



CENTER FOR EDUCATIONAL INNOVATION-
PUBLIC EDUCATION ASSOCIATION

EMPOWERMENT SCHOOLS

SPEAKER:

KRISTEN KANE

**CHIEF OPERATING OFFICER
NEW YORK CITY
DEPARTMENT OF EDUCATION**

NOVEMBER 1, 2006

Luncheon Series

ABOUT CEI-PEA

The Center for Educational Innovation – Public Education Association (CEI-PEA) is a New York-based nonprofit organization that creates successful public schools and educational programs. Our staff of experienced leaders in public education provides hands-on support to improve the skills of teachers and school leaders, increase parent involvement, and channel cultural and academic enrichment programs into schools. The benefits of this hands-on support are multiplied through a network of more than 220 public schools in New York as well as work in other major urban school systems across the country and around the world. We operate in cooperation with, but independently of, public school systems, providing private citizens the opportunity to make wise investments in the public schools.

ABOUT THE LUNCHEON SERIES

CEI-PEA's luncheon series provides one of the only forums in which the full range of stakeholders—parents, principals, teachers, policy makers, leaders of nonprofit organizations, funders, newspaper reporters—are able to meet and discuss critical issues affecting public education. Topics of the luncheons range from educational research on innovative instructional models, to analyses of educational policies, to practitioner models for effective school leadership.

SPECIAL THANKS

Special thanks to Bob Isaacson, Executive Director of CUNY TV, for broadcasting the CEI-PEA luncheons to the public. CUNY TV's educational, cultural and public affairs programming is an invaluable resource for our city, and we are proud to be a part of it.

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NOTE FROM THE CEI-PEA PRESIDENT

For the past half a century, the New York City public school system has undergone major transformations in its organization. The 1950s and 1960s community control movement led to decentralization of the school system in 1969. The school system broke into 32 community school districts, with superintendents appointed by local community school boards. In the 1990s, a push to recentralize the school system led to passage of legislation that put the power to hire superintendents in the Schools Chancellor's control. This move to recentralization culminated in Mayor Michael Bloomberg's bold move to gain mayoral control over the public school system. With this control over the system, Bloomberg and Schools Chancellor Joel Klein streamlined the system by creating 10 regions with regional superintendents and local instructional superintendents appointed by the Chancellor.

Now, the school system is about to undergo another major decentralization by allowing principals to choose the form of support they wish to have for their schools. Unlike previous efforts at decentralization, this new effort focuses on empowering schools rather than a system. Under the new system, principals will be given decision-making power over the organization of the school, staff and schedule, as well as choice over instructional practices, curriculum and professional development, in exchange for greater accountability.

On November 1, 2006, Kristen Kane, Chief Operating Officer of the New York City Department of Education (DOE), spoke at the CEI-PEA luncheon about the first step in this process, the Empowerment Schools program, as well as Chancellor Klein's broader Children First initiative. Drawing from sources as disparate as poet and essayist John Milton and Nobel Prize winning economist Edmund Phelps, Kane outlined the rationale behind the new model of decentralization. Comparing the DOE's effort to the same logic that informs such new economy giants as Google, Kane explained that their initiative is designed to "institutionalize innovation" by "devolving decisions as far down as possible, sharing information, finding what works, replicating it, and building upon it."

This new reform program represents an entirely new way to think about and run a public school system. It is an exciting program, evident in Kane's remarks and the question and answer period. What follows is an edited version of her speech.

[SIGNATURE]

Sy Fliegel

INTRODUCTION

Sy Fliegel: Welcome. It's my pleasure to see you all again. We have a few—I take that back—we have many distinguished guests here, almost too numerous to mention, so it may be easier to mention the people who are not distinguished. [Laughter.] If you'd like to volunteer as a non-distinguished person, I'd be happy to welcome you and thank you. [Laughter.]

Voice: I volunteer!

Chancellor Klein, thanks for volunteering. [Laughter.] We do have the Chancellor here; it is always our pleasure to have him here. And we have a Regent here—Regent Harry Philips. I've been trying to get my Regent's marks raised for years, now. I'm still working on them. [Laughter.] A few members of the City Council: David Weprin, who one day will be a Controller if he has his way. [Laughter.] Diana Reyna is here, and if I've forgotten anyone, you join the list of undistinguished guests. [Laughter.]

Now there are those of you who are always looking for details. So some of you may have noticed that the letter of invitation described our speaker today as the Chief of Staff for Joel Klein. Upon looking at this program we have here, you may notice she now has a different title. That was not because we made an error; that was because in the interim, Kristin Kane got promoted from Chief of Staff to Chief Operating Officer, and that's a pretty good job, right? So I wanted to congratulate her publicly on this new job. [Applause.]

Now you may want to know what a Chief Operating Officer at the New York Department of Education does. She oversees the Children First strategic planning efforts, and daily operations of the department. So, she's responsible for one million, one hundred thousand kids and a hundred thousand human resources. That means the folks who come to work in this system fall under her purview. Between 2005-2006, she served as Chief of Staff to Chancellor Joel Klein, so she's one of his gang. Now you may not understand what I mean by that. When I wrote the invitation letter originally I said, "Kristen Kane is one of Joel Klein's gang." Well, CEI-PEA is a think tank, which means that I have very smart guys who sit next to me, and they said, "People may not know what you mean by 'gang'," so I will tell you. My dear friend Cole Genn, who was one of the great heroes of this city, always had educators coming to him complaining that someone was beating them up. Always. And he always had the same response. He said, "All right, who is your gang?" And the educator always said, "Gang? I don't belong to a

gang.” He said, “Well, then you’re going to keep on getting beaten up.” [Laughter.] So one day I asked Joel, “Who’s your gang?” and he said, “You’re my gang.” I said, “You’re in serious, serious trouble.” [Laughter.] But since then, he’s got a pretty good gang, and Kristen Kane is one of the chief mobsters of that gang.

She’s done a number of things prior to being Chief of Staff. She was the Department’s Chief Executive of the Office of New Schools, which opened 178 new small schools and charters in New York City between 2003 and 2005. She’s a founding member of the New York City Center for Charter School Excellence. Now she did things even before she came here. She worked in the New School’s Venture Fund in San Francisco, which has a lot of money, that New Venture Fund, and I suspect New York City ended up getting some of that money as part of her efforts. Prior to that she served as a Vice President and Equity Research Analyst at JP Morgan, covering the education sector, and worked in the equity research department at Salomon Smith Barney. She has an MBA and certificate in public management from the Stanford Graduate School of Business and a BA with distinction in English from Yale University, where she was awarded the Dean’s prize for outstanding contributions to the community.

When I read such a resume, I always find something that impresses me the most. And it’s that last one: as a student at Yale, to earn the Dean’s award for service to the community, that puts Ms. Kane way up there in my thinking. And they must be doing something right at Yale. I was reading that twelve percent of the Yale graduating class applies to Teach for America. I keep thinking of the parents of those college students: “Mom and dad, I’ve got good news for you. After spending \$250,000 on my education, I’m going to get a job in the South Bronx as a teacher.” And I could just see their faces. “Isn’t that wonderful.” [Laughter.] But they are obviously doing something right up at Yale that twelve percent of the class who could go into very lucrative positions opt to go into Teach for America to come and work in our public schools.

So we are quite lucky to have Kristen in such an important job, and it’s my pleasure to introduce Kristen Kane.

[Applause.]

GUEST SPEAKER

Kristen Kane: Thank you very much. Yesterday I got a call from Sy requesting a longer bio, and now I understand why. So on behalf of all the distinguished guests, thank you very, very much. It's such a pleasure to be here.

I come to public education by way of the public schools, the ivory tower, a bit of education school, and an MBA. Every day, I am humbled to work in the halls—and cubicles—of Tweed and help to implement the vision of our Mayor and Chancellor. And I am humbled to be here today.

In the spirit of humility, I'll come clean up front about what it is that I know. First, the people who matter most are closest to the kids we serve. Second, from schools to the central office, I recognize how hard people in the system work on behalf of our kids, how hard this work is, and yet how large the gap is between our effort and our achievement. Third, from my own education, I bring a little knowledge about organizations, economics, and Paradise Lost. [Laughter.]

As Sy mentioned, I'm here to talk about what we're up to at the Department of Education these days. If you'll indulge me, I'll kick it off with a little invocation of Milton, who is always good inspiration for tackling big topics and discriminating audiences. [Laughter.] We join Adam and Eve in Book XII:

*They looking back, all th' Eastern side beheld
Of Paradise, so late thir happy seat,
Wav'd over by that flaming Brand, the Gate
With dreadful Faces
Throng'd and fiery Arms:
Some natural tears they dropp'd, but wip'd them soon;
The World was all before them, where to choose
Thir place of rest, and providence thir guide:
They hand in hand with wand'ring steps and slow
Through Eden took thir solitary way.*

With apologies for the somewhat dated allusion [not to mention the breach of church/state boundaries], I submit that these lines of verse capture precisely what we are doing at the Department. [Laughter.] Under Joel's leadership, we've embarked upon uncharted territory in public education. Contrary to what some may have you believe, our point of departure was not

Paradise, but it was a place of comfort and familiarity—the status quo, which, frankly, served the needs of many, though not too many children. The first leg of our journey has been marked by concentrated work—imperfect but intense—to break down barriers, build capacity, and prioritize the needs of children over adults in the system. We have come a long way, but we have not yet approached our destination. There is a second leg, and it requires us to forge ahead into still more unfamiliar, yet extraordinarily hopeful, territory, which I will describe today.

We are not doing all of this because we want to or think it will be easy or interesting. We are doing it because we have to. True, we are not being chased out of our comfort zone by the fiery Arms that Milton's heroes faced. Though we really ought to be. Consider these statistics: 63% of our 8th graders can't read at grade level; same with 41% of our 4th graders. 61% of our 8th graders can't do math at grade level; same with 29% of our 4th graders. More than 2 out of 5 high school students don't graduate within 4 years. These students are overwhelmingly African American and Hispanic.

Where is the outrage?

We are compelled by these data—the brutal facts with which we are all too familiar and confronted every day. They cry for urgency and a solution that is as bold as the problem is mammoth. They are not just statistics, they are kids, dreams deferred or, worse, denied. They are an ominous forecast of our country's economic viability, not to mention democracy. They are not something we take lightly.

It is these facts that take us out of the gate and into the real world.

Four years ago, the Chancellor crafted the Children First agenda with the following simple premise in mind: our job is to develop, support, and sustain 1400 or so great schools, not a great school system. The reason? Schools, not systems, are where parents send their kids to get an education.

“Schools, not systems, are where parents send their kids to get an education.”

The long-term vision of Children First is based on the fundamental belief that getting to 1400 great schools requires strong principals who are empowered to make instructional and management decisions and who are then actually held accountable for performance. This exchange of empowerment for accountability will unleash enormous potential from within our

schools, attract new talent to them, and drive the innovation required for the results we need. In its truest and simplest form, the vision of Children First is a bold promise.

To fulfill it, we have pursued a multi-faceted approach. Upon inheriting a broken system without the capacity to immediately transition to autonomy and accountability, we set out to bring stability and coherence while laying the foundation for leadership, empowerment, and accountability to take hold in our schools.

We know that educational standards matter – defining the knowledge and skills that kids need to be successful in a challenging economy and demanding democracy. Our leadership in Teaching & Learning has been intently focused on this, and Andres Alonso, our Deputy Chancellor, and his team are furthering this work in significant and thoughtful ways.

This work is proving effective and has paved the way for more transformative reform. The system is not only stable but stronger, and our progress in student achievement is promising. Still, there is much to do and the challenges are no less daunting than they were four years ago.

To close the gaps in student performance, we have to build upon the strong foundation of the first phase of our work, while at the same time, continuing to push toward a system of 1400 highly effective schools. Incremental change is not going to get us there. What we need is a breakthrough. This requires moving from a strategy of stabilization through centralized controls to one of school-level empowerment. The hypothesis is that giving principals greater decision-making authority at the school level and holding them accountable will raise student achievement in four ways: by attracting and retaining great school leaders, who, in turn, will attract great teachers and staff; by making school performance and expectations transparent to the public; by bringing meaningful accountability to life; and by shifting the culture from one of victimization and blame to one of empowerment and responsibility.

The concept puts the principal squarely in the CEO role. It takes the best of the charter model (empowerment, entrepreneurialism, accountability, and competition) and supplements it with the best of the traditional public school system (strong educational standards, back-office support, economies of scale, and equity considerations).

So that's the concept, and here's the reality. This past spring, Joel invited

principals to apply to operate their schools with substantially greater autonomy in exchange for heightened accountability. This was the deal: if you're willing to accept more accountability, you get more authority. Principals sign a performance agreement committing them to high levels of student achievement. These agreements outline clear consequences for under-performance, including possible termination or school closure. In exchange for this commitment, principals receive the autonomy to design and execute strategies to achieve the results. They have: decision-making authority in as many aspects of school management as possible; choice over educational programming; greater discretion over budgets; freedom from many administrative requirements; and the ability to self-affiliate into networks and participate in the hiring of the leader of their DOE support team. Principals receive in their budgets the money the system would normally spend on their behalf. This equates to roughly \$150,000 in new dollars per school, on average. Principals are served by a more streamlined back-office support structure (we call it the Integrated Service Center) and have the opportunity to purchase services via an internal market. Note that principals are still subject to the law, regulations, and collective bargaining agreements—we call this “bounded” autonomy.

The invitation was met with overwhelming response; 350 principals stepped forward for 200 spots. At the end of the process, we ended up with 332 Empowerment Schools, including 10 charter schools.

To effectively support a system of Empowerment Schools, the central bureaucracy needed to do three fundamental things. First, we had to get very serious about accountability. Jim Liebman, our Chief Accountability Officer, has defined a value-added performance framework with three elements: external quality reviews of schools, somewhat similar to the UK Inspectorate approach; periodic assessments, which are tools for principals and teachers to measure progress; and progress reports, which will be rolled out with grades to all schools next year. To support this work, we are developing a new technology system called “Achievement Reporting and Innovation System” (or ARIS, for short—what would we do without another acronym?). [Laughter.] ARIS will make real-time performance data available to principals, teachers and eventually parents so that everyone has relevant information about student progress and can make instructional decisions accordingly. If we can pull this off, it will be the most sophisticated system in the country and a powerful knowledge management tool that allows educators to share what works in their schools and search for effective ideas from their colleagues.

The second thing we had to do is turn the organizational hierarchy on its head by putting schools on top and the bureaucracy underneath. Empowering principals means that we at the central office have to fundamentally change the way we operate. We have to become a service organization. To do this, we let principals hire their own network leaders; if you will, a choose-your-own bureaucracy approach. Principals can award performance bonuses to these people if they so choose. Second, rather than impose services upon schools, we created a market so principals can purchase them from the system or other vendors. The system provides essential services with scale economies (like food, transportation), and it packages and sells other services (like professional development). By opening itself up to market forces, the bureaucracy becomes more dynamic and responsive as it organizes around schools' needs. The idea is that services the schools want, we expand. Where we offer services schools do not want, we put ourselves out of business.

“Empowering principals means that we at the central office have to fundamentally change the way we operate. We have to become a service organization.”

The third thing we had to do is move the money to the schools. We analyzed our cost structure with the goal of identifying potential dollars that could be devolved to the schools. We identified \$89 million in the regional and central support structure; of that we devolved \$49 million directly to Empowerment Schools and invested \$15 million in the new support structure (about 45% leaner than the regional structure). Giving schools more resources and flexibility allows principals to better align resources with their instructional priorities.

So where are we now? School has been open about two months. It's still early, but we have learned a few things. On empowerment, we have learned that it doesn't mean that the system steps aside and takes a completely hands-off approach. We need to confront poor performance, which requires active engagement in what matters. On accountability, we have learned that striking the right balance between what is standardized versus what is customized is delicate and important. On compliance, Joel's notion that we will not regulate ourselves to success turns out to be quite revolutionary; the red tape runs thick and rampant. Compliance is important and needs to be rethought. On money, giving principals flexibility to use their budget dollars more freely is not always within our control; it requires support from the federal and the state governments. On operations and support, the work of redefining the roles of schools and the system that supports them has its own set of challenges. The people best positioned to help us problem-solve are principals.

What we are doing along all these lines is reinvention. We are re-imagining the role of the central office of a school system. You can't invert the hierarchy without rethinking the system.

And what do the principals have to say about all of this? According to feedback from Empowerment School principals, we have plenty of work to do, but we're on the right track. Here are a few comments: "The paradigm shift of the system servicing the schools instead of the opposite has given my school community the opportunity to think about how we will together take the lead and be responsible and accountable to the changes we want to make in order for our children to achieve" "My network leader has supported my professional development and interpreting data." "I really appreciate the extra cash—we hired more teachers." And my favorite: "They try hard, even if they don't always succeed." [Laughter.]

Despite all of that, some see this as yet another reorganization and ask: Why go through the trouble, particularly with student achievement results trending positively and many of the kinks ironed out of the system? Others suggest that we are reversing course, undoing what we did four years ago, admitting defeat. They say the strategy we are pursuing is purely structural – generously, that we don't get what happens between a third grader and her teacher; less generously, that we get a kick out of rearranging deck-chairs on the Titanic.

With all due respect, they miss the point entirely.

This is not a reversal of course; it is an evolution. We couldn't be doing what we are doing today had we not invested in the capacity building that has been such a priority over the past few years. This is not structural. We are not going to "org-chart" our way out of the problems facing our public schools. This is about a fundamental change, a change in conditions to support and foster empowerment of the people who have the greatest agency in the system, our principals/educators. Remember, we didn't come here to create a great system. We're after great schools.

Our academic results call for breakthrough performance on the part of our students, schools, and the bureaucracy itself. That's only going to happen when the public education system embraces and embodies innovation. And innovation is only going to emerge when the conditions are ripe for it. Pockets of innovation in public education exist throughout the country, and in NYC, but innovation at the system level in public education remains elusive. There are many theories as to why this is the case. The core belief of Children First is that it's because the conditions are not optimal – we are

not set up to succeed.

Where we are today, in terms of student achievement, is not for lack of good intentions, sacrifice, hard work, optimism, and the talent of people working in the system. Sure, we could use more of these things, but they are not in short supply. Our work is to identify and institutionalize the conditions under which schools will have the best chance of success in educating our kids.

This is where economics comes in handy. A recent Nobel laureate, Columbia Professor Edmund Phelps, offers some insight. He recently wrote an op-ed on “Dynamism,” which he defines as the fertility of the economy in coming up with innovative ideas believed to be feasible and profitable. He describes two economic systems—the social market economy of much of Western Europe and capitalism of the United States—and explains the ways in which the United States is dynamic, to its great benefit, and Western Europe is not. What is interesting is that the description of the social market economy—the less dynamic model—is strikingly similar to the conditions under which public education systems generally operate. Phelps explains that the system operates to discourage change, is relatively inflexible, and there is no fear of changing market conditions because it is insulated. It is characterized by powerful institutions protecting the interests of stakeholders. The leadership at the top chooses a single innovation and invests big; the prevailing view is that one size fits all.

He describes the conditions that define capitalism as much more dynamic. In this model, changing market conditions are motivating. Innovation is rampant because everyone has know-how and unique knowledge; there are a lot of ideas coming from workers, investors, and consumers. Information flows freely. Many people at all levels choose different innovations and invest broadly; the prevailing view is that one size does not fit all and differentiation is important. The greater the innovation level, the greater the productivity (in education terms – better student outcomes). Where there is more productivity, there is more engagement of employees, better retention, and more investment in future innovation.

The concept of Dynamism is a way of identifying what conditions might make the public education system most effective. But how do we institutionalize them? A good place to look for strategies is the bedrock of innovation—the new economy. A recently-published book called *The Long Tail* explains how Google is great, why everything you know to be true is wrong, and why mass culture is being replaced by mass customization. How is this relevant to public education? Mass culture presumes homogeneity. Think of

it as an analogy for the factory model of education in which the system knows best, word comes down from on high, there is a scarcity of knowledge and expertise, everything is a zero-sum game and one size fits all. Mass customization, on the other hand, presumes differentiation; think of it as an analogy for a more dynamic model of education in which: the micro-level matters most; what makes sense at the macro-level almost inevitably gets it wrong where it counts; knowledge is shared freely and aggressively; and every cell is a carrier of the genetic code.

This is not a zero-sum game; time is the only scarce resource. One size fits one; many sizes fit many.

“...our Empowerment Schools construct is, in fact, a promising way to institutionalize innovation.”

If we were to take a cue from this thinking, our Empowerment Schools construct is, in fact, a promising way to institutionalize innovation. We are devolving decisions as far down as possible, sharing information, finding what works, replicating it, and building upon it, and we are customizing to meet the individual needs of the kids.

As instructive as economics may be to the question of creating conditions for innovation in the public school system, our “market” is not pure. It is a regulated one. This means the role of the system must go beyond fostering innovation. It must also define and support demanding educational standards; facilitate the transfer of best practices, which is akin to its role in fostering innovation; allocate resources strategically, equitably, and transparently; ensure compliance with laws, regulations, union contracts; and set and measure academic performance standards. Among these other functions, the most mission-critical is accountability. For the sake of the public trust and public good, we have to get that right. It is the connective tissue between education and equality of opportunity. Without accountability, empowerment is reckless and the power of innovation is not harnessed to drive student achievement. But without innovation, we’re not going to get the transformative performance we owe our students. Creating the right conditions to achieve it is our most powerful lever.

So we continue down a path of our version of entrepreneurialism. Some call it “intrepreneurialism”—reinventing the organization from the inside, in order to get the conditions right.

No, we’re not in Eden anymore. As it was for Adam and Eve, the world is all before us. And we should learn from it. Why shouldn’t our kids benefit from all of the best thinking in society today, whether from Nobel Laureates or theories from Google and the new economy? At a basic level, these are

simple principles. Most every other facet of society embraces them. Why not us?

If you think about public education in terms of economics, the unfamiliar territory of empowerment and innovation becomes quite familiar, almost intuitive. Our work and Joel's vision in Children First creating conditions for success for the system: an environment that fosters empowerment and innovation and at the same time takes accountability seriously.

One day soon the question will not be whether more empowerment is better for our schools but rather: What do our principals and educators really want to do with it? I don't think that day is far away.

Thank you.

[Applause.]

QUESTION & ANSWER

Herman Badillo: Who decides what the instruction in the classroom will be: the principal, the Central Board, or some other group such as Teacher's College?

Kane: For Empowerment Schools in particular?

Badillo: Yes.

Kane: The principal makes that decision with any manner of resources and support from either Central or some organization like Teacher's College or both.

Joe Rich: Kristen, are you and Joel going to be able to destroy enough of what was there when you came in so your successors won't be able to put it back?

Kane: Well, we're trying not to destroy too much, Joe, as you know. I think if you are asking about sustainability, the best hope we've got for this work, in my opinion, is by making the processes and the student performance expectations as transparent as possible, both to the public and most importantly the parents. And that kind of information is powerful and very difficult to take away.

Eva Moskowitz: First let me say, Kristen, I want to thank you and Joel for

your public service and your steadfastness. I think the city is incredibly lucky that you were there at the beginning and you had a lot of difficult choices to make and you are still here and that is really a testament to both you and the mayor. I think it is very, very important in the educational reform that we have some level of continuity. So thank you, and your presentation was inspiring and you are so well spoken.

I guess being at a school every day and coming from one to get here, I just think of the problems I encounter and I sometimes feel like we may be living on different planets. Although I agree that what you're saying strikes one as true, let me tell you just one example of the type of problem I experience. And note that I have a lot of freedom because I run a charter school so I have an advantage, and I am in a building with an empowerment school. So here's the problem. The security agents do not report to the principal. You may say that they do, and all your people say that they do, but when they don't show up they never call me or the principal. They report to the commanding officer in some North Central Command. So when that security agent doesn't show up, my doors are open. And one of my responsibilities is not to lose my 156 kindergarteners and first graders. That "founded autonomy"—is that the phrase you used?—strikes me as a very felicitous phrase. But that's the kind of thing that impedes; it takes your eye off of instruction if you have to worry about where that security agent is. And so I wonder what your presentation would look like if you were dealing with the nitty-gritty that those of us in the school business have to deal with on a daily basis.

Kane: It's a great point, Eva, and an excellent example of the constraints that we face. What we are trying to do in our work—and we have really only just begun—is essentially look at every function that different parts of our organization, particularly at the central level, perform. And we are trying to figure out how many of those functions, and the resources associated with them, we can push down to the school level. We can only go through that exercise for those things that we ourselves actually control at the central level. There are many, many, many things that are outside of our control, and while we are trying to change what is within our control, we have to, at the same time, work with other agencies and work with our colleagues in the State Education Department, and even with the Federal government to try to convince them that if they were to give us more degrees of freedom in certain areas, we would then pass those freedoms on to the people who can actually do something with it, like the point you make. But we do face a number of constraints in this work and the nitty-gritty is ugly.

Fliegel: I would make this suggestion, Eva. First of all, it was a model way

to ask a question. First you praised her, but it was very effective. I think what should really happen, and I think good principals do this: they should call in that security guard and say, "Look I think you are not aware of the procedures that take place here. If you are going to be out it is important that you notify me and the principal or else it causes us a great deal of problems." That's the first step. If you'd like, you can say, "By the way, I like the nice job you're doing," and then tell them what they should do. [Laughter.] I'm sure what he or she will say is, "You know I called the office and I thought they'd do it." But you say, "From now on, call us and let us know you are not going to be here." Try that out. If that doesn't work, come back and ask Joel. [Laughter.]

Diana Reyna: Thank you. I do praise the Department of Education for the plan that they have sought out to stay on track with, and it is an evolving plan. And I commend you for it. You mentioned that there are 332 some odd schools participating in the Empowerment Schools, and I've yet to have a full assessment as to which schools have been identified within my own district as far as Empowerment Schools are concerned. But after the analysis, I am going to be hopeful that there are more rather than less schools participating, because my fear is that the schools that I have in mind that should be participating in the program are not. My question to you is what then, after this year, having identified 332 schools in the program, what will happen to those that didn't and are failing and should have been the first ones applying? Because I have a funny feeling that the schools that were participating as far as becoming an Empowerment School are those that are doing much better than the bottom tier. So I just need to understand because it was a voluntary program.

Kane: Yes. It definitely was voluntary. And just to be sure that I understand your question, is it essentially, "Will there be additional Empowerment Schools next year?" or is it more, "What are we doing with all of the other schools in the system?"

Reyna: There is a report out that it's a voluntary program, and I guess it's a two part question: Are you going to expand the Empowerment Schools with the same resources or more resources, and two, if there isn't an extension, what will happen with those schools that are continually failing that are not participating because the program is geared voluntarily? So those are the schools that will never raise their hands to say, "I want to be held accountable."

Kane: In answer to your first question, we don't know yet. The chancellor

has been very clear since we embarked upon this journey that we wanted to see how it is working, and it is still early in the year and we are doing a lot of evaluation of it and talking to the folks participating in it, and learning from the schools and then he will make that decision at some point in the future. With regard to your second question, the supports that exist for all of the other schools in the system will continue to exist, and we've got tremendous educational leadership out in the field supporting those principals and accountability, which is the critical part that we've been talking about today, will be in place for all schools. So we are still going to hold everyone to high standards, it's just a question of what kind of tools the other principals have to achieve them.

Fliegel: Incidentally, not all the schools in the program are great schools. It breaks down something like this: a number, which I don't know, just ran away from their regional superintendent or their instructional superintendent just to get away; they'd be happy to go anywhere. And those aren't your strongest schools at all. And then, having been a superintendent, there's that minor technique of calling in a principal and saying, "There's a wonderful opportunity for you in the Empowerment Schools program, and I think you should take full advantage of that opportunity," so that school goes into the program. [Laughter.] Personally, I like the idea that there are diverse schools in the program because if all we got were the good schools, then no matter what was to happen, people would say, "Well, you took the best schools." I can assure you the best schools have not run into the Empowerment Schools program.

Michael Meyers: My question is a more general question about the entire system because I don't know empowerment from non-empowerment schools. My question to you and/or to the Chancellor is: Are there any more excuses left and how many do we have left? I remember the Chancellor said that the union contract was a principal impediment to progress and that he wanted to tear it up and bring it down to seven pages. I don't know how many pages we have yet, but with respect to empowering principals and making sure that they can hire, and fire, and reassign teachers and evaluate teachers and get teachers out of the system who can't teach or won't teach, how many more excuses do we have and what can we expect for the majority of our school children who have been consigned to the dung heaps of the system?

Kane: Well, the best way I think I can answer that very good question is that all we do every day is try to remove excuses, both excuses the system has long given for lack of performance and also remove the excuses princi-

pals give us for why their kids can't learn. So, that's the work of this reform.

Lindry Purcell: Hi, my name is Lindry Purcell. I'm with the Jonas Family Fund and an organization called Safe Passages in the Bay Area that does mental health work in public schools, and my question is: We're doing something similar in Alameda County in the Bay Area where we are giving principals more control. I work at three schools and obviously, by giving the principal more control, everything rests, then, in the long run on how well the principal does as a leader. What I'm seeing is that principals that have more experience in education generally are doing better jobs running their schools, and principals who just did an instant, become-a-principal-in-a-year program are plunked into a school and maybe don't have a child development background or the necessary management skills are not faring as well. I'm wondering how you predict how well someone will perform as a principal in your system.

Kane: Well, two quick things to say to that. First, from the very beginning, leadership has been identified as the highest priority of the system. If we don't have great leaders in all of the principalships across the city, all this is nothing more than theory. So that has been an extremely high priority. We developed a Leadership Academy in the city that's producing a lot of support and training for brand new principals, and there's a fair amount of mentoring that goes on as a part of that. With respect to the predictions, an important part of our strategy here is that empowering principals is not a reward for past success, but a condition for future success. So, rather than predict, we are trying to give people the opportunity, the resources, the training wherever they need it and then measure their performance.

Purcell: I'm sorry, another question. How long does that take? Because I can imagine the principals saying, "Well I need more time..."

Kane: The evaluations happen in different ways, multiple times during the course of one year. But the agreement that we ask these principals to sign in order to participate in this has a five-year term, so it's not dissimilar from a charter in New York. But we can intervene at any time based on the performance of various assessments and the quality review I described.

Fliegel: So it is a value-added system. Where were the children when you started, and where are they now? So that won't take five years.

Muriel Siebert: Do you find that the drop-out rate is decreasing as you're becoming more successful in getting the students elevated?

Kane: We're finding that the drop-out rate is declining, but only marginally. And what we're doing is trying to find schools that are incredibly effective with that population in particular. Kids who have either dropped out or are about to, many of them are doing quite well in new schools called transfer schools that we're working on to open in many parts of the city. So it's promising but it's not finished yet.

Mary Ellen Fahs: I would like you to explain a little bit more about the transfer schools. I'm a psychologist working in a clinic in East Harlem, and I work with children and a lot of them are having problems in school. That's a major thing that I try and work with and I have a number of boys who are 16 years old; one of them was assigned to repeat the seventh grade for the third time, and he came to me and he said, "Dr. Fahs, I'm not going to do it." And until you fail in the eighth grade, there's nothing for you. There is Eight Plus once you fail the eighth grade, but if you haven't gotten through the seventh grade, there is no place to go except to keep repeating the seventh grade. Would a child like that be qualified for your transfer school? Or what is to become of these boys, particularly boys?

Kane: Potentially yes, though the population of students, unfortunately, who are over age and under-credited and have failed the number of grades that you describe and have a lack of credits towards graduation is quite large. It is over a hundred and forty thousand students in our system at that age. And the supply of really effective schools that take that population and actually bring them to the next level and put them on a path to a diploma, potentially even a Regent's diploma, is very, very small. So what we're doing is making a massive investment in the development of these schools. We're studying the ones that are working well and replicating them, but as for that particular child, I'm happy to follow up with you because there may be some options in the area.

Fliegel: If you get really desperate, suggest to the principal that he promote him to the eighth grade because after the eighth grade, there seems to be possibilities for that youngster.

Fahs: Do you know I did that? The principal said, "That's illegal; I cannot do it."

Janelle Hines: Good afternoon. I'm from the United Federation of Teachers. You mentioned in your results section that compliance is one of the biggest issues that we're facing right now. What strategies are going to be employed to deal with the compliance issue, particularly for our students

with special needs, whether it's special education, English language learners, Title I populations?

Kane: It's a big question, and there's no simple answer other than just rolling up our sleeves and going through the lists and the rules and the regulations and the reporting requirements that we're obligated to fulfill for all of the institutions to which we are accountable. And then looking at the same that we impose upon our schools and asking ourselves which are absolutely non-negotiable, and which chunks of information can we get in a different way that's actually more forward-looking than backward-looking for compliance sake.

Carlton Gordon: Thank you. I don't necessarily have a question, but I just want to make a statement. I want to personally applaud the Chancellor and his initiatives with the Leadership Academy. I'm a product of New Leaders for New Schools, and it's very difficult to predict who's going to be a good leader of a good school. I would like to thank the Chancellor for thinking outside of the box because I am a product of the New York City public school system, and when I was coming up I don't recall any principals being held accountable. It was business as usual, and I don't think we would have—if it was so right, we probably wouldn't be in this position right now. So I think a change is welcome, and I think that we need to support the Chancellor's initiatives as much as we possibly can. I wish there was a crystal ball that was available that could predict who was going to be a great school leader. So thank you very much.

Fliegel: Joel, you really should visit his school. [Laughter.]

Well I want to thank everyone, and I especially want to thank Kristen Kane for a wonderful presentation.

[Applause.]

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