance data (Coburn, 2001; Honig & Coburn, 2008; Hood, 2012; Moynihan & Landuyt, 2009; Moynihan, 2008). Moreover, the analysis of performance data is itself a new and foreign concept for many front-line workers. This is particularly true in many human services professions, where accountability has traditionally focused on compliance, and measures of agency success have been largely qualitative and personal, if not anecdotal (Lipsky 1980; Maynard–Moody and Musheno 2003). Individuals asked to make sense of new data and understand their roles in new ways will benefit from opportunities to make sense of these new expectations in collaboration with others (Coburn, 2001; Louis, Febey, & Schroeder, 2005; Moynihan & Landuyt, 2009). Without formal contexts in which to analyze data and make sense of new roles, individuals are less likely to incorporate performance data into their practice. Thus, learning forums matter not only to foster learning, but also to ensure goal clarity is achieved.

The existing literature on performance management has provided a valuable contribution by outlining the formal preconditions to performance management reform. However, a change in formal policy features is not, in and of itself, sufficient to catalyze changes in organizational behavior. This is because performance management reform is itself premised on a new set of values and assumptions, values and assumptions that often run counter to existing the norms and behaviors of organizations that must implement the reforms. As an example, Kerchner et al. (2008) show how the norms of many newly-reformed school systems, guided by a logic of “consequences,”

differ from the norms that have traditionally underlay public sector organizations oriented around relationships and a logic of “confidence” in certified experts. In essence, they argue, the new focus on performance incentives represents a dramatic shift from prior policies that were oriented around having the right people and structures in place and trusting them to do their jobs. In order to succeed in such a system, teachers and principals must shed prior assumptions and adopt new normative beliefs in line with the reform (Senge, 1990; Spillane, Reiser, et al., 2002). And such normative changes do not come easily. As Moynihan and Pandey write, “The potential for learning from performance information necessarily requires not just a supply-side approach that ensures that useful information is easily available but also a demand-side approach that fosters norms consistent with information use” (2010, p. 861).

The statement above presents an opportunity for future study. To date, most performance management research has emphasized supply side strategies and variables (the creation of systems for the collection, analysis and use of performance data) over the demand side (strategies to make organizational actors more likely to understand and use performance data). To the extent that organizational culture is both complicated and critical to the success of performance management reforms, we need to examine the conditions under which cultural change—more specifically, the development of norms that support performance-based decision-making and the exercise of autonomy—is mostly likely to succeed. In what circumstances are front line workers acculturated to an organizational structure built on compliance most willing and able to adapt to a performance-oriented regime?

Moynihan’s recent work has begun to tackle this question by exploring cultural dimensions of performance management reform. With Pandey (2010), for example, he finds that a “developmental culture”—one that emphasizes risk-taking and innovation—increases the likelihood that public managers will use performance data. A subsequent study has found evidence that

transformative leaders do, in fact, use organizational culture as a lever to encourage performance information use (Moynihan et al., 2012). Looking at the link between culture and program outcomes, Childress, Higgins et al. (2011) in a study of New York City school reform, find that “psychological safety,” composed of organizational trust and support, and an “accountability culture” are both associated with improved student achievement.

These studies affirm the importance of culture to organizational performance and also suggest directions for future research. The Childress study, for example, acknowledges outright the need to consider both *how* psychological safety and an accountability culture shape organizational outcomes and *how* those two organizational characteristics emerge in the first place. These studies also point to a methodological challenge. Moynihan’s and Childress’s studies use self-reports to measure organizational culture. Doing so is an effective way of capturing *espoused* values, but it may not adequately capture deeper, often-tacit assumptions or the realities of organizational practice (Schein, 2004). Moreover, recent scholarship has raised concerns about relying heavily on a single survey, arguing that this practice, while common, may contribute to severe common source bias (K. Meier & O’Toole, 2011).

This dissertation builds on the works of Moynihan and Childress in two ways. First, it uses third-party accountability data to document organizational behavior as a means to minimize common source bias. Second, it explicitly articulates and empirically tests two theories of *how* and *under what conditions* performance management reform changes culture and practice on the front lines, and follows up that test with a mixed-method examination of the mechanisms that guide and get in the way of performance management reform.

## **Outline of Chapters**

Seven chapters follow this introduction. In the next chapter, “Culture and the Problem of Organizational Change,” I draw upon existing scholarship in organizational culture and

organizational culture change to identify the informal factors most likely contribute to organizational change in response to structural reform. This scholarship highlights two dominant factors: survival anxiety (the extent to which an organization perceives external threats to its existence or well-being) and organizational climate (psychological safety, perceptions of supports, and norms of open and honest communication).

In Chapter 3, I provide a broad overview of my research design and my mixed methods. I explain the rationale behind my focus on public education and detail my site and case selection strategy. I also recount the quantitative and qualitative methods that I employed, saving details of each statistical model for subsequent chapters and/or the appendix.

Chapter 4 applies the framework developed in Chapter 2 to performance management reform and presents findings from quantitative tests measuring the predictive power of survival anxiety and organizational climate for the espousal of performance management values and the adoption of performance values-in-use. As this chapter describes in greater detail, these analyses came to a surprising conclusion. While increased survival anxiety is associated with a higher espousal of performance values, its relationship to performance values-in-use is negative, suggesting that those schools under the greatest pressure to improve were in fact *less* likely to change.

Chapters 5-7 follow up the findings in Chapter 4 by analyzing findings from subsequent mixed-method analyses. Chapters 5 and 6 focus on survival anxiety, using data from a comparative case study of schools and, when possible, subsequent quantitative analysis, to examine, first, why high-anxiety schools do not show greater change (Chapter 5) and second, what factors explain change among low-anxiety schools, given that those schools face no tangible incentives for doing so (Chapter 6).

Chapter 7 focuses on organizational climate, using both qualitative data from the comparative case study and quantitative follow-up analyses to examine first, which elements of

organizational climate have the greatest impact on the development of a performance culture and second, how public managers and front-line workers foster conditions that support performance management values.

Finally, Chapter 8 offers concluding thoughts on the findings presented in the body of the document. In it, I summarize key findings from each of the chapters and go a step further, positing managerial and policy barriers that explain the challenges faced by performance management reform in New York City. I conclude with statements about the implications for organizational theory and for performance management reform.



## Chapter 2: Culture and the Problem of Organizational Change

The importance of norms, values and culture has been widely acknowledged in political science, public management and education policy even as scholars have struggled to find ways to systematically examine its impact (Dull, 2010; Hartmann & Khademian, 2010; McCurdy, 1992).<sup>1</sup>

This chapter draws from institutional and organizational theories to examine conditions that support shifts in organizational culture and to identify pathways for organizational change in the face of performance management reform.

I treat organizational culture as an element of informal institutions—organizational norms, values and beliefs that guide members’ practice but are not part of a codified structure (Barnard, 1968; Williamson, 2000). While not part of the formal policy structure, organizational culture—”the way things we do things around here” (Deal & Kennedy, 1982)— fits squarely within James March and Johan Olsen’s definition of institutions—”collections of interrelated rules and routines that define appropriate actions” (2010, p. 160).

The importance of informal institutions is not only recognized in theory but has been affirmed by empirical study across policy domains and disciplines. Prior research (Anagnostopoulos & Rutledge, 2007; Childress et al., 2011; Moynihan & Pandey, 2010; Moynihan, 2008; Oberfield, 2010; Sandfort, 1999) offers evidence that informal institutions such as group-level norms and organizational climate and culture affect managers’ and workers’ responses to performance

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<sup>1</sup> The study of organizational culture, complicated in its own right, is further complicated by the fact that scholars coming from different theoretical and intellectual traditions use distinct terms that nonetheless have considerable overlap in concept and practice. In discussing unstated organizational assumptions, for example, management theorists may refer to tacit theories-in-use (Schein, 2004), concepts that have close resemblance to the “scripts” of new institutionalism (e.g. Meyer and Rowan, 1977) and what scholars in a cognitive strand of policy study (e.g. Spillane, Reimer and Reiser, 2002) refer to as “conceptual schema.” While these terms do have important distinctions, they also share some common implications for practice.

initiatives, research that accords with broader work on the relationship between culture and administrative reform (Durant, 2008; Khademian, 2002; Riccucci, 2005; J. Wilson, 1989).

However, the evidence about cultural *change* is comparably sparse. Most works to date either treat organizational culture as a static organizational feature that facilitates or inhibits organizational change (Gormley Jr & Weimer, 1999; Moynihan & Pandey, 2010; Rainey & Steinbauer, 1999) or define it as a managerial tool, suggesting that it is the uncomplicated product of strong leadership (Hartmann & Khademian, 2010; Kotter, 1996; Senge, 1990). Each approach treats the actual process of cultural change as a “black box. Neither offers much assistance to scholars attempting to understand the messy reality of cultural change in the face of performance management reform. To do so, students of organizational culture face challenges that are similar to those faced by scholars studying structure and institutions. How does one develop and test a theory that simultaneously recognizes the deeply-embedded nature of informal characteristics and allows for the possibility of normative or ideational change (Barley & Tolbert, 1997; Blyth, 2002; Crouch & Farrell, 2004; Mahoney & Thelen, 2010; Sewell, 2005; Williamson, 2000)?

To address this challenge, I turned to an alternate strand of organizational culture scholarship: theory about the process and predictors of organizational culture change. This literature highlights the complex and multifaceted nature of organizational culture, and suggests that culture is *sticky* but not *static*. In other words, while norms, values and beliefs are enduring features of organizations, they can change in response to external and internal pressures.

### **Characteristics of Organizational Culture**

Organizational culture is complex. Because it is developed collectively, as individuals explicitly or tacitly reconcile their individual beliefs with organizational and professional norms, it draws from at least three sources: the people currently working within it, the long-standing organizational norms that go beyond any one set of workers, and the specific social and political

context (Anagnostopoulos & Rutledge, 2007; Coburn, 2001, 2005, 2006; Hartmann & Khademian, 2010; Louis et al., 2005; Oberfield, 2010; Riccucci, 2005; Schein, 2004). Thus a reform's very meaning may differ depending on context (Honig, 2006). For example, charter schools (publicly funded schools operated by independent providers), depending on their location, may represent a) a return to the voluntary public school tradition and grassroots community engagement (Massachusetts and Minnesota), b) a creative outlet for social entrepreneurs (Washington D.C, New York City, New Orleans), c) an opportunity to root out government waste and increase efficiencies through competition and organizational structures (Indiana; Texas), d) a route to escape public unions (Ohio) e) a return to racial segregation (Virginia). These differences may or may not be reflected in the specifics of a charter school law, but they will certainly shape the coalitions of supporters and opponents that organize in response to a reform.

Moreover, organizational culture is multifaceted. The term "organizational culture" is actually an umbrella term for multiple elements. The existing literature suggests three conceptually distinct components that both capture the broad construct of organizational culture (Hartmann & Khademian, 2010) and highlights their relevance for administrative reform:

**Organizational Values:** Stated or tacit beliefs and norms shared by individuals within an organization;

**Organizational Climate:** the level of organizational trust and proclivity for risk and experimentation;

**Survival Anxiety:** the perceived risk of inaction to individual or organizational integrity or wellbeing.

Each of these components has implications for the prospects for organizational change, yet none is easily manipulated by managers.

Third, organizational culture is sticky but not static. Organizational norms and beliefs are subject to strong inertial forces (such as the tacit nature of underlying belief systems). Many elements of organizational culture, such as underlying professional norms, are beyond a public

manager's control. This inertia can be an organizational asset. It is part of the glue of organizational integrity, and shields organizations from excessive turbulence or inconsistent signals in the external environment such as those brought about by fleeting political pressures (Hartmann & Khademian, 2010). This is particularly important in domains where policy is not just implemented but in fact made by street-level bureaucrats (Brodkin, 2011; Lipsky, 1980). However, the inertia of organizational culture does present a dilemma for leaders seeking to enact broad-ranging administrative reforms. On the one hand, without cultural change, front-line workers' responses to administrative reforms may be superficial at best and subversive at worst. And yet, on the other given that culture itself is the product of so many factors, change is difficult to measure and define, much less mandate or control (Donahue & O'Leary, 2011; McCurdy, 1992).

Yet cultures do change—and some of the most-touted organizational reforms have been cited as examples of changes in culture (Collins & Porras, 2004; Khademian, 2002; Kotter, 1996). These reforms (and, to a lesser extent, counter-narratives of organizational reforms that have failed) have formed the basis of a rich body of theory on organizational culture and change, tied to the three components of organizational culture introduced above (Anagnostopoulos & Rutledge, 2007; Coburn, 2001; Hartmann & Khademian, 2010; Khademian, 2002; Louis et al., 2005; Senge, 1990). This theory has made an important contribution to our understanding of the process by which cultural change and policy reforms interact.

At the same time, there exists a need to expand our methodological approaches to studying cultural change. The generalizability of existing studies of cultural change is limited for two reasons. First, many studies focus on a single case without a comparative element. Second, the comparative case studies that do exist have, for the most part, looked at organizations in dramatically different social or political contexts (Moynihan & Landuyt, 2009; Moynihan, 2008). As a result, the ability to draw larger implications from organizational comparisons is limited.

The field is ripe for hypothesis testing. In the section that follows, I underscore the importance of organizational values to the successful implementation of administrative reform. Next I detail two pathways to organizational values change suggested by organizational culture theory, using these pathways to present three research hypotheses about culture change in the face of administrative reform. In subsequent chapters, I test these hypotheses using the case of performance management reform in education.

### **Pathways to Organizational Change**

Coburn (2003) has suggested that large-scale initiatives such as performance management reform are unlikely to have a deep and lasting effect unless they are accompanied by changes in deep-rooted culture and underlying conceptual schema. These changes fit into Argyris and Schön's definition of double loop learning (1978). And those changes are, in turn, the product not only of shifts in formal rules and incentives and external demands (what Khademian has labeled the “roots” of organizational culture; see also Schein, 2004) but also of informal institutions such as organizational values, conceptual schema and norms.

*Organizational Values*—Particularly in organizational contexts characterized by autonomy and professional judgment, policy is not automatically translated into practice (Lin, 2002; Lipsky, 1980; Schein, 2004). Front-line managers and workers responding to performance management reforms are likely to consider both the incentives tied to performance and the underlying ideas of the reform. Moreover, front-line workers' and managers' opinions are shaped by deeper individual and organizational norms and assumptions.

In their studies of organizational culture and change, both Edgar Schein (2004) and Argyris and Schön (1972) warn against an overly superficial examination of organizational values. Looking at only at those values explicitly expressed by members of an organization, each argues, can provide a picture of what an organization *wishes* it was rather than what an organization truly *is* in practice. In

the context of performance management, for example, managers may report faith in numbers and a belief in accountability for outcomes but make high-stakes decisions on the basis of instinct or fail to follow through with sanctions for poor performance. This discrepancy leads both Schein and Argyris and Schön to advocate looking at two levels of organizational values:

**Espoused Values:** Beliefs and ideals explicitly held by an organization and its front-line staff, often codified in organizational mission statements;

**Values-in-Use:** Implicit organizational beliefs and ideals revealed through organizational behavior.

This two-pronged approach can help capture the authentic, underlying beliefs of an organization.

Identifying an organization's underlying values is only part of the answer. For policymakers interested in implementing reforms in contexts unfavorable to change, the question of greatest interest is, under what conditions are changes in organizational values-in-use most likely to occur? Here prior theory suggests two distinct, though not necessarily mutually exclusive, paths to organizational change: survival anxiety and organizational climate. In the sections that follow, I discuss each in turn.

### *Survival Anxiety and the External Incentives Pathway*

The influence of external incentives on organizational behavior is well established in prior literature (Eisenhardt, 1989; Moe, 1991; Pratt & Zeckhauser, 1985). This literature postulates that organizations respond and adapt to external signals and, particularly, changes in the external environment. Changes in outside demand or the external authorizing environment lead to changes in organizational mission, practice, and culture. Hartmann and Khademian, for example, conceptualize organizational culture as a set of commitments that “depend on the incentives people face for action, and the consequences of those actions over time” (2010). These incentives can be positive—e.g. the awarding of recognition or additional bonuses for exceptional outcomes—or they can be negative, as with high-stakes penalties for low performance. Negative sanctions, in particular,

may prompt “survival anxiety,” a perceived risk to organizational health or wellbeing (Schein, 2004). Survival anxiety motivates change by revealing a misalignment between organizational culture and the external environment (Hannan & Freeman, 1984; Parsons, 1956) and presenting a “burning platform” that demands an organizational response (see also Kotter, 1996).

Survival anxiety is both performance-oriented and political in nature. For example, relatively high-performing organizations, and those with strong support from external stakeholders (e.g. current and former clients) are more likely to be shielded from an external reform, particularly when that reform is tied to improved organizational performance.<sup>2</sup> Conversely, those with a longstanding record of poor performance will likely face the greatest scrutiny. Moreover, given that administrative reforms have their roots in political processes, front-line workers weighing how to respond to reforms are likely to consider not only their own political strength (from powerful stakeholders) but also that of the governing coalition behind the reform (Jennings & Haist, 2004; Orr, 1999; Patashnik, 2008). Agencies are less likely to invest time and effort in developing new approaches if they view the reform coalition as tenuous and/or believe that the policies are subject to turnover with a new political administration. The incentives for organizational actors to adopt performance management in practice thus depend in part on how those actors view the political sustainability of the governing regime.

If organizational behavior is primarily the product of external incentives, there are clear implications for the impact of reform on organizational practice. Specifically, this perspective suggests that organizations with higher levels of survival anxiety, because they face the greatest

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<sup>2</sup> This is true regardless of whether the level of performance is tied to factors within an organization’s control. For example, schools with an affluent student body may have levels higher tacit discretion than those with disadvantaged populations, even though their performance level is a product of their incoming students rather than their organizational practice.

incentive to improve, will be more likely to espouse and adopt new values in the wake of a reform.

Thus, the external incentive perspective leads to the following hypothesis:

H<sub>1</sub> All else equal, organizations that experience greater levels of survival anxiety will both espouse and adopt more values aligned with an external reform.

### *Organizational Climate and the Internal Dynamics Pathway*

Not all theories of organizational change prioritize external incentives, however. Prior research on organizational change highlights the difficulty of changing practices that are deeply engrained (Donahue & O’Leary, 2011; Lewin & Lewin, 1948; McCurdy, 1992; Sandfort, 1999; Schein, 2004). Hence, even if individuals support a reform’s underlying idea, or perceive a need for change, organizational inertia can be strong. This second perspective on organizational change focuses not on external pressures but on internal conditions, suggesting that certain organizations are, all else equal, more “ready for change” than are others (Hou, Moynihan, & Ingraham, 2003). From this perspective, improving organizational performance is more a matter of investing in workers’ capacity over the long term than it is of structuring the perfect inducements (Fernandez & Moldogaziev, 2011; O’Toole & Meier, 2009). Capacity building, moreover, depends on a supportive organizational climate (Austin & Ciaassen, 2008). Previous scholarship, for example, has confirmed the importance of psychological safety and social trust (Brodkin, 2011; Childress et al., 2011; Park, 2012; Schein, 2004; Senge, 1990; Smylie & Evans, 2006) in enabling an organization’s workers to innovate and to undertake the risk of unlearning old habits and learning new ones. Similarly, changes in practice are more likely in a cultural context that prioritizes risk-taking or innovation (Childress et al., 2011; Moynihan & Pandey, 2010; Schein, 2004). From this perspective, organizational culture change is most likely when individuals within an organization are ready to work together and openly share differences. Doing so allows them to examine pre-existing assumptions and explore potential inconsistencies within the organization’s values-in-use—the beliefs and values that organizational

members exhibit through their behavior (Argyris & Schön, 1974,1977; Coburn, 2001; Schein, 2004; Senge, 1990).

By arguing that culture change is a product of internal organizational characteristics rather than external pressure, the internal dynamics perspective posits that informal organizational characteristics such as climate will strongly predict an organization's response to performance management reform. More specifically, it suggests that a strong organizational climate will increase the espousal and adoption of performance management values. This leads to a second hypothesis:

H<sub>2</sub>: An organizational climate characterized by psychological safety, perceptions of support and norms of collaboration will lead to a higher espousal and deeper adoption of values aligned with external reforms.

While presented as products of competing organizational theories, these two hypotheses need not be mutually exclusive. It is possible that external incentives and organizational climate both matter, or that each matters more in the presence of the other. This leads to the third hypothesis:

H<sub>3</sub>: The positive relationship between organizational climate and the adoption of values aligned with external reforms will be higher in organizational contexts that experience greater survival anxiety. Similarly, the relationship between survival anxiety and the adoption of values aligned with reform will be stronger in contexts that have a positive and supportive organizational climate.

As the previous section made clear, these hypotheses are not without precedent. Each is derived from canonical public management literature and organizational theory. However, these theories have not yet been subjected to rigorous empirical testing. Public management reform in education provides an ideal context for testing the conditions under which external reform mandates lead to cultural change. In doing so, my dissertation takes a step that very little prior scholarship has done; it looks explicitly at the intersection between organizational culture and performance management reforms. As such, it can inform our understanding of organizational culture and change but and fill gaps in existing research and theory on performance management reform.

In the chapters that follow, I detail my research design for both testing these hypotheses and examining the underlying mechanisms by which organization change does and does not occur.

## Chapter 3: Research Design, Data and Methods

### Why Performance Management in Public Education?

For scholars of administrative reform and organizational change, schools offer a valuable context in which to study the factors that facilitate and impede performance management reform. Public education is in many ways the quintessential vertically-integrated public bureaucracy, with a history of both direct government provision and top-down management that dates from the late nineteenth century (Tyack, 1974). There is a strong tradition of centralized planning and control over both substantive and managerial decisions (e.g. human resource decisions, curriculum, student assignment), and operating procedures have remained very stable despite previous efforts at reinvention or reform (Elmore, 1996; Lipsky, 1980; Tyack & Cuban, 1995). At the same time, other scholars have noted the high levels of informal discretion with which both teachers and principals operate, suggesting that the largely autonomous nature of teachers' work and the lack of strong authority mechanisms (e.g. rewards and sanctions) have contributed to a system where directives at one level of the organization have a deferred or muted effect elsewhere in the organization (Lipsky, 1980; Lortie, 1975; Weick, 1976). Such a problem is exacerbated by the complex nature of desired educational outcomes, many of which are both contested and hard to measure (Hamilton, Stecher, Marsh, McCombs, & Robyn, 2007; Levin, 1998; Lipsky, 1980; Meyer & Rowan, 1977; Vertiz, 1995; Wilson, 1989). When organizations are loosely coupled and outcomes difficult to measure or mandate, informal institutions are all the more important determinants of front-line behavior.

Public education is also an institution in flux. The past decade has seen a dramatic uptick in efforts to alter school systems' underlying structure, whether by introducing a competing organizational sector (e.g. charter or voucher schools) or by transforming the bureaucracy itself. Reforms found in cities across the country (and encouraged at the federal and state level such as through the Obama Administration's "Race to the Top" initiative) include many features that are

hallmarks of performance management: measurement and benchmarking of outcomes; greater choice and client responsiveness; decentralization of decision-making; and accountability for results. Taken together, some have argued, such features add up to a new institutional regime (Boyd, Kerchner, & Blyth, 2008; Kerchner, Menefee-Libey, & Mulfinger, 2008b).

Less clear is the extent to which performance management systems have brought about changes in practice on the front lines. For example, to what extent has formal autonomy at the school level enabled principals to innovate and develop new curricular or managerial practices, and to what extent have these practices developed in response to accountability pressures and/or a school's own assessment of organizational performance? Moreover, it is not yet clear whether the reform initiatives that seem most successful to date will prove politically sustainable in the face of leadership change. While, as the section that follows will show, we do have some (albeit limited) examples of dramatic formal policy changes, we need to investigate further the extent to which informal institutions—organizational culture— have mediated the impact of those formal changes on the behavior of school teachers and school principals.

Thus, public education is a valuable context for studying performance management and organizational change for four reasons. First, as suggested above, performance management reform, with its focus on enhanced managerial discretion and accountability for outcomes, presents a stark shift for organizations that have traditionally been oriented around tacit discretion and accountability for procedural compliance. Moreover, performance management reforms in education are quite new, allowing researchers to study the interactions between administrative reform and organizational culture from a reform's inception. And finally, performance management reform in education is a highly salient policy issue. While, as noted below, few school districts have embraced performance management principles completely, elements of performance management reform, such as site-level

autonomy and high-stakes accountability, have, in a short number of years, become dominant elements of education reforms at the district, state, and national level.

From a methodological standpoint, public education provides an advantage that cannot be matched by other domains in public administration: scale. The large number of schools in a major urban district allows for cross-organizational comparisons within a single socio-political context, something that has proved much more difficult in other administrative domains (e.g. human services or federal agency reform). Thus public education is prime for the type of hypothesis testing proposed in this dissertation.

### *Why New York City?*

As the purest example of performance management reform to be found in the country, New York City presents a particularly valuable context for studying performance management reform in education.

Table 1 shows reform patterns in five districts that have shown a modicum of reform. As the table shows, while some districts have made some of these changes, and others have applied performance management to a small subset of schools (e.g. Chicago's Renaissance 2010 zone of accountability and autonomy), both the ambition and the spread of New York City's reform is, to date, unprecedented.<sup>1</sup>

Even critics of Klein and Mayor Bloomberg agree that theirs is no symbolic reform: formal systems from those at the school level to those in the district office have been altered, in most cases to maximize decision-making capacity at the school level and to heighten the incentives for quality

<b>Table 1</b>
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<sup>1</sup> Moreover, the district closest to New York City in terms of the scope and depth of institutional change is New Orleans, a city whose old system was decimated by an exogenous shock unlikely to be replicated in other contexts.

**Changes in Formal Administrative Structures Across Large Urban School Districts**

	Alternative (non school-board) governance	Site-based budgeting	Competitive Market for clients (e.g. school choice)	Performance accountability framework	School-level Hiring Authority	Merit Pay / performance incentives
New York City	X	X	X	X	X	S (low-income schools)
Washington, DC	X		S	X		X <sup>1</sup>
Oakland, CA	N (no longer)	X	X	X	X	
New Orleans, LA	X (state control board)	S	X	S	S	S
Seattle, WA				X	X	S (career ladders)
Chicago, IL	X		S	S		

X—district-wide implementation

S — s elective implementation

<sup>1</sup>DC has an opt-in merit pay system.

improvement. If changes in school practice are going to result from performance management initiatives in education anywhere, they will likely occur in New York.

The scope of New York City’s reform can be seen through an analysis of its formal policy features. As summarized in Table 2, New York City’s performance management reform includes all four formal policy features identified by Moynihan (2008) and summarized in Chapter 1: accessible and reliable information, performance accountability, managerial discretion and learning forums.

<b>Formal Policy Feature</b>	<b>Example</b>
Accessible, Reliable and Valid Performance Information	Tracking of student performance tied to teachers and schools Comprehensive data system—ARIS—provides student outcome data analysis
Accountability for Performance	Annual organizational report cards Potential for school closure if scores are chronically low Abolition of Principal Tenure
Managerial Discretion	Site-based hiring and funding Increased school-level discretion over budget and instructional practices
Learning Forums	Inquiry Groups Data-Sharing features in ARIS

*Accessible, Reliable and Valid Performance Information*—Schools receive annual “progress reports” with letter grades tied to student performance relative to students in “peer institutions.” This information is supplemented by regular school inspections that result in “quality reviews” that document practice both inside and outside of the classroom. Moreover, both teachers and principals have significant data available at their disposal. Through a computerized system, ARIS, all school faculty members can access student data and analyze the performance of their whole class or relevant subgroups.

*Accountability for Performance:* Accountability in New York comes in two forms. First, the summative data reports described above—progress reports and quality reviews—are high-stakes documents. Schools with persistent low performance on these measures face the prospect of closure or reconstitution. Second, as a result of per-pupil funding, and, at least in the high schools, open enrollment, schools face a modicum of market accountability, since schools that struggle to attract students will see their funding decline substantially.

*Managerial Discretion:* In describing the early reforms, Chancellor Klein stated his goal to create not a “great school system” but a “system of a great schools”; he also referred to principals as “CEO’s” of their schools. Taken together, these two statements emphasize the substantial efforts at increasing principals’ decision-making authority, even if some of this authority has been constrained in practice.

*Learning Forums:* Underlying Klein’s reform is recognition of policy uncertainty—that public leaders do not really know “what works” in urban education. School-based autonomy is seen as a means by which schools can innovate, experiment and contribute to a broader understanding of effective practice in public education. Moreover, every school in the district houses inquiry groups, formal collectives of teachers and administrators that are charged with examining school-level

practice and promising school-level reforms. Inquiry groups, as well as data-sharing features of the ARIS student performance systems, have been put in place to maximize the prospects for learning.

The fact that New York City's school district reform includes all formal policy features suggested by prior performance management research means that it is an ideal location to test the importance of informal institutions. If, as the argument of my dissertation suggests, formal changes in structure are necessary but insufficient to implement performance management on the front lines, we should expect to see variation in how performance management reform has been implemented across schools. And, in fact, we do.

While the scope of the performance management reform spans the entire city, both informal interviews conducted with district officials and school principals and reports from annual teacher surveys show considerable variation in the extent to which schools engage in data-based decision making and/or use their newfound autonomy to make curricular or managerial changes.

Thus, New York City presents for performance management what Gerring (2007b) has labeled a "pathway" case: one where we can control for a confounding variable (in this case, formal institutions) to understand the mechanism by which a second variable (informal institutions) shapes organizational behavior.

Finally, the size and the diversity of New York City offer added advantages for research. By looking closely at a strategic sample of schools, I can assess the extent to which responses to the performance management reforms have been influenced by differences in survival anxiety or organizational climate, and consider how different leadership styles foster and impede the development of a performance management culture.

### **Data and Methods:**

Understanding performance management reform as a cultural change presents a challenge. On the one hand, the rich body of theory detailed in the previous chapter highlights the need to

move our understanding forward by forming and testing hypotheses across a broader sample of cases. At the same time, tacit individual and organizational features, such as values, climate and anxiety, can be difficult to assess using large-scale survey techniques. A choice of methodological approach necessarily involves tradeoffs between internal and external validity (Gerring, 2001; Khagram & Thomas, 2010), tradeoffs that appear all the more stark when trying to capture complex phenomena. In an effort to resolve some, if not all, of these tradeoffs, I therefore propose a nested or mixed-method study that combines large-*n* quantitative analysis with small-*n* qualitative analysis (Creswell & Plano Clark, 2007; Lieberman, 2005).

The research for this project consisted of three stages:

1. Quantitative analysis of data from the full population of New York City Schools to assess the extent to which organizational climate and survival anxiety predict the espousal of performance management values and the adoption of performance values-in-use.
2. A case study of four elementary schools to explore causal mechanisms and develop hypotheses to explain unanticipated findings from the first stage of analysis
3. Follow-up quantitative analysis to assess the causal mechanisms and follow-up hypotheses developed in stage two.

In the paragraphs that follow, I describe the methodology and the underlying rationale behind each stage in greater detail.

### **Initial Quantitative Analysis:**

The first stage of my research draws from school accountability documents and annual surveys of teachers and parents in 2007, 2010, and 2011, all administered by the New York City Department of Education, to measure the relationships between organizational climate, survival anxiety and the adoption of performance values. As noted in the previous section, following the work of Argyris and Schön (1974, 1978) and of Schein (2004), it measures two levels of organizational values:

**Espoused Values:** Beliefs and ideals explicitly held by an organization and its front-line staff, often codified in organizational mission statements;

**Values-in-Use:** Implicit organizational beliefs and ideals revealed through organizational behavior.

More specifically, this dissertation operationalizes these concepts by measuring the adoption of performance management values—those aligned with the underlying “logic of consequences” or incentive-based decision making upon which performance management reform is based (Argyris & Schön, 1974; Schein, 2004; Senge, 1990). Drawing from the work of Kerchner et al (2008a), and from the broader literature on performance management (Hatry, 1997; Osborne & Plastrik, 1997), I assess the extent to which schools espouse and use values consistent with a performance management regime by measuring the following two composite dependent variables:

Espoused Performance Management Values

- Priority placed on high learning standards for all students<sup>2</sup>
- Satisfaction with the governing regime
- Belief in innovation and autonomy

Performance Management Values-in-Use

- Organizational strategizing and goal-setting
- Attention to performance data
- Engagement in continuous improvement processes.

Thus, this research seeks to determine the conditions under which teachers and principals not only espouse support for innovation and high standards for all students but also put those values into practice, by engaging in data-based decision making and continuous improvement processes.

Espoused performance values and performance values-in-use are measured as composite variables that capture multiple indicators, which I list in Appendix A. The espoused value indicators come from teacher responses (aggregated to the school level) on the annual learning environment

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<sup>2</sup> To some extent teachers and principals have always prioritized the learning of their students. However, recent policy reforms, which emphasized performance indicators for underserved student populations and rhetorically argued for “No Child Left Behind”, are arguably at odds with longstanding educational practices that sorted or tracked students according to aptitude and accepted differential achievement as inevitable.

survey (response rate 82% in 2011)<sup>3</sup>. Measures of performance values-in-use come from the Department of Education's quality review inspections. Quality reviews, which are conducted annually for the lowest-performing schools and every two to three years for higher-performing schools, rate schools in five categories: organizational and instructional coherence; data gathering and analysis; planning and goal-setting; capacity-building alignment; and monitoring/revision structures. These are particularly useful because they provide a third-party assessment of the school-level behaviors that reflect performance management values-in-use, thus minimizing the risks of social desirability bias and common source bias (Meier and O'Toole, 2011).

The full model for this analysis is detailed in the following chapter. It is worth noting, however, that I measure survival anxiety and organizational climate, like espoused performance values and performance management values-in-use, as composites of multiple survey responses and/or organizational indices. I construct the organizational climate measure using factor analysis, since climate reflects a single underlying latent characteristic; I construct the survival anxiety as an additive index of several standardized variables. This approach allows me to capture a more nuanced picture of organizational culture than one could through a single proxy measure alone.

The approach detailed above presents two serious methodological challenges: endogeneity and self report/common-source bias. I discuss each in turn.

One challenge in measuring the relationship between these indicators is the substantial risk of endogeneity. For example, schools may improve their performance (and thus lower their survival anxiety) by adopting the performance-based practices encouraged as part of performance management reform. This would lead to a negative, but spurious, correlation between survival anxiety and performance values, since in this case, decreased survival anxiety would be the result,

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<sup>3</sup> All teachers are expected to complete the learning environment survey, which plays a role in school accountability ratings. However, the responses on individual teachers are not tracked.

rather than the cause, of increased performance management values. In an effort to reduce this risk (and to account for the time required for organizational change in response to incentives), I measure both survival anxiety and organizational climate in the year prior to the year that I measure performance-based practice. Doing so also enables me to account for the often-slow pace of organizational change.

The second challenge stems from the potential limits of self-reports and a finite number of sources. As noted above, self-report data can be unreliable, given that an organization's espoused values do not always reflect the reality on the ground (K. Meier & O'Toole, 2011; Schein, 2004). Moreover the potential for common source bias can be substantial (K. Meier & O'Toole, 2011). For that reason, when measuring performance management values-in-use, I use, in lieu of teacher responses on the learning environment survey, ratings from the New York City School System's formal Quality Review, a qualitative assessments of school-level practice conducted by independent observers following multi-day site visits. This approach reduces the correlation between organizational climate and values to 0.29. The downside, however, is that not all schools receive annual reviews. As a result, my sample size is lowered substantially, particularly in specifications that focus on determinants of change in schools with the lowest performance values in 2006-2007. For that reason, I experimented with alternate specifications, including those that incorporate self reports from the learning environment survey and those that incorporate a school's most recent quality review score, even if the review was conducted in a prior year (limiting the sample to schools that have had a quality review within the past three years). Neither approach substantively changed the findings.

### **Qualitative Data and Analysis**

As will be detailed in the following chapter, my initial quantitative findings led to a surprising conclusion. While regression analysis supported the first research hypotheses, that improvements in

organizational climate would increase the correspond to higher performance management values, it not only failed to find support for the second research hypothesis, but instead, resulted in statistically-significant findings of the exact opposite trend.

Using the nested approach suggested by Lieberman (2005) therefore, I followed up my quantitative analysis with a *small-n* analysis designed to uncover causal mechanisms behind the causal relationships I identified and to generate alternate hypotheses to explain incongruous findings from my quantitative analysis. More specifically, I conducted a comparative case study of four elementary schools in 2012, visiting several and interviewing teachers and school administrators.

*Sample Selection Criteria:*

As noted above, my dissertation seeks to understand changes in organizational culture by examining the “hard cases”—defined not as those with low student performance but instead as organizations with a culture that suggests that they would be resistant, if not impervious, to performance management practice. Because I am interested in *changes* in culture and in practice, it is important for me to establish a baseline for the schools in my study. Unfortunately, I cannot go back in time to collect interviews, and the historic data about both organizational culture and climate and front-line practice is imperfect.

Fortunately, school-level teacher surveys, school progress reports and quality reviews dating from 2007 provide indicators of climate culture, and practice. Thus, using 2007 measures as a baseline, I generated a sampling frame of schools with a low espousal of performance management values or low demonstration of performance management values-in-use.

Within this sampling frame, I held some elements constant and sampled for variation on others. Given the complexity of school operations and teacher interactions, I focused on elementary schools. Doing so eliminates confounding factors that correspond with school type or size. For example, organizational differences between departmental teacher communities and grade-level

teacher communities may impede direct comparisons vis-à-vis organizational culture and climate. A focus on elementary schools maximized the size of my sampling frame; moreover, their relatively small size enabled me to meet with a significant proportion of teachers in each school.

Next, I purposively selected schools to maximize variation on two key indicators of interest: organizational climate and survival anxiety. As Table 3 shows, the four schools in my study spanned a broad spectrum in organizational climate and anxiety. The variation in both organizational climate and survival anxiety enables me to disentangle the effects of one variable from the other. By heavily weighting the sample towards higher-anxiety schools, I can examine how climate, in particular, shapes schools' responses to performance pressure.

<b>Table 3</b>			
<b>Distribution of Survival Anxiety and Organizational Climate in Case Study Schools</b>			
	Low Anxiety	Medium Anxiety	High Anxiety
Poor Organizational Climate			The Cauldron School
Moderate organizational climate			Sharp Cliff School
Positive Organizational Climate	Parkside School	Steady School	

In the paragraphs that follow, I provide a brief description of each school.

Steady School was a relatively small school of approximately three hundred students that had recently converted from an elementary school to a k-8 school. Located in a historically low-income, predominantly Black neighborhood in the beginning stages of economic transitions, the school retained a low-income, high-minority student population (in 2011, 80% of the students of the students qualified for free or reduced-price lunch). Despite substantial changes in the outside economic and educational landscape (in addition to economic transitions, the neighborhood had seen a large influx of charter schools that educated a substantial proportion of public school

students), the school had been quite stable from 2007. The same principal had led the school from 2005 forward, spanning the full duration of the reform, each of the two assistant principals were longtime veterans promoted from within, and nearly half (48%) of the teachers had more than ten years experience. The survival anxiety of this school was moderately high— while absolute student achievement levels were below the city average, students at this school did fairly well in comparison to students at schools with similar demographics, and so the school’s progress report ratings ranged from B to C in a given year. The growth of charter schools, which drew students in the local community, had increased market pressure on the school. Enrollment declines had been a factor in the school’s decision to convert to a k-8 school in 2010.

Sharp Cliff School, located in the part of New York City as Steady School, had similar student demographics (again, 80% of students qualified for free and/or reduced price lunch), but experienced a more-uneven performance trajectory and a sudden and recent spike in survival anxiety. After several years of high performance ratings, the school’s rating dropped to an F in 2010-2011. The following year brought a new principal — a former teacher and instructional coach who had been trained through the city’s new Leadership Academy, an alternate administrative certification program. Teacher longevity was relatively high (77% of the teachers had more than ten years of experience), though teachers noted that a number of highly valued teachers had been laid off as a result of recent budget cuts. Augmenting the school’s anxiety related to performance ratings was a sharply constrained budget (the school had overspent its budget in previous years and was beginning to repay its debt to the Department of Education) and co-location with a charter school that had recently moved into the school’s building. Although the charter school, a middle school, did not directly compete for students with Sharp Cliff School, its presence in the building served as a symbol of Sharp Cliff School’s decline, and teachers and administrators expressed frustration at resource disparities.

Parkside School was located in a very different part of the city, a densely populated and highly affluent community. A large school with almost 900 students, it had a history of strong student achievement and took pride in its holistic, social-studies-infused curriculum. Like Steady School, Parkside School was characterized by leadership stability, with the principal and the assistant principal each having served at the school more than six years. The teaching staff was composed largely of mid-career teachers, with over two-thirds reporting 4-15 years of experience, though turnover had increased in recent years due to a wave of teacher maternity leave. There was considerable demand for the school, both among teachers and among prospective students. As a result, several interviewees noted that the leadership team could “have its pick” of teachers in the city, and the students themselves were highly capable and affluent (only 7% of students qualified for free/reduced price lunch). Enrollment had grown substantially in recent years, in part to meet increasing demand in a part of the city that was, itself, experiencing demographic shifts (once the province of young single adults, the neighborhood was increasingly home to families with young children). While the growth of the school was in many ways a reflection of the school’s success, some teachers in the school bemoaned the loss of a more intimate community, and several applauded the administration for blocking a second expansion which would have split off part of the school into an additional building.

The Cauldron School, located in a third, less densely populated-region of New York City, served nearly 400 students, the majority of whom were high-poverty and/or students of color (approximately 80% of students qualify for reduced-price lunch). Like Sharp Cliff School, and to a lesser extent, Steady School, The Cauldron School experienced high levels of survival anxiety. Here, however, the dynamics were somewhat different. Charter schools were largely absent from this part of the city, but other schools in the area had closed, and teachers and principals expressed concerns, given three years of progressively-lower progress report ratings (a C in 2008-2009, a D in 2009-2010,

and an F in 2010-2011), that Cauldron School could be next. The principal was a five-year veteran, who came to the school in same year that Klein and Bloomberg introduced their empowerment reforms (2007); she served alongside an assistant principal who had been at the school longer. Between 2007 and 2011, the school experienced substantial teacher turnover; approximately 20% of the staff had left, some formally dismissed for unsatisfactory performance and others informally encouraged to resign. The principal spoke forthrightly and passionately about poor performance at the school, the need to improve educational outcomes for underserved students and the need for a cultural change at the school. Even her detractors acknowledged the strength of her commitment to professional development and raising student achievement. At the same time, her tenure had been marked by an increasingly antagonistic climate, as she and the union representative went toe-to-toe on a range of issues related to teacher evaluation and workload; the union representative, a teacher himself, was dismissed for poor performance in 2011. While the new building representative and the principal anticipated a more-positive working relationship, when I arrived in 2012 to visit the school it was clear that tensions at the school remained. Many veteran teachers questioned, for example, whether the principal was unnecessarily negative in her efforts to improve school outcomes.

#### *Data Collection and Analysis:*

The aims of my site visits were threefold:

- To collect corroborating evidence about each school's organizational climate, survival anxiety level, and adoption of performance values (both espoused and in-use)
- To examine how climate and anxiety shaped teachers' and school administrators' perspectives on the external mandates of performance management reform.
- To assess the role of school leaders in fostering an organizational climate of trust and support and mediating the external pressures of the reform.

Toward that end, I preceded each site visit with one or two introductory interviews with the principal and a thorough review of publicly-available school accountability documents— quality reviews and progress reports— which offer evidence about school-level practice.

I spent two to three days at each school site. During that time, I conducted semi-structured individual and focus group interviews with school principals, assistant administrators (e.g. assistant principals, deans and instructional coaches) and school teachers, to specify more clearly how New York City's empowerment reforms had been received at the school level and what changes, if any, had taken place over the preceding five years. Participation rates of teachers at each school ranged from 30-60%. When possible, I supplemented formal interviews with observations of staff meetings and/or development sessions. These included grade-level inquiry team meetings, school leadership team meetings, and professional development sessions led by outside facilitators.

Appendix B summarizes the exact number and types of interviews that I conducted at each school. Sample interview protocols for teachers and principals can be found in Appendix C. At each school, I conducted individual interviews with the school principal, and at least one other administrator or leader (e.g. an assistant principal, academic dean and/or coach). To maximize the internal validity of my study, I interviewed as many teachers as possible, meeting a large proportion of teachers either in focus groups and/or individual interviews (Gerring, 2007a). Recognizing that organizational culture and other school-level features may not be monolithic (Cooper, 1988; Thompson & Luthans, 1990), I interviewed teachers that varied in their age, experience, and number of years at the school. I conducted, transcribed and coded all interviews myself, using a common set of questions but supplementing those questions with follow-ups to probe certain areas in greater depth.

Focus groups are a valuable strategy for capturing group-level beliefs and norms, and some scholars suggest that their interactive nature makes them more likely to uncover complex phenomena and tacit assumptions (Lofland & Lofland, 2006; Morgan, 1993, 1998; Schatzman & Strauss, 1973). On a number of occasions, I found that interviewing two to five teachers together enabled them to respond to one another's comments in ways that moved the conversation forward.

Focus groups do have downsides, however: foremost the risk that collective interviews will enforce conformity or the suppression of sensitive topics. For that reason, I followed up my focus group interviews with a small sample of one-on-one interviews with focus group participants and with non-participants. I asked focus group participants follow-up questions about issues raised in the group discussions, and probed respondents on the extent to which opinions expressed were shared by the respondent and by the school at large. I also used this individual time to return to questions that may not have been fully addressed by the group. In interviews with non-focus group participants, I asked a range of questions similar to those presented in the focus groups, as a way of triangulating between sources and assessing the extent to which similar messages were received from each group.

Collecting data in a short period of time on site has significant disadvantages. The first is that the opinions expressed by a sample of teachers interviewed may not reflect opinions of the school population as a whole. At each school, teacher participation was voluntary, and initial connections to teachers were referred by the school principal or, in Sharp Cliff School, the assistant principal. One risk is that those teachers referred by school leadership may have a perspective more in-line with that leadership than do other teachers in the school. The second is that teachers will be less-than-forthright in discussing school weaknesses or other controversial topics with someone that they do not know very well.

In an effort to address the first concern, I broadened my interview pool as much as possible, speaking with 30-60% of teachers at each site. I used snowball sampling to expand my interviewees beyond the initial pool, asking all teachers to identify those with different or alternate perspectives and asking more-critical teachers to identify those with similar perspectives. I reminded all teachers that their comments, and the identities of the schools where they worked, would be held

confidential, and, in one instance, agreed to meet unofficially and privately with a respondent who expressed concern that meeting with me could heighten conflicts with the principal.

While one can never be sure of hearing the full truth, I did find that many teachers were willing and eager to share their concerns, whether about organizational dynamics at the school level, leadership behavior of school principals, or the contours of the performance management reform more broadly. In numerous cases, teachers initially agreed to only a ten-minute meeting and ended up talking with me for half an hour or more. Several suggested that my background as a public school teacher and my current status as a graduate student, made me both more familiar and less threatening. For example, a number of teachers reminisced that they had conducted fieldwork as part of their training and wanted to help someone else out.

Even when teachers are forthright, self-reports have limitations. Scholars have noted the limitations of self-reports, which can be biased by social desirability pressures and inaccurate perceptions (Honig, 2009; K. Meier & O'Toole, 2011). This is particularly true with concepts such as organizational culture, where scholars have made an important distinction between espoused values and values-in-use (Hallett, 2003; Sandfort, 1999). At the same time, the comparative nature of my study makes intensive observation periods infeasible. Where possible, I used open-ended questions in an effort to minimize the bias of self-reports. I also tried to triangulate, where possible, between multiple data sources, looking for confirmation of teachers' self-reports from other teachers or written documentation.

### **Follow-up Quantitative Analysis**

As detailed in Chapters 5 and 7, the qualitative data conducted in four schools led me to develop hypotheses to explain how and why survival anxiety and an organizational climate of trust and support affected the espousal and adoption of performance values on the front lines. While the

qualitative evidence in support of these hypotheses was rich is, one cannot generalize findings based on four elementary schools to a school system of over a thousand.

For that reason, when possible, I identified quantitative measures to use as proxies for more complex organizational constructs and ran secondary quantitative analyses to identify proxies' independent effects on the adoption of performance management values or interaction effects with other variables in the study. For example, I used the variance in a school's prior progress report schools to assess whether schools that had experienced wide swings in performance ratings responded differently to survival anxiety than did schools with more consistent performance ratings. I report their findings side-by-side with the qualitative analyses in chapters 5 and 7.

As noted above, measuring organizational culture—and cultural change, presents many challenges, especially when one seeks to test generalizable constructs. The mixed approach that I have taken, while not without limitations, sought to maximize the advantages of qualitative and quantitative approaches in way that did justice to organizational culture's complexity and offered new insights at scale.

In the next chapter, I report findings from my initial quantitative analysis.



## **Chapter 4: Do Survival Anxiety and a Positive Organizational Climate Foster**

### **Performance Values?**

Chapter Two presented a conceptual framework that addressed around two distinct theories of organizational culture change. The first theory presents organizational culture as an adaptive response to external pressures or incentives. From that perspective, culture change is most likely to occur when an organization faces survival anxiety—a perceived threat to organizational health or well-being. According to the second theory, organizational culture change reflects internal organizational conditions, and, more specifically, an organization’s capacity for change. Central to organizational capacity for change is organizational climate—perceptions of trust and support that allow individuals within an organization to surface, confront, and ultimately change deeply held values and assumptions.

In this chapter, I first apply the framework to performance management in education and then test it empirically by using survey data from the full population of New York City Schools. It focuses on the following question:

To what extent do survival anxiety and organizational climate predict the espousal of performance management values and the adoption of performance management values-in-use?

By looking at both espoused values (stated organizational beliefs) and values-in-use (beliefs as revealed through organizational behavior), this chapter seeks to determine the conditions under which front-line workers explicitly value innovation and high performance standards and put those values into practice by engaging in data-based decision making and continuous improvement processes. This approach fills gaps in the literature on performance management and administrative reform in two ways. First, by measuring the impact of survival anxiety and organizational climate

side by side, it provides a test of two dominant theories on organizational change: one which emphasizes external demands, and a second that emphasizes internal organizational characteristics such as climate. Examining these theories side by side can help us to understand not only whether, but under what conditions, performance management reform is likely to change organizational behavior. Second, by considering not only the self-reported values of organizational members but also organizational values revealed through individuals' observable behavior, this chapter contributes to a richer understanding of organizational culture and avoids some of the measurement problems that have plagued previous research.

### **Development of a Performance Management Culture**

Prior research on performance management, organizational culture and education reform suggests that, for such performance management reform to have a meaningful impact on the front lines, it must spur changes in organizational values and culture (Argyris & Schön, 1974; Blyth, 2002; Coburn, 2003; Moynihan et al., 2012). Thus, this chapter examines the adoption of performance management values—those aligned with the underlying “logic of consequences” or incentive-based decision making upon which performance management reform is based (Argyris & Schön, 1974; Kerchner et al., 2008a; Schein, 2004; Senge, 1990). Drawing from the work of Kerchner et al (2008), and from the broader literature on performance management (e.g. Hatry, 1997; Osborne & Plastrik, 1997), I assess the extent to which schools espouse and use values consistent with a performance management regime by measuring the following two composite dependent variables:

#### Espoused Performance Management Values

- Priority placed on high learning standards for all students<sup>1</sup>

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<sup>1</sup> To some extent teachers and principals have always prioritized the learning of their students. However, recent policy reforms, which emphasized performance indicators for underserved student populations and rhetorically argued for “No Child Left Behind”, are arguably at odds with longstanding educational practices that sorted or tracked students according to aptitude and accepted differential achievement as inevitable.

- Satisfaction with the governing regime
- Belief in innovation and autonomy

#### Performance Management Values-in-Use

- Organizational strategizing and goal-setting
- Attention to performance data
- Engagement in continuous improvement processes.

In doing so, this research seeks to determine the conditions under which teachers and principals not only espouse support for innovation and high standards for all students but also put those values into practice, by engaging in data-based decision making and continuous improvement processes.

As noted in the Chapter 2, prior theory suggests two distinct routes to organizational change: external incentives and internal dynamics. In the first theory, organizational culture is most likely to result from change in the external environment. Schein describes organizational culture as a “pattern of shared assumptions that was learned by a group as it solved its problems of external adaptation” (2004, 17), and Khademian describes the external authorizing environment of one of the “roots” of organizational culture (2002). From this perspective, cultural change is most likely among schools that face the greatest survival anxiety from a failure to respond. This leads to the first hypothesis:

H<sub>1</sub> All else equal, organizations with higher levels of survival anxiety will espouse and adopt greater performance values in response to performance management reform.

The second theory posits that the question of organizational culture change is less one of will than one of capacity; organizational change does not occur easily, scholars suggest, and thus change is most likely among organizations that have the ability to surface tacit belief structures and rethink deeply-held modes of practice. Surfacing such tacit belief structures, in turn, requires an organizational climate characterized by psychological safety and norms of experimentation and improvement (Childress et al., 2011; Coburn, 2001; Moynihan & Landuyt, 2009). This leads to the second hypothesis:

H<sub>2</sub>: Organizations with climates of psychological safety, support and norms of honest dialogue will espouse and adopt greater performance values in response to performance management reform, all else equal.

While distinct, these theories are not necessarily mutually exclusive. It is possible that both survival anxiety and organizational climate contribute to a school's adoption of performance management values. Moreover, the impact of one variable may be contingent on the presence of the other. In other words, schools with a positive organizational climate may be more responsive to survival anxiety than are schools with a hostile organizational climate. Thus the analysis below tests a final hypothesis:

H<sub>3</sub>: The positive relationship between organizational climate and the adoption of values aligned with external reforms will be higher in organizational contexts with greater survival anxiety. Similarly, the relationship between survival anxiety and the adoption of performance values will be stronger in contexts with a positive organizational climate.

In the section that follows, I present my formal model and the operationalization of key variables of interest. Next I report findings from my empirical analysis. This chapter concludes with implications for policy and future research.

### **Conceptual Model and Operationalization of Key Variables**

Following the framework presented in the previous section, I estimate an organization's likelihood of espousing performance management values or adopting performance management values with the following equation:

$$PV_{st} = \beta_0 + \beta_1 A_{s(t-1)} + \beta_2 C_{s(t-1)} + \beta_3 A_{s(t-1)} C_{s(t-1)} + \beta_4 F_{st} + \beta_4 D_{st} + \beta_5 PV_{s0} + \varepsilon_{st}$$

where PV (performance values) is the outcome for a school  $s$  in year  $t$ .  $A$  represents survival anxiety,  $C$  represents organizational climate,  $F$  is a vector of formal school and leadership characteristics and  $D$  is a vector of student and teacher demographics. I also control for the school's values at the start of the performance management reform (2007). As noted above, this analysis enables me to estimate

both the *independent* influence of survival anxiety and organizational climate and their *joint* impact, captured with an interaction term.

Table 1 provides a full list of descriptive statistics. Espoused values and values-in-use are composites of multiple indicators (listed in Appendix A) that I combine using factor analysis; each loads on a single factor.<sup>2</sup> Espoused values measures come from teacher responses (aggregated to the school level) on the annual learning environment survey (response rate 82% in 2011).<sup>3</sup> Performance values-in-use measures come from the Department of Education's quality reviews. These reviews, conducted annually for the lowest-performing schools and every two to three years for higher-performing schools, rate schools in five categories: organizational and instructional coherence; data gathering and analysis; goal-setting; capacity building and continuous improvement processes. Taken together, these categories provide a third-party assessment of performance values-in-use.<sup>4</sup>

As noted in previous chapters, survival anxiety is a composite of three organizational characteristics, measured using Department of Education progress reports and parent responses to the annual learning environment survey:

- School quality—as measured by Department of Education metrics (inverse indicator);
- Parental perceptions of school quality (inverse indicator);
- Parental support for reform.

The survival anxiety variable is also composite, including DOE performance measures and parent perception measures to capture the elements of less survival anxiety detailed in the

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<sup>2</sup> Eigenvalue for espoused values= 6.19; eigenvalue for values-in-use= 11.41. Both variables are standardized to facilitate interpretation of results.

<sup>3</sup> All teachers are expected to complete the learning environment survey, which plays a role in school accountability ratings. However, the responses on individual teachers are not tracked.

<sup>4</sup> Because not all schools receive annual reviews, the second model has a noticeably lower sample size. To boost the sample size, I tested two alternate specifications: one that used self reports from the learning environment survey and a second that incorporated a school's most recent quality review score within a three year window. Neither approach substantively changed the findings.

**TABLE 1**  
DESCRIPTIVE STATISTICS

Variable	Obs	Mean	Std. Dev.	Min	Max	Cronbach's $\alpha$
<b>Dependent Variables</b>						
Espoused Values in 2010-2011 <sup>a</sup>	1644	0	1	-3.92	3.78	0.92
Values-in-Use in 2010-2011 <sup>b</sup>	506	0	1	-2.98	1.89	0.97
<b>Informal Characteristics</b>						
Organizational Climate 2009- 2010 <sup>c</sup>	1590	0	1	-3.27	2.46	0.94
Survival Anxiety 2009-2010 <sup>d</sup>	1438	0	1.00	-8.82	326	0.45
Survival Anxiety* Organizational Climate	1431	-0.45	1.46	-21.85	5.56	
<b>Formal Control Variables</b>						
Eligible for school-wide merit pay (dummy)	1644	0.12	0.33	0	1	
Proportion of students who qualify for free/reduced-price lunch	1628	0.77	0.20	0.07	1	
Part of Empowerment Zone	1686	0.26	0.44	0	1	
Affiliated with Partner Support Organization	1644	0.11	0.31	0	1	
Proportion of <4 yr teachers	1639	0.17	0.17	0	1	
Proportion of 15+ yr teachers	1639	0.22	0.16	0	1	
Stable leadership <sup>e</sup> (dummy)	1680	0.76	0.43	0	1	
Elementary School <sup>f</sup> (dummy)	1658	0.37	0.48	0	1	
Middle School (dummy)	1658	0.17	0.38	0	1	
High School (dummy)	1681	0.23	0.42	0	1	
Number of full-time teachers (in 10s)	1644	3.63	2.58	0.1	2.44	
Espoused Values in 2006-2007	1294	0.01	0.96	-5.88	1.85	
Values-In-Use 2006-2007	1235	<0.01	0.99	-3.77	1.14	
<sup>a</sup> The espoused values measure is standardized and derived from factor analysis of survey responses in three categories: high standards for students, satisfaction with the governing regime, and belief in innovation/autonomy. <sup>b</sup> The value-in-use measure is standardized and derived from factor analysis of variables from external quality review reports in three categories: organizational strategizing and goal-setting, attention to performance data, and engagement in continuous-improvement processes. <sup>c</sup> The organizational climate is derived from factor analysis of survey responses in four categories: trust among teachers, trust of leadership, perceptions of support, and norms of collaboration/honest dialogue. <sup>d</sup> The survival anxiety measure derived from an additive index of three variables: parental satisfaction with the school (inverse measure), parental support for reform, and school progress report score (inverse measure), all measured in prior school year. <sup>e</sup> Same principal in 2007 & 2011. <sup>f</sup> The reference group for this category includes k-8 and non-leveled schools.						

conceptual framework. I measure it using an additive index of standardized variables.<sup>5</sup> The Cronbach's alpha for this variable, 0.43, raises concerns about internal consistency and reliability. However, researchers in public health and psychology have argued that high alpha scores are less important in contexts such as this one, where the index consists of "causal indicators" rather than "effect indicators" (Fayers, Hand, Bjordal, & Groenvold, 1997; Streiner, 2003). In other words, because parent satisfaction and school ratings *cause* differences in survival anxiety, rather than result from differences in survival anxiety, it is not surprising that organizations would differ in indicator values.

Organizational climate consists of three related concepts:

- Psychological Safety—the extent to which teachers trust one another and school leaders;
- Perceptions of support—the extent to which teachers feel respected by stakeholders (parents and students) and respected and materially supported by district leaders;
- Norms of collaboration and open dialogue—the extent to which teachers work with one another and feel comfortable airing disagreements.

I capture each organizational climate concept with multiple indicators from the teacher survey, combining the indicators using factor analysis (eigenvalue=12.01).<sup>6</sup>

In addition to organizational climate and survival anxiety, I control for a number of school-level characteristics and/or demographic controls. These are listed in Table 1. I expect five—eligibility for merit pay, prior participation in a voluntary performance management system (the "Empowerment" zone), the proportion of less-experienced (<4 year) teachers, affiliation with a partner support organization, and 2007 performance management values—to be positively

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<sup>5</sup> Appendix A lists every component of the survival anxiety indicator. The composite variable is standardized to facilitate interpretation of results.

<sup>6</sup> Factor analysis reveals two additional factor loadings with eigenvalues greater than one (1.86 and 1.12 respectively). However, both a scree test and the lack of clear unifying theory for the two additional factors justify the use of a single factor.

correlated with the adoption of performance management values. A sixth—the proportion of highly experienced (15+ year) teachers—is likely to have a negative correlation with performance values. Four variables have ambiguous or unknown relationships: the proportion of students who qualify for free and/or reduced price lunch (commonly used in the education literature as proxy for student demographics), school level (dummy variables for high, middle and elementary schools)<sup>7</sup>, stable school leadership between 2007 and 2010, and the number of full-time teachers (a control for school size). The stable leadership variable’s ambiguity stems from conflicting findings in research and theory. While the absence of new voices may slow the development of new values (Coburn, 2001), prior research on schools associates stable leadership positively with school improvement (Branch, Hanushek, & Rivkin, 2009; D. Clark, Martorell, & Rockoff, 2009; White & Bowers, 2011).

One cannot rule out the possibility of endogeneity in the model. For example, schools may improve their performance (and lower their survival anxiety) as a *result* of adopting performance management values. In that case, we would see a negative, but spurious, correlation between survival anxiety and performance values. Given New York City’s performance management emphasis, moreover, schools with low performance values may see their organizational climate decline. In other words, organizational climate may reflect not just internal dynamics but also the alignment (or misalignment) between a school’s internal values and external pressures. To reduce the risk of endogeneity, I measure both survival anxiety and organizational climate in the year prior to my measurement of performance values. Doing so also allows me to account for the often-deliberate pace of organizational change.

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<sup>7</sup> Out of concern that some variables may not be directly comparable between high schools and elementary/middle schools, I re-ran the analysis excluding high schools from the sample. Doing so had no substantive impact on the findings for the key variables of interest—survival anxiety and organizational climate, so I retained high schools in the sample to maximize sample size and generalizability of the findings.

A second challenge stems from the limits of self-reports and a finite number of sources. As noted above, analyses that rely heavily on self-report data can be invalid or biased. Espoused values do not always reflect deeper organizational values, and using multiple perceptual measures from a single survey can bring about common source bias (K. Meier & O'Toole, 2011; Schein, 2004). The risk of common source bias is greatest for espoused performance values, which are measured using teacher survey responses. By measuring organizational climate and espoused values in different years, I substantially reduce that risk.<sup>8</sup> The correlation between a school's 2010 organizational climate and 2011 espoused values is 0.45, indicating moderately low correlation.<sup>9</sup>

## **Findings**

In this section, I report study findings for the predictors of espoused performance management values and performance values-in-use. In doing so, I look at two populations of interest: the full population of New York City schools, and schools that, in 2007, exhibited low performance management values. This subpopulation is of particular interest because it represents organizations especially targeted by performance management reform—schools that did not engage in data based planning or decision-making (and therefore, those whose front-line behavior the reformers intended to change).

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<sup>8</sup> Using data from two different years does not completely eliminate common source bias risk. If organizational climate and espoused performance value measures each reflect teachers' overall satisfaction with their schools (a perception which itself may be fairly sticky from year to year), spurious correlation could exist. However, there is little evidence to support this concern.

<sup>9</sup> A full correlation matrix can be found in Appendix B. It shows little evidence of multicollinearity. Only two variables—the proportion of new teachers and the proportion of highly-experienced teachers—have a correlation greater than 0.5. Moreover, the variance inflation factor was less than 2.7 in each model.

### *Analysis 1: Espousal of Performance Values*

Results from the first analysis can be found in Table 2. They show negligible differences between the full population of schools and those with low espoused values at the start of the reform.

The analysis provides strong support for the internal dynamic hypothesis ( $H_1$ ) and only weak support for the external incentive analysis ( $H_2$ ). As both column A and column B show, this analysis finds organizational climate to be a very strong predictor of espoused performance management values. For a school that did not espouse performance values in 2007, a one standard-deviation increase in a school's organizational climate corresponds to an increase in that school's espousal of performance values by 0.46 standard deviations. The survival anxiety variable is comparably weak and only significant for the full population of school at the 0.10 level; for schools that did not espouse performance values at the start of the reform, a one standard deviation increase in survival anxiety increases the espousal of performance values by approximately 0.02 standard deviations. Moreover, there is no evidence for the joint-impact hypothesis ( $H_3$ )- the interaction effect in every specification is both small and insignificant.

Few of schools' formal characteristics have a significant relationship to the espousal of performance values.<sup>10</sup> This suggests that organizational climate and survival anxiety are more influential than are structural features in predicting the espousal of performance values. Nonetheless,

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<sup>10</sup> Controlling for other factors, elementary schools were more likely to espouse performance management values, and high schools were less likely to do so. This may reveal a relationship between school level and performance values, but also may also reflect differences in how the variables are measured or interpreted across levels. The number of teachers was also statistically significant, but the effect size was small. All else equal, adding ten teachers to a school corresponds to a 0.05 standard deviation increase in espoused values. Given that high schools are typically the largest schools in the school system, I tested for multicollinearity by running the model with and without faculty size. The high school coefficient was still positive and significant, though slightly smaller, when the "number of teachers" variable was excluded.

**TABLE 2**  
REGRESSION RESULTS: ORGANIZATIONAL CHARACTERISTICS AND  
ESPOUSED VALUES

		Espoused Values 2010-2011 <sup>a</sup>	
		All Schools	Low <sup>b</sup> 2007 Value Schools
		(A)	(B)
<b>Informal Characteristics</b>	<b>Organizational Climate<sup>c</sup></b>	0.52*** (0.02)	0.46*** (0.06)
	<b>Survival Anxiety<sup>d</sup></b>	0.05* (0.03)	0.02 (0.06)
	<b>Survival Anxiety* Organizational Climate</b>	0.02 (0.02)	-0.01 (0.03)
<b>Formal Characteristics</b>	Eligible for merit pay (dummy)	-0.03 (0.06)	-0.15 (0.11)
	% Students who qualify for Free/Reduced Price Lunch	0.25** (0.12)	-0.10 (0.43)
	Part of Empowerment Zone	-0.21*** (0.05)	-0.20* (0.11)
	Affiliated with Partner Support Organization	-0.07 (0.07)	0.16 (0.15)
	Proportion of <4 yr teachers	-0.40 (0.24)	-0.59 (0.55)
	Proportion of 15+ yr teachers	0.19 (0.18)	-0.22 (0.38)
	Stable leadership <sup>e</sup> (dummy)	0.02 (0.05)	-0.12 (0.12)
	Elementary School <sup>f</sup> (dummy)	0.18*** (0.06)	0.13 (0.15)
	Middle School (dummy)	-0.06 (0.07)	-0.13 (0.16)
	High School (dummy)	-0.31*** (0.07)	-0.25 (0.16)
	Number of full-time teachers	0.04*** (0.01)	0.05*** (0.02)
	Values in 2006-2007	-0.01 (0.02)	<0.01 (0.04)
Intercept	-0.21 (0.14)	0.27 (0.43)	
<i>N</i>	1,255	297	
<i>R</i> <sup>2</sup>	0.39	0.29	

<sup>a</sup> The espoused values measure is derived from a factor analysis of survey responses in three categories: high standards, satisfaction with the governing regime, and belief in innovation/autonomy. Values are standardized.  
<sup>b</sup> “Low” indicates schools at the bottom quartile in performance values within the city.  
<sup>c</sup> The organizational climate measure is derived from a factor analysis of survey responses in four categories: trust among teachers, trust of leadership, perceptions of support, and norms of open and honest dialogue.  
<sup>d</sup> The survival anxiety measure is an additive index of three variables: parental satisfaction with the school (inverse measure), parental support for reform, and school progress report score (inverse measure), all measured in prior school year.  
<sup>e</sup> Same principal in 2007 & 2011.  
<sup>f</sup> The reference group for school level includes k-8 and non-leveled schools.

\*  $p < 0.10$  \*\*  $p < 0.05$  \*\*\*  $p < 0.01$

there are some surprising findings. For example, schools affiliated with the empowerment network— a voluntary performance management system that preceded system-wide reform— were less likely to espouse performance values. Moreover, merit pay schools, which qualified for school-wide salary bonuses if they exceeded performance targets, were also less likely to espouse performance management values (though this finding is statistically insignificant). One explanation for the former finding is organizational change in empowerment schools preceded the system-wide reform. In other words, empowerment schools that had not developed a performance culture by 2007 were less likely to do so than were schools encountering performance management reform for the first time. The second finding may reflect dissatisfaction with the merit pay system, which was suspended in 2011. An independent evaluation of the merit pay system found no evidence that it improved student outcomes or changed organizational behavior (Marsh, Springer, McCaffrey, Yuan, & Epstein, 2011).

As noted previously, while important as a first take, espoused values may offer a superficial and even inaccurate picture of the core beliefs within an organization. For that reason, it is also important to measure organizational values as revealed in practice: organizational value-in-use.

#### *Analysis 2: Adoption of Performance Values-in-Use*

Table 3 reports findings from the analysis of organizational climate and survival anxiety's impact on performance management values-in-use. The findings are striking. As in the prior model, this analysis provides strong support for H<sub>1</sub>, the internal dynamics hypothesis. A one standard deviation increase in organizational climate corresponds with a 0.16-0.23 increase in the adoption of performance management values. However, this analysis not only fails to support H<sub>2</sub> but also provides strong evidence to refute it. The survival anxiety variable is both negative and significant, with a one standard deviation increase in survival anxiety leading to a .25 to 0.28 *decrease* in the adoption of performance values-in-use. This suggests that performance pressure, impedes, rather

**TABLE 3**  
REGRESSION RESULTS: ORGANIZATIONAL CHARACTERISTICS AND  
VALUES-IN-USE

		Values-in-Use 2010-2011 <sup>a</sup>	
		All Schools	Schools with low <sup>b</sup> values in 2007
		(A)	(B)
<b>Informal Characteristics</b>	<b>Organizational Climate<sup>c</sup></b>	0.16*** (0.05)	0.23** (0.11)
	<b>Survival Anxiety<sup>d</sup></b>	-0.28*** (0.06)	-0.25** (0.11)
	<b>Survival Anxiety* Organizational Climate</b>	0.02 (0.04)	0.02 (0.08)
<b>Formal Characteristics</b>	Eligible for merit pay (dummy)	-0.29*** (0.11)	-0.10 (0.19)
	Peer Index (District Measure)	-0.16 (0.24)	-0.05 (0.58)
	Part of Empowerment Zone	0.07 (0.09)	-0.06 (0.20)
	Affiliated with Partner Support Organization	-0.07 (0.13)	-0.08 (0.26)
	Proportion of <4 yr teachers	0.19 (0.52)	0.68 (0.86)
	Proportion of 15+ yr teachers	-0.72* (0.37)	-1.41* (0.75)
	Stable leadership <sup>e</sup>	-0.21* (0.11)	-0.15 (0.23)
	Elementary School <sup>f</sup> (dummy)	0.20 (0.12)	0.24 (0.27)
	Middle School (dummy)	-0.18 (0.14)	-0.40 (0.28)
	High School (dummy)	-0.86*** (0.14)	-0.65** (0.28)
	Number of full-time teachers	0.05*** (0.02)	0.04 (0.05)
	Values in 2006-2007	0.13*** (0.05)	<0.01 (0.11)
	Intercept	0.56** (0.27)	0.37 (0.62)
	N	446	115
	R <sup>2</sup>	0.332	0.291

<sup>a</sup> The values-in-use measure is derived from a factor analysis of variables from external quality review reports in three categories: organizational strategizing and goal setting, attention to performance data, and engagement in continuous-improvement processes. The variable has been standardized.

<sup>b</sup> “Low” indicates schools at the bottom quartile in performance values within the city.

<sup>c</sup> The organizational climate measure is derived from a factor analysis of survey responses in four categories: trust among teachers, trust of leadership, perceptions of support, and norms of open and honest dialogue.

<sup>d</sup> The survival anxiety measure is an additive index of three variables: parental satisfaction with the school (inverse measure), parental support for reform, and school progress report score (inverse measure), all measured in prior school year.

<sup>e</sup> Same principal in 2007 & 2011.

<sup>f</sup> The reference group for school level includes k-8 and non-leveled schools.

\*  $p < 0.10$  \*\*  $p < 0.05$  \*\*\*  $p < 0.01$

than encourages, the adoption of performance values. Finally, there is no evidence for the joint-impact hypothesis ( $H_3$ )— as in the first model, the interaction effect is small and insignificant.

Few of the control variables have a statistically significant impact. This reflects, in part, low sample size, and in part, perhaps, the fact that formal factors shape performance management behavior through organizational culture as a mediating variable (for more on this theory, see Moynihan et al., 2012). As in the first model, merit pay has a negative, and in the full sample, statistically significant association with the adoption of performance values. Stable leadership and the proportion of veteran teachers also have negative coefficients, suggesting that new blood may facilitate organizational culture change. However, this variable is only statistically significant at the 0.10 level (and, for leadership, is insignificant among the subset of schools with low values-in-use at the start of the reform).<sup>11</sup>

#### *Tests of Robustness*

As noted in the methodology section, the low Cronbach's alpha raises concerns about the consistency of the additive index used to measure survival anxiety. While, as noted in the previous section, some scholars have downplayed the importance of Cronbach's alpha, it is possible that the weak coefficients found in Analysis 1 (espousal of performance management values) reflect measurement error rather than a muted impact of survival anxiety itself.

The main analysis of this paper retains the additive index for survival anxiety for two reasons. First, as noted before, prior research on organizational risk and school closure have highlighted the importance of both objective or standardized measures and stakeholder perceptions (Figlio & Kenny, 2009; Kowal & Hassel, 2008). Moreover, these factors may not be perfectly correlated with one another, since parents appear to value attributes of school performance that are distinct from

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<sup>11</sup> The findings for school size and level are similar to those in the “espoused values” model.

those captured by formal performance ratings (Favero & Meier, 2013; Figlio & Kenny, 2009). The disconnect between parent perceptions and formal ratings may be particularly high in New York City, where the Department of Education’s efforts to control for student demographics are not widely understood. In sum, the low reliability of the survival anxiety coefficient may reflect complex nuances of survival anxiety rather than poor variable construction per se (Fayers et al., 1997; Streiner, 2003). Second, given that the survival anxiety coefficient for values-in-use is negative and statistically significant, these findings are unlikely to stem from measurement error alone.

Nonetheless, Table 4 presents findings from two tests of robustness that use alternate survival anxiety constructs. My first approach was to disaggregate the survival anxiety measure, replacing a single construct with three subcomponents: parental dissatisfaction, parental support for the reform effort, and measured performance.<sup>12</sup> Findings for this analysis can be found in columns A-D. These results generally support the conclusion of the initial analysis though they are not, in all cases, statistically significant. Parental support for reform has a positive and significant (for the full population of schools) relationship with espoused performance management values. However, the coefficient drops substantially for performance values-in-use (and is negative for schools that had low performance values in 2007), supporting the general conclusion that survival anxiety has a stronger impact on what teachers “say” than what teachers “do.” Both parental dissatisfaction and the inverse of measured performance have negative coefficients for performance values-in-use, supporting the theory that increased survival anxiety impedes the adoption performance values. These results are statistically significant in all specifications for measured performance problems, and in the full sample of schools for parental dissatisfaction.

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<sup>12</sup> I constructed parental dissatisfaction and parental support reform using factor analysis. Measured performance is an average of a school’s “progress” school and its “performance score. In line with the framework outlined above, measured performance is reported as an inverse measure.

**TABLE 4**

**TESTS OF ROBUSTNESS<sup>1</sup>**

		<b>Disaggregated Anxiety Model</b>				<b>Progress Report Grade Model</b>			
		<i>Esposued Values</i>		<i>Values-in-Use</i>		<i>Esposued Values</i>		<i>Values-in-Use</i>	
		All Schools	Schools with low values 2007	All Schools	Schools with low values 2007	All Schools	Schools with low values 2007	All Schools	Schools with low values 2007
		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
<b>Informal Characteristics</b>	<b>Organizational Climate<sup>c</sup></b>	0.50*** (0.02)	0.46*** (0.06)	0.14*** (0.04)	0.27*** (0.10)	0.51*** (0.02)	0.50*** (0.05)	0.25*** (0.04)	0.28*** (0.10)
	<b>Parent Support for Reform</b>	0.14*** (0.03)	0.10 (0.08)	0.04 (0.06)	-0.05 (0.13)				
	<b>Inv Parent Satisfaction with Schools</b>	0.03 (0.03)	0.08 (0.08)	-0.20*** (0.06)	-0.13 (0.11)				
	<b>Inv. Progress Report Score</b>	>-0.01 (<0.01)	-0.01* (0.01)	-0.05*** (0.01)	-0.04*** (0.01)				
	<b>Rating of C or below in 2009 and 2010</b>					-0.38*** (0.12)	-0.59*** (0.19)	-1.00*** (0.17)	-0.97*** (0.29)
	<b>C or below * Organizational Climate</b>					-0.38*** (0.12)	-0.38** (0.18)	-0.38** (0.17)	-0.36 (0.30)
	Intercept	0.01 (0.16)	0.26 (0.46)	0.25 (0.30)	-0.05 (0.72)	-0.39*** (0.13)	0.04 (0.39)	0.73*** (0.25)	0.59 (0.57)
	<i>n</i>	1,253	296	446	115	1,277	315	446	115
	R <sup>2</sup>	0.400	0.304	0.393	0.334	0.381	0.293	0.344	0.327

<sup>1</sup> This model controls for student and teacher characteristics and formal school characteristics in the same manner as the previous analyses. Full findings are available upon request.

Parental perceptions may be difficult for teachers and principals to gauge, however, and the nuances of numerical performance scores may be less important than the more cut-and-dry progress report grades. For that reason, I also ran the analysis using a simpler and more-direct measure of survival anxiety—a dummy variable indicating whether a school had earned overall progress report ratings of C or lower in both 2009 and 2010.<sup>1</sup> Here, the findings provide even stronger evidence that survival anxiety does not prompt changes in organizational values. Schools that had low scores in both 2009 and 2010 were 0.38-0.59 standard deviations less likely to espouse performance values, and a full standard deviation less likely to adopt performance values-in-use; each coefficient is statistically significant at the 0.01 level. Surprisingly, in this model, the interaction effect is significant but negative, suggesting that schools with a positive organizational climate were even less likely to respond to survival anxiety cues by adopting performance values. This suggests that, for the poorest-performing schools, at least in the short term, organizational climate buffers outside pressure, rather than facilitating organizational change. It is worth noting, however, that the interaction effect is not statistically significant for schools that had low performance values-in-use in 2007.

In sum, the tests of robustness confirm the findings presented in the main analysis. While organizational climate is a strong predictor of performance management values, survival anxiety has a negligible relationship to espoused performance values and a negative relationship to values-in-use.

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<sup>1</sup> Small sample sizes precluded a tighter definition of survival anxiety. Because only eight schools that had demonstrated low performance values-in-use in 2007 subsequently earned more than one D or F rating between 2007 and 2010, analyses placing the anxiety threshold at “D or below” proved unreliable. I did conduct further analyses defining high-anxiety schools as those with *any* D or F ratings. Findings for this specification mirrored the original specification quite closely, with coefficients of 0.03-0.10 for espoused values and -0.23 for performance values-in-use.

## Discussion

This chapter began by asking how both external incentives and internal dynamics facilitate and impede organizational culture change. Taken together, the findings lend strong support to the internal dynamics theory and cast doubt on the external incentive perspective.

This analysis finds organizational climate to be a strong and significant predictor of the espousal and adoption of performance values. Environments characterized by psychological safety and organizational trust and where front-line workers felt supported by their school leaders, fellow teachers, and members of the community, were more likely to exhibit performance values.

In contrast, survival anxiety, which reflects performance pressure and incentives, has only a small positive impact on espoused values, and a negative impact on performance values-in-use. These findings suggest that incentives alone are not likely to catalyze change in front line behavior. To the contrary, this study found that organizations with the greatest incentive to improve were less likely to change their deeper organizational values-in-use, either because individuals were unwilling to change their practice in the face of existential threat or because they lacked the capacity to do so. The negative impact of survival anxiety is robust across multiple specifications<sup>2</sup>.

New York City Schools' performance management reform relies primarily on negative sanctions, rather than performance rewards or other positive incentives. Its highest-profile reward system—a school-wide merit pay system that targeted schools with a history of low performance—was discontinued in 2011. This leaves open the possibility that a system with more *positive* rewards would be a stronger motivator. However, my analysis finds little evidence to support such a conclusion. Schools eligible for merit pay (a form of positive incentive) were no more likely to

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<sup>2</sup> In addition to performing the tests of robustness reported in the previous section, I looked for evidence of non-linear impacts, and did not find any. The negative coefficient for survival anxiety persisted with categorical variables for high and low anxiety, and when excluding cases with the highest levels of survival anxiety.

espouse performance values or adopt performance values in use. This finding concurs with those of a comprehensive evaluation of the city's merit pay system (Marsh et al., 2011). Taken together, these findings suggest even positive incentive systems have a muted results.

These results should be interpreted with caution, given the methodological challenges discussed above and the fact that they cover one policy domain in one city over a limited period of time. Yet, to the extent that they hold true across other political and policy contexts, they can help to explain why performance management reforms across policy domains have failed to achieve their desired effects. On a theoretical level they also raise serious questions about the role negative incentives play in individual and organizational change. It is important to consider further both *why* climate appears to matter so much and why performance pressure so little.

One reason why organizational climate matters is that organizational change is *difficult*. Moynihan, for example, argues that organizational learning is a necessary intermediate step for performance management reform to lead to improved organizational outcomes (2008). This point is supported by the broader literature on organizational culture and change. Both Senge (1990) and Schein (2004), following Lewin (1948), argue that the adoption of new organizational behaviors depends on not just learning new behaviors but also on *un*-learning old behaviors. This *un*-learning is both particularly important and particularly challenging in contexts, like education where pre-existing professional norms run counter to the mandates of a reform (Maynard-Moody & Musheno, 2003; Sandfort, 1999). Given the newness of high-stakes assessments and data analysis tools more generally, few teachers in the New York City School System received training on data-based decision-making as part of their pre-service training. Moreover, for many teachers, education is an art rather than an exact science; this can make the focus on hard indicators off putting and even alienating. This also suggests the learning anxiety associated with the development of a performance management culture would be high.

In the face of high learning anxiety, as Schein notes, survival anxiety is unlikely to have the intended effect (2004). Rather than spurring organizational change, it may lead to a panicked response, perhaps followed by superficial changes in organizational behavior. In other words, schools may espouse performance values but fail to adopt performance values-in-use. Moreover, performance metrics on their own are insufficient guides to organizational learning, particularly for the lowest-performing schools. For while low scores may signal performance problems, they do not show teachers or school leaders how to improve.

By contrast, organizational climate may be a prerequisite to overcome learning anxiety. Intra-organizational trust helps individuals re-think existing assumptions and try out new modes of practice (Coburn, 2001; Schein, 2004; Senge, 1990). Moreover, stakeholder support may increase a school's overall sense of organizational efficacy, giving it greater confidence to take on new practices demanded by performance management reform.

## **Conclusion**

This chapter affirms Moynihan's (2008) and Radin's (2006) prior findings that performance management is not the clean route to improved organizational performance advocated by its strongest proponents. Drawing from multiple sources of data about organizational behavior in a large urban school district helps to explain *why*. In contrast to much of prior theory and practice, I find that successful performance management reform depends not on clear organizational incentives but instead on a set of softer organizational indicators: psychological safety, perceptions of support and norms of open dialogue.

One should be careful about over-generalizing from these findings, which come from a study of a single policy domain (education) and a single political environment (New York City).

Nonetheless, these findings have considerable implications for research, theory and practice. First and foremost, they suggest that incentives alone may not have the desired impact on organizational impact that prior theory has suggested; and that, in fact, that performance management systems may have a particularly-limited impact on the lowest performing organizations that are of great interest to reformers.

Learning that incentives fall short is the first step; the next step is to understand why, or under what conditions, that is the case. We need to consider more deeply the reasons *why* formal incentives have not had their intended effects. Moreover, given the overwhelming importance of organizational climate, it is important to explore the strategies that policymakers and organizational leaders can use to foster positive a organizational climate that can facilitates cultural change

In the chapters that follow, I tackle these questions by using a qualitative, and, when feasible, mixed-methods approach.

In chapters 5 and 6, I use from a comparative case study of four elementary schools and follow-up quantitative analysis to consider the negative relationship between survival anxiety and the adoption of performance values-in-use more closely. Chapter 5 focuses on the more troublesome question: what impedes schools from organizational change despite considerable pressure to do so? Chapter 6 draws from a single school case study to examine a positive but puzzling finding: what prompts schools to change in the absence of survival anxiety or external pressure to do so? Finally, Chapter 7 focuses on organizational climate, breaking down the aggregate construct used in this analysis in order to understand which elements of climate have the greatest leverage on organizational behavior and how school leaders and those with informal authority can foster organizational change and the development of performance management values-in-use.



## Chapter 5: Anxiety and the Failure to Change Under Pressure

The prior chapter led to a surprising conclusion. While increased survival anxiety increase is associated with an organization's increased espousal support for performance management reform, there is no evidence that it provides a positive incentive for the adoption of performance values-in-use. To the contrary, increased survival anxiety corresponds to lower performance values-in-use, even when controlling for other school level factors. Put more simply, the schools that faced the greatest pressure to adopt behaviors in line with performance management reform, such as data-based decision-making and the development of continuous improvement processes, were, in fact, significantly less likely to do so. This finding runs counter to prevailing assumptions of performance management reform. The next step is to understand *why*.

This chapter uses prior theory on organizational culture and change to propose four general reasons why organizations may fail to change in the presence of anxiety. I then empirically test a series of research hypotheses grounded in those four reasons, using a comparative case study of New York City elementary schools and subsequent quantitative analyses of the full population of New York City Schools. I ask:

What factors impede schools from adopting performance values-in-use in the face of survival anxiety related to their performance?

Understanding these factors has both practical implications for public leaders trying to foster performance management reform in public agencies and theoretical implications for our understanding of how external incentives and internal values shape organizational change.

This chapter proceeds in three parts. In the first, I draw from the existing theory on organizational change to present four broad categories of factors to explain schools' lack of change in the face of external pressure. Within each category, I identify specific research hypotheses to test. In the second, I present findings from the comparative case study and follow-up quantitative

analysis, using each to test the hypotheses identified in the first section. This mixed approach captures nuances of organizational behavior that are difficult to track using surveys alone, while, at the same time, assessing each hypothesis's generalizability to the full population of New York City Schools. The third section provides a summary of the empirical findings and discusses their broader implications for policy and management.

As will be detailed below, both qualitative and quantitative analyses persuasively rule out impediments to organizational change traditionally emphasized in organizational theory and highlight more complex organizational dynamics at work. Of all the theories presented in this chapter, low perceptions of organizational efficacy and values misalignment appear to do the best job of explaining schools' lack of change in the face of high-stakes pressures.

### **High Survival Anxiety and the Failure to Respond**

Prior theory and research offer multiple explanations for why an organization, in the face of survival anxiety, might not adopt reform-oriented values or behavior. These include:

- Political or Structural Insulation
- Time constraints
- Lack of organizational capacity
- Values or cultural conflict

In the paragraphs that follow, I draw from prior research theory to explain how each impediment can affect schools' responses to performance management reform.

#### *Political or Structural Insulation*

One explanation for the absence of organizational change in the face of survival anxiety is that political and structural elements of the public sector insulate organizations and the individuals within them from external pressures. In the paragraphs below, I explain these forms of insulation in greater depth and present research hypotheses applying them to the New York City schools.

Prior research and theory have posited that public organizations do not face the same market pressures as private organizations. One reason for this is that public organizations frequently provide essential public services that open markets do not provide. Thus, even if the performance of a public organization falls short, the lack of available alternatives may prevent policymakers or public managers from shutting that organization down (Chubb, 1990; Nicholson-Crotty, Harrington, & Nicholson-Crotty, 2013).

This view of public organizations may be somewhat outdated, given the push towards performance management and high-stakes accountability in recent years (Moynihan, 2008; Page, 2005). However, as Radin (2006) has suggested, policymakers frequently enact performance management reforms for symbolic reasons, paying little attention to the details of managerial discretion and performance accountability. In the face of a largely symbolic performance management reform, schools respond symbolically, by espousing performance management values but leaving performance values-in-use relatively unchanged. Moreover, the power of schools' overseers is contingent on political winds. School system administrators frequently have a short tenure in office, and thus face pressure to leave their imprint on the school system as quickly as possible (Hamilton, Stecher, & Klein, 2002; Hess, 1999; Tyack & Cuban, 1995). This can lead to rapid and cyclical policy shifts that, in turn, contribute to cynicism about reform, as teachers ignore undesirable directives under the belief that "this too shall pass."

To the extent that political insulation exists within the New York City Schools, therefore, we would expect the following hypothesis to be true.

H<sub>1</sub>: Personnel at high-anxiety schools do not believe that the performance reforms will have a concrete and sustainable impact on their daily work.

I assessed for loose coupling and political insulation in two ways. First, I asked teachers and school principals to describe the impact of the reform on their daily practice and to assess both the level of

risk posed by high-stakes sanctions and the likelihood of the reform mechanisms continuing post-Bloomberg who has been an active and vocal proponent of the performance management system. Secondly, I observed teachers' interactions with one another and with school leaders, listening for unprompted concerns about school risk.

Moreover, even substantive performance management reforms will affect different schools differently (Honig, 2006). Schools with high levels of stakeholder support, for example, may be sheltered from high-stakes sanctions such as closure. To the extent that stakeholder support levels deviate from the survival anxiety measure, the analysis in chapter 4 might misspecify a key variable. Figlio and Kenny (2009), for example, posit that highly engaged parents do not pay close attention to standardized performance measures, such as New York City's progress reports. Thus, community support may protect a school, regardless of its formal performance rating (Moore, 1995; Moynihan, 2008). The possibility of stakeholder insulation leads to the second hypothesis:

H<sub>2</sub>: Low-performing schools with active parents or community stakeholders will experience lower survival anxiety in practice and therefore adopt lower performance values-in-use.

In other words, an active and engaged parent base may shield some schools from Department of Education's performance pressure, and reduce their survival anxiety.<sup>1</sup>

To test for stakeholder insulation, I asked teachers and principals to describe the school's level and nature of parental support and community engagement, and inferred further evidence from teachers' discussion of student achievement factors in individual interviews and group meetings.

Quantitatively, I added a measure of parent engagement to my statistical model, testing it both as an

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<sup>1</sup> It is worth noting that this hypothesis is somewhat unlikely, given the high correlation between student poverty and school performance, and the fact that prior research has found that less affluent communities engage less with their students' schools than do more affluent communities (Figlio and Kenny 2009). Nonetheless, given the high profile nature of the New York City School reforms, it is worth examining the extent to which stakeholder support interacts with performance management reforms.

independent effect and in interaction with survival anxiety, to see whether the level of parent engagement predicted a school's responsiveness to performance pressures.

The third form of insulation that I test, civil service insulation, affects individuals rather than whole organizations. Like employees in other public sector contexts, New York City teachers obtain substantial job security once they complete their third year of employment. This job security, in turn, may buffer individuals from organizational anxiety or risk. When a New York City school closes for poor performance, for example, its teachers, as employees of the school system, continue to earn a salary and have first priority when applying for new teaching posts. Since these factors mitigate the consequences of closure for any one teacher, tenured teachers' pressure to change their behavior may be muted. This leads to my third hypothesis:

H<sub>3</sub>: Experienced teachers will exhibit lower survival anxiety than novice teachers.

I tested for civil service insulation in two ways. First, I assessed, in person-to-person interviews, teachers' perceptions of personal risk in the event of school closure and examined differences between new and more-experienced teachers. Next, I added interaction effects to a follow-up quantitative model to see whether schools with a high proportion of new teachers or a high proportion of veteran teachers responded differently to survival anxiety pressures.

#### *Time Constraints*

Another explanation for the negative relationship between survival anxiety and performance-oriented behaviors identified in the previous chapter is that organizational change *takes time*. Schools, like other complex and well-established institutions, have substantial organizational inertia (Hannan & Freeman, 1984). This reality is supported by the broader literature on organizational culture and change. Both Senge (1990) and Schein (2004), following Lewin (Lewin & Lewin, 1948), argue that the adoption of new organizational behaviors requires first the *un*-learning of old behaviors. *Un*-learning is essential, but also especially challenging, when pre-existing professional norms run

counter to reform mandates (Maynard-Moody & Musheno, 2003; Sandfort, 1999). Adaptation to performance management reform in education requires both that teachers and principals develop new data analysis skills and that they shed deeply held beliefs about innate variability in student capacity, holistic or developmental approaches to learning, and teaching as a creative “art” rather than a hard science. This un-learning process can provoke considerable learning anxiety and result in a slow and uneven process of organizational change. Some employees adopt new forms of behavior more readily than do others (Kelman, 2005; Lewin & Lewin, 1948; Lipsky, 1980; Schein, 2004) The realities of organizational inertia suggest that, even *if* survival anxiety motivates schools to adapt and change, measurable differences may not surface for several years. This consideration suggests the hypothesis:

H<sub>4</sub>: All else equal, the emergence of a changed performance culture will be stronger at schools with a consistent history of low performance ratings.

To assess this hypothesis, I tracked the performance rating trajectory of each school in my comparative case study, and coded interview responses for references to performance rating volatility. These references arose most frequently in response to questions about the fairness or accuracy of ratings, though I did not ask about volatility or variability directly. I also created a quantitative measure, (the total number of “D” or “F” performance ratings earned in years prior to the 2009-2010 school year), and tested for both an independent effect of ratings consistency on performance values-in-use and an interaction effect with survival anxiety (to see whether consistent ratings increased responsiveness to survival anxiety).

Finally, the slow pace of organization change suggests the need for an intermediary measure of school change. The analysis in Chapter 4 measures survival anxiety one year prior to the measurement of performance management values. Even if performance values-in-use have not fully

emerged, qualitative analysis may surface intermediary evidence of organizational change. This leads to the final “time constraint” hypothesis:

H<sub>5</sub>: High anxiety schools that have not yet developed a full “performance culture” may nonetheless exhibit evidence of beginning to “un-learn” prior behaviors or values, or house teacher subcultures that exhibit performance management values-in-use.

To assess this hypothesis, I focused on two particular elements of organizational life. First, I searched for evidence of un-learning—individuals’ questioning prior assumptions— even if they had not fully developed new norms and behaviors. Second, I watched for performance management subcultures— early change vanguards (Kelman, 2005). The presence of unlearning or a performance management subculture would suggest that organizational change had begun, even if performance management values-in-use had not yet fully taken hold on the front lines.

#### *Organizational Capacity*

Third, high-anxiety organizations may not have the material and/or cognitive capacity to respond to performance management reforms.

Especially in times of fiscal scarcity, organizations lack the financial resources necessary to make changes even if they recognize these changes would improve their performance. Moynihan (2008) has argued that a central dynamic of performance management is organizational learning. For a low-performing school, organizational learning depends on financial resources: money to hire instructional coaches, bring in professional development, or invest in new technology and data systems. In the absence of resources for such provisions, organizational learning is likely to proceed slowly, if at all. This leads to the following hypothesis:

H<sub>6</sub>: Resource constraints impede organizational improvement efforts at high-anxiety schools.

To the extent that teachers and principals wish to seek to change their schools’ culture but are unable to do so, one would expect to hear and see references to resource deficits. I examined

resource deficits both qualitatively and quantitatively. First, by looking at each case study school, I assessed the extent to which teachers and principals cited a lack of resources. Next, I disaggregated the organizational climate indicator to see whether schools with high levels of perceived support responded to performance incentives in ways that differed from schools that reported low levels of support.

While important, money is only part of the story. In complex policy areas such as public education, which lack a consensus about how to improve organizational outcomes, knowledge itself is a critical resource. Schools may fail to develop performance cultures because they do not understand how to make sense of student data or because they lack knowledge about how to translate that information into curricular or instructional changes that would boost student achievement. This leads to a seventh hypothesis:

H<sub>7</sub>: Technical uncertainty about how to bolster student achievement will impede the adoption of performance management values-in-use.

I assessed this hypothesis qualitatively, listening to teachers' and principals' plans for instructional improvement and their perceptions about the organization's ability to improve student learning, the key outcome of interest in the performance regime.

### *Values Misalignment*

A final reason why high-anxiety organizations might not adopt performance management values-in-use is that the reform is *so* misaligned to prevailing norms and values that organizations simply do not or cannot make the switch. This values conflict could be either explicit or tacit. In some cases, organizations (especially those that possess a strong sense of purpose) make a principled decision to resist external mandates. Jennings and Haist (2004), for example, argue that implementation of a performance management reform reflects the extent to which workers agree with the goals of the reform and have faith in performance measures' validity. These perceptions, moreover, reflect both

professional norms and prior organizational behavior (DiMaggio & Powell, 1983; Lipsky, 2010; Oberfield, 2010; Riccucci, 2005; Sandfort, 1999). From this vantage point, pre-existing organizational values may be a stronger driver of organizational behavior than concrete incentives (March & Olsen, 2004).

How front-line workers respond to external reforms depends in large part on how they perceive those reforms, and, in particular, whether they view new rules (and their underlying frame) as legitimate and appropriate and respect the authority of a new political regime (Anagnostopoulos & Rutledge, 2007; Coburn, 2005; March & Olsen, 1998, 2004; Stryker, 1994). When normative conflict is strong, as Meyer and Rowan (1977) have shown, workers may respond symbolically, rather than substantively, to policy prescriptions. For example, Sandfort has found that front-line workers asked to collaborate with private partners with different normative assumptions did so only reluctantly (1999). They engage in token conversations rather than deep discussions of practice. Similarly, Meyers et al's study of California case workers found that formal changes emphasizing job placement were insufficient to change the behavior of case managers who had traditionally focused on claims processing (1998). Writing about the implementation of education policy, both Anagnostopoulos and Rutledge (2007) and Neckerman (2007) show how deficit models of student learning that emphasize cultural causes of student failure have impeded results-based accountability reforms and other policy efforts to bolster student achievement in schools.

A mismatch between external mandates and organizational behavior is particularly likely in organizations that are loosely coupled (Weick 1976). Implementers evaluate policies based not on their alignment with individual interests but on their perceived legitimacy (Coburn 2001; Meyer and Rowan 1977). Applied in the New York City Schools context, this suggests that the adoption of performance values would be highly correlated with their beliefs in three areas:

- the validity of standardized test scores as a measure of student learning;

- the strength of the relationship between instructional practice and student learning outcomes; and
- the legitimacy of the Bloomberg Administration more generally.

Each of these areas represents a potential impediment to performance management. If teachers may doubt the legitimacy of the test measures, for example, they are less likely to reorient their instructional practice around them. By contrast, in cases where teachers see performance data as useful measures of student learning, they will be more likely to embrace data-driven planning as a work strategy. Yet even if they believe that the test measures reflect levels of student learning, teachers may question their control over those measures.

According to expectancy theory, individuals' response to performance incentives reflect not only the valence of the sanctions or rewards associated with performance levels, but also the extent to which individuals perceive themselves as having control over measured organizational outcomes. When perceived control declines, motivation suffers, regardless of the size of the reward (or sanction) associated with poor performance (Lawler III & Suttle, 1973). If, for example, teachers believe that student learning is primarily a reflection of factors external to the school (e. g. student demographics or parental influence), they will be less likely to change their practices in response to performance outcomes. Finally, opposition to the overarching political regime may hinder responsiveness to performance management reform. In the case of New York City, the mayor's strong criticism of the city's schools, teachers and principals may lead teachers to doubt his motives. Some openly question, for example, whether the accountability regime is little more than a scheme to justify privatization. To the extent that such beliefs are widely shared among schoolteachers and/or school leaders, performance management reform may confront a values conflict that impedes implementation. These considerations lead to the following two hypotheses:

H<sub>8</sub>. The extent to which a school adopts performance values-in-use will reflect its espousal of performance management values.

H<sub>9</sub>: High-anxiety schools with greater antipathy towards the governing regime will adopt fewer performance management values than schools supportive or neutral to the regime.

I assess these hypotheses using a combination of quantitative and qualitative measures. First, I added espoused values to the original model as an independent variable and as an interaction effect, in order to assess the extent to which espousal of performance values is associated with changes in behavior. I also asked teachers and principals to assess the validity of the Department of Education metrics as reflections of their school's quality and to share their opinions of the broader performance management strategy.

However, as noted in previous chapters, espoused attitudes towards performance management reform and data-driven instruction tell only part of the story. As Schein (2004) and Senge (1990) make clear, organizational behavior reflects not only these surface artifacts of organizational culture but also more deeply seated norms and assumptions. Workers with tacit belief systems that run counter to prevailing norms may thwart a reform without even fully recognizing what they are doing. Because individuals' beliefs and behaviors are tacit and deeply ingrained, individuals may find it increasingly difficult to imagine, let alone carry out, new modes of behavior. Thus, even absent outright defiance, workers with tacit values conflict may misunderstand the new formal institutional expectations and fail to adapt their behavior as dramatically as the reform initiative demands (Coburn, 2001; Cohen, 1990; Spillane, 2004). Thus, in a policy context, front-line workers' pre-existing conceptual schema and dominant norms can prevent them from considering alternate courses of action.

These cognitive schemas, values and other tacit assumptions are not simply the product of personal preference. They also reflect collective belief systems, such as professional norms that develop through pre-service and ongoing training (DiMaggio & Powell, 1983; Lipsky, 1980) and beliefs forged through practice as part of organizational culture (Sandfort, 1999, 1999; Schein, 2004;

Sewell, 2005). These organization-level belief systems, or theories-in-use, can influence both how front-line workers understand the underlying issues of administrative reform and whether they see the requisite changes as desirable and/or even conceivable.

Recent scholarship has posited links between these deep forms of organizational culture and performance management outcomes. In a recent essay for *Public Administration Review*, Christopher Hood argues that the likelihood of performance management reform to bring about organizational improvement depends both on the purposes for which performance information is used and the cultural context in which performance management is applied (2012). Hood argues that three primary uses of performance information—to clarify output targets, instill competition or foster organizational learning—each bring with them distinct opportunities and risks. Moreover, he argues, their prospects for success likely reflect the organizational culture of the agency that is implementing performance management reform, and the extent to which a managerial context is hierarchical, individualistic, egalitarian or fatalistic. Hierarchical organizations—those characterized by allegiance to authority—are likely to be most responsive to performance targets that clarify performance expectations. Individualist organizations—those characterized by a belief in individual merit and skill—are most likely to respond to performance rankings that instill competition. Egalitarian organizations—those characterized by cooperation and a resistance to individual distinction—are most likely to respond to performance reforms designed to foster organizational learning. And finally, fatalistic organizations—which emphasize the unpredictable and unpredictable nature of organizational and societal outcomes—are unlikely to respond to any forms of performance management reform. Hood’s work to date has been entirely theoretical. My data therefore allow me to offer a test of his theory, focusing on the following hypothesis:

H<sub>10</sub>: Schools with characteristics of a “fatalistic” culture will adopt fewer performance management values and behaviors than schools with “egalitarian” characteristics.

Qualitatively, I assessed this hypothesis by observing teachers and principals' behavior and analyzing teachers' and principals' responses for elements of organizational fatalism and egalitarianism.<sup>2</sup>

Assessing this hypothesis quantitatively proved to be a challenge. On the one hand, the existing organizational climate measure captures elements of egalitarian culture, and the results reported in the previous chapter appear to support Hood's proposition that egalitarian organizations are more responsive to performance management reforms than are other organizational cultures.

Unfortunately, I do not have similar quantitative measures of organizational fatalism. For that reason, my assessment of organizational fatalism (and the extent to which it undermines responsiveness to performance management reform) depends on qualitative data alone.

### **Findings:**

In this section, I present my general empirical, orienting them around the hypotheses presented in the previous section.

#### *Political, Stakeholder and Civil Service Insulation*

As detailed above, one possible explanation for the negative relationship between survival anxiety and organizational change is that the quantitative model overestimates an individual or school's sense of risk. Those in "high-anxiety" schools may be sheltered by lackluster enforcement of accountability provisions, active community support, and/or job protections. If so, survival anxiety as measured in the previous chapter would not provide an adequate incentive for improvement.

However, neither the qualitative data from the comparative case study nor the follow-up quantitative analyses support this theory.

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<sup>2</sup> It is worth noting that, while distinct organizational archetypes are identified in Hood's typology, these cultural characteristics are not mutually exclusive. An organization can simultaneously be egalitarian in its internal operations and fatalistic in its sense of control over external forces that shape organizational outcomes.

Hypothesis 1 asserted that political factors (such as the political contingency of school overseers and the possibility of symbolic reforms) would lower low-performing schools’ level organizational risk perceived in the face of performance management reform. To assess this hypothesis, I asked teachers and school leaders to estimate the extent to which performance management performs in the past five years had had an impact on their daily work. I also asked teachers and principals whether they knew individuals at schools that had closed and whether they thought it possible that their school could be closed. Table 1 summarizes two “objective” survival anxiety measures— the school’s most recent performance rating and its score on the survival anxiety scale used in chapter 3— along with two measures gleaned from teacher and principals’ responses to open-ended questions about accountability during the school site visits: the level of change that teachers sensed at the school level in the wake of the reform, and their overall assessment of risk.

<b>Table 1 Case Study Schools by Performance Level, Stakeholder Support and Perceived Risk</b>				
	<b>Steady School</b>	<b>Sharp Cliff School</b>	<b>Parkside School</b>	<b>The Cauldron School</b>
<b>Most Recent Performance Rating</b>	B	F	B	D
<b>2010 Survival Anxiety (mean=0)</b>	0.60 (moderately high)	-1.10 (moderately low)	-1.88 (very low)	1.66 (very high)
<b>Perceived Change</b>	High	High	High	High
<b>Perceived Risk</b>	Medium	High	Low	High

As the third row indicates, regardless of a school’s anxiety level, teachers and administrators perceived a strong reform impact. Asked to document changes in the past four years, teachers at all four schools cited an increase in workload in general and a targeted focus on collecting and

analyzing school data. Even at Parkside School, a relatively high-performing school that served an affluent student population, one teacher took me aside to detail the ways in which the imperative for data-based decision making had made her job more difficult. “This job isn’t the job I went into any more,” she explained. “They just keep asking for more and more, and changing their direction. They get rid of support structures within the district... and I’m in a good school with good colleagues, with lots of resources.” At another school, a veteran teacher explained, “As a data specialist, I’m the Excel queen— but [the new focus on data is] just a constant barrage... Seven to eight years ago, we used to be left alone, [but now] I’ve never felt as frantic, overwhelmed.” Even teachers who espoused a belief in components of a performance culture, such as data-based decision-making, noted just how substantial the changes on the front lines had been. As one teacher explained, “it’s all about data, data, data—using that to group students, inform instruction, differentiate lessons and homework. It’s unbelievable.” The consistency of these responses across all four schools, which spanned three geographical regions of the city and served students with widely variant socio-economic statuses, makes clear the far-reaching nature of New York City Schools’ performance management reform. This is not an example of symbolic reform. While teachers at some schools questioned the reformers’ motives and others described the reformers as well-meaning but misguided, none dismissed the changes as political posturing or suggested in any way that accountability measures were “just for show.”

Moreover, as row 4 indicates, teachers and principals at low-performing schools *did* see the prospect of school closure as a realistic threat. At Steady School, Cliff School and Cauldron school, teachers worried about their schools being closed and pointed to the closure of nearby schools as evidence. At Parkside School, by contrast, teachers quickly labeled themselves as “low-anxiety” and dismissed any possibility that school risked high-stakes sanctions. Instead, one administrator openly

stated that she wished that the Chancellor would visit the school in order to glean lessons about what it is doing right.

If anything, teachers' perceptions of risk exceeded the objective level of risk suggested by the Department of Education metrics. Steady School provides a case in point. While student performance at this school was below average for New York City, the most recent report card rating (a B on an A-F scale) had been relatively high, bolstered by substantial growth in student achievement from year to year and solid outcomes in comparison to peer schools. Yet even in this school, teachers reported that they worried about their school closing and being replaced by a charter school. In an odd twist, tangible signs of the school system's investment in the school were interpreted as a potential threat. When asked about the prospects of closure, one teacher was unwilling to rule it out. "I do wonder," she said, "they have put so much technology into this school, I hope they aren't dressing up the building to bring (another school) in." For this teacher, even investments in the school made by the Department of Education were viewed with skepticism and fear.

The high concentration of charter schools in certain parts of the city also increased schools' survival anxiety. Both Steady School and Sharp Cliff School, located in a neighborhood with a high proportion of charter schools, experienced pressure not only from hierarchical performance accountability systems (the possibility that DOE might officially close a school for underperformance) but also from market competition (Page, 2006). Charter schools were a very visible part of the landscape in this part of the city, where glossy advertisements for established charters could be found at nearly every bus stop and flyers for brand-new schools were stapled to many telephone poles. At both Steady and Sharp Cliff schools, teachers and school leaders alike worried about losing enrollment to nearby charter schools. "With so many charter schools, the number of children is dispersing," explained Steady School's principal. "We were starting to see

declining enrollments. If that happens, kids come to your space. To avoid co-location, I elected to apply for an expansion from k-5 to k-8.” Doing so had enabled the school to maintain enrollment levels and thus retain control over its building at similar budgetary levels.

Individuals within Sharp Cliff School felt the threat from charter schools even more acutely. For the past three years, it had shared its physical building with a charter middle school. Some policymakers and scholars have promoted co-location (the housing of multiple small schools in a single facility) as an efficient use of scarce facilities resources and means to promote knowledge sharing across schools. However, Sharp Cliff School teachers and administrators depicted the space-sharing agreement as more of an invasion than an opportunity for collaboration. Noting that the charter school occupied a floor and a half of the building, several expressed concern that the charter school would grow and expand to additional floors, leaving Sharp Cliff School with even less space. Thus, for both Sharp Cliff School and Steady School, the nearby presence of charter schools created a more active educational marketplace, one that heightened each school’s anxiety about the prospects for survival in a multifaceted web of accountability (Page, 2006).

Taken together, the qualitative data across schools provides no evidence that high-stakes sanctions were ignored at the school-level as irrelevant or symbolic. Teachers and school leaders felt the pressure of the reform, and those in lower-performing schools expressed considerable anxiety about the imminent possibility of closure. Thus there no support for the first hypothesis that school personnel at low performing schools doubted the reality of reform.

The second form of insulation that I test is stakeholder insulation: high-anxiety schools may, due to strong parent or community support, feel shielded from the ultimate performance management sanction: school closure. However, again, neither qualitative nor quantitative findings support this hypothesis.

The only school in which teachers and school leaders relied heavily on parent engagement was Parkside School, the low-anxiety school. At this school, parents were highly visible at parents association meetings and regularly-scheduled student presentations. In addition, an active parent association not only raised money to fund extra programs (such as an elementary strings program); it had also lobbied hard to help the school stave off an school expansion proposal from the Department of Education that the school community worried would stretch the school too thin.

By contrast, teachers and school leaders at Steady School, Sharp Cliff School and the Cauldron School reported only minimal parent involvement. Each school had parent representatives as part of its leadership team, a DOE school governance requirement. Yet because that institution tended to be dominated by a small subset of vocal parents, teachers and principals sought to broaden parent involvement. At times they did so in partnership with third party organizations like the Harlem Children’s Zone; at other times, they spearheaded grassroots efforts at the school level. At the Cauldron School, for example, the school leadership team planned an annual community fair, designed to educate parents and help them support the school’s educational mission with their children at home. Teachers and administrators noted that a lack of parental support both deprived schools of political clout and made their core task—educating students— more difficult. In a counterpoint to Parkside, for example, one teacher at Sharp Cliff School explicitly blamed community complaisance for the charter school colocation decision, suggesting that teachers’ morale suffered because “parents didn’t fight hard enough to keep them out of the building.” Perhaps more to the point, there was no evidence that parents in the low-performing schools opposed performance management systems, or would want to buffer schools from accountability pressures. For example, Sharp Cliff School’s principal hoped to activate parents as a catalyst for organizational change rather than a buffer from change. Speaking of the need to promote cultural change at the

school, she expressed a hope that parents could push teachers to update their pedagogy, use technological tools and ground their decisions in student learning data.

The quantitative analysis tells a similar story. Table 2 reports findings from two analyses that examine the predictors of parent engagement and the extent to which increased parent engagement predicts organizational change. As the left hand columns show, parent engagement decreases as survival anxiety increases, even when controlling for student demographics. This is not surprising, given prior research on the links between parental involvement and student achievement, but it does belie the notion that pressure for performance would be mitigated by parent support in high-anxiety schools. The analysis on the right hand side tells a similar story. If parental engagement buffered schools from performance pressure, we would expect to see a negative and significant interaction effect, meaning that increased parental involvement decreased the incentive power of survival anxiety. However, both the direct effect of parental engagement and the interaction effect of parental engagement and survival anxiety are *positive*, suggesting that parental involvement, if anything, catalyzes school change rather than buffering schools from accountability pressures. In sum, neither the qualitative nor the quantitative evidence provides support for the second hypothesis—that stakeholder support insulated schools from survival anxiety.

Finally, there is little evidence of civil service insulation, that veteran teachers experience lower levels of survival anxiety than new teachers without tenure. Veteran teachers across high-anxiety schools expressed concerns about the impact of school closure on them personally and professionally, and on their communities more broadly. Moreover, even if teachers *did* know that their paychecks would be secure, they nonetheless spoke with trepidation about the prospects of transfer to another school. Explained one teacher, “Why would you not be motivated [to improve your school’s ratings]? Who wants to look for another job? If you don’t get another job, you are

**Table 2**  
**Parental Engagement and Performance Management**

<b>Predictors of Parental Engagement</b>		<b>Parental Engagement as a Predictor of Performance Values-in-Use</b>	
	Parental engagement		Values-in-Use 2011
Survival Anxiety	-0.07*** (0.02)	Organizational Climate	0.20*** (0.05)
% Free/Reduced Price Lunch	0.02*** (<0.01)	Survival Anxiety	-0.25*** (0.05)
% Students eligible for special education services	-0.01** (<0.01)	Survival-Anxiety interaction	0.18*** (0.07)
% Black	-0.03*** (<0.01)	Parental engagement	0.02 (0.05)
% Hispanic	-0.02*** (<0.01)	Merit pay	-0.29*** (0.10)
% Asian	-0.02*** (<0.01)	% Free/Reduced Price Lunch	>-0.01 (<0.01)
Total Enrollment	>-0.01*** (<0.01)	Part of Empowerment Zone	0.05 (0.08)
Constant	0.92*** (0.14)	Affiliated with Partner Support Organization	-0.09 (0.11)
		Proportion of <4 yr teachers	<0.01 (<0.01)
Observations	1,469	Proportion of 15+ yr teachers	-0.01** (<0.01)
R-Squared	0.22	Stable leadership	-0.24** (0.10)
		Elementary School <sup>f</sup> (dummy)	0.10 (0.11)
		Middle School (dummy)	-0.10 (0.12)
		High School (dummy)	-0.60*** (0.15)
		Prior Values in 2007	0.13*** (0.04)
		Number of teachers	<0.01*** (<0.01)
		Constant	0.57** (0.24)
		Observations	505
		R-squared	0.37

subbing... [closing a school is] an awful thing because their school will change—so much damage will be done.” Given the tight labor market and site-based hiring procedures, teachers from a school that had been closed would likely serve as a roving substitute until they found a new position. In addition to considering their personal risk, most teachers, even in the lowest-performing schools, expressed a concern about the student community and a pride that made the prospect of school closure—and of having to find a new community of teachers and students—a considerable burden. Far from civil servants immune from accountability, the qualitative analysis reveals that teachers at virtually all levels feel both accountable and concerned about their ability to meet substantially higher expectations. This held true for all teachers, including those at the higher performing Parkside School.

One explanation for this sense of individual accountability can be found in the changing landscape of educational reform. Performance management systems, initially targeted at the school level, have increasingly focused attention on at the discrete performance of individual teachers. At The Cauldron School, for example, the principal aggressively identified and dismissed teachers who were not up to her standards. Over the four years of her tenure, she noted, nine teachers left, as a result of either formal dismissal or mutual agreement. “I told them that they have to go—that hasn’t favored [the other teachers] to me—I understand that people are not comfortable, but I am not here to make people comfortable... We have two teachers on each grade, but if one is not performing well, there is no margin for error.” One teacher in the school dismissed the principal’s efforts, arguing that collective bargaining rights protected teachers so long as they did not engage in moral turpitude. However, that teacher’s response was more the exception rather than the rule. “There is lots of fear of being fired,” she acknowledged. “They are dropping off folks... teachers are really worried about being written up, having a letter in their file. Nothing is ever good enough.” Other

teachers in the school echoed this message of substantially heightened expectations, either praising them as necessary or expressing frustration at the lack of positive feedback and support.

Beyond The Cauldron School, performance pressure targeted at teachers was a growing emphasis of district and state policy. During the 2011-2012 school year, attention to teacher quality grew. What had begun as a reform oriented around school-level performance accountability changed to encompass measures of teacher accountability. The first involved Bloomberg's desire to "end tenure as we know it" (Baker, 2012). At the city level, Department of Education officials delayed tenure decisions from the end of the second to the end of the third year and set specific performance expectations (measured by principal observations and student achievement scores) as a prerequisite for tenure. As a result, at the end of 2012, only half of the eligible teacher pool would earn tenure. At the same time, the state moved aggressively to develop a capacity to measure each teacher's distinct contribution to student learning, so that officials could make decisions on the basis of that information. As a result, many teachers' names and "value-added" scores were published in the *New York Times*, *New York Post* and other media outlets in mid-February of 2011 as the result of a FOIA request by news media. The publication of teacher performance data increased scrutiny on both teachers themselves and on district and state' policy, as news reports and editorials reported stories of seemingly high-quality teachers that suddenly found themselves at the bottom of the scale (Johnson, 2012; Otterman & Gebeloff, 2012). These changes—in both policy and in rhetoric—diminished teachers' confidence that job contract provisions would protect them from high-stakes accountability.

Quantitative analysis tells the same story. If veteran teachers were, in fact, less sensitive to survival anxiety pressures, we would expect the coefficient for survival anxiety to decrease as the proportion of veteran teachers (those with more than fifteen years of experience) increased, and increase in schools with a greater proportion of new (four years or less) teachers. Table 3 reports

findings of regression analysis that includes interaction effects for the proportion of longstanding teachers and for the proportion of new teachers in separate models to avoid multicollinearity. While the interaction effect *is* in the expected direction for new teachers, the beta coefficient is insignificant and very small. Moreover, the similarly small (and insignificant) interaction effect of veteran teachers is also positive.

In sum, both qualitative evidence and subsequent quantitative analyses confirm that the survival anxiety has in fact, been felt on the ground. If anything, given the small proportion of schools that can or would be closed in a given year, teachers' sense of urgency appears to exceed the level of objective risk faced by any one school. Thus, denial of performance pressure—whether because of political insulation, tenure protections, or “wishful thinking”—was actually quite small, and cannot explain low-performing schools' lack of response to performance management imperatives.

As a result, the analysis leads me to reject each of the insulation hypotheses suggested by prior theory. Neither symbolic enforcement, nor stakeholder support, nor civil service job protections can explain the failure of low-performing schools to adopt performance management behaviors in the face of high-stakes performance management reform.

**Table 3**  
**Teacher Workforce Tenure as a Predictor**  
**of Performance Values-in-Use**

	(1)	(2)	(3)	(4)
	Full sample of schools	Low 2011 values schools	Full sample of schools	Low 2011 values schools
Organizational Climate	0.25*** (0.04)	0.28*** (0.09)	0.25*** (0.04)	0.28*** (0.10)
Survival Anxiety	-0.33*** (0.09)	-0.27 (0.17)	-0.27*** (0.07)	-0.34* (0.20)
Veteran Teacher-Anxiety interaction	<0.01 (<0.01)	<0.01 (0.01)		
New Teacher-Anxiety interaction			<0.01 (<0.01)	0.01 (0.01)
Merit pay	-0.31*** (0.10)	-0.07 (0.18)	-0.30*** (0.10)	-0.10 (0.21)
% Free/Reduced Price Lunch	<0.01 (<0.01)	<0.01 (0.01)	>-0.01 (<0.01)	<0.01 (0.01)
Part of Empowerment Zone	0.05 (0.08)	-0.19 (0.17)	0.05 (0.08)	-0.24 (0.20)
Affiliated with Partner Support Organization	-0.06 (0.11)	-0.17 (0.23)	-0.06 (0.12)	-0.09 (0.26)
Proportion of <4 yr teachers	<0.01 (<0.01)	0.01 (0.01)	<0.01 (<0.01)	0.01 (0.01)
Proportion of 15+ yr teachers	-0.01** (<0.01)	-0.01** (0.01)	-0.01* (<0.01)	-0.02* (0.01)
stable leadership	-0.25** (0.10)	-0.19 (0.21)	-0.25** (0.10)	-0.15 (0.23)
Elementary School <sup>f</sup> (dummy)	0.22** (0.10)	0.31 (0.23)	0.21** (0.10)	0.18 (0.28)
Middle School (dummy)	-0.15 (0.12)	-0.33 (0.25)	-0.16 (0.12)	-0.41 (0.28)
High School (dummy)	-0.80*** (0.12)	-0.49** (0.24)	-0.81*** (0.12)	-0.66** (0.28)
Prior Values in 2007	0.15*** (0.04)	0.01 (0.11)	0.14*** (0.04)	0.02 (0.12)
Number of teachers	<0.01*** (<0.01)	<0.01 (<0.01)	<0.01*** (<0.01)	<0.01 (<0.01)
Constant	0.45* (0.24)	0.26 (0.55)	0.47** (0.24)	0.29 (0.61)
Observations	505	127	505	116
R-squared	0.36	0.32	0.36	0.30

\*\*\* p<0.01 \*\* p<0.05 \* p<0.1

*Time Constraints:*

Complex organizational change takes time. Thus, it is plausible that schools may not demonstrate measurable changes in response to performance pressures simply because not enough time has emerged for those changes to be cemented in the school's culture. In this section I report findings for two hypotheses related to time constraints. The first is that the development of performance values-in-use will be stronger in schools a history of low performance ratings. The second posits that, even in contexts where a performance culture has not yet emerged, one would find evidence of organizational un-learning or the development of a performance management subculture. I discuss the evidence for each hypothesis in turn. As with the insulation theory presented above, however, neither finds sufficient support from qualitative or quantitative analyses.

The comparative case study includes both schools with a history of underperformance and one that recently been flagged as underperforming. As such, it can shed light on Hypothesis 4: that change will be greater at schools with a history of low performance ratings.

Table 4 summarizes each case study school's 2011 performance rating, performance trajectory and leadership stability. A closer look at Sharp Cliff School and the Cauldron School, the two schools with the greatest survival anxiety, provides some evidence for the first hypothesis, that culture change is deeper at schools with a history of poor performance. However, the findings are mixed.

<b>Table 4</b>				
<b>Case Study Schools by Performance Rating, Trajectory and Leadership Stability</b>				
	<b>Steady School</b>	<b>Sharp Cliff School</b>	<b>Parkside School</b>	<b>The Cauldron School</b>
<b>Most Recent Performance Rating</b>	B	F	B	D
<b>Performance Trajectory 2007-2011</b>	Steady	Sudden Drop	Steady	Steady Decline
<b>Leadership Stability</b>	Very stable	New Leader	Very stable	Stable

At Sharp Cliff School, testimony suggests that it has had insufficient time to respond a poor progress report score, which dropped dramatically in 2011. Teachers and school leaders alike were, in the 2011-2012 school year, only coming to terms with the poor grade. Adjustment to a new rating came hand-in-hand with the arrival of a new school principal. This principal, a recently graduate from an alternate training program offered by the city's new Leadership Academy, faced the challenge of not only improving the school's performance but, even before then, of convincing the school's staff that grade assigned by the Department of Education was an accurate picture of the school's quality. In both individual and group interviews, teachers strongly questioned the score. Some cited score volatility as cause for suspicion; others attributed the low score to resource inequities (both tangible resources such as information technology and intangible resources like parent support). Several teachers attributed the school's poor ratings to a broader political agenda by Bloomberg and the Department of Education to favor charter schools run by independent providers over traditional district schools.

The principal herself expressed frustration with the volatility of progress report scores, and about the lack of tangible resources for improvement. Pointing to financial mismanagement by her predecessor, she noted that she had begun the year with an operational deficit that forced her to cut back on instructional coaching at the same time she needed to bolster achievement. The principal did believe that the progress report score captured the school's overall level of achievement, and sought to develop long-term strategy for improvement rather than focusing on achieve short-term gains. As a result, she spent much of her first months observing and listening to teachers and other administrators, behavior that earned her the praise of some veteran staff.

For the Cauldron School, poor progress reports and the school leadership team had been around long enough for survival anxiety to sink in. The school's leadership team had been stable since 2007, spanning the years of Bloomberg and Klein's reform. Similarly, the school's progress

report trajectory, starting with a “C” grade in the 2008-2009 and steadily declining in the following three years, sent a consistent and powerful signal of unsatisfactory performance as defined by the Department of Education’s metrics.

Yet even in this context, both teachers and administrators questioned whether the school had had enough time to improve. Not one to wait, the school principal had moved aggressively to improve school performance, firing a number of teachers whose performance she considered lackluster and encouraging others not to return. This approach came at substantial cost, both to her own time and attention (she spoke at length about the administrative hurdles to removing ineffective teachers) and to the overall work climate at the school. For the first three years of her tenure, the principal also locked horns with the teacher’s union representative, who actively contested teacher dismissals and pressured teachers to work only to the rule of their contract. “The building rep basically told them that they didn’t have to do what I asked them to do. He had a following that blasted me on the learning environment survey.” In part as a result of this contentious climate, the principal reported, teachers’ initial response to her overtures was to resist her reform efforts out in the hope that she soon would be gone. “The message of the building rep was she’s crazy, and she is going to go.” This belief was not without precedent, since, before the current principal arrived, the school underwent substantial leadership turnover. The current principal was the fifth principal in eight years.

Teachers’ perceptions of the former teachers’ union representative, who himself was removed for unsatisfactory performance in 2011, were mixed, with some teachers celebrating the fact that he had “stood up to her [the principal]” and others, including the new representative, arguing that the former representative had contributed to a poisonous work climate. Those supportive of the principal’s efforts expressed optimism that the pace of change would increase now that she was able to develop a more collaborative, relationship with the school’s union

representative. Her detractors agreed that a quickening pace of change was possible, though they viewed change in a very different light. Specifically, one teacher suggested that the lack of a strong union representative would deny teachers an advocate, thus making room for a school leader that she saw as overzealous to “bully” the teachers that remained.

Despite these perceptions, evidence of even incremental values change was limited. While teachers at some grade levels highlighted ways that student learning outcomes had changed (and improved) classroom instruction, others openly suggested that data-based approach was simply unnecessary work. Testimony from teachers and administrators revealed a strong divide between those who were eager to adopt a more performance-oriented mindset and those who thought the approach infeasible or even counterproductive. “Growth has been very limited,” explained the Assistant Principal, discussing teachers’ uneven examination of data. “[Take] reading logs. Smarter kids fill it out daily and correctly... Some kids have it riddled with errors. This is data—[But] teachers don’t use it—I harp on this—do I see evidence that my work has filtered through? No.” She reported a similar lack of buy-in when it came to standardized assessments. “The acuity test—we’ve [asked teachers] to look at the lowest scores on particular concepts— teach and target kids. You go into classroom and that isn’t happening. Have we done this? Yes. Do we need to still do this? It is really hard— you have to be willing to stay after school to get it done. We have a prep and lunch, but it’s not enough time.”

Taken together, the comparison of Sharp Cliff School and the Cauldron School provides *some* evidence in support of the first hypothesis—that performance management cultures will be more developed in schools with a history of poor performance. However, this evidence is mixed, given the uneven development of a performance culture in Cauldron School.

**Table 5**  
**Performance Trajectory as a Predictor of**  
**Performance Value-in-Use**

	(1)	(2)	(3)
VARIABLES	Continuous Trajectory Variable	Dummy-History of Low Scores	Any Low Score
	Values-in-Use 2011	Values-in-Use 2011	Values-in-Use 2011
Organizational Climate	0.24*** (0.05)	0.25*** (0.05)	0.25*** (0.05)
Survival Anxiety	-0.25*** (0.06)	-0.26*** (0.05)	-0.26*** (0.06)
Organizational Climate * Survival Anxiety	0.01 (0.03)	0.01 (0.03)	0.01 (0.03)
Number of D or F progress report grades prior to 2010	-0.04 (0.10)		
Number of D or F progress report grades prior to 2010 * Survival Anxiety	-0.03 (0.10)		
History of Bad Scores (Dummy indicating 2 or more D or F grades in prior years)		1.41*** (0.52)	
History of Bad Scores * Survival Anxiety		-1.71*** (0.64)	
Any Bad Scores (Dummy indicating 2 or more D or F grades in prior years)			-0.12 (0.11)
Any Bad Scores * Survival Anxiety			0.03 (0.10)
Eligible for merit pay in 2007 (dummy)	-0.29*** (0.11)	-0.32*** (0.10)	-0.29*** (0.10)
Proportion of students who qualify for Free/Reduced Price Lunch	> -0.01 (<0.01)	> -0.01 (<0.01)	> -0.01 (<0.01)
Part of Empowerment Zone	0.04 (0.08)	0.03 (0.08)	> -0.01 (<0.01)
Affiliated with Partner Support Organization	-0.07 (0.12)	-0.07 (0.11)	-0.08 (0.12)
Proportion of <4 yr teachers	<0.01 (<0.01)	0.01 (<0.01)	0.04 (0.08)
Proportion of 15+ yr teachers	-0.01* (<0.01)	-0.01* (<0.01)	-0.01* (<0.01)
Stable leadership <sup>c</sup> (dummy)	-0.26** (0.10)	-0.25** (0.10)	-0.07 (0.12)
Elementary School <sup>f</sup> (dummy)	0.22** (0.10)	0.22** (0.10)	0.21** (0.10)
Middle School (dummy)	-0.16 (0.12)	-0.17 (0.12)	<0.01 (<0.01)
High School (dummy)	-0.80*** (0.13)	-0.85*** (0.13)	-0.81*** (0.13)
Values in 2006-2007	0.14*** (0.04)	0.15*** (0.04)	-0.01* (<0.01)
Number of full-time teachers	<0.01** (<0.01)	<0.01*** (<0.01)	<0.01** (<0.01)
Intercept	-0.23**	-0.20*	-0.26** (0.10)
Constant	0.38 [0.26]	0.34 [0.26]	0.53** (0.25)
Observations	448	448	505
R-squared	0.35	0.36	0.36

\*\*\* p<0.01 \*\* p<0.05 \* p<0.10

Similarly, the quantitative findings show little evidence in support of hypothesis 4. Table 5 reports findings from quantitative models that explore the significance of three different indicators of prior performance trajectory. Column 1 reports findings from a model that includes the absolute number of D or F grades in the years prior to 2010 (when the survival anxiety indicator was measured). Column 2 reports findings from a model that uses a dummy variable indicating 1 if a school had received *two or more* D or F grades in the prior year; and Column 3 includes a dummy variable for *any* D or F grades in prior years. These columns show very limited influence for the importance of a school's performance trajectory. Findings for a history of prior poor performance are only significant in column 2, and while a history of poor performance measures has a positive direct effect, this is balanced out by a negative interaction effect with survival anxiety. This negative interaction effect suggests that schools with a history of poor performance respond even *less* to performance pressures than do schools with a limited number of low performance scores.

Moreover, there is little evidence in support of Hypothesis 5, that schools would show intermediary steps of cultural change, such as the un-learning of prior beliefs or the emergence of a performance oriented sub-culture. While principals in each school espoused a belief that teachers needed to shed out of date assumptions and adopt new beliefs, virtually no teachers articulated ways that their beliefs about student data or performance metrics had changed. Some teachers did discuss the challenges of learning to use new technology, in conjunction with new data systems distributed by the school system. However, teachers framed this as the adoption of a new technical skill, rather than a re-thinking of norms and assumptions. Teachers who exhibited performance management values-in-use, for the most part, asserted that they had always believed in data, and those who opposed heavy reliance on student metrics were similarly steadfast in their beliefs.

While slightly more robust, evidence of the emergence performance subcultures is also quite thin. As part of her main strategy for cultural change the principal of Sharp Cliff School had begun

to recruit a change vanguard (Kelman, 2005)—teachers respected by their colleagues but also supportive of her reform efforts—in order to foster school wide support for improvements to instruction and a greater focus on data-based decision-making. At the time of our interview, she was cautiously optimistic about this approach, but noted that six months were not long enough to change teachers’ values and behavior.

However, there was scant evidence that a performance management subculture had emerged in Cauldron, despite multiple years of low scores. While a small number of teachers at the Cauldron School did espouse support for the use of data to influence instruction, these teachers were neither large enough nor cohesive enough to constitute a promising change vanguard. Among them, the teacher most highly touted by the principal for her rigorous teaching and data based approach had little sway with her peers, much to the disappointment of the principal. There was a second, small group of two or three teachers that met regularly to read recent research on teaching, but they admitted that they had had little success encouraging new teachers to join their team.

In sum, neither the fifth hypothesis — that culture change is stronger at schools with a history of poor performance— nor the sixth hypothesis — that unlearning and/or a change vanguard will emerge in schools that have not yet developed a full performance culture— finds strong support in the comparative case study or the subsequent quantitative analysis. While schools with recent progress report drops *did* struggle to make sense of the new signal, there is little evidence that time alone would be sufficient for performance management values to emerge.

### *Organizational Capacity*

Given that that performance pressure and survival anxiety were seen as *real* on the front lines, and that time alone could not explain the failure of schools to respond, we turn to a third possibility: that

high-anxiety schools lacked the capacity to respond. Table 6 summarizes each case study school's anxiety level and relevant instructional and technology supports.

<b>Table 6 Case Study Schools by Performance Level and Organizational Capacity</b>				
	Steady School	Sharp Cliff School	Parkside School	The Cauldron School
Most Recent Performance Rating	B	D	B	F
Administrative Staff	1 Principal 2 Assistant Principals	1 Principal 2 Assistant Principals	1 Principal 1 Assistant Principal	1 Principal 1 Assistant Principal 1 Dean of Students
Relationship to System Support Network	Moderate	Weak but changing	Strong	Weak
Instructional Support Staff	2 Coach	No Coaches	2 instructional coaches	Teacher resource center consulted (affiliated with AFT)
Technology Access	High	Low	Medium	High

As Table 6 shows, the evidence for the seventh hypothesis—that disparities in organizational capacity drive differences in the adoption of performance management behaviors—is somewhat mixed. On the one hand, tangible organizational resources, such as instructional support and access to information technology, had a real impact on both teachers' actual capacity and their overall morale. Here the contrast between the two highest-anxiety schools, Sharp Cliff School and the Cauldron School, is instructive. For Sharp Cliff School, the low performance rating came in the midst of organizational transition and crisis. As noted before, upon her arrival at the school, the new principal confronted not only a failing school progress report but also a budgetary crisis. In the years prior to her arrival, the former school principal had run an operating deficit that needed to be repaid to the Department of Education. As a result, the school faced austerity at the same time it came to terms with failing progress report scores. Both classroom teachers and instructional coaches had been displaced from their jobs as school leaders sought to balance their books. Moreover, their poor

progress report was too recent to qualify them for additional funding. Under Department of Education rules, schools only received supplemental support funds after two years of failing progress reports; as a result, Sharp Cliff's schoolteachers and principals alike openly questioned their ability to do more with less.

The principal tried to be as creative as possible in her efforts to build organizational capacity, recruiting former colleagues as instructional coaches to offer no-cost professional development programs and stepping into classrooms to model new teaching approaches herself. She also took the unusual and risky step of petitioning to change her school's support provider in the middle of the year. As noted in the introduction, school support organizations largely replaced the community districts that had been responsible for instructional and logistical support. Each school had to affiliate with a support organization, but school leaders could choose which support organization to join. In theory, the new market has created support systems that are responsive to the needs of each school. In reality, however, a school's ability to change support providers is limited both by structural and political factors. At Sharp Cliff School, where the principal believed firmly that the school needed a fresh start with a more proactive support provider, she also openly worried whether she would alienate those in leadership positions that had a prior relationship with the school. As a result, she made a compromising, choosing a new support provider from within a limited pool so that the school would remain in its overall cluster.

Moreover, despite the new principal's emphasis (recognized by teachers) on information technology as a tool for internal communication and instruction, teachers bemoaned a lack of technological resources. Capacity constraints were exacerbated but the space-sharing relationship with a charter school that distributed laptops to all of its students (leading Sharp Cliff students to wonder why they didn't receive similar resources). Some teachers, either unaware of the prior principal's financial mismanagement or unwilling to believe that individual malfeasance told the

whole story, framed declining funding levels as evidence that New York Department of Education sought to divest itself of public education and contract out its responsibility to external providers.. “The sense of crisis is inhibiting,” explained the principal. “Because we share a building, [teachers] see the lack of resources. It’s like going to war with no weapons. The DOE is asking you to change without giving you the necessary tools.”

By comparison, The Cauldron School was flush with resources. These included a much better physical plant. The school moved to a brand new building during the 2011-2012 school year and, thanks to technology grants, had electronic white boards in every classroom. One teacher noted the positive impact that the renovations had had on teacher morale, and even suggested that an improved physical environment might raise the school’s rating on the quality review. The Cauldron School’s resource advantages went beyond the physical plant, however. Teachers frequently cited professional development access as a resource for school improvement, noting the principal’s commitment to fund nearly any program that a teacher wanted to attend. The school also had substantially more professional development resources in-house than did Sharp Cliff School. These included an in-house teacher resource center funded by the teacher’s union—something that Sharp Cliff School’s principal had mentioned as part of her “wish list”— and free consulting sessions provided by an external firm in return for access to the Cauldron School as part of an ongoing research project.

On the one hand, Sharp Cliff teachers, and, to a lesser extent, those at Steady School, did cite resource constraints as a barrier to improved student outcomes. At the same time, it is not clear differential school resources corresponded to different levels of performance values-in-use. For while teachers in Sharp Cliff School cited the *lack* of resources as an impediment to cultural change, the increased resources in the Cauldron School had not, as of 2012, led to the development of performance management values-in-use.

The relationship between organizational resources and responsiveness to survival anxiety is similarly ambiguous in the quantitative results, as shown in Table 7 below. This analysis focused on teachers' perceptions of external support as a proxy for organizational resources. This is not a perfect measure, since teachers may misrepresent or misunderstand the level of resources at their schools. However, to the extent that resources have a cognitive effect (shaping individuals' beliefs about the prospects for school improvement), perceptions of support may matter as much as objective funding levels.

I measure external support using two different models. The first is a composite variable from my factor analysis of organizational climate, one of which had a marginal eigenvalue of 1.62. Factor loadings can be found in Appendix D. Although this variable includes other organizational climate measures, it had particular high loadings for measures of external support (e.g. satisfaction with resources provided by the Chancellor), with much smaller (but positive) loadings for perceptions of administration support, so it is safe to interpret it as predominantly a measure of perceived support. In a second specification, I disaggregated the organizational climate measure, conducting separate factor analyses for its subcomponents rather than combining them in a single factor analysis. Given the high correlation between these variables, this model suffers from multicollinearity. For that reason, I had to exclude "psychological safety" from the analysis.

As the first row indicates, external support is positively associated with performance values-in-use regardless of definition or specification used, though only the measure is only significant when used in conjunction with a disaggregated specification of organizational climate<sup>3</sup>. This suggests that schools where individuals felt supported by the broader Department of Education were more

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<sup>3</sup> The lack of significance for the external support variable in the first specification likely reflects the fact that the original organizational climate measure, which had positive loadings for perceptions of external support, itself captured a large part of the 'support' effect.

**Table 7**  
**Perceptions of External Support as a Predictor**  
**of Performance Values-in-Use**

VARIABLES	Two-Factor Model		Disaggregated Climate Model	
	(1)	(2)	(3)	(4)
	Values-in-use 2011	Values-in-use 2011	Values-in-use 2011	Values-in-use 2011
External Support	0.05 (0.06)	<0.01 (0.15)	0.48*** (0.08)	0.43*** (0.16)
External Support * Survival Anxiety	-0.05 (0.04)	-0.24 (0.16)	0.01 (0.04)	0.01 (0.11)
Survival Anxiety	-0.29*** (0.05)	-0.30*** (0.11)	-0.21*** (0.05)	-0.15 (0.12)
Organizational Climate	0.24*** (0.04)	0.28*** (0.10)		
Internal Support			-0.07 (0.06)	-0.16 (0.16)
Norms of Honest and open Communication			-0.18*** (0.07)	-0.15 (0.16)
Merit pay	-0.30*** (0.11)	-0.12 (0.21)	-0.25** (0.10)	-0.04 (0.21)
% Free/Reduced Price Lunch	>-0.01 (<0.01)	>-0.01 (0.01)	>-0.01 (<0.01)	<0.01 (0.01)
Part of Empowerment Zone	0.06 (0.09)	-0.29 (0.20)	0.10 (0.08)	-0.20 (0.20)
Affiliated with Partner Support Organization	-0.08 (0.12)	-0.13 (0.26)	-0.06 (0.11)	-0.07 (0.26)
Proportion of <4 yr teachers	<0.01 (<0.01)	0.01 (0.01)	<0.01 (<0.01)	<0.01 (0.01)
Proportion of 15+ yr teachers	-0.01* (<0.01)	-0.02** (0.01)	-0.01** (<0.01)	-0.02** (0.01)
Stable Leadership	-0.25** (0.10)	-0.11 (0.23)	-0.31*** (0.10)	-0.21 (0.23)
Elementary School (dummy)	0.21** (0.10)	0.32 (0.28)	0.06 (0.10)	0.15 (0.28)
Middle School (dummy)	-0.16 (0.12)	-0.40 (0.28)	-0.22* (0.12)	-0.37 (0.28)
High School (dummy)	-0.81*** (0.13)	-0.68** (0.28)	-0.78*** (0.12)	-0.56** (0.28)
Prior Values in 2007	<0.01** (<0.01)	0.01 (<0.01)	<0.01** (<0.01)	<0.01 (<0.01)
Number of teachers	0.14*** (0.04)	-0.01 (0.12)	0.12*** (0.04)	0.03 (0.12)
Constant	0.57** (0.25)	0.42 (0.68)	0.70*** (0.24)	0.49 (0.66)
Observations	505	116	505	116
R-squared	0.36	0.31	0.39	0.33

\*\*\* p<0.01 \*\* p<0.05 \* p<0.10

likely to adopt performance management values-in-use. However, as shown in row 2, the interaction effect between perceptions of support and survival anxiety is insignificant, and negative in two out of four specifications. Thus there is little evidence that schools where teachers perceived greater supports were more likely to respond to survival anxiety signals.

Thus, evidence in support of hypothesis seven— that resource constraints impede organizational improvement, and more, specifically, organizational capacity to respond to survival anxiety— is similarly mixed. One explanation for the weak findings is that tangible resources only capture part of a school’s operational capacity. Another important, yet more difficult to measure, aspect of capacity, is the organizational members’ perceived efficacy. And here, evidence suggests that both schools’ capacity was low.

A core assumption of performance management reform as a mechanism for improved service quality is that agencies or organizations subject to performance accountability have both managerial discretion and, ultimately, control, over the outcomes for which they will be judged (Gormley & Weimer, 1999; Hatry, 1997; Moynihan, 2008; Osborne & Plastrik, 1997) Teachers across schools frequently questioned this fact, asking whether student achievement was truly the result of teacher behavior or school decisions and expressing tremendous uncertainty about to improve student learning. From one perspective, such beliefs reflect a cultural fatalism or an externalized local of control, organizational deficits that impede organizational readiness for reform (Hood, 2012). From another perspective, however, the responses at Sharp Cliff School and Cauldron School reflect urban education’s complex reality: that students’ underachievement stems from a web of factors. This fact was emphasized by a teacher at Parkside teacher who contrasted her prior experience teaching low-income students with the results she achieved at Parkside School. “They [the Department of Education] have no idea that so much is out of your control,” she argued. Prior research on educational attainment affirms her broader argument. Ample research has shown

that out-of-school factors, such as parental behavior and students' socio-economic status, are stronger predictors of student's outcomes than are in-school factors (Evans, 2004; Hanushek, Kain, Markman, & Rivkin, 2003; Noguera, 2003).

In recognition of this fact, Steady School, Sharp Cliff School and Cauldron School all reached out to the local community in an effort to strengthen supports for learning, both on their own, and in collaboration with non-profit organizations. As noted before, a core feature of the Sharp Cliff Principal's reform strategy was to educate and empower parents to demand more of their children's education. During my visit, The Cauldron School's site leadership team was busy planning a school fair to introduce parents and students alike to community resources and activities at the school.

By contrast, teachers and school leaders in the low-anxiety school spoke of themselves in confident terms, expressing a belief that they were part of a select group of teachers. While teachers at Parkside School did acknowledge that their job was different, and in many ways, less challenging than the work of their peers in more disadvantaged schools, this recognition was tempered by a new-universal belief that the teachers in their schools worked harder, and were smarter, than teachers in the school system at large. "Teachers here are extremely well educated, and the hours are far and beyond [the contract requirements]" explained one teacher. "Collaboration about everything we do. Everything we create is teacher-created. Every year we write [curricula] from scratch." Virtually every teacher in the school re-iterated this teacher's point, highlighting the quality of the staff ("The Principal has her choice of who fits into this community") and the emphasis on going beyond standard expectations. This sense of self-efficacy also contributed to a strong sense of organizational ethos and mission. Both teachers and school leaders spoke of themselves unselfconsciously as a potential model for other schools. They cited the tight competition for teaching positions at the school and openly wished that Department of Education leaders would visit the school more frequently to learn from its successes. In the case of Parkside School, prior

success was a catalyst for future success (Akerlof & Shiller, 2010). Teachers, coaches and school leaders alike expressed confidence that they could learn from student work and consider multiple forms of data. And, to the extent that their behavior fell short of the Department of Education's expectations, teachers and school leaders framed their behavior as a choice to go beyond standardized indicators rather than an inability to address them.

Thus, the comparative case study of schools provides strong support for the eighth hypothesis: that teachers and principals at high-anxiety schools would exhibit high levels of technical uncertainty about how to bolster student achievement. Unfortunately, the ability to test fully this hypothesis is undermined by the lack of a comparable quantitative measure of individual or organizational efficacy. Given the strength of the qualitative evidence in support of this theory, however, further examination is warranted.

In sum, both the low-anxiety and the high-anxiety schools provide compelling evidence for the capacity hypotheses. Resources and perceived organizational control matter. Despite real pressures to boost achievement, and, in many cases, an acknowledgement that students had not been served well, high-anxiety schools lacked the financial resources and technical capacity to boost student achievement. While performance data provided a strong signal of the need to improve organizational performance, in the case of low-performing schools, qualitative evidence demonstrates that the data were less useful in offering a roadmap to improve performance. That being said, the quantitative indicators do not provide proof that an increase in school resources or self-efficacy would bolster its responsiveness to survival anxiety. Furthermore, as the following section illustrates, capacity only tells part of the story.

### *Values Misalignment*

The prior section concluded by highlighting importance of intangible organizational resources, such as efficacy and technical savvy. In this section, I explore values misalignment—both

explicit goals conflict and more implicit normative conflicts—as a reason for schools’ failure to adopt performance management values-in-use in the face of high-stakes incentives to do so.

From this perspective, the lack of performance management values may reflect not an organizational deficit but instead a conscious choice not to adhere to reformers’ demands. From this perspective, even with greater time and financial supports, some schools would choose not to adopt performance values-in-use, because the imperatives of performance management reform run counter to deeply rooted norms about the purposes of public education and the proper approach to teach young people.

In this section I report findings from quantitative and qualitative analysis to test three hypotheses related to values misalignment. I discuss each in turn.

The first hypothesis was that that schools with a greater espousal of performance values would adopt greater performance values-in-use. And here the supporting quantitative evidence is strong. As shown in Table 8, an increase in espoused values has a statistically significant relationship to the adoption of performance values-in-use, even when controlling for the organizational variables identified in Chapter 4. Among the full population of New York City schools, a one standard deviation increase in espoused organizational values is associated with a 0.19 increase in performance values-in-use, even when controlling for the factors identified in Chapter 4. The effect is even larger— 0.34— for those schools that did not exhibit performance values-in-use at the start of the reform. When it comes to the full population of schools, there is also a positive interaction effect between anxiety and espoused organizational values. This suggests that those schools that espouse organizational values are more likely to respond to performance pressure incentives. This interaction effect is not significant, however, and the sign changes (and is insignificant) for schools with low values in 2007.

**Table 8**  
**Espoused Performance Values as a Predictor of Performance Values-in-Use**

	Full Population of Schools	Schools with low values in 2007
Organizational Climate	0.13*** (0.05)	0.12 (0.11)
Survival Anxiety	-0.27*** (0.05)	-0.31*** (0.11)
Espoused Values	0.19*** (0.05)	0.34*** (0.12)
Espoused Values * Survival Anxiety	0.12** (0.05)	-0.07 (0.11)
Merit pay	-0.25** (0.10)	-0.03 (0.21)
% Free/Reduced Price Lunch	>-0.01 (<0.01)	<0.01 (0.01)
Part of Empowerment Zone	0.08 (0.08)	-0.18 (0.19)
Affiliated with Partner Support Organization	-0.04 (0.11)	-0.04 (0.25)
Proportion of <4 yr teachers	0.01 (<0.01)	0.01 (0.01)
Proportion of 15+ yr teachers	-0.01* (<0.01)	-0.01 (0.01)
stable leadership	-0.27*** (0.10)	-0.13 (0.22)
Elementary School <sup>f</sup> (dummy)	0.19* (0.10)	0.11 (0.27)
Middle School (dummy)	-0.16 (0.12)	-0.37 (0.28)
High School (dummy)	-0.79*** (0.12)	-0.56** (0.27)
Prior Values in 2007	0.15*** (0.04)	0.02 (0.12)
Number of teachers	<0.01** (<0.01)	<0.01 (<0.01)
Constant	0.53** (0.23)	0.11 (0.59)
Observations	505	116
R-squared	0.39	0.35

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Qualitative data provide additional support for this hypothesis, as well as evidence of broader values conflict and support for the ninth hypothesis, that high-anxiety schools that have not adopted a performance management culture would exhibit greater antipathy towards the governing regime than schools that have adopted a performance management values-in-use.

The case study schools provide clear evidence of the three reform critiques highlighted in the previous section: concerns about the validity of standardized test scores as a measure of student learning; questions about the strength of the relationship between instructional practice and student learning outcomes; and critiques of the legitimacy of the Bloomberg Administration’ more generally. Each is discussed in the section below.

Table 9 summarizes teachers’ attitudes towards student data as tool to improve instruction and as a reflection of school quality at each case study school. Teachers, and, to a lesser extent,

<b>Table 9 Perceptions of Data Validity by School</b>				
	Steady School	Sharp Cliff School	Parkside School	The Cauldron School
Proportion of teachers that espouse a belief in quantitative test data to inform instruction	Medium high	Medium low	Medium low	Medium
Proportion of teachers that believe performance rating is a valid metric of school quality	Low	Low	Low	Low
School leaders’ belief that performance rating is a valid metric of school quality	High	Medium	Low	Medium

principals, questioned whether the focus on quantitative performance metrics was beneficial for student learning. As Table 7 indicates, there is strong evidence that performance management reform encountered explicit values conflict within schools. In every school in the study, for example, teachers openly questioned the accuracy of standardized tests as a measure of student achievement outcomes or school quality more broadly.

A statement such as “high standards for all” might seem so non-controversial as to be pabulum. But the means by which increased standards played out in New York City elementary

schools highlights deep disagreements about what “high” standards entail and whether these standards, as defined by the Department of Education, are good for children.

Some teachers applauded the new standards, suggesting that, even if challenging, they were in the best interest of kids. A teacher at the Cauldron School, for example, stated that, while the new standards were a stretch for the school, they were, on the whole, a positive change. “I feel that the changes are doable—feel that we need to have a higher expectations for students—I would not change the standards....We need to have higher expectations for students,” she explained. “To see the data is sad—it is ultimately a reflection [of how we are doing], and it pushes you to get better.”

Other teachers, however, worries that this approach was unrealistic or even detrimental to students. “Kids are tested too soon,” explained one teacher in a focus group at Steady School. Another teacher, in the same focus group, expressed ambivalence about the standards. “We push them so much— it’s good, but it is also bad, because everyone is stressed. I think that is part of the behavioral problems,” she explained.” Moreover, even at Parkside School, which faced considerably less anxiety from the Department of Education’s performance standards, teachers openly questioned whether the trickling down of standards to primary grades was a positive development. “I think they taking away the love of learning,” worried one. Another suggested that the more advanced academic standards were not developmentally appropriate. Several teachers questioned what they saw as inconsistencies in the Department of Education’s agenda. “They talk about differentiation in the classroom, but at the end of the day, all the kids have to meet the same standards,” explained one, expressing frustration at what he saw as inflexibility in the evaluation metrics. “What about differentiation for teachers,” another echoed.

School principals’ attitudes towards performance data also varied widely. At one end of the spectrum was Steady School’s principal, for whom data was an invaluable resource for school improvement: “One thing I really like in DOE is the resources around data, like predictive

assessments— we can manipulate data in ways that [help] teachers know where to focus, you can group students for academic support on Saturdays... It helps you pinpoint where you are going and what you need to do to get there.” In contrast, the principal of Parkside School, who encouraged the internal use of qualitative data to assess student learning but largely dismissed the meaning of the overall progress report ratings: “Honestly, we go back and forth between A’s and B’s. I don’t know what our current score is.”

Beyond concerns about developmental appropriateness, teachers at multiple schools questioned whether the standards properly took account of complexities in student learning and student backgrounds, and whether changes in instructional practice would be sufficient to boost student achievement. “They have no sense of the culture of the kids, so many languages,” explained one teacher at Steady School. “There has to be a socio-emotional piece,” explained another. At Sharp Cliff School, a teacher of students with special needs suggested that her students were ill-suited to the assessments. As noted above, principals and teachers highlighted parents’ role in educational outcomes, citing not only differences in personal motivation but also the differential financial resources that parent organizations could bring to their schools.

In addition, many teachers expressed frustration about the heavy workload demanded by the new regime. “It’s all paperwork,” said one teacher in Steady School. “Curriculum maps... documenting every behavior.” She worried that the new workload ran at odds with the core work of teaching. “Are you doing so much ‘showing’ that you aren’t ‘doing’ anymore?” she asked. In a similar vein, after detailing the reading assessments and behavioral documentation that she completed in her classroom, a teacher at The Cauldron School questioned the efficacy of a data-based approach. “I’ve been teaching for a long time, and I was effective back then. Thought I was *more* effective back then—it is overkill. I think there is too much. Sometimes I think they are just trying to watch over us. A skilled teacher can go through a class and tell you what every child is weak

in—but they want everything documented, they think it will help us but don't realize how much time—I am here until 5 or 6 o'clock. Teachers come back on their vacation. Nobody recognizes us for all these things. [The] paperwork is so overwhelming.” A teacher of students expressed similar sentiments with special needs at the Sharp Cliff School. Rolling her eyes when asked about the use of data in the classroom, she explained, “For me— I've known [the children in my class] for a long time. I personally don't think it works for me— it's very time consuming, and nobody gives you any training [on how to do it effectively.]”

Finally, teachers openly questioned not only the methods but also the underlying legitimacy of Mayor Bloomberg and the Department of Education, “They have no clue,” explained one exasperated teacher at Steady School. Another saw motives behind the reform sharply at odds with her values as a teacher. “NCLB hasn't helped, but now it is a big business, children's are the last ones [they care about]-...Our dear leader wants to put seventy kids in a classroom.” Other teachers, both at Steady School and elsewhere, expressed similar sentiments. “I think that the Mayor doesn't like teachers,” explained one Steady School teacher. And on multiple occasions and at different schools, teachers decried Bloomberg's as excessively aggressive. “The mayor is always threatening people,” stated a veteran teacher who herself was on the verge of retirement. “I can see why some teachers come in and leave.”

Criticism of the reforms' legitimacy was not limited to personality critiques. A teacher at Sharp Cliff, noting changes in the professional orientation of the Department of Education's leadership structure, questioned whether the business approach was appropriate for schools. “We have different leaders—so they think more or less like business people, rather than educators. I don't agree with that—I think that if you are going to deal with education, you need to be part of education yourself. With education there are certain things you should know—you should have been in the classroom to understand that—know how to deal with students, with parents, with principals,

with administrators. Dealing with business people is taking it on a different level, running it like a business- I don't particularly care for that." For this teacher, the primary fault of a "business" approach was that it lacked sensitivity and flexibility. "It's cut-throat.... Today every little thing is on the computer, it has to be reported, if a teacher is not teaching to their intention, they are out. Now when it comes to teachers who go beyond, you get incentives, money, ten thousand dollars... It's just different, very different."

In some cases, skepticism about test-based *accountability* was mitigated by a teacher's belief that educational data could foster learning. A veteran teacher at Steady School offered a case in point. Extremely critical of the Department of Education's political overseers, she believed that high-stakes accountability represented political capture by the testing industry. "Testing is a multimillion dollar business, so we are going to test everyone," she argued. She further stated that the Department of Education's efforts to reduce tenure protections and encourage the growth of charter schools were driven by a war on the middle class and an effort to reduce, rather than expand, higher-order learning: "Critical thinking is a problem for these people. If public schools are closed, then democracy dies. I truly believe that we are under the gun—that we are a target." At the same time, she spoke enthusiastically the ways that data had improved her teaching. "You *have* to have data," she said, explaining how she collected multiple forms of qualitative and quantitative data to understand how each child performed in the subjects she taught. On the one hand, this teacher's perspective—simultaneously accusing the administration of a political war on public education and lauding the use of performance metrics to improve her own teaching— appears paradoxical. On the other, it provides tangible evidence of a point that both Bob Behn and Christopher Hood have made— that performance data can serve different purposes in different contexts (Behn, 2003; Hood, 2012). For this teacher, performance data had little credibility for accountability purposes, but strong resonance as a tool for learning.

This distinction— between performance data for accountability and performance data for learning— helps confirm elements of hypothesis nine— that teachers in schools that have not adopted performance management would be more critical of the underlying values of the governing regime. On the one hand, as demonstrated above, teachers at nearly school expressed frustration about the pace of the reform, and the lack of support for student services and instructional improvement. Schools differed, however, in the extent that teachers portrayed data as a tool that they could use for internal purposes (rather than another demand imposed from above.) While every school had at least one teacher who doubted the usefulness of systematically looking at data, Steady School and Parkside School each had a larger proportion of teachers ready to document the ways they had adapted performance data for their own purposes. This suggests a strong relationship between stated values and behavior— those who espoused a belief in the use of student data to enhance instruction were far more likely to use it.

Table 8 reports findings from quantitative analysis, assessing the extent to which satisfaction with the governing regime predicts the adoption of performance values-in-use.

	Full Population of Schools	Schools with Low Values-in-Use 2007	Schools with High Teacher Satisfaction and Low Values-in-Use 2007
VARIABLES	(1)	(2)	(3)
Organizational Climate	0.23*** (0.04)	0.29*** (0.08)	-0.12 (0.28)
Survival Anxiety	-0.27*** (0.05)	-0.31*** (0.10)	-0.26 (0.39)
Teacher Satisfaction	0.06 (0.05)	0.10 (0.12)	
Teacher Satisfaction * Survival Anxiety	0.05 (0.05)	-0.17 (0.14)	
Merit pay	-0.30*** (0.10)	-0.11 (0.18)	0.61 (0.65)
% Free/Reduced Price Lunch	>-0.01 ( $<0.01$ )	>-0.01 (0.01)	-0.01 (0.02)
Part of Empowerment Zone	0.06 (0.08)	-0.21 (0.17)	0.36 (0.51)
Affiliated with Partner Support Organization	-0.06 (0.11)	-0.17 (0.23)	-0.42 (1.39)
Proportion of <4 yr teachers	<0.01 ( $<0.01$ )	0.01 (0.01)	-0.01 (0.03)
Proportion of 15+ yr teachers	-0.01* ( $<0.01$ )	-0.01** (0.01)	0.01 (0.02)
stable leadership	-0.25** (0.10)	-0.18 (0.22)	1.00 (1.36)
Elementary School <sup>f</sup> (dummy)	0.22** (0.10)	0.34 (0.23)	0.09 (0.70)
Middle School (dummy)	-0.17 (0.12)	-0.32 (0.24)	-0.62 (0.92)
High School (dummy)	-0.80*** (0.12)	-0.45* (0.24)	
Prior Values in 2007	0.15*** (0.04)	-0.02 (0.11)	-0.16 (0.47)
Number of teachers	<0.01** ( $<0.01$ )	<0.01 ( $<0.01$ )	-0.01 (0.02)
Constant	0.46* (0.24)	0.38 (0.56)	-0.14 (2.00)
Observations	505	127	21
R-squared	0.36	0.33	0.58

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

The findings for teacher satisfaction are inconclusive, since neither the direct effect of teacher satisfaction nor the interaction effect schools where teachers, on average, expressed greater

satisfaction with the governing regime, also displayed higher levels of values-in-use. Furthermore, limiting the population to schools with a high proportion of satisfied teachers does not change the coefficient for survival anxiety.

In sum, qualitative evidence provide support for Hypothesis 9, that schools where teachers are more satisfied with the governing regime are more likely to develop performance values-in-use, though the quantitative findings are inconclusive.

This leads to the tacit component of values conflict—and the question of whether differences in the adoption of performance management values reflect deeper organizational values, or, in Hood’s terminology, “culture.” Table 9 classifies each case study school according to Hood’s culture typology and reports the level of performance management values-in-use, first measured qualitatively based on interviews and observations, and then quantitatively, using formula found in the statistical analyses.

	Steady School	Sharp Cliff School	Parkside School	The Cauldron School
<b>Culture as Defined by Hood</b>	Mostly Egalitarian with some hierarchical elements	Predominantly Fatalistic	Largely Egalitarian, with some elements of individualism	Mostly Fatalistic, with strands of egalitarianism and individualism
<b>Performance values-in-use, measured qualitatively</b>	Medium High	Low	Medium High	Medium low
<b>Performance Value-in-Use measure (based on Quality Review)</b>	Data not Available <sup>a</sup>	-0.04 <sup>b</sup> (somewhat low)	1.46 (above average)	-0.79 (very low)
<sup>a</sup> No Quality Review performed 2009-2011		<sup>b</sup> Based on 2008-2009 (prior year) Quality Review		

While the sample is small, a look at the cultural distribution across schools provides some support for Hood’s hypothesized relationships and sheds light on the challenges of performance management reform in education.

First, it is notable, though not surprising, that schools' cultural dispositions were heavy on egalitarianism and fatalism, with only limited elements of hierarchy and individualism. Both the formal structure of American school districts and informal norms within public education reinforce these trends. Karl Weick has described school districts as quintessentially loosely-coupled systems, where policy signals at the top of the hierarchy have at best a muted impact on organizational dynamics elsewhere in the system (1976). Moreover, scholars in sociology, organizational theory and public policy have documented the extensive norms of autonomy that pervade the teaching profession (Lipsky, 2010; Lortie, 1975; Meyer & Rowan, 1977). For teachers, whose salaries and working conditions more closely resemble those of wage workers than of professional employees, the freedom that exists behind the classroom door is often cherished possession.

If certain structural and normative elements of American education work against hierarchy, others are at odds with individualism. Of greatest significance are two structural factors: the dominance of public sector unions in public school districts, especially in the North, and the civil service tradition that preceded unionization. Civil service traditions and unionization have both fostered working conditions and incentive systems that minimize distinctions among individual teachers. For example, the traditional teacher pay scale, which rewards educational attainment and years of experience, does not allow for other distinctions among teachers, either teaching quality or labor market demand. The same is true for traditional school district policies about hiring, transfer and layoff, which tend to reward teacher seniority more heavily than individual characteristics and a fit between teacher and school. Moreover, student outcomes are shaped not only by a teacher's behavior in the classroom but also from interactions with prior teachers, teachers of other subject material, and influential adults and peers in the school. This fact diminishes teachers' sense of teaching as an individual achievement.

This is not to say that hierarchy and individualism were entirely absent from school systems. School principals' decisions, for example, have a considerable impact on teachers' autonomy. In Steady School, for example, the veteran principal explained that his first step, upon taking the position approximately a decade ago, was to move each teacher out of his or her classroom and redistribute classroom libraries so that resources could be shared across teachers. A veteran teacher who had taught at the Steady School the time explained, "It's his school. He's the leader, and it's his right to do that." At the same time, testimony from other staff members emphasized the less hierarchical elements of the school principal's leadership style. Other teachers emphasized the principal's informality and downplayed any authoritarianism, praising as some of his best leadership traits his open-door policy and willingness to listen without judgment.

Similarly, some of the schools in the study did display individualism. A teacher in Steady School, after expressing her grave concerns about the political dynamics of the current reform, concluded, "I'm a fighter—I'm not going down easily, as far as my own teaching craft is considered." Additionally, as noted before, teachers in Parkside School took great pride in their teaching capacity, and the selectivity of the hiring process. Within the school, however, any sense of individual pride was sublimated by a greater sense of camaraderie and traditions of collective decision-making. Teachers emphasized not only collaborative lesson planning but also a tradition of shared governance. As will be detailed in the next chapter, they expressed frustration at moments when the administrators espoused a support for shared decision-making but crowded out teachers' viewpoints in practice.

As the anecdotal nature of above examples suggests however, egalitarianism and fatalism dominated the case study schools' culture. Steady School and Parkside School displayed the most egalitarianism. Teachers and principals at each reported frequent formal and informal opportunities for collaboration, and, despite occasional criticism, expressed high levels of trust among teachers

and between teachers and school leaders. It is worth noting that the strongest criticism raised in Parkside School was that the school leaders did not give the shared governance model its due. This problem, in turn, highlights the strong expectations of equal standing that had developed in the school.

Sharp Cliff and the Cauldron School, by contrast, each demonstrated fatalism. In Sharp Cliff School, particularly, teachers felt a lack of control over the environment and over the students' academic outcomes. Many cited the decline in instructional coaches, suggesting that without lead teachers to help them improve their instructional practice, the opportunities for improvement were limited. Others pointed to the resource disparities, especially in relation to the charter school that shared Sharp Cliff School's building. And still others questioned reformers' political motivations and the reliability of the reform measures. They suggested that Department of Education leaders were simply setting schools up for failure in order to privatize them and make way for new charter schools.

In a similar vein, while teachers in the Cauldron School initially expressed greater confidence in their efficacy, this confidence in broke down upon further questioning. "When I go home, I'm dead. I wake up at four... Keeping up, it's just overwhelming," explained one teacher. Another teacher shared her frustration. "The scores matter to me", she explained, "because when I came her, it was good, and now it is just a sinking ship...." Even more optimistic statements were couched in cautious, tentative language. "I do hope and pray that we are seeing a change- -if it doesn't happen, something is wrong," explained one teacher. Yet no teachers, or administrators, for that matter, could point to a tangible step they had taken that, in their opinion, would have a significant effect on the school's progress report rating.

Moreover, the case study evidence not only highlights importance differences in deep organizational culture type; it also provides support for the tenth hypothesis, that cultural differences

are associated with differences in performance management behavior. The two more fatalistic schools—Sharp Cliff and Cauldron—displayed fewer performance management values than did the egalitarian schools, regardless of whether one measured management values using secondary survey statistics or through a qualitative observation of behaviors and beliefs on the ground.

## **Conclusion**

This chapter offered four theoretical explanations why low-performing schools, despite considerable performance pressure and survival anxiety, would not adopt performance management values-in-use on the front lines: political/structural insulation; time constraints; inadequate capacity; and values conflict. It then assessed the plausibility of these theories using evidence from qualitative case studies, and, when possible, quantitative survey analysis.

A summary of these findings can be found in Table 10. As it shows, there is little evidence that teachers and administrators felt politically or structurally insulated or shielded from the high-stakes accountability pressures of the reform. As the case of Steady School demonstrates, if anything, teachers tended to overestimate the likelihood of their school's facing severe sanctions such as closure. In a similar vein, there is little evidence that, given greater time, schools facing survival anxiety would show more significant change. The Cauldron School's struggle to adopt performance management values, despite three years of steadily declining performance ratings, is a case in point. Moreover, there is little quantitative evidence that either increasing the lag time for the adoption of performance values or accounting for variability in performance ratings (under the theory that schools need a clearer signal of quality to provoke a response) changes the relationship between survival anxiety and the adoption of performance values-in-use.

By contrast, there exists compelling evidence that capacity constraints and values conflicts impede organizational change. Teachers and administrators alike at the high-anxiety schools in this

study cited capacity constraints (e.g. a decline in the number of instructional coaches at the school) and uncertainty about the means to improve student outcomes. Moreover, schools where teachers perceived external support were significantly more likely to adopt performance values in use, though an increase in external support did not have a clear impact on a school's reaction to survival anxiety. Similarly, school values— both explicit values towards the reform and underlying cultural attributes such as egalitarianism and fatalism, helped to explain why some schools shied away from adopting the Department of Education-promoted performance-oriented behaviors. Teachers, and even in some circumstances, school leaders, questioned the validity and reliability of performance metrics, and questioned the fairness of judging schools according to standardized student outcomes when parent attitudes and other outside factors contributed so strongly to student learning. In the highest anxiety school, this translated into a broader organizational fatalism, providing support for Christopher Hood's thesis that fatalistic organizations are less likely to respond to performance management initiatives.

While some of the findings are necessarily tentative, this chapter suggests that for schools facing anxiety, culture and capacity are the factors that best explain the absence of change. These findings highlight the need for greater investment in organizational capacity and a stronger role for each school's own voice to facilitate its response to performance management reforms. The next chapter will build on this theme, showing how culture and capacity explain the adoption of performance management values-in-use at schools that face little anxiety.

<b>Table 10</b>		
<b>Summary of Proposed Impediments to Change among High-Anxiety Schools</b>		
Hypothesis	Strength of Evidence	Merits further study?
P <sub>1</sub> : Personnel at high-anxiety schools do not believe that the performance reforms will have a concrete and sustainable impact on their daily work.	None	No
P <sub>2</sub> : Low-performing schools with active parents/stakeholders experience lower survival anxiety.	None	No
P <sub>3</sub> : Experienced teachers exhibit lower survival anxiety than novice teachers	None	No
P <sub>4</sub> : All else equal, the emergence of a changed performance culture will be stronger at schools with a consistent history of low performance ratings	Mixed	No
P <sub>5</sub> : High anxiety schools that have not yet developed a full “performance culture” may nonetheless exhibit evidence of beginning to “un-learning” or contain subcultures of individuals that demonstrate performance management values	Weak	No
P <sub>6</sub> : Resource constraints impede organizational improvement efforts at high anxiety schools	Mixed	Yes
P <sub>7</sub> : Teachers and principals at high-anxiety schools will exhibit high levels of technical uncertainty about how to bolster student achievement	High	Yes
P <sub>8</sub> : The extent to which a school adopts performance values-in-use will reflect its espousal of performance management values.	High	Yes
P <sub>9</sub> : High-anxiety schools that have not adopted a performance management culture will exhibit greater antipathy towards the governing regime than schools that have adopted a performance culture.	Medium High	Yes
P <sub>10</sub> : Schools with characteristics of a “fatalistic” culture will adopt fewer performance management values and behaviors than schools with “egalitarian” characteristics.	Medium	Yes



## Chapter 6: Learning and Shielding:

### Performance Management Behavior in the Absence of Anxiety

The previous chapter dealt with a theoretical puzzle that also constituted a policy problem—the failure of organizations to change and adopt performance management culture in the face of real and present pressure from the outside. This chapter will seek to address a second finding from Chapter 4’s quantitative analysis, that, while certainly less problematic from a policy and management perspective, may prove no less puzzling. The negative association between survival anxiety and the adoption of performance values-in-use has a bright-side, which is that low-anxiety organizations were *more likely* to adopt performance management values in the four years following the reform. Thus low-anxiety schools can provide a context for understanding positive instances of organizational change. But, given that the performance management reforms in New York City were premised on accountability oriented around negative sanctions (penalties for poor performance, rather than rewards for high performance), why would schools that faced little threat of closure nonetheless adopt performance values in line with the reform agenda of the Department of Education?

Existing public administration and organizational theory offers some explanations for organizational change under such circumstances. Nonetheless, I use an inductive approach in this chapter for two reasons. First, the existing research on organizational change in the absence of external pressure is thin, and thus presents few robust propositions to test. Moreover, even if those propositions did exist, I have only a limited ability to test those propositions using the data available. My research design collected qualitative evidence only from a single truly low-anxiety school, and the New York City teachers’ survey provides few measures relevant for quantitative analysis of the

conditions under which low-anxiety schools develop performance values-in-use. For that reason I instead use evidence from a qualitative case study to develop theories regarding the development of performance management values in the absence of accountability pressures, and interpret those theories in light of existing research on performance management, administrative behavior and organizational change.

This chapter proceeds in three parts. In the first, I analyze data from a multi-day site visit to Parkside School, an elementary school in New York City that adopted performance values over the time period of the reform in the absence of external pressure tied to accountability ratings. In doing so, I identify the most compelling reasons for a low-anxiety organization to change. In the second section, I interpret these explanations in light of existing research on performance management and organizational change, highlighting ways that the Parkside experience aligns with and contrasts with existing theory and research. In the third section, I conclude with suggestions for future research, presenting specific research propositions and proposing qualitative and quantitative measures that would facilitate a more robust test of the theories presented below.

### **Parkside School— Organizational Change Absent Anxiety**

As noted in the introduction, Parkside presents a puzzle. A high-performing school with an affluent and highly engaged student body, the school faces few risks from the New York City Department of Education’s high-stakes accountability system. As its network leader, a district official charged with supporting the school, explained, “[Parkside] is at one end of the spectrum-whether they slip a point here or there, the big bad wolf will not come calling... Tweed [The Department of Education’s central office] is not going to come marching in and close the doors or remove the principal.” The reason for this relative immunity is twofold. First, even when compared to peer schools, the school performs well; second, a highly engaged and influential parent population would rise to the school’s

defense in the event that any sanctions appeared on the horizon. Beyond its immunity from sanctions, Parkside School lacked formal positive incentives for change. The affluence of the student population precluded the school's participation in the Department of Education's voluntary merit pay system, so the school faced few or no tangible rewards for the development of performance management value-in-use. The school did possess a trusting and supportive organizational climate. However, in the absence of external pressure, prior research suggests that a positive climate could do more to buffer the school from outside influence than to force or facilitate accommodation to those demands (Smylie & Evans, 2006).

One explanation for the presence of a performance culture at Parkside School is that such a culture existed before the reforms, and, in fact, has contributed to its success. To the extent that Parkside's performance values foster high performance in its students, low survival anxiety could be the result, rather than the cause, of performance values. Such a theory first presented itself when I arrived at the school—perhaps Parkside's performance culture was more an instance of organizational strength and stability than one of organizational change. Yet the data tell a different story. While Parkside's strong reputation for success, highly-engaged parent body and top-notch teaching force have been a constant over the past ten years, there is substantial quantitative and qualitative evidence that the organization's values-in-use have changed substantially since the start of the reform. In 2007, the first year of the reform, the school ranked in the bottom quintile in performance values-in-use based on teacher survey results. This depiction of the school was affirmed in an interview with the school's principal, who had come to the school during that same year. Effusive about the school's pre-existing strengths, such as a strong academic climate and a rich social-studies curriculum, she was also candid about areas where the school had needed to improve. "People worked hard, but the school needed a larger conversation about what kids need; [teachers needed to focus on] assessment and planning," she argued. Six years later, she asserted, "I think we

do a better job of looking at data in different kinds of ways; we thought we did it well—but now we are tighter [in our examination of student data; that gives us] a better sense of what to do.”

Such a picture of organizational change came through in conversations with veteran teachers, whether they saw the development of performance management values-in-use as a positive change or as a loss of intangible school assets. “[The principal] was surprised that we don’t have as much a sense of student’s experiences over the life of the school,” explained one veteran, discussing changes over the past five years. “She was concerned that while we were lucky with kids, we weren’t doing enough for those kids; we needed to be more purposeful and strategic.” This teacher noted that the changes had been difficult, and expressed some concern that the emphasis on skills building had crowded out the thematic focus on the school. “Things are more by the book,” explained another teacher, providing a slightly different take on the increased “focus” that the principal had brought to the school. “There have been lots of changes.” A third maintained that teachers “still have some flexibility, but much more is planned up front,” and that teachers had learned to be “more purposeful,” especially in their literacy instruction, a change that had been difficult to achieve.

When it came to performance values-in-use, teachers and principals adopted some more fully than others. On the one hand, teachers and administrators regularly engaged in organizational strategizing and goal setting, and embodied continuous improvement processes. In addition to regularly convening faculty committees to revisit school policies, such as report card standards, teachers met regularly every summer to redesign elements of the curriculum. On the other hand, attitudes towards the use of performance data were mixed and complex, with some faculty members praising the school’s rich understanding of student data and others expressing concern that a focus on numbers had undermined holistic understandings of teaching and student learning.

In the sections that follow, I draw from testimony at Parkside School to examine three forces that could contribute to organizational change and the adoption of performance management

values in use: parental pressure, shared values and interests, and pre-emptive buffering. As these sections make clear, the evidence behind them is mixed, with pre-emptive buffering and shared values emerging as more plausible explanations for the adoption of performance values-in-use.

## **Factors Contributing to Change at Parkside School**

### *Parental Pressure*

One factor that could explain Parkside School's adoption of performance values-in-use is the presence of parental pressure in support of the reform. For, while the Department of Education might not distinguish between an "A" school and a "B" school in terms of managerial consequences, such distinctions can have meaning to highly-motivated parents intent on maximizing their children's education. To the extent that parents factor progress report ratings into their assessments of school quality, schools with "good" ratings may focus their attention on performance data in an effort to earn "great" or "excellent ratings." Similarly, schools may feel that there are reputational benefits with the adoptions of data-based decision-making and other instructional practices that are aligned with the reform. However, the controversial nature of these reforms amidst many in the education community make the reputation argument less likely (D. Meier, 2013; Mosle, 2013; Rich, 2013).

The case of Parkside School offers some evidence that parental pressure contributes to the adoption of performance management values-in-use. Data from a range of sources demonstrate parents' strong voice at the school. As noted in the previous chapter, parents were highly visible in the building, attending early-morning parent association meetings, visiting to watch student presentations, and simply stopping by to bring their children's forgotten materials. The influence of these parents came through in teacher's comments about the climate at the school and the strength and weaknesses of the school's leadership. While generally positive about the school leadership, for

example, several teachers expressed frustration that the school principal did not more effectively shield teachers from parents' complaints. In other words, they worried that parents' voices all too often outweighed the interests or insights of teachers. One teacher explained,

When you are a principal in a school like this—this is a very rich neighborhood, and there are a lot of parents who are...very involved. When you are a principal of a school like that, it's even more political. And I think that part of the problem of being a good principal is being a good politician—and if you think about it, around the country, how many very good politicians are there? I think she is smart— she is definitely smart— but there here is a lot of pressure for her to please parents; the problem is, your teachers, that you really need to cultivate relationships with teachers, and I'm not sure that she knows [to do that].

The necessity of not only communicating with parents, but also of actively managing their needs and balancing them against the needs and expertise of the teachers— came through in focus group interviews as well, where teachers questioned whether the principal's loyalty was with them or with parents. Said one teacher, “[Sometimes] I feel that she values parents first... that it is not clear that she has our back.” The prevalence of these concerns at Parkside School is notable given the absence of parent relations as a subject of concern in any of the high-anxiety schools. They suggest that the potential for parent pressure to shape school-level practice was high.

Moreover, some teachers cited parental pressure as a contributing factor to performance management values-in-use. One reason why parents cared about the performance metrics prioritized by the Department of Education is that many students apply to elite public and private schools upon graduation from Parkside. Thus, parents and students have an interest in maximizing their standardized test scores. As a result, some parents urged the school to devote more time to test preparation. “The school is shifting a bit to more closed content—more standardized tests,” explained one teacher. “The administration says that this comes from the families.” The principal also acknowledged this pressure, but also asserted that the school's conversion was limited: “We haven't organized ourselves around test prep,” she explained, though the school did set aside a week in February for test preparation in advance of the city and state's high-stakes assessments.

At the same time, while success on students' individual assessments appeared important to parents, there was little evidence that parents cared about the grade earned by the *school itself* as part of its progress report. Teachers neither reported paying a high level of attention to school-wide performance ratings nor cited parent concerns about the Department of Education's progress reports. Discussing the performance reform initiated by Bloomberg and Klein and the impact of accountability pressures on the school, moreover, the parent representatives of the school's leadership team (SLT), an advisory body that consisted of teacher and parent representatives, asked "what is the school's report card grade, anyway"? Given that these parents were likely to be more knowledgeable about the school than parents without formal leadership positions, the fact that parent SLT representatives did not track the school's progress report grade suggests that this accountability measure was not an important factor in parents' measurement of the school.

In sum, the evidence that parental pressure played a strong role in Parkside's move towards data-based decision-making is limited. While, anecdotally, some teachers cited parental pressure as an impetus behind more standardized measures, there is little supporting evidence to back up this claim. Instead, the parents at Parkside School, while oriented towards their students' individual success, demonstrated high levels of satisfaction with the school and oriented their assessments around other measures of school quality.

### *Shared Values and Goals*

A second possibility is that teachers and administrators at Parkside School adopted performance management values-in-use because they believed such behaviors aligned with their own values and goals as an organization. In other words, Parkside developed a performance culture because faculty thought doing so would help them to better serve students and thus fulfill their organizational mission.

The importance of both mission and high achievement to Parkside faculty was evident throughout my the site visit. In contrast to other schools in this study, teachers at Parkside displayed a strong sense of institutional identity, frequently highlighting attributes that distinguished their school from others in the city. Asked to identify the positive attributes that made them distinct, teachers and administrators highlighted both intellectual rigor and a strong work ethic. “Teachers here are extremely well-educated, and the hours are far and beyond [the contract requirements]” explained one teacher. “Collaboration about everything we do. Everything we create is teacher-created. Every year we write [curricula] from scratch.” Virtually every teacher in the school reiterated this teacher’s point, highlighting the quality of the staff (“The Principal has her choice of who fits into this community”), the emphasis on creative, original planning, and fidelity to the core’s mission—a holistic, social studies-infused curriculum. Describing her experience on a faculty committee that revamped the school’s report cards in a prior year, one teacher explained how these characteristics affected organizational decision-making:

[We spent the past year] re-grounding ourselves in our report card standards and our expectations for students...because we didn’t really feel like anything on our report card matched what we were teaching. [As a result] It [had been] really hard to write our report cards, because our teaching was changing, and our focus was changing, but our report card was still the same, so we had to update our report card to match what was really important during the year...<sup>4</sup>

The anecdote above highlights both the high level of responsibility delegated to Parkside’s teachers and their concern about maintaining organizational integrity, even when doing so presented a challenge.

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<sup>4</sup> The report card revision process, in which teacher representatives designed new grade-level report cards in coordination with instructional coaches and school administrators, highlights not only the collaborative nature of the school and its focus on alignment between activities and mission, but also the un-even nature of change. In this case, as the teacher reported, changes in teaching practice preceded changes in reporting, thus leading to a conflict in formal systems that needed to be resolved

For Parkside’s teachers, adhering to school systems demands for a performance management culture depended on the extent to which those behaviors aligned with the school’s broader principles. Certain elements of a performance culture, such as strategic planning and continuous improvement strategies aligned closely to the school’s sense of itself as a body of highly-skilled professionals seeking to serve students well. Beyond discrete tasks like the revision of report card standards, teachers met regularly every summer to redesign elements of the curriculum, and faculty engaged in a multi-day retreat to ensure that Department of Education-mandated performance task assessment was aligned with the school’s mission and values. “At the end of the day, there will be performance measures,” noted one teacher. “One thing that I like about this performance task is that it captures what kids *understand*.” Another teacher, who had come to the school relatively recently after several years in other schools, contrasted it with other places where she had worked, where “teachers didn’t work together” and administrators had “no vision, no mission of where to go.” She spoke emphatically about the “wonderful sense of camaraderie” among faculty members that played into thoughtful shared inquiry about school improvement strategies:

We have been looking at where we can improve, and making very clear plans about how we can do it. We’ve gone through the process with the common core standards, defining a performance task for students to do based on certain standards, and one of the things that we decided on when we were doing the performance task is what do we want our kids to improve on based on the data that we have, so that this task is not just something that we are being told to do, but that it is something that will really benefit our instruction. In a different school, it would have been handled very differently, it would have just been thrown at teachers, ‘just go do this, we’re being told to do this.’ But here because we have such a strong and supportive coaching team, and administrators who have been in the classroom, and a very clear understanding of what teaching is, then they were able to think about how doing this performance wouldn’t just be an annoyance, it would be something that would benefit our instruction.

We looked at past test scores and how students performed across those standardized tests, we saw that there was a gap in their writing abilities, and so we knew that we need to make the performance task heavy on writing so that we could see where students needed to grow

as writers. What was nice was that the performance task wasn't just an added thing to be doing, it really fit into what we already do.

Two things stand out from this teacher's testimony. First, teachers at the school appeared comfortable using student data to guide decision-making in light of the school's stated goals and priorities. And the second is the emphasis on ownership of even organizational practices mandated from the outside. In contrast to other schools, where the new performance task was greeted as another unwarranted mandate, Parkside School pursued the performance task in a way that "fit into what we already do." In doing so, it adapted the policy imperative as it implemented them (Berman, 1978; Matland, 1995).

While teachers on occasion expressed frustration at the amount of time that planning required, shared decision-making was clearly important to faculty members. As noted before, faculty appreciated the opportunity to have a voice at the school, with new teachers highlighting it as a pleasant change from other schools where they had worked and veteran teachers holding the administrators to account when promises of shared decision-making fell short. "Too often we have false conversations," one teacher explained in a focus group interview. "They have their minds made up and we just go through the motions [of collective decision-making]." Both the praise and the criticism presented in this paragraph make clear that teachers and administrators alike saw themselves as professionals with expertise and an interest in making the organization succeed.

If strategic planning and continuous improvement processes aligned closely with the school's values and vision, attitudes towards data based decision-making were not so tightly aligned. Some teachers did find student data useful for monitoring students' progress towards the school's goals. "We use data for our own purposes—to inform our everyday instruction," explained one teacher. Another supported even the record keeping associated with the collection and analysis of performance data. "Documentation is critical to knowing a child, and knowing their needs," she

explained. At the same time, both teachers and administrators believed that there were limits to how much data was helpful. The assistant principal for example, argued forcefully that organizational learning was highest when faculty analyzed a discrete and limited amount of information, rather than examining every point of data for data's sake. A math specialist, she had a rich background in statistics and experience analyzing performance data for decision-making: "I like numbers, and I have my little charts, and I can show you where all our problems are, and I have all the data, and I look at it," she said. In contrast with data coaches or administrators at other schools, however, she consciously filtered the data, discerning trends across classrooms that she could convey to relevant teachers rather than asking them to process the raw data themselves. "Do I think that I should share with every teacher how her class did?" she explained. Not really. I don't really think that it helps them. What I do share with them, is, 'so I've noticed' kids need more work in this', or 'kids need more work in that.' Or 'this is a deficit for us.'" In order to convey that information, she created color-coded charts to show where students, in the aggregate, were doing well, and where they were struggling. "What is more important [than any one test measure] is all of these white gaps [that indicate areas of incomplete understanding across students]. I don't think saying to a teacher, well, you need to teach everything to this [test item bank]" makes sense," she explained. "This is a skill, [teaching] writing, that takes a long time— months of work." Her role, as she saw it, was to present student data in ways that helped teachers focus on their core expertise: revisions to curriculum and instructional practice.

If the assistant principal's approach is best described as measured support for data-based decision making, other teachers were far more skeptical. Some openly questioned whether the new standardized tests had been beneficial or harmful to the youngest students at the school. Others worried that a testing culture had pushed out more holistic approaches to student learning. "There is a trickle down of academics; in kindergarten. [We try to] keep the focus on play/social

interactions—but there is a demand to get kids ready and reading; it is exacerbating differences [in student preparation]” explained one primary teacher. Others questioned where the school’s mission and goals were at risk from the broader contours of the Department of Education reforms. On numerous occasions, teachers at Parkside School noted the tension between the school’s identity and the mandates of the Department of Education. Highlighting the potential for conflict, one teacher explained, “We have to listen to our highers-up, but [the principal and assistant principal] help us to maintain our values.”

In this context, school leaders played an important buffering role by helping teachers to negotiate competing demands from the central office, students’ parents, and their own sense of professional ethics and duty. Both teachers and administrators expressed frustration with a school system that did not understand or appreciate what the school had to offer. “They should come and visit us for two weeks,” explained one teacher. “There is a lack of knowledge and appreciation for what is going on here.” The principal expressed similar frustrations, suggesting that the former Chancellor, Joel Klein, was “dismissive of our kinds of schools, and resentful of more affluent communities.” She noted with appreciation a recent visit by the current Chancellor, Dennis Walcott, who, she said, “has a lovely, warm, embracing presence. He stayed [at the school] for a good hour.” Beyond personal conflicts, individuals at the school openly questioned the broader contours of the reform. “There doesn’t seem to be time for people to learn, or teachers to learn anymore, or schools to make changes. That’s my real issue,” explained the assistant principal.

In sum, responses from teachers and administrators provide some evidence that they had adopted a performance culture in response to internal organizational demands: because they believed that doing so was a valuable way to serve students well. At the same time, the school’s values and beliefs were not fully in line with the norms of the performance management reform. While teachers at Parkside School demonstrated a strong commitment to the school and to high

academic outcomes for their students, many openly questioned whether quantitative data was the best tool to improve school performance. Moreover, there is little evidence that individuals saw strong alignment between their interests or beliefs and those of the Department of Education. In contrast, teachers and principals frequently spoke of the way in which their motives and practice were at odds with trends in New York City Schools overall, and expressed concern about whether the school could maintain its distinctive values and mission in the context of increasing demands from the Department of Education.

This conflict suggests a third force behind the reform implementation in Parkside School—that certain elements of adoption were *strategic*, using Department of Education-promoted systems and strategies in an effort to buffer themselves from more intrusive reforms and seeking to re-define these new systems in ways that accorded with the school’s own organizational value. In the section below, I provide evidence of Parkside’s strategic response.

### *Strategic Redefinition and Buffering*

The final explanation for organizational change is one of strategic redefinition and organizational buffering—that personnel in high-performing schools develop elements of performance management culture because they think doing so is necessary to stave off more intrusive expectations, and because they think that redefining the reform early on can help to preserve organizational integrity.

On the surface, notions of compliance and organizational buffering appear at odds with the contours of the reform as set forth by the Department of Education leadership. After all, the “empowerment” bargain, at least in theory, promised to substantially increase school autonomy, so that schools would not to spend nearly as much time complying with rules and could instead focus their attention on procedures and decisions with a direct impact on student learning. The challenges in this approach were threefold, however.

First, longstanding implicit traditions within public education may make the “autonomy” side of the empowerment bargain less meaningful for school administrators, and teachers than it would be in other fields of public administration. The loosely-coupled nature of the American school system is such that teachers have traditionally had substantial autonomy when it comes to classroom practice (Lortie, 1975; Spillane, Diamond, et al., 2002; Weick, 1976). A similar tacit autonomy exists for school leaders, who have been able to bend rules, ignore unwanted mandates, or respond symbolically to new demands, especially when relatively high performance shields them from greater scrutiny (Meyer & Rowan, 1977; Sekerka & Zolin, 2007; Weick, 1976). Given this tradition of tacit autonomy, the gains represented by formal autonomy may be slighter than in other, traditionally more tightly-coupled, managerial domains. Institutional scholars have, in fact, taken notice of this fact, exploring ways in which recent educational reforms, such as the development of common standards and standardized assessments of those standards, have, in fact, influenced the technical core of the classroom and led to an increased *coupling* of policy mandates and organizational practice (Diamond, 2012; Spillane, Parise, & Sherer, 2011).

Second, even if greater managerial autonomy is achieved, such autonomy can bring with it an increased organizational burdens. Devolution of budgetary authority to the school level, for example, even as it gives principals greater discretion over the management of financial resources, also requires those principals to perform tasks, such as the development of full budgets, that had, under previous regimes, been completed by the school system’s sub-district office. In some cases, the new gains in autonomy relative to increased administrative burden appear low. As an example, a school-system administrator assigned to support Parkside School, pointed to the fact that principals now had to track their own use of substitute teachers, an added burden that did not contribute to school’s sense of autonomy or managerial discretion. In the face of an increased workload, in fact, some administrators wondered whether the empowerment was worth it. Explained the principal at

Parkside School, “They say that they have given the schools a lot more freedom but what they have done is pushed all the [work] onto the school.” The loss of back-office support was felt particularly keenly for Parkside School, which had been previously served by a community school district characterized by instructional coherence and a high investment in professional development for teachers (McDonald, 2009).

Finally, mandates from the school system continued to flow to the individual schools, despite the stated belief of the Department senior leadership from Klein downward that principals were “CEO”s of their school and should act as primary decision makers (McDonald, 2009). For example, every school had to convene “inquiry teams” to analyze school achievement and propose instructional and organizational changes to improve student outcomes; every school had to design a new “performance task” as an alternate assessment of student learning; and every school had to demonstrate performance management behaviors in order to perform well on its quality review. These mandates, while perhaps necessary to foster organizational learning and adaptation to a performance management regime, substantially diminished the extent to which schools felt themselves to be empowered or free. “There is lots less talk about principal autonomy now,” explained the school’s support provider. “I guess what puts the lie to it [the notion of managerial discretion] is that there are very few decisions that [principals] can make without checking with me.” Members of Parkside School, in fact, described the most recent reforms as having impinged on rather than facilitated their ability to operate autonomously and stay true to their identity and instructional focus, and teachers explicitly praised the administration for “protecting” teachers from the more onerous burdens.

There is some evidence that Parkside School had increased its emphasis on system-wide performance measures as a means to buffer itself from greater intrusion for school system overseers. Several teachers noted that strong performance on district-mandated assessments had given them

more flexibility in their decision-making, but also highlighted this as a source of some organizational stress. “We are exempt from [annual] quality reviews, [sanctions related to] school progress reports. But it’s a catch 22—you still have these high stakes assessments, and if our kids don’t test well, our freedom will be taken away,” explained one teacher.

From that perspective, structured school activities such as the test preparation period in the two weeks before state exams were a means to preserve school autonomy even when teachers questioned the educational value of such activities. While explaining that she valued the use of data for internal instructional purposes, one teacher expressed concern about how data could be interpreted by the Department of Education. “I do have anxiety about how data will factor into their decisions,” she explained. Another noted that her job had become more “by the book,” with an obligation to “teach children how to take tests; kids don’t have as good [an education] as a result.” Tensions between the school’s values and the Department of Education’s values, and the sense that school-level autonomy or discretion depended on its continued high performance, came across in comments from other teachers and administrators as well. “Every other Monday, we talk about how to manage the new city expectations,” explained one teacher. This quote suggests that for Parkside School, the impetus behind the adoption of performance management behaviors may have been more about *managing* the expectations of the Department than about discarding deeply-held beliefs.

At the same time, Parkside’s response, even if strategic, was not purely symbolic or superficial. If the motivation behind Parkside’s adoption of performance values in use was not entirely internal, neither was it pure lip service. In most cases, Parkside’s principals and teacher leaders took the mandated components of performance management reform and adapted them to suit the needs and values of the school. For example, the school’s inquiry team, a continuous improvement forum mandated by the Department of Education, had chosen to focus that year on holistic approaches to learning and socio-emotional development” topics more closely tied to

internal and parent concerns than to the high-stakes tests to which students were assessed every year. Moreover, the school's attention to the new Department of Education-mandated performance task was, according to multiple sources within the school, very high. Over a series of weekly professional development sessions, teachers developed performance tasks rooted in the common core standards. In these sessions, teachers and administrators used the time to explore how they used the performance task as an authentic tool for capturing "what kids know," ideally, in the words of one teacher, as something that "replaces standardized testing."

Mindful of the increasing reach of New York City's performance management reform, Parkside's teachers and administrators adopted behaviors in line with the Department of Education's expectations. The school did so even though many faculty saw a misalignment between the school's interests and beliefs and that of the broader school system. Thus, they implemented performance management reform strategically by molding requirements when they could to fit more closely with the school's underlying culture and values. The end result was a deeper display of performance management values-in-use than could be found in school's seeking to adopt district mandates wholesale.

## **Discussion**

The findings from Parkside School both affirm and extend existing theory about organizational behavior.

The mixed findings for parent pressure as a contributing factor for the adoption of performance management values-in-use accords with recent research and theory on public organizations' responsiveness to stakeholder communities. On the one hand, the Parkside case shows that parent influence matters—a lot. Many teachers emphasized the strong voice of parents in the school, an emphasis that was backed up by high attendance at a parent association meeting and

testimony from the administration as well. These parents had high expectations for their children, and expected the school to go above and beyond “typical” city schools in helping students to meet those expectations. It was less clear that parents cared about the school’s progress report ratings per se. As noted in the findings, even the most actively engaged parents could not identify the school’s most recent rating.

This observation aligns with previous research by Figlio and Kenny (2009), who found that more-affluent stakeholders, who have access to multiple measures of school quality, are less likely to have their opinion of school shaped by a single summary metric. When it comes to parental assessments of school quality, the authors find that less-affluent families pay closer attention to formal school ratings than do affluent parents who have access to alternate measures. Parkside parents were, on the whole, highly satisfied with their school<sup>5</sup>. Interestingly, despite the anecdotal evidence about parent demands for more testing, only 4% of parent respondents in 2010 reported “greater test preparation” as one of their desired changes at the school. This put them in the bottom 5% of schools system-wide in parental pressure for test-preparation.<sup>6</sup>

Moreover, quantitative analysis suggests that the positive relationship between survival anxiety and parental pressure for test preparation holds true across New York City. Table 1 shows similar trends from the comparative case study and exploratory quantitative analysis. As Section 1A shows, across the four case study schools in this study, parents’ desire for test preparation increased as survival anxiety increased. This trend was also found in quantitative analysis of the full population of New York City schools. As Section 1B reveals, survival anxiety is a significant and positive

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<sup>5</sup> At Parkside School, parents on average ranked their satisfaction with the school at 3.5 and their satisfaction with the school at 3.7 on a 1-4 likert scale. In comparison the mean teacher satisfaction school system-wide was 3.54 (standard deviation=0.18) and the mean school satisfaction system-wide=3.5 (standard deviation =0.18)

<sup>6</sup> Average percentage of parents requesting more test preparation: 14.2%; standard deviation= 7.0%.

<b>Table 1</b>				
<b>Relationship between Survival Anxiety and Parents' Desire for Test Preparation</b>				
<i>1A: Relationship between survival anxiety and parent; desire for test preparation at case study schools</i>				
School	Steady School	Sharp Cliff School	Parkside	Cauldron School
Proportion of parents that want "more test preparation"	11	13	4	16
School's Survival Anxiety	Moderately High	Very High	Very low	Very High
<i>1B: Regression Results, Desire for Greater Test Preparation as a function of Survival Anxiety</i>				
Truncated Survival Anxiety Measure <sup>1</sup>		0.31 *** (0.07)		
Proportion of Students who qualify for free/reduced price lunch		0.10 *** (0.01)		
Survey Parental Response Rate		-0.07*** (0.01)		
Constant		10.15*** (0.73)		
Observations		1,471		
R <sup>2</sup>		0.20		
* $p < 0.1$ ; ** $p < 0.05$ ; *** $p < 0.01$				
<sup>1</sup> This survival anxiety measure has recorded to take out the "parent desire for more test preparation" as an element of parental support for reform.				

predictor of parents' desire for greater test preparation, even when controlling for student demographics and parental engagement. This means that parents at low-performing schools were more likely to focus their attention on test preparation, findings in line with the research of Figlio and Kenny (2009). And once again, it casts doubt on parental pressure as a key factor in low-anxiety schools' adoption of performance management values-in-use.

If evidence of parental pressure for performance values-in-use at low-anxiety schools is quite weak, the evidence for shared vision and values is somewhat stronger. When deciding whether and how to adopt performance management values-in-use, teachers at Parkside School fell back on their own sense of values and mission and prioritize elements of the reform that they believed would have the most beneficial impact on students. While at odds with principal-agent theory, this approach aligns quite closely with stewardship theory (e.g. Van Slyke, 2007). Stewardship theory, Van Slyke writes, emphasizes "collective, pro-organizational, contractual behavior in which a higher value is

placed on goal convergence than on agent self-interest.” From this perspective, whether or not an organization adheres to the mandates of a performance reform is determined less by external sanctions or rewards, and more by the extent of goal convergence between two parties.

Stewardship theory complements theories of performance management that emphasize learning. Christopher Hood, for example, distinguishes between performance management geared towards organizational intelligence, and performance management oriented around other goals, such as target-setting and ranking (2012). In this, he echoes the previous work of Donald Moynihan, who has argued that dynamics of performance management are best understood through the lens of organizational learning (2008).

If performance management is truly about organizational learning, it makes sense that lower-anxiety organizations would find the analysis of performance data to be particularly useful. Even a high-performing organization has areas of weakness and a need for improvement; performance management techniques can help it identify areas of weakness and focus its strategic energy on addressing them. In fact, this process may be more feasible for low-anxiety organizations than it is for high-anxiety organizations, for which the sheer number of organizational deficits overwhelm efforts to address them.

As noted above, stewardship theory assumes goal congruence, which, in turn, depends on alignment of interests and faith in common metrics. If, by contrast, members of a low-anxiety organization do *not* have faith in the reliability or relevance of the Department of Education’s metrics, then stewardship theory may not explain adoption of performance management values-in-use. In the case of Parkside School, a key component of stewardship theory—perceived alignment between school values or interests and those of the Department of Education—is not fully supported by the evidence in the case. To the contrary, teachers and administrators alike openly

questioned the efficacy and the underlying theory behind the broad set of performance management reforms. How do we explain such a response?

The third possibility is that Parkside School's adoption of performance values-in-use can best be explained through a combined lens of organizational buffering and strategic redefinition. On the one hand, as noted in the findings, teachers—and, to some extent, school leaders—saw the adoption of performance values in use as a means to preserve institutional autonomy and stave off reforms that they saw as excessively intrusive. The rationale behind this is that even organizations that face little risk of performance management reform on the basis of their technical performance levels may nonetheless sense a degree of political risk. Thus, to the extent that external mandates are on the rise, organizations may choose to adopt performance behaviors early in an effort to define what data-based decision-making or performance-based practice look like from their own organizational perspectives. In essence, low-anxiety organizations would choose to respond to performance-oriented reforms early on in order to define the contours of that reform. By explicitly adopting elements of a performance management culture, Parkside School can sustain legitimacy in the eyes of the Department of Education that could buffer them from more intrusive reforms on the horizon (Meyer & Rowan, 1977).

At the same time, as noted above, while they did seek to frame or define the reforms under their own terms, Parkside faculty did not do so unconsciously, or implement reforms in a superficial or symbolic fashion. Instead, they adopted them deeply and exerted considerable effort to absorb and define mandated performance management components such as inquiry teams and the new “performance task” assignment so that they aligned with the school's organizational mission and goals. In doing so, the school managed to develop performance management values-in-use in ways that aligned with its pre-existing values and culture and tapped into faculty's existing assets. As a result, it could manage organizational change in a way that minimized disruptions to all those

involved. While teachers did notice the change and note that in many cases their jobs proved more difficult, they also explicitly highlighted the ways that administrators' management of the change had enabled them to remain "true to our values."

In doing so, the school presents a strong case of adaptive implementation (Berman 1978). Performance management reform may have succeeded at Parkside School precisely because the active and principled leadership at the school, combined with its relative insulation from the highest-stakes accountability pressures, have given the school the capacity, the leeway, and the drive to engage in performance management reform ideas and adapt them to fit organizational principles and values. As in the previous chapter, evidence from Parkside School suggests that it is not incentives and survival anxiety that prompt change under performance management systems, but instead an organizational climate and culture that are open to organizational learning and sufficiently confident to examine the proposed reforms in sufficient depth and adopt those elements that are the greatest fit.

The importance of climate—and the critical steps necessary for adopting a supportive organizational climate—is addressed head-on in the following chapter, which draws from both quantitative and qualitative data to examine both *which* elements of organizational climate have the greatest impact on organizational change and the adoption of performance management values, and how both organizational leaders and front-line organizational members can create the conditions necessary for such a climate to exist.

## **Conclusion**

Building from the case of Parkside School, which, between 2007 and 2011, developed performance management values-in-use in the absence of survival anxiety, this chapter set out to build theory in an under-examined area of organizational behavior: the factors that contribute to change (in this

case, the adoption of performance management values-in-use) in the absence of external pressures. This topic matters for two reasons. First, understanding the motivations of organizations like Parkside School can help us build theories of organizational change that do not rely as heavily on incentives and self-interest as those oriented around a principal-agent theory have done. In so doing, this chapter contributes to a broader understanding of the dynamics of organizational change. Second, while understanding the factors that led to the development of performance management values-in-use at Parkside School may not directly solve a management or policy problem, understanding the positive factors that led to its change may hold lessons that facilitate reform in other contexts.

That being said, the approach presented in this chapter has limitations. The experience of single school cannot be generalized to the New York City School system at large, much less to other school systems or other policy/management domains. Thus, I will wrap up this chapter not with conclusions but instead with propositions for further study.

The section on Shared Values and Vision and the complementary stewardship theory lead to three propositions that merit future study:

- P<sub>1</sub>: Organizations where front-line workers and managers possess greater organizational loyalty will be more likely to exhibit performance management values-in-use;
- P<sub>2</sub>: Implementation of performance management reforms in low-anxiety organizations is likely to be adaptive, thus reflecting areas of agreement with prior organizational values and external reform priorities;
- P<sub>3</sub>: Front line workers and managers at low-anxiety schools that adopt performance management values-in-use will espouse more performance values than those low-anxiety schools that have not adopted performance values-in-use.

The section on strategic implementation and organizational buffering lead to the following propositions:

- P<sub>3</sub>: Low-anxiety organizations will show an uneven pace of organizational change in response to performance management reform by lagging the adoption of performance values-in-us but then adopting them more rapidly than do higher-anxiety schools;

P<sub>4</sub>: Implementation of performance management reforms in low-anxiety organizations is likely to be selective, with strong evidence of reform framing that aligns with organizational values;

P<sub>5</sub>: At low-anxiety organizations, elements of performance management values-in-use may emerge even when espoused values run counter to performance management.

As the overlap between the above propositions suggests, distinguishing between a stewardship/shared vision motive for organizational change and an organizational buffering one can be hard. Both perspectives assume a high level of organizational capacity and a strong sense of organizational mission and values. At an implementation level, the differences between organizations that adopt performance management values-in-use out of stewardship and those that adopt performance management values-in-use because of buffering may be differences of degree rather than differences of kind. For example, while the implementation in both cases may be incomplete, a stewardship perspective would suggest greater adherence to the underlying logic of the external reform than would a buffering perspective. Finally, as the final proposition for each suggests, perceptions matter, and may be a key form of evidence distinguishing between the two. For, as the “shared vision” language suggests, a stewardship motivation depends on at least some level of alignment between an organization and its external authorizers. For buffering to occur, such alignment need not exist, since the primary motive is strategic rather than substantive.

In the chapter that follows, I move from survival anxiety to the second key variable developed in the conceptual framework: organizational climate. While the findings for organizational climate from the quantitative analysis in Chapter 4 proved less surprising than those for survival anxiety, the strong link between organizational climate and performance management values-in-use suggests that organization climate can be a potent factor facilitating organizational change. Moreover, given the complexity of the organizational construct, breaking it down into discrete components may be necessary to develop concrete recommendations for public managers and other organizational leaders.

## **Chapter 7: Climate as a Facilitating Factor in Organizational Change**

The quantitative analysis in chapter 4 called into question the value of survival anxiety as a catalyst for organizational change and affirmed a strong relationship between a positive organizational climate and the espousal of performance values and the adoption of performance values-in-use. New York City Schools, where teachers perceived high levels of trust with their colleagues, support from school leaders and the central office, and broader norms of honest dialogue and communication, were much more likely to change organizational practices in response to the 2007-2011 performance management reforms.

On the one hand, these findings should not come as a great surprise. As noted in Chapter 2, prior research and theory have highlighted the importance of organizational dialogue and trust as facilitating factors to help individuals respond to changing external signals and adopt new modes of practice (Coburn, 2001; Moynihan & Pandey, 2010; Schein, 2004; Senge, 1990). The new behaviors demanded of teachers and school leaders— regularly reviewing and responding to performance data, restructuring their curricula to meet common standards, and being held individually and organizationally accountable for student achievement— constitute a dramatic shift in professional expectations. It makes sense, therefore, that teachers and principals would benefit from circumstances in which they can and do discuss this new context together in an open, affirming environment. Moreover, to the extent that performance values-in-use entail greater instructional and organizational innovation, prior research has also highlighted the link between elements of a positive organizational climate and organizational innovation (Carmona-Lavado, Cuevas-Rodríguez, & Cabello-Medina, 2010; Chang, Chuang, & Bennington, 2010; Chien Yu, Tsai-Fang Yu, & Chin-Cheh Yu, 2013; Fernandez & Moldogaziev, 2011, 2012).

Nonetheless, key questions remain. First, as noted previously, organizational climate is a complex, multifaceted construct that encompasses elements of psychological safety, perceptions of support, and norms of collaboration and open communication. The combination of multiple indicators into a single variable reflects both a theoretical belief that these indicators, together, represent an underlying latent organizational characteristic and empirical recognition that these indicators are highly correlated with one another. It is worth examining whether certain elements of organizational climate matter more than others. One can imagine a school where there exists high trust and collegiality among teachers but little trust or perceived support from school leaders. In that context of a “mixed” organizational climate, which element would carry the most weight? By examining climate elements separately, this chapter seeks to identify which have the greatest leverage for organizational change and, more precisely, the development of a performance culture.

Next, building from our understanding of organizational climate and its relations to the adoption of performance values-in-use, this chapter seeks to provide actionable guidance for public managers. Toward that end, it identifies steps that formal school leaders and teachers with informal school authority can take to foster an organizational climate conducive of inquiry and change.

Given these goals, this chapter proceeds in three sections. In the first section, I analyze qualitative and quantitative data to identify the elements of organizational climate that matter most for school improvement and organizational change. In the second, I discuss overarching themes from the first section’s findings by using prior theory to help explain why, in particular, teacher relationships are such an important aspect of a school’s organizational culture. And finally, in the third section, I highlight implications for formal and informal leadership. In other words, what steps do the New York City data suggest for public managers trying to foster a supportive organizational climate where one does not yet exist?

As the conclusion will show, these findings, while based in an empirical examination of New York City schools, have broad implications for those seeking to bring about organizational change in other contexts.

### **Which aspects of climate matter?**

Evidence from the qualitative case study highlights the importance of three components of organizational climate: trust among teachers, teacher-principal relations, and norms of honest and open discourse. To extend the generalizability of these findings, I triangulated my case study analysis with further quantitative analyses, using survey data from the full population of New York City schools to assess the extent to which each component of organizational climate predicts the espousal and adoption of performance values within the full population of schools.

In the sections that follow, I report findings from both the quantitative and qualitative analysis.

#### *Trust Among Teachers*

Table 1 reports findings from follow-up regression analysis that measures the extent to which a discrete component of organizational culture— trust among teachers<sup>7</sup>— predicts the espousal of performance values and the adoption of performance values-in-use. To avoid multicollinearity concerns, other components of organizational climate have been removed from the model.

As the first row indicates, trust among teachers has a statistically significant relationship with performance values. For the subset of schools with low performance values in 2011—those of greater interest to performance management reformers—a one-standard deviation increase in

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<sup>7</sup> In this context, I use the term “trust” to encompass trust both as directly reported by teachers (who were asked whether colleagues trusted one another) and as reported indirectly, in perceptions of teacher support for one another and respect for students.

**Table 1**  
**Teacher Trust as a Predictor of Performance Values**

VARIABLES	Espoused Values		Values-in-Use	
	Full Sample of Schools	Low Values 2011	Full Sample of Schools	Low Values 2011
	(1)	(2)	(3)	(4)
Trust among Teachers <sup>2</sup>	0.45*** (0.03)	0.44*** (0.05)	0.17*** (0.05)	0.24** (0.09)
Survival Anxiety	-0.06** (0.03)	-0.05 (0.06)	-0.34*** (0.05)	-0.24** (0.11)
Merit pay	<0.01 (0.06)	-0.12 (0.12)	-0.23** (0.11)	-0.09 (0.21)
Proportion of students that qualify for free or reduced-price lunch	<0.01** (<0.01)	<0.01 (<0.01)	<0.01 (<0.01)	<0.01 (0.01)
Affiliated with empowerment schools organization	-0.23*** (0.05)	-0.28** (0.12)	0.01 (0.09)	-0.23 (0.20)
Affiliated with partner support Organization	-0.07 (0.07)	0.02 (0.16)	-0.06 (0.12)	-0.11 (0.26)
Proportion of teachers with <5 years experience	-0.01*** (<0.01)	<0.01 (<0.01)	<0.01 (0.01)	<0.01 (0.01)
Proportion of teachers with 15+ years experience	0.01*** (<0.01)	<0.01 (<0.01)	>-0.01 (<0.01)	-0.02* (0.01)
Same Principal 2007-2011	-0.01 (0.06)	-0.17 (0.13)	-0.19* (0.11)	-0.09 (0.23)
Elementary school	0.27*** (0.06)	0.12 (0.13)	0.20* (0.11)	0.27 (0.27)
Middle school	0.06 (0.07)	-0.08 (0.16)	-0.10 (0.13)	-0.36 (0.28)
High school	-0.31*** (0.07)	-0.39** (0.16)	-0.72*** (0.14)	-0.63** (0.28)
Performance Values 2006-2007	0.10*** (0.03)	<0.01 (0.10)	0.21*** (0.05)	-0.02 (0.13)
Number of teachers at school	0.01*** (<0.01)	0.01*** (<0.01)	<0.01** (<0.01)	<0.01 (0.01)
Constant	-0.46*** (0.14)	-0.06 (0.41)	0.28 (0.25)	0.07 (0.61)
Observations	1,228	303	449	116
R-squared	0.359	0.35	0.331	0.289

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

teachers' trust of their colleagues was associated with a 0.44 standard deviation in the espousal of performance values and a 0.24 increase in the adoption of performance values-in-use.

Teachers at both high and low-climate schools in the qualitative study affirmed the importance of peer relationships and highlighted three elements that were particularly important: camaraderie and quasi-familial ties; mutual respect; and a willingness to support colleagues in need.

### *Camaraderie*

Across schools, teachers emphasized the importance of close camaraderie with one's peers. Praising Parkside School, one relatively-new teacher explained, "[Teachers here are] warm and supportive; the school is large but feels smaller." Similar sentiments emerged at Steady School from new and veteran teachers alike. Even when expressing dissatisfaction with the climate at their own schools, teachers at both Sharp Cliff School and the Cauldron School used familial terms to characterize more positive organizational climates.

Several teachers at Sharp Cliff School used familial terms to characterize the drop in the school's organizational climate. Describing the impact of teacher layoffs, for example, one teacher explained:

You see, this school, we really used to run like a family. We ran a little more differently than what other schools were like, we were like a close-knit family, and that's how we were to each other. So when we lost some teachers, it hurt, it was like losing somebody in your family— they've got to move, they've got to leave, they've got to go, they couldn't stay...it was just really tough to deal with, hard to take. We did a lot of activities, as far as staff get-togethers, we would have a Christmas celebration, a Thanksgiving celebration, we would celebrate the all teachers birthday each months, we would do a lot of school staff activities, and now, it's basically dwindled down to nothing.

This teacher directly tied a drop in teacher morale to the school's recent and sudden drop in performance ratings, suggesting that the loss of camaraderie had undermined the school's ability to maintain high expectations for students. Another concurred, adding, "Those that are left worry that they are next [to be laid off]."

Using similar language, a Cauldron School teacher negatively compared the school's climate with the climate of another school where she had worked: "In East Harlem, it was like we were a family, very friendly. It is not like that here—people are more business-like, we are friendly with

each other but [there are] not deep and caring relationships.”<sup>8</sup> The lack of deeper social ties was, from this teacher’s perspective, a barrier not only to her own job satisfaction but also to teacher collaboration and school improvement efforts.

The characterization of faculty interactions at the Cauldron School as superficially cordial but lacking in deeper camaraderie also came through in other teachers’ comments about the school. “We are working on our climate,” explained several teachers. Asked to explain in greater depth her comment that there was “not enough trust” among colleagues, another teacher responded, “I don’t know personally... I spend most of time with kids, not with teachers.” Such a comment affirmed, indirectly, the lack of strong social bonds among faculty members.

Different levels of teacher camaraderie were evident in teachers’ interactions with one another . During focus group interviews and formal teacher meetings, teachers at Parkside School appeared at ease, informally joking with each one another, By contrast, Cauldron School teachers’ interactions were formalistic and less comfortable overall. At Sharp Cliff School, moreover, interactions became, at times, openly contentious, as teachers forcefully argued about the levels of support that colleagues owed to one another. To some extent these differences may reflect the presence of an outside observer, and the schools’ different levels of achievement. Parkside, as a very high-achieving school, had less to fear from being judged than did the Cauldron School or Sharp Cliff School. However, the fact that both teacher interactions and teacher testimony tell the same story is telling.

### *Mutual Respect*

A second aspect of peer relations important to organizational climate is mutual respect. At Parkside School and Steady School, teachers spoke of their peers in positive terms. “We spend the

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<sup>8</sup> The teacher attributed some of the climate differences to cultural differences across boroughs, pointing out that people in the borough where she had previously worked were “more hip, less uptight,” and suggesting that it might be a *Borough XX* “thing.” However, this explanation did not hold true in survey analysis or my own comparison of schools.

majority of our life with these people,” explained one relatively new teacher at Steady School, “so we need to be flexible enough to do things together.” Another new teacher explained that his decision to teach at this school (rather than others) reflected the fact that, from the day that he interviewed at the school, it was clear that “that the adults interact with each other, respect one another.” Part of this mutual respect was tied to a notion that one’s colleagues worked hard and were equally committed to student success. “Many teachers here don’t leave at 3:00,” explained a Steady School teacher. “They stay to grade, to tutor students.” At Parkside, a teacher similarly praised the “really strong culture” at the school, premised on high performance expectations for teachers and students alike. This culture, she felt, was conveyed primarily by veteran teachers at the school and supported by school administrators who could be selective in their hiring practices. Another teacher reinforced this point, stating, “It is unusual to find such an intellectual, committed group of professionals. The average teacher at this schools would be a superstar at other schools.” The quality of the teaching force had an influence on the broader organizational norms of the school. “We work really hard; teachers are very dedicated, and that goes beyond the union contract,” explained a third teacher at Parkside School. “We expect to come to activities after school. There is a lot—high expectations, and the amount of expectations [are] above and beyond [those at other schools].” This teacher did acknowledge that the school’s climate was not well suited to everyone, citing the case of a teacher who left after a year as evidence that the expectations could be “overwhelming” for teachers who were not prepared. At the same time, her testimony provides a clear picture of how collegial interactions shaped teachers’ perceptions of “appropriate” behavior at the school (March & Olsen, 1998).

In both Sharp Cliff and the Cauldron School, by contrast, frustrated teachers cited peers’ deficiencies to explain why student achievement had fallen short. “Some of them are just defiant, and they don’t give [new technology] a chance,” explained the data coach at Sharp Cliff School in

detailing the school's transition to new performance expectations. "I would definitely like to see some changes," another echoed, decrying her colleagues' lack of professional attire and bemoaning "the same people who are late" every day. At the Cauldron School, where teachers met regularly with an outside consultant in an effort to improve their school's organizational climate, both teachers and administrators alike acknowledged the disrespect that some colleagues felt for one another and the ramifications that this respect had for the classroom. "Trust is a major issue," explained one. "[We have] staff that are doing a great job but don't want to share their techniques, staff that don't want to confide in each other their lackings [sic]."

At Cauldron School, disrespect among colleagues spilled over to students. One teacher described a colleague's outright mocking of her in front of two groups of students by using deprecating language to pit one set of students against another because of their homeroom class assignment. In another instance, an administrator described working hard with a set of struggling students on a project-skills learning exercise, constructing a pyramid as means to build knowledge of Egypt and reinforce math skills, only to hear "nasty comments" from her colleagues. "I hear from fellow teachers, 'what was it that she made? A pile of junk? Kids were loving this stuff—and people just said some mean things.'" Episodes like these highlight not only disrespect among teachers but their broader ramifications for the learning environment at the school.

Even in the absence of direct spillover to students, the lack of mutual respect at schools like Cauldron and Sharp Cliff had two major consequences. First, as will be further detailed below, it undermined opportunities for organizational learning amidst teachers and administrators. Second, it impeded individual effort, as teachers hesitated to work harder if or when other teachers were not pulling their weight.

### *Active Support and Interdependence*

Along with teacher camaraderie and mutual respect, schools varied in the extent to which teachers actively supported one another.

“I think we have come a long way,” explained one teacher at Steady School. “We have come together as a school team—we have grade level meetings, we can bring our concerns to one another.” Another concurred, adding, “We have common preps, and some of us meet together after school in inquiry teams.” A third teacher, new to Steady school but with several years of experience behind her, highlighted her colleagues’ supportiveness. “I go and ask [my fellow teachers] for strategies [very frequently], and have yet to get an ‘I can’t help you’ response.” This factor deepened her satisfaction with the school.

As demonstrated in the previous chapter, Parkside’s teachers also prided themselves on a collaborative climate and a combination of support and high expectations that characterized the school culture. “Peers make a big difference,” explained one teacher when asked to identify the most important supports at the school. “Teachers here are extremely well-educated, hours are far beyond the contract time, and collaboration [is a part of] everything that we do... Morning, afternoon, night, lunch... Teachers are willing to share.” This teacher attributed the collaboration to another strong norm of the school—the development of all teaching materials in house, rather than the use of curricular materials prepared by textbook companies or other third-party providers. In such a context, collaborative lesson planning was a core part of the school’s work.

In contrast, both Sharp Cliff School and the Cauldron School experienced barriers to more supportive relationships. At Sharp Cliff School, the primary barrier was experienced teachers’ hesitation to help others. During a luncheon focus group meeting, new teachers at the school openly expressed their frustration with colleagues who, from their perspective, did not lend a hand to their colleagues. “If you offer help, make sure that you follow through; I changed careers to be a teacher;

so lead me by example,” one explained. In the same session another new teacher decried the level of “unprofessionalism” directed to new teachers. When a veteran teacher explained that she did not have time for “socializing,” the new teacher exclaimed, “I’m not talking about socializing—I’m talking about support.”

As several teachers and administrators noted, tensions between veteran and newer teachers had risen in the face of the school’s sudden performance drop. According to the new principal, the school had previously been operating “in a bubble.” When the bubble of high performance ratings burst, teachers turned inward and feared criticism of their longstanding instructional strategies, and found themselves at a loss for helping colleagues new to the profession.

Cauldron School highlighted another barrier to support: teachers’ hesitance to learn from more successful colleagues. One administrator, describing the school’s efforts to develop a performance culture, explained, “We’ve been blessed to have Ms. Smith [with] her systematic approach— she has known [that data is the key to moving forward] for years.” However, not all teachers shared the administration’s admiration for Ms. Smith. One teacher, for example, dismissed her as setting an unreasonably high bar: “One of the only teachers that raises kids’ grades has no life,” she explained, suggesting that the bargain was not worth it. The assistant principal attributed such criticism to jealousy. She explained, “People don’t like Ms. Smith— they don’t like her because she has used data and got exceptional results.” The failure to learn from a single teacher could reflect personality conflicts rather than a broader impediment to organizational learning. However, other teachers at the school expressed a broader frustration, asserting that their colleagues, instead of admiring and emulating high-performing colleagues, denigrated those teachers for doing too much.

These assertions were supported by teacher responses on the system-wide annual survey data. At Cauldron, levels of agreement for two survey statements—“Teachers in my school recognize and respect colleagues who are the most effective teachers” and “Teachers in my school

respect teachers who take the lead in school improvement efforts” were much lower than at other New York City Schools. The average agreement with the first statement was 2.98 on a likert scale of 1-4, placing the school at the bottom decile of schools system wide; the average agreement with the second statement was 3.08, placing it within the bottom quintile of schools.

In sum, system-wide quantitative evidence and qualitative evidence from the four case study schools highlight the importance of peer relationships to the development and maintenance of a positive organizational climate within schools. Describing their transition to a performance culture and their efforts to maintain high academic standards for students, teachers at Steady School and Parkside School frequently cited the high quality of their colleagues and a culture of mutual care and support as resources to manage the challenges of the reform. At Cauldron School and Sharp Cliff School, by contrast, while pockets of support existed, many bemoaned the lack of strong ties among teachers and cited a lack of communication or support as an impediment to meeting the increased standards of New York’s Department of Education.

#### *Teacher-Principal Relations*

A second element of organizational climate revealed in teacher and administrator interviews was the relationship between teachers and principals or other school administrators. Table 2 reports findings from follow-up quantitative analysis that models performance values as a function of teacher-school leader relations.

As was the case with the teacher trust measure in the section above, leader-principal relations have a substantial and significant relation with the espousal of performance values. A one standard deviation increase in teacher-principal relations corresponds to a 0.48 increase in the espousal of performance values for schools that did not espouse many performance values at the start of the reform.

<b>Table 2</b>				
<b>Principal-Teacher Relations as a Predictor of Performance Values</b>				
VARIABLES	Espoused Values		Values-in-Use	
	Full Sample of Schools	Low Values	Full Sample of Schools	Low Values
	(1)	(2)	(3)	(4)
Principal-Teacher Relations <sup>4</sup>	0.47*** (0.02)	0.48*** (0.05)	0.15*** (0.04)	0.14 (0.101)
Survival Anxiety	-0.05* (0.03)	-0.03 (0.06)	-0.34*** (0.05)	-0.27** (0.11)
Merit pay	-0.09 (0.06)	-0.18 (0.12)	-0.25** (0.11)	-0.11 (0.22)
Proportion of students that qualify for free or reduced-price lunch	>-0.01 (<0.01)	>-0.01 (<0.01)	>-0.01 (<0.01)	<0.01 (<0.01)
Affiliated with empowerment schools organization	-0.22*** (0.05)	-0.27** (0.11)	0.03 (0.09)	-0.24 (0.20)
Affiliated with partner support organization	-0.04 (0.07)	0.06 (0.15)	-0.06 (0.12)	-0.07 (0.26)
Proportion of teachers with <5 years experience	>-0.01 (<0.01)	<0.01 (0.01)	0.01 (0.01)	0.01 (0.01)
Proportion of teachers with 15+ years experience	<0.01* (<0.01)	>-0.01 (<0.01)	>-0.01 (<0.01)	-0.01* (<0.018)
Same Principal 2007-2011	0.03 (0.06)	-0.06 (0.13)	-0.20* (0.11)	-0.08 (0.23)
Elementary school	0.34*** (0.06)	0.17 (0.13)	0.22* (0.11)	0.30 (0.27)
Middle school	-0.07 (0.07)	-0.19 (0.15)	-0.14 (0.13)	-0.35 (0.29)
High school	-0.30*** (0.07)	-0.30* (0.15)	-0.72*** (0.14)	-0.57** (0.28)
Performance Values 2006-2007	0.04 (0.03)	-0.01 (0.01)	0.22*** (0.05)	0.02 (0.14)
Number of teachers at school	<0.01*** (<0.01)	<0.01** (<0.01)	<0.01** (<0.01)	<0.01 (0.01)
Constant	-0.21 (0.13)	0.42 (0.41)	0.35 (0.26)	0.18 (0.62)
Observations	1,327	320	449	116
R-squared	0.385	0.307	0.33	0.26
Standard errors in brackets				
*** p<0.01, ** p<0.05, * p<0.1				

The relationship between teacher-principal relations and the adoption of performance values-in-use is less clear, however. While the coefficient for teacher-principal relations is positive, and statistically significant for the full population of schools, it is substantially smaller than the coefficient for

teacher trust measured in the previous section: a one standard deviation increase in teacher-principal relations corresponds to a 0.14-0.15 increase in performance values-in-use, compared with 0.25 for the teacher trust measure. Moreover, the coefficient is not statistically significant for the subset of schools that demonstrated low performance values-in-use in 2007, In other words, there is less evidence that teacher-principal relations are a significant factor in schools' development of a performance culture where one did not previously exist.

Qualitative evidence does provide some support for the hypothesis that schools where teachers have strong relationships with school leaders are more likely to adopt performance management values. But as with the quantitative findings, the results are more tenuous than they were in the case of trust among teachers. In the paragraphs that follow, I draw from case study interviews and observations to detail three important leadership characteristics that foster positive teacher-principal relationships: approachability, vision, and provision of support. Table 3 below summarizes each school according to these characteristics; because of its very recent leadership transition, there are two columns for Sharp Cliff School: one for the former principal and one for the new principal.

<b>Table 3</b>					
<b>Qualitative Summary of Principal-Teacher Relations at Case Study Schools</b>					
	Steady	Sharp Cliff		Parkside	Cauldron
		Old Princ	New Princ		
<b>Approachability</b>	High	Mixed	Medium High	Medium	Low
<b>Vision</b>	Medium High	Low	High	High	High
<b>Supportiveness</b>	High	Mixed	Medium High	Medium High	Medium (mixed)

While opinions of school leaders were not uniform within schools, as will be detailed below, teacher-principal relations showed the greatest level of strain at the two schools with the least developed performance values-in-use: Cauldron School and the Sharp Cliff School. This suggested that teacher-school leader relations might influence in the development of a performance culture.

### *Approachability*

The principal at Steady School received praise from teachers for his approachability. Numerous teachers emphasized the ease with which they could seek help from him and other school administrators. “The administration is very approachable. They reach out, and if we need help they support us,” reported one teacher. In a separate interview, a teacher new to the school identified administrative approachability as the aspect of the school that most surprised her, in comparison to other places where she had worked. “Do I need an appointment to see the principal? No...they make time to listen to you; [school leaders] have been very accommodating [when I approach them with questions or concerns.]” Others at the school noted a “thin line” between administrators and teachers. “He doesn’t think that he is above us,” praised one teacher, who offered to share “horror stories” about other schools where she had worked.

A veteran teacher used similar language to describe the principal who had been at Sharp Cliff School when she began her teaching career more than a decade prior:

He was a father figure, he had a way of sitting down and working with his teachers, and we would work things out—he was just one of a kind. He was like a big brother and a father figure...He was a people’s person, he understood things. He was one of a kind.

Teachers at Sharp Cliff School, which was in the midst of a leadership transition during my visit, expressed sharply mixed opinions of the former principal and of his replacement. Supporters of the former principal bemoaned the departure of a leader whom they saw as a valued member of the school community. One explained, “He always made me feel comfortable when I went in to talk to him; we always worked great together. He had an open-door policy, we could always go in and talk

to him about anything—well, I know that I did, I don't know about anybody else.” While open to the new principal, who, she acknowledged, had taken on the “big job of getting to know us,” she saw the principal's departure as one of a string of setbacks for the school.

Detractors of the former principal painted a different picture, describing him as having a “my way or the highway” approach. Another strongly criticized him for an unwillingness to speak frankly with teachers about difficult organizational decisions. Detailing his financial miscalculations that had put the school in debt and forced it to lay off some teachers, for example, the teacher explained, “There was no apology, and I think he owed us that. Even when we knew, found out that he was leaving, he didn't tell us; it was just in the air.” From her perspective, the principal's departure constituted a “deal” that allowed him to “save face” while paving the way for more active, effective leadership, and she expressed frustration at information barriers that he had constructed during his tenure.

These teachers were cautiously optimistic about the new principal, noting efforts to get to know teachers before making drastic changes (though they anticipated that significant changes *were* on the way) and praising “open-door” policy. “I like her demeanor, she's a lady,” explained a longtime veteran of the school. “I like the way she handles her teachers; she calls them into her office, doesn't pick favorites, she treats everybody the same, she's fair.”. Positive characterizations were tempered by the fact that the principal frequently worked outside of the building in an effort to bring additional resources to the school. Questions raised both in focus group meetings and one-on-one interviews suggest that many teachers had not yet figured out whether and how to reach out to the new principal.

Perceived cultural differences between the new principal and the school were bridged by a veteran assistant principal, who knew the new school leader through professional networks but had been at Sharp Cliff long enough to know and be trusted by the staff. “There are things that she is

not used to, with the school culture, which makes it more difficult for me, that gives me more responsibility,” he explained. While praising her for taking an “if it’s not broken, don’t fix it,” approach (by which he meant that she respected the school’s strengths and did not excessively interfere with well-functioning operations), he also acknowledged that were “certain things that she is not comfortable with,” which she then delegated to the assistant principal. While, to some extent, this division of labor drew on each administrator’s strength, it placed a heavy burden on the assistant principal and may have contributed to less-close relationships between teachers and the new principal herself.

At the Cauldron school, feelings about the principal’s approach diverged widely. While one teacher complemented her “warmth,” another asserted, “You can feel her coldness,” and recounted stories of students rushing down the hallway to warn their teachers that the principal was approaching their classroom. “It’s mice against the cat,” she explained. Even those teachers who ultimately supported the principal used language that was far more tentative than that heard in other schools. “People may seem busy, especially if you pursue them at the wrong time,” explained one relatively new teacher. “But usually there is support.” While not an explicit denial of leadership approachability, the tentative depiction stands in sharp contrast than the characterization of Steady State’s principal, and to a lesser extent, Sharp Cliff’s principal.

While teachers at Parkside School were, on the whole, fairly positive about the school’s leadership, approachability was not the principal’s greatest attribute. Teachers on several occasions expressed frustration that the principal and assistant principal spent insufficient time in classrooms. To some teachers, this was a sign that the leaders had lost touch with the core work of teaching. Many others, however, explained this diminished approachability as a function of school leaders’ duties to external stakeholders—namely parents and the Department of Education. Some teachers, in fact, praised the political skills of their school leadership, suggesting that the value they offered

was less about managing internal dynamics at the school and more about communicating with parents and buffering teachers from the more-intrusive accountability elements of the New York City reform.

### *Vision*

Another characteristic emphasized by schoolteachers was high expectations and a sense of vision. While praising their school principal's approachability and the ease with which they could admit shortcomings or mistakes, (one teacher admitting, for example, "they know that I am bad at math") a group of Steady School teachers noted, "if you are a bad teacher, you will have a hard time here." Another teacher, a multiple-year veteran who preceded the principal's also-long tenure at the school, commented that he had quickly moved to put his stamp on the school by changing classroom and teaching assignments, actions that she respected rather than perceived as threatening.

All four of the current principals in the qualitative study articulated clear visions of school success and high aspirations for improvement. Even the Cauldron School Principal, who had the most contentious relationship with teachers, received praise for her commitment. "She's very motivated as a leader, very competitive, wants the school to be an A plus plus school," explained one teacher. Another described her as "highly confident—she is a visionary." The principal described herself as passionate about boosting student learning, noting that she was willing to compromise but had certain values, such as kids' learning, that were "non-negotiable." This attitude translated into her aggressive dissemination of student learning data. "I am very transparent about data," she explained. "Teachers don't like it but I publish by class how every class did— but they aren't comfortable with that. It's an uphill battle just to show them [how they did], but I won't keep it a secret that your kids *regressed*... My goal is not to malign people but to focus on where we need help. You can't put your head in the sand." This forceful approach had mixed results, however. While some in the school admired her persistence and passion, others felt that she *did* blame

teachers, especially for student achievement deficits that they perceived as beyond their control.

Moreover, the principal's ambition also brought with it detractors. "Teach like your life depends on it?" scoffed one teacher, referring to a poster that the principal displayed in her office, "You've got to be kidding me—*it's a job.*"

The one leader whom teachers did not characterize as having a strong vision was the former principal at Sharp Cliff School. While his supporters praised his "organizational skills," they did not report a similarly strong educational vision. In contrast, one of his detractors attributed the school's drop in performance ratings to a failure of vision and leadership, describing certain grade levels in the school as having been "out of control" and asserting that the former principal had not addressed such problems head-on. Another veteran teacher expressed similar concerns, attributing many to his age and inexperience:

I felt that he, personally, wasn't really ready for the job, even though he took it, and he tried; I felt that he needed a little bit more grooming, maybe his age had something to do with it, because when he started, he was in his 30s, so he's a young principal. A principal—you need experience for that—you really do, and he did what he could, he did the best that he could, he had good ways, there was a lot of things that I felt that he left unattended, that he should have paid attention to, but you live and learn.

Vision—a clear sense of where the school should be going—mattered to teachers both because it helped to cultivate a shared sense of mission and because it provided stable guidance on expectations for their own work (Kotter, 1996; Locke & Latham, 1990). At the same time, visionary leadership also came with risks; as the example of Cauldron's principal showed, the more precise a principal's vision for the school, the greater the likelihood that some teachers disagreed with that vision. In the absence of humility and support, teachers might reject the vision as unrealistic rather than embrace it as inspiring.

### *Empowerment and Support*

The conflicts in the Cauldron School highlight a third important element of teacher-principal

relations. Beyond approachability and a clear sense of mission, teachers respected and responded to school leaders who, in teachers' opinions, trusted their judgment and empowered them with meaningful decisions. And at the Cauldron School, teachers' impressions of the administration's supportiveness were decidedly mixed. As detailed in previous chapters, the principal's six-year tenure at the school had been tumultuous and was marked by substantial teacher turnover and regular conflicts with the school's union representative, who filed forty-seven grievances in five years. At the same time, the principal had invested heavily in resources to improve the school. "I'm insatiable," explained the principal. "We can never do enough. I want teachers to be avant-garde." She operationalized that goal through investments in technology. "Teachers have flash drives, smart boards in classrooms— no chalk in the building... We have the world at our fingertips in terms of technology," she explained.

Some teachers praised the school leadership for investing heavily in professional development, and another veteran teacher praised the principal as very easy to work with. "If you do what she asks, she's great overall—she does not micromanage, as long as you can justify what you are doing." A relatively new teacher at the same grade level expressed a similar sentiment. However, their opinion was not universally shared.

One teacher painted a starkly different picture of the principal's approach. "She's telling me what to do without listening to my reasoning... Her job is to make sure everybody does what she wants them to do—not accounting for the differences across teachers. She only wants her point of view—even if it is not logical." While few other teachers criticized the principal quite so openly (according to the teacher quoted above, teachers were scared to voice such complaints), several did allude to areas in which she could improve. One teacher, for example, appreciated the principal's desire to "up the ante" but suggested an affirming approach could do more to improve teacher's practice:

I think a little more praise—sometimes when you are overwhelmed and you have that on your back—you are under pressure, you pass that on—you forget to say, “I appreciate it.” We know she is appreciative but she doesn’t say that. To be quite honest, I’ve enjoyed other places much more than I enjoy teaching here... Sometimes I think being a leader takes something out of you— you don’t want to come out [to work every day] and be so hard.

Another teacher, who supported the principal but at the same time candidly acknowledged the criticism, agreed that some of the principal’s brusqueness might come from the pressure that she herself faced. “I try to be the in-between person— I know and feel and hear everyone’s complaints. I don’t think that our administration is a ‘gotcha’ administration— they do push you, but they are under the gun. And they will help you if you [take the initiative.]”

The significant proportion of teachers who had been dismissed or informally pushed out of the school led some teachers to question whether the principal had their best interests at heart. Discussing the unclear rationale behind some teachers’ departures, one teacher stated, “I have heard stories—and I say, ‘really?’ I have trouble believing this is really happening—it has to come out of your mouth. Maybe you have different expectations [about teacher quality]. Sometimes you think there are crazy people [who mischaracterize their interactions with the principal]—but if you think something isn’t right you should speak up.” In numerous contexts, teachers expressed doubt that the administration had faith in its teachers, a doubt that was, to some extent, validated by comments made by the principal and the assistant principal themselves. Each spoke candidly about the need for culture change at the school and the deleterious effects of teachers that they perceived as insufficiently rigorous or committed. Expressing frustration at what she saw as low-level insights during inquiry team sessions, the principal explained, “I’m not sure that teachers can articulate [underlying ideas about student learning], that they have a global sense. Is it just because I am in the room? I hope they are happy to *think*, but I’m not sure that they are.” And in this context, teachers

asked themselves whether school leaders really saw teachers as part of the solution to improved student learning or instead had dismissed them as part of the problem.

By contrast, teachers at the other schools reported high levels of support from their principals. In her first year at the school, for example, Sharp Cliff School's principal sought to convey support and high expectations for teaching despite the limited resources at her disposal. "I am more hands-on in the classroom, teaching side by side. I will tell you if you have a deficiency or strength." She also committed scarce resources to bolstering professional development, "which hadn't been provided in years."

She consciously described her approach in contrast with the previous principal's more "aggressive" stance. "He would yell over the loudspeaker to chastise people," she explained. Another teacher affirmed this characterization and questioned whether the prior principal had had the teachers' best interests in mind. She expressed deep frustration at his treatment of teachers in the face of a school-wide financial crisis:

In one year, maybe two or three years ago, a lot of teachers got exsessed. And he knew ahead of time. And the teachers were furious—because the attitude was, why didn't you tell me? So I could at least put my papers in [to apply for another job]. One particular teacher thought up until the last minute that she was going to be here, and we were like a family. And [she lost] a job that she refused because she thought that she was going to be coming back.

These episodes seriously eroded teachers' confidence in the school and its leadership, and led remaining teachers to worry, "I'm going to be next." While that teacher, at least, was cautiously optimistic of the new principal's approach, others questioned whether she was trying to move teachers too far and too fast.

Steady School's principal, who had the longest tenure of any school leader in the sample, prided himself on empowering leaders around him. "I give people flexibility and encouragement to make decisions... I am not second-guessing them," he explained. His actions largely reflected that

approach. For example, he promoted two veteran teachers to assistant principal, and delegated considerable responsibilities to each— one led the school’s transition to a common core curriculum, and the other headed the new middle-school components of the school. He gave these new administrators wide latitude in their responsibilities and decision-making. “Unless there is a strong reason to object, I want them to be responsible. I’m invested in their success.” Teachers in the school affirmed the principal’s approach, noting that administrators “try to provide all the things that we need.” Moreover, principals provided support in a way that muted teachers’ performance anxiety. “I’ve been fortunate that all the administrators have been very supportive— have a true care about student learning. [I] feel like we are pushed to make sure the mandates are reached, but you don’t feel it [as a burden]. When we go to professional development, to conferences. It didn’t feel like ‘I have to get this done.’” Several teachers cited this combination of support and encouragement without high-stakes pressure as a factor in the school’s improvement.

Teachers at Parkside School also praised the administration for supporting and empowering teachers, with teachers new to the school particularly emphasizing the principal and assistant principal’s instructional leadership and expertise. Some teachers did question whether the administration was sufficiently supportive or responsive to teachers’ demands. The principal herself acknowledged that at times, she had had to force change on teachers without first achieving their buy-in and offered as an example a scheduling shift she considered essential to accommodate working parents. Comments from teachers and administrators alike, however, suggest that the bar for ‘empowerment’ was higher at Parkside than at other schools. With a decades-long history of a strong teacher voice in school governance, faculty had come to expect that school leaders, at least in most cases, would defer to their judgment, so what was considered excessively top-down leadership at Parkside would not have been questioned at the other three schools.

In sum, three elements of teacher-principal relationships are important to foster organizational change necessary for a performance culture: administrative approachability, vision and faculty support/empowerment. That being said, the relationship between leadership characteristics and organizational change is less clear-cut than the relationship between teacher trust and the development of a performance culture. At Sharp Cliff School, conflicting reports about the former principal make it hard to conclude without question that poor teacher-principal relations were a key factor undermining organizational climate and cultural change. Moreover, the Parkside case suggests that a strong organizational climate can persist—and performance management attitudes and behaviors can emerge— even in the face of tensions between faculty and school leaders.

#### *Norms of Open and Honest Discourse*

Finally, beyond the strength of relationships among teachers or between teachers and school leaders, the norms of communication matter. Collegial environments can come at the expense of candor, and given the challenges of surfacing prior assumptions and adopting new practices and beliefs, opportunities for frank, substantive conversations are critical (Coburn, 2001). Moreover, schools with equally high levels of trust among teachers or between teachers and school leaders may nonetheless differ substantially in the extent to which they question prior assumptions and surface disagreements (Schein, 2004; Senge, 1990; Smylie & Evans, 2006). This section focuses on broader norms of discourse and the extent to which norms of open and honest dialogue predict changes in organizational values.

Table 4 reports findings from a model that assesses the relationship between norms of honest discourse and the espousal and adoption of performance values. As the first row shows, schools with greater norms of open and honest discourse were substantially more likely to espouse performance values, and somewhat more likely to adopt performance values in use. For schools that had few performance values in 2007 one standard deviation increase in a school's norms of honest

**Table 4**  
**Norms of Honest and Open Discourse as a Predictor of Performance Values**

VARIABLES	Espoused Values		Values-in-Use	
	Full Sample of Schools	Low Values 2011	Full Sample of Schools	Low Values 2011
	(1)	(2)	(3)	(4)
Norms of Honest and Open Discourse <sup>9</sup>	0.46*** (0.02)	0.47*** (0.05)	0.13*** (0.04)	0.19* (0.10)
Survival Anxiety	-0.05* (0.03)	-0.04 (0.06)	-0.35*** [0.05]	-0.26** [0.11]
Merit pay	-0.08 (0.06)	-0.18 (0.12)	-0.25** [0.11]	-0.12 [0.22]
Proportion of students that qualify for free or reduced-price lunch	<0.01 (<0.01)	>-0.01 (<0.01)	<0.01 [<0.01]	<0.01 [<0.01]
Affiliated with empowerment schools organization	-0.23*** (0.05)	-0.26** (0.11)	0.02 [0.09]	-0.25 [0.20]
Affiliated with partner support organization	-0.06 (0.07)	0.07 (0.15)	-0.06 [0.12]	-0.09 [0.26]
Proportion of teachers with <5 years experience	>-0.01 (<0.01)	>-0.01 (<0.01)	<0.01 [<0.01]	0.01 [<0.01]
Proportion of teachers with 15+ years experience	<0.01* (<0.01)	>-0.01 (<0.01)	-<0.01 [<0.01]	-0.02* [<0.01]
Same Principal 2007-2011	0.05 (0.06)	-0.09 (0.13)	-0.19* [0.10]	-0.10 [0.23]
Elementary school	0.34*** (0.06)	0.20 (0.13)	0.22* [0.11]	0.29 [0.27]
Middle school	-0.03 (0.068)	-0.10 (0.152)	-0.14 [0.13]	-0.39 [0.29]
High school	-0.38*** (0.07)	-0.33** (0.15)	-0.76*** [0.14]	-0.66** [0.29]
Performance Values 2006-2007	0.05* (0.07)	0.01 (0.10)	0.22*** [0.05]	<0.01 [0.14]
Number of teachers at school	<0.01*** (<0.01)	<0.01** (<0.01)	<0.01** [<0.01]	<0.01 [<0.01]
Constant	-0.35*** (0.13)	0.17 (0.41)	0.33 [0.26]	0.15 [0.61]
Observations	1,327	320	449	116
R-squared	0.373	0.291	0.325	0.268
Standard errors in brackets				
*** p<0.01, ** p<0.05, * p<0.1				

discourse corresponds to a 0.47 increase in the espousal of performance values and a 0.19 increase in performance values-in-use. The latter coefficient lies between the coefficient for teacher trust and

<sup>9</sup> Composite measure constructed using factor analysis. Eigenvalue= 4.27. Full list of variable components and loadings provided in Appendix C.

teacher-school leader relationships; and like the teacher-principal coefficient, it is only significant at the 10% level.

At the same time, qualitative data affirms the importance of norms of open and honest discourse as a component, if not a precursor, to organizational change, and, more specifically, the adoption of performance management values. The paragraphs that follow discuss three important aspects of communication norms: regularity, candor, and depth.

Table 5 provides a summary rating of the regularity, candor, and depth of teacher communication, based on interviews with teachers and administrators and observations of teacher/leadership team meetings.

<b>Table 5 Qualitative Summary of Norms of Honest and Open Communication</b>				
	Steady School	Sharp Cliff School	Parkside	Cauldron
Regularity	High	High	High	High
Candor	Medium	Medium	High	Low
Depth	Medium High	Low	High	Low

As the first row indicates, there were only minimal differences in the regularity of formal group meetings. At each school, principals set aside time for grade-level teachers to plan and discuss challenges to student learning. At some schools, weekly meetings were scheduled before school; at others, principals arranged teachers' schedules so that each teacher had common free periods for planning time with grade-level colleagues. Finding time for collaboration was a priority for each of the principals, even if it proved challenging. The Steady School principal, for example, explained that he tried to set aside meeting time during the school day, often by hiring substitute teachers to cover classes, because coordinating meeting time at the end of day proved very difficult. This perception was affirmed at Sharp Cliff School, where a Friday afternoon professional development session

provided pro bono by the principal's former colleague attracted few participants. Across schools, teachers cited collaboration and a focus on organizational learning as key changes within the profession and noted that, a decade earlier, teachers had greater freedom to operate in isolation and do whatever they wanted. And, as might be suspected, teachers across schools expressed contrasting opinions about whether this change had been good.

At the Cauldron School, many members of the school community espoused the importance of improving the quality of teacher discourse. "We are looking at each other's work, doing research—we are sharing more with each other—we talk about what kids need to do and where they need to move," explained one teacher. Another primary teacher highlighted the ways that her work had become more collaborative. "We work together, [and are] constantly in touch, sharing ideas. What should I do? Colleagues helping each other—it's a great way to work."

At the same time, a substantial number of teachers and administrators questioned the depth of those conversations. "We don't get to talk much—we get to meet, but our discussion can't be in depth [because there is too much to cover]," expressed one teacher. Another highlighted what she saw as the forced and unnatural nature of the collaborative meetings. "[The] administration tries to keep colleagues from working together [in meaningful ways]," she complained. "During inquiry teams, there is usually no laughing. One morning the resource teacher got so frustrated because [s/he was] worried that we [not] were on task. She was really worried about being written up, having a letter in file." This teacher doubted the value of the formal meetings set forth by the administration. "When people work together, they are doing it out of fear/protection, not because they are learning from one another." The principal herself expressed frustration at what she described as a lack of intellectual curiosity among teachers." As noted in the previous section, she openly questioned whether teachers in the school were capable of the level of inquiry necessary to meet higher expectations for students. In an effort to raise the level of pedagogy and "kick

[instruction] up a notch,” she reached out to teachers through targeted readings. “I have tried to develop professional book clubs, summer reading. I buy people books and say, ‘read this.’” This approach had sparked conflict with the school’s prior union representative, who discouraged teachers from following her advice. “He would say, ‘you don’t have to read that; it’s not in your contract.’” She viewed the union representative’s approach as fundamentally at odds with her efforts to develop a performance culture at the school, describing their differences as one of “values.” She explained, “If we can’t come together [and talk about a book], that’s a problem.”

Sharp Cliff School, where the new principal had invested heavily in professional development and sought to bring about cultural change by working with a small group of supportive, veteran teachers, opinions among teachers were also quite mixed. While some teachers expressed appreciation for the new emphasis on meeting times and explained that it had really propelled them forward, many bemoaned the fact that their planning time had been “taken away,” perhaps in violation of the school system’s collective bargaining agreement.

By contrast, Parkside School benefited from deep norms of collaboration and dialogue that preceded their adoption of performance management values-in-use. Describing her early years at the school, the principal suggested that the school had been “coasting on its reputation and population,” and that it had focused on social studies— a core part of the school’s mission— while neglecting a more targeted focus on student learning needs and the best strategies to accomplish that. At the same time, she praised elements of the school, explaining, “there was (is) a real culture of learning and professional development; they had a real intellectual community here.” This culture of learning, in turn, facilitated the school’s ability to “look at data in different kinds of ways; we thought we did it well- now we are tighter. We have clear benchmarks, and a better sense of what to do.” Teachers confirmed the principal’s characterization of the organizational climate.

One described an “underlying culture that assumes that you collaborate with other teachers—it has been incredible.” Another stated, “Everything is thought about deeply” at the school, describing the culture as one of “problem-solving.” Finally, a third teacher pointed out that teachers met together each summer to take stock of the previous year and to develop a new curriculum for the upcoming year. “We design everything from scratch,” he noted with pride.

In sum, evidence from the qualitative case study affirms that it is both the quantity *and* the quality of interactions that matter. In schools like Parkside, where teachers firmly believed in close collaboration and critically examining instructional decisions, the development of a performance culture emerged more smoothly than in Schools like Cauldron or Sharp Cliff, where at least a minority of teachers found such discussions to be a distraction from their core work as teachers.

### **Why do these aspects of climate matter?**

The quantitative and qualitative findings together suggest that, while the behavior of school leaders and the perceptions of them on the front lines seem to matter, interactions among teachers have a greater effect. Of the three components of organizational climate tested using survey results, the most important appears to be teacher trust: camaraderie and respect, combined with a sense of mutual support. Schools where individuals thought more highly of one another were more likely to adopt a performance culture in their schools.<sup>10</sup> Moreover, when asked to discuss strategies for organizational change, teachers, while mentioning the supports provided by their school principals and assistant administrators, devoted more attention to peer interactions. In some cases, such as Parkside School, teacher culture was lauded as a resource that drove high achievement. In others, such as Steady School, and, to a lesser extent, Cauldron School, teachers cited improved

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<sup>10</sup> As further evidence of the preeminence of teacher trust as an organizational climate component, multiple regression including both teacher trust and teacher-principal relationships maintains a teacher trust coefficient at approximately the same level but results in a substantial drop in the teacher-principal coefficient

relationships and mutual trust as critical levers for the development of a performance culture. In the case of Steady School, teachers cited improved teacher relationships as a factor that had led to the school's success; in the case of Cauldron, teachers were more aspirational, hoping that improvements in teacher trust would facilitate improved student outcomes further down the line.

There are several reasons why peer relationships matter. The first is a social capital argument. Putnam (2000) has argued that close social ties are an important resource for positive collective action. In the context of schools, the social bonds between teachers foster an increased capacity for growth and change, capacity that is all the more important given the substantial resource constraints experienced at the school level (Smylie and Evans 2006). Comments from teachers at both high-climate and low-climate schools described these relationships in terms that made clear their value to organizational practice.

Moreover, peer relationships can affect, and be affected by, staff stability and organizational commitment. Organizational commitment—one's willingness to stay—is, in turn, an important organizational asset, providing not only institutional memory but also a willingness to go beyond formal expectations. In contexts where teachers trust and respect one another, these "solidary" incentives can increase their commitment to the organization to which they belong (P. B. Clark & Wilson, 1961). At the Cauldron School and Sharp Cliff School, by contrast, teachers linked staff turnover to declines in the schools' organizational climates. "When I first started, people were really close-knit; when I first came, there was a big cadre of experienced teachers—now we have more people coming," explained one veteran teacher at Sharp Cliff School. She thus implied that the new teachers lacked an understanding of the school's intangible assets and placed an increased burden on veteran teachers for those teachers' socialization. Moreover, at the Cauldron School, high turnover and increased likelihood of dismissal for poor performance appeared to impede organizational climate. "We have...staff that go back and tell administrators [about what other teachers say or do

wrong],” explained a lead teacher at the school. Another went a step further and directly accused a colleague with a temporary position of betraying her colleagues’ to curry favor with the administration: “[She] outright lies, trying to get on the principal’s good side to get a full time position.” In both the Cauldron School and Sharp Cliff School, therefore, instability among the teacher force contributed to teachers’ doubts that their colleagues were acting with their best interests in mind. This, in turn, undermined organizational commitment and the development or maintenance of social capital.

The data in this chapter suggests two ways that trust among teachers enhances a school’s social capital. First, increased trust bolsters teachers’ sense of psychological safety, and thus makes them more likely to innovate or take risks. Put another way, individuals who sense a safety net in the event that they make mistakes may be more likely to try out new things. Moreover, schools with a positive culture may exhibit more generalized reciprocity, as teachers and administrators invest in each other for the longer haul (Miller, 1993). Second, trusting teacher relationships may facilitate information exchanges that contribute to organizational learning. Moynihan has argued that such learning is critical to the success of performance management reform (2005, 2008), an argument bolstered by evidence from the New York City case. Scholars in both education and other organizational contexts have highlighted the importance of peer trust and authentic communication as factors that drive organizational learning (Bryk & Schneider, 2002; Coburn, 2001; Schein, 2004; Senge, 1990). And in schools, where the desired organizational improvement is increased student learning and the bulk of the burden for organizational learning falls upon teachers, it makes sense that norms and interactions among teachers would be paramount. These findings echo previous research and theory on public administration outside of education as well. Drawing from Mosher’s *Democracy and the Public Service*, Norma Riccucci writes, “Not only were government managers professionals, but so were the staff of government organizations... They possess the specialized

knowledge, autonomy, and professional methods that enable them to solve problems and get the work of the agency done correctly (2005). Such a premise pervades the literature on street-level bureaucracy more generally (Lipsky, 1980; Maynard-Moody & Musheno, 2003). Given this reality, Riccucci reminds us, it is not only organizational climate that matters but also deeper occupational cultures and professional norms that transcend any given school or organizational context.

As noted above, trust among teaching colleagues may not be enough. In addition to trust, organizations require candor and depth—conversations that go beyond superficial or easy first answers to tackle the root challenges of organizational performance. From this perspective, regular, candid conversations among teachers are important both because they expand the range of options considered by any one individual and because they decrease the chance of any one teacher's misperceptions going unchecked (Anagnostopoulos & Rutledge, 2007; Coburn, 2001, 2005; Cohen, 1990). This is particularly true in a context where teachers share common organizational or professional assumptions (Riccucci 2005). This suggests that teacher trust is most beneficial in a context characterized by a diversity of opinions within the faculty where teachers have opportunities to surface tacit assumptions and correct misunderstandings (Senge, 1990; Spillane, Reiser, et al., 2002).

Finally, the importance of trust within the teacher community, as opposed to bilateral relationships between teachers and school leaders, highlights the reality that large-scale reforms depend on not just trusted and active leadership but also commitment to change from the bottom up (Lipsky 1980; Riccucci 2005; Sandfort 1999). Strong top-down leadership is not enough, for two reasons. First, decisive leadership, in the absence of trust on the front lines, may lead to adverse factions, as certain subcultures align themselves with the principal's directive and others unite themselves in opposition to the principal based on competing associations. Second, without trust among colleagues, there is little chance for knowledge or innovation to spread. Instead, as was the

case in the Cauldron School, innovative or high-performing teachers keep their insights to themselves, hesitant to impose their wishes on others or view with suspicion those who do not fit the mold.

Moreover, the case study schools provide evidence that strong teacher culture— mutual trust and norms of candid dialogue— can make up for perceived weaknesses in school leadership. In Parkside, for example, teachers, while generally supportive of school leaders, did question whether school administrators were sufficiently approachable or supportive. In fact, several teachers openly wished for greater approachability, though they did so in somewhat apologetic terms and noted, for example, that the principal and assistant principal were very busy responding to parent demands and the broader accountability provisions of the Department of Education. At the same time, the presence of strong teacher leaders, both in formal and informal positions, helped the school maintain momentum in their efforts to focus their efforts more tightly on data. In this context, in fact, it is less clear that “approachability” was a critical element of leadership. Instead, as teachers noted, the principal and assistant principal played an important role in managing parent relationships and the broader politics around the school.

### **Organizational Climate and Leading for Change**

On the one hand, these findings point both to the risks of managerial hubris and to a need for recognition among school leaders that their capacity to drive change from the top is quite limited. Among the organizational climate components discussed in this chapter, managerial vision— frequently touted in public and private managerial leadership (e.g. Kotter 1995) — is one of the least influential. While virtually every principal in a case study school demonstrated a clear sense of vision, the schools nonetheless varied in the extent to which they adopted performance management

values-in-use.<sup>11</sup> Thus, any school leader seeking to change teacher culture through heroic, top-down direction is likely to be disappointed. And more broadly, teacher-school leader relations have only a weak relationship to the adoption of performance values-in-use. This echoes other research that has found that interactions among front-line workers may matter more than managerial behavior per se (Lipsky, 1980; Riccucci, 2005). This is an important reminder that a school's culture encompasses far more than the attitudes or directives of a single public manager.

At the same time, these findings do suggest strategies that school leaders and public managers in general can use to build an organizational climate conducive of change and the development of a performance management culture. In particular, the findings vis-à-vis trust among teachers and norms of communication suggest indirect steps that public managers can take to foster trusting relationships among front-line workers that facilitate organizational development and change. In the paragraphs that follow, I highlight key implications for public management more generally.

The most successful public managers in the qualitative case study combined their strong sense of vision and mission with humility and non-judgment. These leaders modeled more than they pronounced, whether by sweeping the hallway, covering a class at the last minute, or, in the case of Parkside School and Sharp Cliff School, providing true instructional leadership. Time and time again, front-line workers noted two things about the leaders that they respected. First, they were committed to children and committed to the school's success. Second, while leaders themselves face considerable performance pressure, they acted in ways that enabled teachers to make mistakes and

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<sup>11</sup> These findings run counter to Moynihan, Pandey and Wright's recent study of organizational leadership and performance information use, which found that leadership behaviors that contributed to greater goal clarity enhanced government workers' use of performance information. One explanation for this is that a convergence of education reform initiatives, closely tied to school ratings tied to standardized tests, has substantially increased teachers' and principals' sense of goal clarity system wide. Whether this increased goal clarity is beneficial (a focus on what matters) or detrimental (a narrowing of the curriculum) is beyond the scope of this project

learn from them in a reasonable timeframe. By contrast, front-line workers resisted leaders who offered critiques without suggestions for improvements, or demanded improvements in what they considered an unreasonable timeframe.

Such leadership traits align closely with Jim Collins' vision of "Level 5 leadership." Collins writes, "A Level 5 leader blends extreme personal humility with intense professional will... Executives who possess this this paradoxical combination of traits are catalysts for the statistically rare event of transforming good company into a great one..." (2001). In Collins' view, the personal humility of such leaders enables them to channel their intense drive onto organizational performance, rather than on individual aggrandizement. He writes, "Level 5 leaders, inherently humble, look out the window to apportion credit—even undue credit—to factors outside themselves." A humble approach not only helps to empower employees and bring them on board in the short term (McGregor, 1960); it can also ease leadership transitions, because power is distributed and existing leaders do not worry about a new manager stepping in to take over the spotlight.

Moreover, the explicit behavior of these principals—stepping in to cover a class, sweeping the halls, modeling instructional practice side-by-side with a teacher—reflect Peter and Waterman's theory of "management by walking around" (2004). In the context of New York City schools, "walking around" had at least two benefits. As Peters and Waterman have noted, this approach can provide a great window into the challenges and successes of front-line practice; it is thus a great information-gathering device. Moreover, comments from teachers in this study suggests that walking around has an additional symbolic benefit; it conveys to teachers a concern about what goes on in the school and a willingness to stand alongside teachers as equals instead of proscribing directives from a pedestal (or over the intercom system).

Providing tangible supports— such as access to professional development and/or new technology— mattered, but appears to matter less than providing intangible supports such as an

open door and sense of humility. One reason for this is that tangible supports often come with explicit or implicit strings attached— additional courses may be offered free of charge, but workers still need to set aside time to attend them. Moreover, new technological equipment often has a steep learning curve, particularly for veterans, and so can seem as much as burden as an asset. They also may or may not fit into existing organizational assumptions and practices.

While these direct actions matter, the fact that teacher-school leaders rapport appears to matter less than do relationships among teachers may lead some to dismiss the importance of fostering collaboration between public managers and front-line workers. However, public managers' decisions can also have an impact on the nature of employee interactions and the quality of their relationships.

Arguably the most important step that public managers can and do take is to formalize extended time periods for individuals to meet and work together on meaningful tasks, for which they have real authority. Doing so is not always easy given the constraints of mandates on instructional time and contract hours. Yet in every school in the study that demonstrated a climate of collaboration and trust, teachers cited the ability to meet regularly one-on-one as an asset. Evidence from the case study schools suggests that a combination of both formal and informal meeting opportunities is valuable. In Steady School and Sharp Cliff School, for example, principals arranged teachers' instructional schedules so that teachers at the same grade level had common planning time. This approach not only allows for regular formal meetings; it also provides an opportunity for teachers to check with one another informally. New teachers, in particular, expressed appreciation for colleagues who were receptive when they reached out with impromptu questions.

At the same time, as experiences of the Cauldron School made clear, *forced* common planning forums could result in superficial or symbolic compliance. To the extent that this reinforces norms

of superficial conversation, it is likely to hinder, rather than facilitate, a climate for organizational learning and change. This suggests that the balance at Sharp Cliff School— teachers have access to daily common planning time, but are only required to hold formal meetings once a month— is a promising approach to foster deeper relationships.

Common planning time alone is insufficient to foster trust and candid collaboration among front-line workers. Opportunities for collaboration do not ensure that teachers will, in fact, collaborate, especially if front-line workers believe their work to be a largely individual endeavor. For that reason, leaders may need to take more direct action to break down silos and foster interdependence among workers. For example, the principal of Steady School altered classroom configurations upon his arrival at the school and moved even veteran teachers from their classrooms to ensure that resources were distributed equally and that teachers at common grade levels were in the same part of the building. Other approaches can be less directive. At Parkside, for example, the formation of a teacher team, comprised of both veterans and relative newcomers, to redesign student report cards, forced teachers to work together on a task that necessitated a deep discussion of underlying goals and assumptions about student learning and empowered those teachers to make decisions on behalf of the full school.

This example leads to the final principle highlighted by the cases of Steady School and Parkside School, particularly in contrast with the Cauldron School, a principle which underscores the importance of authentic, meaningful tasks and empowerment of teams on the front lines (Miller 1992; Riccucci 2005). At both Steady School and Parkside, teachers can and did articulate the importance and the real implications of their joint work together— whether it was designing a new performance assessment through participation in the “Occupy Wall Street” demonstration or critically examining the data surrounding a small group of students whose academic outcomes had been lagging. Not every teacher at Steady School participated in a formal inquiry team. However, the

principal was committed to letting teacher teams lead the way when it came to important organizational and instructional decisions. By contrast, at Cauldron School, even though all teachers met regularly as groups, and were all officially members of inquiry teams, few teachers could articulate the purposes behind such meetings. Moreover, it was not clear that the school principal, who personally signed off on any on any photocopies made by a teacher, was ready to delegate responsibility to those teacher teams. To some extent this presents a “chicken and egg” dilemma; from the principal’s perspective, teachers had not yet demonstrated the capacity for rigor and critical thinking necessary for high-stakes school decisions; at the same time, absent a clear voice in those decisions, teachers had little incentive to engage in their collaborative meetings with more than superficial or symbolic attention.

In sum, leaders seeking to inculcate a trusting and supportive organizational culture must do so directly and indirectly— directly, by supporting front-line workers substantively and psychologically, and indirectly, by encouraging them to provide similar support to one another. Doing so can foster not only strong leader-worker relationships but also more trusting relationships among front-line workers and, ultimately norms of open and honest discourse.

To some extent, these findings echo recent conclusions by Moynihan, Pandey and Wright (2012), who suggest that public managers “set the table” for performance information use rather than compel performance information use directly. They write, “The indirect effects of leadership may be among the most crucial predictors of performance outcomes. This suggests an image of leaders that is different from that of charismatic doers or technocratic thinkers.” (2012, 159). It also complements their follow-up goal to understand “the mechanisms by which leadership has an influence on reform, policy implementation and other organizational outcomes” (158).

This chapter has strong implications for front-line workers themselves, the professionals identified by Mosher as those “often superior in education” even if “organizationally below

management” (cited in Riccucci, 2005, 158). If public managers are to eschew heroic forms of organizational leadership and instead consider themselves first among equals, front-line workers must impress informal leadership roles in turn. A key finding of this chapter—that teachers in the New York City schools mattered, not just individually but collectively—places a burden upon front-line workers to shed what may be long-standing norms about individual discretion and absolute control over one’s classroom or caseload to the exclusion of the broader organizational picture (Lortie, 1975; Maynard-Moody & Musheno, 2003). Teachers, like case workers and other professional government staff, too often think of their jobs as being done in isolation, with sole responsibility to the students and/or clients that they serve directly (Lipsky 1980). Even if front-line workers have substantial autonomy in their practice, they have to think of themselves as part of a broader community of professionals who must work together to achieve organizational goals (McLaughlin & Talbert, 2001; Riccucci, 2005). In other words, the importance of organizational climate suggests that top-down change is less effective than cultivating organizations in which front-line workers, as professionals, feel empowered to engage in organizational learning and innovation. Those are the conditions under which performance management reform is most likely to develop true performance management culture—one characterized by deeply-held performance-in-use, rather than a mere espousal of high expectations for all.

## Chapter 8: Anxiety, Ambiguity and the Challenges of Performance Management

### Reform

Performance management, enacted across many managerial contexts and policy domains over the past decade, has had a mixed record. This dissertation helps to explain why. One of the challenges of performance management reform is that it requires front-line workers and managers not only to take part in new systems but that also to develop a new set of values and norms. As the previous chapters have made clear, changing organizational values is *hard*. As a result, the success stories of performance management reform are far fewer than its strongest advocates had envisioned.

This dissertation began by examining the role of external incentives and internal dynamics (as captured through survival anxiety and organizational climate) in organizational responses to performance management reform. Toward that end, I looked at two levels of performance values: those espoused by members of an organization, and those enacted through organizational behavior.

The qualitative and the quantitative analyses tell similar stories. When it comes to the espousal of performance management values, organizational climate certainly matters, and survival anxiety may matter a bit. Schools with more trusting and supportive organizational climates were far more likely to espouse performance management values all else equal. For a median-level school that had low espousal of values in 2007, the start of the reform, my model predicts that the conditional effect of improving a school's organizational climate by one standard deviation was to raise its espousal of performance values from -0.3 (just below the school system-wide average) to 0.22 (somewhat above average). The conditional effect of a one standard deviation increase in survival anxiety, was comparatively small; it changed a school's espousal of values from -0.3 to -0.28.

The findings for performance values-in-use—what teachers and principals actually did—are dramatically different. Organizational climate continues to matter, though its magnitude was somewhat smaller. For schools that exhibited low performance values-in-use at the start of the

reform, my model suggests that the conditional effect of a one standard deviation improvement in organizational climate is to raise performance values-in-use from -0.37 to -0.08 (from well below average to almost average). But a one standard deviation increase in survival anxiety has the opposite effect, *reducing* a school's performance management values-in-use from -0.37 to -0.62, more than half a standard deviation below the school system average.

The importance of organizational climate is affirmed by the subsequent qualitative and mixed method analysis. Trust among teachers has an especially strong impact. My research finds that schools in which teachers trust one another are far more likely to work together to make sense of performance information and to use that information for strategic planning and other continuous improvement processes. Teacher trust matters for two reasons. First, bonds of trust and support among teachers build social capital and, particularly in contexts where financial resources are tight, increase a given school's overall sense of efficacy. Second, trusting relationships increase workers' sense of psychological safety, enabling them to overcome learning anxiety to analyze and make use of performance management data (Schein, 2004). Teachers' relationships with their principals, and norms of open and honest communication, also matter, though not quite as powerfully as teacher relationships themselves. These findings suggest that principals' most powerful influence is indirect. The most promising leadership strategies highlighted in this study are not heroic efforts to take charge and define and sustain an organizational vision but instead subtler, and perhaps behind-the-scenes, efforts to spur teacher' active engagement and collaboration with one another.

Follow-up qualitative and quantitative analyses also elucidate the survival anxiety findings, which ran counter to prior theory and research hypotheses but were robust to multiple specifications. There are two stories about survival anxiety—one positive, one negative.

The positive story is that the collection and dissemination of performance data appears to have fostered organizational learning and changes in practice at low-anxiety schools. As Chapter 6

suggests, a level of organizational stewardship combined with the perceived need to forestall more intrusive school system mandates can foster schools' strategic redefinition of reforms in ways that enable the emergence of a true performance culture. Parkside School did not implement the performance management reforms exactly as those in the Department of Education intended. At the same time, Parkside did change, and its changes were more than symbolic. By adapting reform mandates to deeply-held organizational values, Parkside's teachers and principals developed a new performance culture.

New York City's performance management reforms did not set out to improve organizational performance among schools that were already high-performing however. And the negative story is that its performance management reforms spurred the fewest changes among those organizations where change was most needed. The failure of low-performing schools to respond to increased accountability demands is of concern to anyone who seeks to use organizational incentives as a means to foster organizational change.

Prior performance management research has explained the failure of low-performing individuals and organizations to respond to incentives by citing a lack of real accountability. Moynihan writes, "The prospect that performance informational truly provides enhanced accountability is akin to a mirage; It might motivate the inexperienced public official, but older hands should know better" (2008, p. 63). From this perspective, performance management reforms fail to spur organizational improvement among poor performers because political overseers are unable or unwilling to put true performance sanctions in practice (see also Nicholson-Crotty et al., 2013). Yet as chapter 4 made clear, New York City Schools' performance management reform are in no way superficial or symbolic. By closing close to two hundred schools in less than five years, the Department of Education sent a strong message that accountability was real—and that message has been heard loud and clear on the front lines.

Similarly, one cannot place the full blame for incomplete organizational change on other formal features highlighted by Moynihan (2008) and others. Managerial discretion, though constrained by austerity, is real, and the mandated inquiry groups do provide a forum (albeit an imperfect one) for organizational learning.

Instead the follow-up qualitative and quantitative analyses emphasize the importance of informal factors. Two factors in particular help explain the failure of low performing schools to change: first, a low sense of organizational efficacy and control, and second, conflicting values, between schools and city's Department of Education.

Time and time again, teachers questioned whether they had the power to meet the demands set forth by New York City Schools' performance regime. Capacity—fiscal, intellectual, and human—matters. Testimony from teachers and principals at the lowest-performing schools in this study suggests that few were ignorant or in denial of the performance problems at their schools, or the real organizational risk posed by their poor performance. Moreover, many teachers and administrators in these contexts spoke with real pride in their profession, and with embarrassment and regret at their failure to serve students better. When it came to tangible improvements, however, most were at a loss.

Urban education is a complex endeavor. While scholars and policymakers have been able to identify factors that influence educational outcomes, such as teacher quality and socio-economic factors, the exact strategies that one should employ to boost student achievement in such contexts are still highly ambiguous. This ambiguity is in part what spurred the reform; after all, Department of Education leaders chose the empowerment strategy because they believed schools should have the power to make certain decisions, since the central office did not have all the answers. At the same time, such ambiguity makes organizational learning increasingly complex and nonlinear (Mahler, 2009). This, in turn, may mute teachers and school leaders' responsiveness to incentives.

Both economists and organizational psychologists (Gneezy, Meier, & Rey-Biel, 2011; Ladd, 2012; Lawler III & Suttle, 1973) have noted that incentives work best when we incentivize measures that are within the control of the person whose behavior we are trying to change. A key challenge of performance management reform in education is that the outcome for which schools have been judged—student achievement relative to that of their academic peers—is very distant. Many out-of-school factors affect student achievement; moreover teachers know that.

This suggests that the problem went beyond organizational capacity to entail questions of organizational control. The difference between organizational capacity and organizational control is subtle but important in this case. If most teachers believed the reforms believed, as did a small minority in the Cauldron School, that the Department of Education’s new standards were challenging but attainable, these targets could serve to motivate improvement, especially in the presence of additional organizational support (Lawler III & Suttle, 1973; Locke & Latham, 1990). Because many teachers believe that the reforms were illegitimate—that, in fact, teachers had been scapegoated for social outcomes beyond their control—this suggest that additional professional development or other resources, on their own, will be insufficient to promote organizational change.

The sense that teachers were being held to unattainable standards, moreover, exacerbated the values conflict sensed between schools and the Department of Education. Already suspicious of reform strategies rooted in private sector management strategies, teachers pointed to unattainable goals as evidence that the reform reflected an unspoken effort by Mayor Bloomberg and others to use “poor” performance as justification for large-scale privatization. As a result doubt the legitimacy of the metrics for which they are judged.

Values conflict and a low sense of organizational efficacy, in turn, contributed to a fundamental policy and managerial challenge posed by New York City Schools’ use of performance information to promote learning. As noted at the outset, one factor that makes New York City an

interesting site to study is that performance management was designed to be about more than accountability. The fostering of school-level inquiry groups (which act as learning forums for teachers and administrators alike), the investment in data management software system to be used by the teachers, the provision of new school support organizations (to provide new and different kinds of information and skills to schools), and the fact that school quality reviews assessed teachers' and principals' ability to *make sense* of performance metrics, all point to a managerial system designed to facilitate organizational learning—so that schools can better understand their own performance, experiment, and try new approaches to better serve students who have been left behind.

At the same time, these learning mechanisms conflict with the realities of high-stakes accountability. As noted before, education is a complex process, particularly when one is focused on students who come from diverse socio-economic backgrounds. Organizational learning will therefore be messy. Developing new strategies will take time; mistakes will occur, and progress is most likely to occur if school leaders and teachers can take a step back to understand broad trends rather than responding to every small fire. An ideal performance management system would take these realities into account, limiting, rather than maximizing the information provided to every school. That was the strategy of the data coach and assistant principal at Parkside School, who recognized that a smaller amount of data, and a smaller number of goals, would maximize the chances that teachers actually learned from the data in front of them. Yet her approach was unique among all the schools that I studied—and it was unique, in part, because Parkside was immune from the pressures of high-stakes accountability. Teachers there could take the time to focus deeply on moving student writing from good to excellent, because they did not need to worry about the consequences of early mistakes.

The Parkside approach stands in sharp contrast to Cauldron School, where the principal not only visited low-performing teachers weekly, asking for dramatic changes in their approach between

visitations, but also distributed monthly report cards to students who were below standard. This rapid and rich collection of data may make sense from an accountability perspective—and when it comes to a student’s education and ultimately, their life prospects, the sense of urgency is understandably very strong. At the same time, such an approach all too often impedes, rather than facilitates, learning, whether from an individual or an organizational perspective. The principal in fact understood this, pointing to the unreasonable timeline for change set forth by the quality review. Outside inspectors came to the school in October, but did not submit their report until mid-spring. If a school performed poorly, she explained, inspectors would return the following fall, expecting to see changes in practice in response to the previous year’s feedback.

Yet most schools focus on high-stakes tests at the end of the year and then close from June-September; thus, an April-October timeline for change simply sets teachers and principals up for failure, or, at the least, creates an incentive for short-term and superficial responses. It is in this context, amidst high means-end ambiguity, high-stakes accountability and rapid (and arguably unreasonable) timeline for change, that one would expect to see teachers and principals focusing on the easy lever within their reach, regardless of their relationship to student outcomes. And in fact, that was what happened at Cauldron. Asked to explain the school’s low performance ratings, teachers pointed to poor scores on the school’s learning environment survey; in other words, angry or frustrated teachers did not rate their school as highly as they could. One teacher reported that the principal herself had cited these scores, warning teachers that they would be to blame if the school earned another failing grade and shut down. Her anxiety, and frustration, is understandable. Yet the focus on learning environment survey schools is problematic for two reasons. First, the learning environment survey only constitutes a minute fraction of a school’s grade. Second, and more importantly, improved survey results are unlikely to lead to improved educational outcomes for students.

Taken together, the New York City reforms highlight the managerial challenges of using performance information to foster organizational improvement among schools.

## **Conclusion**

The findings of this dissertation are quite clear. Performance management reform is most likely to result in changes in organizational practice in contexts with a positive organizational climate. Trust among colleagues, perceptions of support from one's administration, and norms of honest communication all contribute to an organizational culture's ability to adapt under changing external circumstances. Moreover, these factors matter far more than organizational incentives. When it came to the development of performance management cultures in the New York City Schools, the schools with the greatest incentive to change were in fact significantly less likely to do so.

The findings of this chapter suggest that incentives alone are not likely to catalyze change in behavior of the front lines. To the contrary, this study found that those organizations that appeared to have the greatest incentive to improve were less likely to change their deeper organizational values-in-use, either because organizational members were unwilling to change their practice in the face of existential threat or because they lacked the capacity to do so. To the extent that these findings hold true in other policy contexts, it raises substantial questions about incentive theory generally (and the extent to which a logic of consequences drives organizational behavior) and has significant implications for policy practice. In particular, these findings suggests that policymakers and organizational leaders alike would do well to consider not only the formal systems in place to reward high-level organizational performance but also the informal and formal institutions necessary to achieve them. The latter has been all too often downplayed in the current climate of performance accountability.

If the failure of accountability as a spur to organizational change comes through clearly in this research, the reasons behind such a failure are somewhat less clear. Nonetheless, qualitative findings reported through the previous chapters highlight key explanatory themes. In a context characterized by high levels of ambiguity and complexity, three factors stand out: organizational capacity, climate and control.

While the reasons for organizational inertia in the face of survival risk are complex, my research suggests two reasons why front-line workers might not respond to high-stakes incentive systems in ways that reformers intend. First, they may question both the legitimacy of their political overseers and the underlying institutional logic of a reform. This is particularly likely in contexts where pre-existing professional and organizational norms are quite strong (Coburn, 2001; Maynard-Moody & Musheno, 2003). Second, workers may question their own efficacy in improving measured organizational outcomes, or indeed, whether the organizational outcomes are attainable at all. In the case study schools, teachers and administrators framed capacity concerns in two ways. Some pointed to inadequate capacity (whether fiscal or knowledge-based) in their own schools, pointing to fiscal austerity and layoffs as evidence; others took a broader tack, questioning whether the organizational outcomes for which schools were held accountable (student achievement as measured by standardized test) were within *any* school's control, given the heavy influence of socio-economic factors on student learning.

Moreover, as the New York City Schools case can show, policy features of performance management reform can exacerbate workers' sense that improvement is beyond their control. All too often, formal mechanisms designed to heighten organizational performance incentives and spur a rapid response—such as repeated performance reviews—force a timeline for change that is unrealistic. Unrealistic expectations, in turn, breed cynicism about performance reform and a

encourage superficial response on the ground, as front-line workers and managers seek out quick fixes and blame one another for organizational failures (Hamilton et al., 2002; Koretz, 2005).

The end result is performance management reforms that bring about few changes in organizational behavior in the locations that may need change the most.

These capacity questions were balanced out in part by evidence of high public service motivation. Teachers at all schools, whether high or low performing, espoused great pride in their work and a commitment to the students they served. This internal motivation, I argue, is a critical resource that policymakers need to better tap in order catalyze organizational change.

Yet internal motivation is not a limitless resource. A significant body of literature in psychology suggests that external incentives “crowd out” internal motivation, in part by reducing individuals’ locus of control over key organizational outcomes (Deci, Koestner, & Ryan, 1999, 2001). Thus the findings of this research, which emphasize relatively short-term responses to performance accountability, may *underestimate* the negative consequences of a sanction-focused performance management system. The long-term effects of sanctions may be even more deleterious.

Moreover, the experience of Parkside suggests that the specter of shutdown may not be all that necessary for organizational improvement. As a high performing, high-enrollment school that faced zero chances of closure, teachers and leaders at Parkside were able to capture elements of performance management reform and apply them in ways that accorded with their organizational values, even if they expressed doubts about elements of the Department of Education’s underlying strategy. While it should be noted that this school benefited from, in one teacher’s words, a “superstar” faculty, the experience of Parkside suggests that public managers would do well to focus on finding ways to help organizations adapt and use performance information in line with their organizational values, rather than continually increasing the negative sanctions in an effort to force them to change. To do requires top-level managers to give workers and front-line managers greater

voice in the measures for which they are held accountable as well as appropriate targets that are within reach.

There are limits to the generalizability of these findings, which focus on a single management system (albeit a large one) in a single policy domain. As noted in a previous chapter, further research should examine performance management reform in other public and even private management contexts, in order to examine whether the organizational dynamics observed in the New York City schools transfer to street-level bureaucrats or public administrators in other government fields or even to private contracting situations. It is possible that the muted impact of survival anxiety, for example, reflects high levels of public service motivation; if teachers and principals already possess high levels of intrinsic motivation, this motivation may serve to crowd out the incentive power of external sanctions. It is also possible, however, the findings of this study—that survival anxiety is a poor lever for motivating organizational culture change innovation—will hold true regardless of context.

Nonetheless, these findings have significant implications for education reform and for performance management reforms more generally. To the extent that the analysis reported in this dissertation proves generalizable to other contexts and policy domains, they suggest a need to rethink our current emphasis on incentives in policy design as well as in organizational and institutional theory, bringing greater attention to organizational capacity and other cultural predictors of reform.

Instead, we need new policies or the grounded in theories that start from the premise that front-line workers are strategic and internally motivated public stewards. For while principal-agent theory assumes that public servants are self-interested workers that seek to minimize their effort and maximize gain, this depiction did not match the behavior of the teachers or principals in my study. With internal motivation, rather than self-interest, as the starting point, both organizational theorists

and policymakers can pay closer attention to the organizational and individual features, such as climate, trust, and an internalized locus of control, that facilitate organizational change. Moreover, we need revisit and operationalize consider theories of human behavior that downplay rational incentives as the root of behavior. These approaches include not only March and Olsen’s “logic of appropriateness” (2004,2010) but longstanding considerations in moral philosophy and recent findings in cognitive psychology that distinguish between outcome-based judgments, rule-based deontology and affective decision-making (e.g. Conway & Gawronski, 2013).

These findings have immediate practical implications. As noted in the introduction, performance management reform has permeated nearly every sector of government service. And while new to education, its core elements—high-stakes accountability, data-based decision-making and, to a lesser extent, site-based autonomy—are key components of education reforms promoted at all levels, from individual schools up to the White House. Underlying all of these reforms is an assumption that, if we only fixed the payoff scheme, we would spur public employees to work harder and smarter. There is no evidence in this dissertation to suggest that this is a promising approach.

For economists and others grounded in principal-agent, rationalist thinking, these findings will come as a shock. For those immersed in organizational decision-making on the front lines, who have protested against the negative consequences of accountability policies, these findings may come as common sense. Regardless of which perspective one takes, however, the reality is that if performance management reforms spur the least change among those organizations which most need to change, policymakers and public managers need to rethink their approach.

First, policymakers should revisit the operationalization of managerial discretion and organizational autonomy in the design of performance management systems. Given the strength of the New York City Schools’ approach, which not only formalized mechanisms for data collection

and performance accountability but also brought about true structural changes to enhance managerial discretion, one big surprise was that the increased school autonomy or discretion was not felt on the ground. Teachers, principals, and even supportive district support personnel openly asked whether the talk about autonomy was *only* talk. They noted that the increased managerial autonomy more often than not, increased school principals' workloads rather than freeing their hands. One reason for that is that for teachers, and even for principals, focused on the task of instruction, the DOE's performance reform failed to expand, or even preserve, organizational autonomy in the areas that they prioritized most-- curriculum development and assessment.

One way to address this problem is to give schools greater ownership over the means through which they are assessed. While the move towards common, high standards is laudable, particularly from a perspective of educational equity, common standards do not necessarily require a common metric. Providing organizations with choice, even constrained by choice sets, about how they measure success has the potential to bolster motivation and performance at the individual and organizational level and foster more sustainable and lasting organizational culture change; it also has the potential to provide more nuanced assessments that are closely tied to workers and the clients they serve.

Finally, increased accountability demands on schools need to be balanced by tangible investments in organizational capacity, so that front-line workers and managers don't find themselves "going to war with no weapons," in the Sudden Cliff principal's words. Beyond their substantive worth, capacity investments matter symbolically, as they signal a credible commitment on the part of school system overseers to using performance measures to bolster organizational functioning and not merely to weed out poor performers.

Drawing from theories of organizational culture and institutional change and building on prior performance management research, this dissertation set out to understand why performance

management reform has had mixed results. This research not only confirmed the “mixed” nature of these findings, but came to an even more troubling conclusion. Not only have schools responded unevenly to the reform, there is a pattern to this response. In the face of a far-reaching performance management reform, the schools with the greatest incentive to improve changed the least.

If the goal of these reforms is to raise the performance floor and leverage organizational change in failing public organizations or agencies, policymakers will be disappointed with the results. In their stead, policymakers would do well to consider collaborative approaches that engage the front-line workers responsible for implementing reforms, reinforce their internal motivation, and help them develop the internal capacity to improve.

## APPENDICES

## Appendix A: Measures of Organizational Culture and Values

### Dependent Variables:

#### Espoused Performance Values (Eigenvalue= 6.19 Cronbach's $\alpha$ = 0.92)

Category	Indicator ( <i>Drawn from 2011 Teacher's Learning Environment Survey</i> )
High learning standards for all students	Meeting targets for student progress is a priority.
	Helping students meet targets for mastery of important skills & content is a priority.
	School has high expectations for all children.
	Priority to help students find the best ways to achieve their learning goals.
	Teachers recognize and respect the most effective teachers.
Support for the governing regime	Level of satisfaction with the performance of the <b>citywide panel</b> for educational policy on oversight
	Level of satisfaction with the performance of the <b>citywide panel</b> for educational policy on curriculum
	Level of satisfaction with the performance of the <b>citywide panel</b> for educational policy on student achievement
	Level of satisfaction with the performance of the <b>Chancellor</b> for educational policy on oversight
	Level of satisfaction with the performance of the <b>Chancellor</b> for educational policy on curriculum
	Level of satisfaction with the performance of the <b>Chancellor</b> for educational policy on student achievement
Belief in Innovation and Autonomy	Teachers here respect teachers who take the lead in school improvement efforts.

**Performance Values-in- Use (Eigenvalue= 11.41 Cronbach's  $\alpha = 0.92$ )**

Category	Indicator ( <i>drawn from 2011 Quality Review</i> ) <i>To what extent does the school...</i>
Organizational strategizing and goal setting	Design engaging, rigorous and coherent curricula, including the Arts, for a variety of learners and aligned to key State standards?
	Develop teacher pedagogy from a coherent set of beliefs about how students learn best, and ensure that it is: aligned to the curriculum, engaging, and differentiated to enable all students to produce meaningful work products?
	Make strategic organizational decisions to support the school's instructional goals and meet student learning needs?
	Establish a coherent vision of future development that is reflected in a short list of focused, data-based goals that are understood and supported by the entire school community?
	Use collaborative and data informed processes to set measurable and differentiated learning goals for student subgroups, and students in need of additional support?
	Ensure the achievement of learning goals by tracking progress at the school, teacher team and classroom level?
	Communicate high expectations to students and families, engage them in decision-making, and promote active involvement in the school community?
Attention to Performance Data	Gather and analyze information on student learning outcomes to identify trends, strengths, and areas of need at the school level?
	Align assessments to curriculum and analyze information on student learning outcomes to adjust instructional decisions at the team and classroom level?
	Use or develop tools to enable school leaders and teachers to organize, aggregate, and analyze student performance trends?
	Engage in an open exchange of information with students and families regarding students' learning needs and outcomes?
Engagement in Continuous Improvement Processes	Use the observation of classroom teaching and the analysis of learning outcomes to elevate school-wide instructional practices and implement strategies that promote professional growth and reflection, with a special focus on new teachers?
	Engage in structured professional collaborations on teams using an inquiry approach that promotes shared leadership and focuses on improved student learning?
	Provide professional development that promotes independent and shared reflection, opportunities for leadership growth, and enables teachers to continuously evaluate and revise their classroom practices to improve learning outcomes?
	Integrate child/youth development, support services and partnerships with families and outside organizations with the school-wide goals to accelerate the academic and personal growth of students?
	Evaluate the quality of curricular, instructional and organizational decisions, making adjustments as needed to increase the coherence of policies and practices across the school?
	Evaluate systems for assessing students, organizing data, and sharing information with student and families, making adjustments as needed to increase the coherence of policies and practices across the school?
	Establish and sustain a transparent, collaborative system for measuring progress towards interim and long-term goals and making adjustments during the year and over time?
	Use data to regularly evaluate the effectiveness of structured professional collaboration, capacity building and leadership development strategies?

**Independent Variables:**

**Organizational Climate (Eigenvalue = 12.01 Cronbach's  $\alpha$  =0.94)**

Category	Indicator (from 2010 Teacher's Learning Environment Survey)
Psychological Safety	To what extent do you feel supported by your fellow teachers?
	Teachers trust each other.
	Adults often disrespectful to students (inverse indicator).
	I trust the principal at his word.
	Principal places the learning needs of children ahead of other interests.
	To what extent do you feel supported by your principal?
Perception of Support	Prof development provided me with teaching strategies to better meet the needs of my students.
	I have sufficient materials to teach my classes.
	How satisfied are you with the performance of the citywide panel for educational policy on resources?
	How satisfied are you with the performance of the Chancellor on resources?
	Principal has confidence in the expertise of the teachers.
	Order and discipline are maintained.
	I can get the help I need to address student behavior/discipline problems.
	Students treat teachers with respect.
Norms of Honest and Open Dialogue	Parents treat teachers at this school with respect.
	School leaders provide time for collaboration among teachers.
	People in this school are eager to share information about what does and doesn't work.
	People in this school are usually comfortable talking about problems and disagreement.
	In this school, it's easy to speak up about what is on your mind.
School leaders encourage open communication on important school issues.	

**Survival Anxiety (Cronbach's  $\alpha$  =0.43)**

Category	Indicator
School Quality (from 2010 School Progress Report)	Performance rating,
	Progress rating, 2010 School Progress Report
Parent perception of school quality (from 2010 learning environment survey)	My child is learning what he/she needs to know to succeed I later grades or after graduating from high school.
	How satisfied are you with ... the quality of your child's teachers this year?
	How satisfied are you with ... the education your child has received
Parental Support for reform (from 2010 learning environment survey)	<i>Which one of the following improvements would you <u>most</u> like your school to make: % responding...</i>
	More preparation for state tests
	More hands-on learning (inv. indicator)
	Less preparation for state tests (inv. Indicator)

## Appendix B Summary of Interviews

	<b>Steady School</b>	<b>Sharp Cliff School</b>	<b>Parkside School</b>	<b>Cauldron School</b>
Interviews with Principal	2	2	2	2
Interviews with other Administrators	1	2	1	2
Teacher participants in group interviews	6	11	10	8
Individual Teacher Interviews	4	6	13	7
Additional Respondents	n/a	n/a	3	4
% of Teachers interviewed	28%	60%	52%	59%

### Appendix C: Sample Interview Protocols

		<b>Teacher Interview</b>	<b>Principal Interview</b>
Performance-Oriented Behavior	Are they doing ‘it’	1a. Would you say that this school has experienced substantial changes in either organizational processes or classroom practice in the past seven years? What are the most significant of those changes?	1a. Would you say that this school has experienced substantial changes in either organizational processes or classroom practice in the past seven years? What are the most significant of those changes?
		2. What kinds of student achievement data do you access through the year? What do you do with that information?	1b. What kinds of student achievement data do you access through the year? What do you do with that information?  What kinds of student achievement data do <i>teachers</i> access through the year? What do you <i>they</i> with that information?
		How much attention do you pay to your school’s progress report or quality review ratings?	1c. How much attention do you pay to your school’s progress report or quality review ratings?
	Why/how are they doing ‘it’	1b. To what extent are these changes a product of the autonomy reforms or other provisions of Children First? To what extent are those changes independent of (or in spite of) the reform?	1b. To what extent are these changes a product of the autonomy reforms or other provisions of Children First? To what extent are those changes independent of the reform?
		2b. Has your attitude towards student data and its relevance to instruction changed? What about that of your colleagues? To what do you attribute that change? * Probe for role of school principal and grade-level chairs or other teacher leaders * Probe for membership in/role of inquiry groups	2b. Has your attitude towards student data and its relevance to instruction changed? What about that of other administrators or teachers in the school? To what do you attribute that change?  * Probe for membership in/role of inquiry groups
		3b. To what extent do you think these scores are an accurate reflection of school quality or student learning? Why are/aren’t you concerned about these kinds of measures? How, if at all, could they be changed to give you greater confidence in their accuracy?	3b. To what extent do you think these scores are an accurate reflection of school quality or student learning? Why are/aren’t you concerned about these kinds of measures? How, if at all, could they be changed to give you greater confidence in their accuracy?

	What difference does 'it' make?	1c. What impact have these programmatic changes had on your instructional practice/interactions with students?	1c. To what extent have these changes had an impact on teacher practice or student learning? Are there any downsides to these changes?
		2c. Do you think that the use of student data has made you a better teacher? If so, how? Are there any downsides to this approach? How widely do you think your opinions are shared among your colleagues? Are there any who have a substantially different attitude?	2c. To what extent has the availability and emphasis on student data had a positive impact on the school's quality and student learning? Would the teachers in your school agree with this assessment?
		3c. What impact, if any, have these report cards, and/or the prospect of external consequences, had on your teaching or your work at the school?	Have these report cards/quality review statements affected the way you approach staff oversight or instructional leadership? Do you think they have an impact on the way teachers approach their work?
Culture and Climate	Culture	<p>What overarching values, if any, distinguish this school from other schools where you have worked? These can be negative as well as positive values...</p> <ul style="list-style-type: none"> <li>• Is this a school where teachers like to take risks or experiment with new approaches? Explain...</li> <li>• To what extent do these values help or hinder your school's ability to help students learn?</li> <li>• To what extent do their exist sub-cultures in the school, or values that are not shared by others?</li> </ul> <p>To what extent do you agree with this statement: "student learning will increase if schools has the freedom to innovate and school personnel are held accountable for meeting higher standards for performance"? Why/Why not?</p>	What overarching values, if any, distinguish this school from other schools where you have worked?

	Climate	<p>How would you describe the overall climate for faculty in this school?</p> <ul style="list-style-type: none"> <li>• How often do teachers work together on lesson planning, analysis of student data, or other instructional practices?</li> <li>• Do most teachers trust one another? Trust the school leadership?</li> <li>• Do you feel that your principal is on the whole, supportive of your efforts? What about the network leaders or district leaders more generally?</li> </ul> <p>How, if at all, as has the climate changed in the past five or six years?</p> <p>How often do have faculty meetings? What percentage of the time spent in those meetings do you perceive as “useful”--</p>	
	Perceptions of Reform	<p>The DOE’s leadership has described their reform as one of “empowering” schools to meet higher standards. Would you agree with this characterization?? Why/Why not?</p> <ul style="list-style-type: none"> <li>• To what extent do you feel empowered as a teacher?</li> <li>• To what extent do you think that school principals have been empowered to do things they previously weren’t able to do?</li> </ul>	<p>The DOE’s leadership has described their reform as one of “empowering” schools to meet higher standards. Would you agree with this characterization?? Why/Why not?</p> <ul style="list-style-type: none"> <li>• To what extent do you feel empowered as a principal?</li> <li>• Do you think that there were other forces motivating the reform? Explain</li> </ul>

	Leadership Behaviors	<p>Do you think your school principal has “bought into” the reform? What about other teachers in the school that you respect?</p> <p>If principal has been constant: Have you seen changes in your principal’s approach over the past 5 years? If leadership changes—in what way does your current principal behave different than his/her predecessors?</p> <p>To what extent does the school leadership support your efforts to innovate in the classroom? Do you have the freedom to fail?</p>	<p>To what extent do you think the autonomy and accountability reforms have been good for the NYC school system? For your school, specifically? Explain.</p> <p>If constant: To what extent has your approach to school management or instructional leadership changed over the past 5 years? If new: What distinguishes your approach to school management and instructional leadership from that of your predecessor?</p> <p>How important is it that teacher innovate or take risks in their individual classrooms? How do you convey that importance?</p>
	Assessment of quality	<p>On the whole, how would rate the job that this school is doing? What are the strengths of the teaching faculty and administration? What are its weaknesses?</p>	<p>On the whole, how would rate the job that this school is doing? What are the strengths of the teaching faculty and administration? What are its weaknesses?</p>
	Stakeholder Perceptions	<p>How would you describe the school’s relationship with the parents of the children you serve? Does this school have a relationship with the broader community? If so, explain. Chancellor Walcott has been in his office for approximately a year. To what extent have you perceived changes from Klein or Bloomberg’s approach? Do you anticipate any changes coming down the pipeline?</p>	<p>How would you describe the school’s relationship with the parents of the children you serve? Does this school have a relationship with the broader community? If so, explain. Chancellor Walcott has been in his office for approximately a year. To what extent have you perceived changes from Klein or Bloomberg’s approach? Do you anticipate any changes coming down the pipeline?</p>

## Appendix D: Factor Loadings for Org Climate Components

### Organizational Climate and External Support (Eigenvalues= 12.01, 1.62)

Factor	Org Climate	External Support Factor	Uniqueness
To what extent do you feel supported by your fellow teachers?	0.58	-0.22	0.57
Teachers trust each other.	0.73	-0.30	0.37
Adults often disrespectful to students (inverse indicator).	0.63	-0.18	0.43
I trust the principal at his word.	0.90	0.07	0.10
Principal places the learning needs of children ahead of other interests.	0.89	0.09	0.14
To what extent do you feel supported by your principal?	0.90	0.10	0.11
To what extent do you feel supported by your assistant principal	0.09	0.25	0.93
Prof development provided me with teaching strategies to better meet the needs of my students.	0.73	0.18	0.43
I have sufficient materials to teach my classes.	0.73	0.11	0.42
How satisfied are you with the performance of the citywide panel for educational policy on resources?	0.23	0.80	0.30
How satisfied are you with the performance of the Chancellor on resources?	0.32	0.75	0.32
Principal has confidence in the expertise of the teachers.	0.88	0.03	0.17
Order and discipline are maintained.	0.80	0.09	0.19
I can get the help I need to address student behavior/discipline problems.	0.86	0.06	0.20
Students treat teachers with respect.	0.72	-0.05	0.20
Parents treat teachers at this school with respect	0.70	-0.14	0.30
School leaders provide time for collaboration among teachers.	0.86	-0.04	0.22
People in this school are eager to share information about what does and doesn't work.	0.89	-0.25	0.15
People in this school are usually comfortable talking about problems and disagreement.	0.92	0.04	0.08
In this school, it's easy to speak up about what is on your mind.	0.88	-0.11	0.11
School leaders encourage open communication on important school issues.	0.89	-0.16	0.15

### Relationship Among Teachers

**Eigenvalue = 1.80180**

Measure	Factor Loading	Uniqueness
To what extent do you feel supported by your fellow teachers?	0.83	0.31
Teachers trust each other.	0.86	0.25
Adults often disrespectful to students (inverse indicator).	0.60	0.63

**Teacher-School Leader Relations Eigenvalue=2.77**

Measure	Factor Loading	Uniqueness
I trust the principal at his word.	0.97	0.06
Principal places the learning needs of children ahead of other interests.	0.95	0.10
To what extent do you feel supported by your principal?	0.96	0.07
To what extent do you feel supported by your assistant principal	0.10	0.99

**Norms of Honest and Open Communication Eigenvalue=4.27**

Measure	Factor Loading	Uniqueness
School leaders provide time for collaboration among teachers.	0.87	0.25
People in this school are eager to share information about what does and doesn't work.	0.93	0.14
People in this school are usually comfortable talking about problems and disagreement.	0.94	0.10
In this school, it's easy to speak up about what is on your mind.	0.95	0.10
School leaders encourage open communication on important school issues.	0.93	0.14

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### **Acknowledgements:**

This research was supported by a US Department of Education, Institute of Education Sciences Pre-doctoral Training Grant (#R305B090012). She also appreciates the support of Paul Hill and the Center on Reinventing Public Education, which provided both financial and intellectual support during the first years of her research. The author expresses her deep gratitude to her committee members, Stephen Page, Craig Thomas, Peter May, and Meredith Honig for their advice and feedback on this work. William Zumeta, Michael Knapp, Mark Long and Ken Smith also provided useful feedback at various stages of the research, as did Don Moynihan and Ken Meier. She also acknowledges the many contributions of her friends and family: Mac Destler, Harriett Destler, Mark Destler, Nuru Neem, Ruxana Neem, Sabina Neem, Niall O Murchu, Jennifer Seltz, Anne Buffardi, Tyler Davis, Dani Fumia, Lily Hsueh, Ashley Jochim, Jodi O'Brien, and, most of all, Johann Neem.