

AT C-LEVEL

Business

VS

the Board of Education

How do you go about improving a school system that's resistant to change?
You do it one leader at a time. *By Pat Galagan*

Y

ou have to love a challenge to take on the New York City school system. When New York Mayor Michael R. Bloomberg and Chancellor Joel Klein launched the Children First reform agenda for public education in January 2003, many thought they were just plain nuts. Fifty percent of the students in NYC schools weren't graduating.

Other reformers had tried and failed to fix the problems of urban schools.

Six hundred principals out of 1200 were slated for retirement over five years. Other reformers had tried and failed to fix the problems of urban schools. What were Bloomberg and Klein thinking?

Bloomberg, a former media titan, and Klein, the federal trustbuster who took on Microsoft, were thinking of radical transformation achieved with methods borrowed from big business. The key to changing the deeply complacent culture of the Department of Education, they reasoned, was to develop school principals into agents of radical change. They would recruit, train, and coach a new generation of principals in entrepreneurial management techniques and charge them with creating schools where every child and teacher could succeed. And they would have to do that in the face of steep budget cuts and fewer human resources.

The centerpiece of their plan is the NYC Leadership Academy, a privately funded not-for-profit organization, run along the lines of GE's famous Crotonville leadership development program. It also borrows best practices in leadership training from other businesses and from the U.S. military. Bloomberg and Klein persuaded several successful executives to forsake high salaries to take jobs with the New York City government. They recruited former Covad CEO Robert E. Knowling Jr. to head the Leadership Academy. Knowling has previously run successful leadership academies at Ameritech and US West, using practices from management guru Noel Tichy in which leaders develop other leaders. Knowling, an ordained minister and a former college football player, is an imposing presence on the team.

 **"At C-Level: A Conversation With Robert E. Knowling, Jr., CEO of the NYC Leadership Academy," page 28.**

A US\$15 million gift from the Wallace Foundation got the Academy started and donations now top \$75 million. The Academy's advisory board includes David A. Coulter, vice chairman of JPMor-

gan Chase & Co; Richard Parsons, chairman and CEO of Time Warner; and Jack Welch, former CEO of General Electric, who sometimes teaches at the Academy.

Can this culture be changed?

Bloomberg has taken \$175 million in costs out of the school system's budget by closing its headquarters in Brooklyn, firing more than 1000 administrators, and moving a hand-picked staff to smaller offices in New York's restored courthouse. Now, Bloomberg must get more performance out of fewer people, take on the unions, and raise test scores. With power centralized in city hall, the mayor intends to change the current culture of the Department of Education to a culture that's more efficient and accountable for results.

Chancellor Klein has redrawn the city's dozens of school districts into just 10 and imposed a uniform curriculum. He hopes to gain efficiency by centralizing purchasing and by using common metrics throughout the system to compare the performance of teachers, principals, and schools. His office has more say in recruiting than in the past, and money donated to the Leadership Academy is being used to provide hiring incentives for principals.

As the Academy begins its second year, the first 77 graduates are taking their places at some of the city's largest schools. Another 63 new principals are starting their terms at small schools, and 91 aspiring principals have been recruited for the next 14-month leadership training program.

It is too soon to know if Bloomberg's bold plan will produce better education and more graduates for New York City. The business leaders backing the experiment hope that the application of methods from their worlds will make a difference where other kinds of reform have failed. If principals trained as business-style leaders can create measurably better schools with fewer resources, there could be positive implications beyond New York. If unsuccessful—meaning that test scores, graduation rates, and operational efficiencies don't improve—prevailing theories about change through the development of a critical mass of leaders will be dealt a severe body blow. Stay tuned. This story is not for the risk-averse. **TD**

Pat Galagan is ASTD's VP of content; pgalagan@astd.org.