

Does "Management by Objectives" Work in Education?

Frank Gray and Margaret L. Burns

MBO has not lived up to expectations but still has great potential as a management tool.

Less than ten years ago, educational administrators were talking about Management by Objectives (MBO) and Planning, Programming, Budgeting Systems (PPBS). These management techniques, developed for use in business and government, were said to hold great promise for improving education. They were even mandated by law in some states. Now that schools have used MBO for a few years, it may be useful to review how well the process has lived up to expectations.

For those who may not be familiar with Management by Objectives, I will explain briefly how it works. Most school systems begin by having the board of education set general goals and priorities based on input from citizens, staff, and students. The superintendent sits with the board to develop short- and long-term objectives based on the goals. The superintendent then breaks down the objectives into subparts for the next lower levels of administration. Each person in the system takes on objectives which, when accomplished, will move the district closer to its goals. Employees are evaluated by assessing the degree to which they accomplish their objectives.

An MBO system is said to have several benefits. For one, there is increased contact between appraiser and appraisee throughout the process. The communications are purposeful, in that discussion is centered on job objectives and the de-

velopment of skills necessary to reach those objectives. Second, team management becomes a reality because the success of each manager depends upon the performance of all members of the team. Third, the process helps define priorities and encourages managers to allocate time to tasks of greatest importance. Fourth, the system provides increased recognition of each administrator's contribution.

MBO in Hyde Park

The Hyde Park, New York, schools have used MBO in performance appraisal of teachers and administrators for the past seven years. The district already had an evaluation system, but there were increasing demands for accountability. When several tenure recommendations were made without sufficient supportive data, the board instructed the administration to begin appraising employees in a more systematic way. They adopted a policy calling for a positive appraisal process designed for educational improvement.

Teachers and administrators were asked for their assistance in developing the appraisal plan, the first step toward an accountable MBO model. After a process of study and field testing, the Redfern job target program was adopted. There was a great deal of inservice for the staff to develop the skills associated with appraisal.

Concurrent with introduction of the appraisal system, the board—with involvement of the community and staff—set performance objectives in the basic skills as a high priority of the district. Improvement in basic skills performance gave focus to administrators' and teachers' job objectives, and achievement did improve as confirmed by standardized test scores. Through the years, however, the number and general quality of job objectives set by teachers and administrators has declined. My observations of this and other districts lead me to suggest several factors that interfere with successful use of MBO in education.

How Schools Are Different

One reason that MBO may not work as well in education as in some other types of organizations is the reward system in schools. Management literature is filled with examples of X and Y leadership types and theories about self-actualization. These frameworks are neatly tied to the benefits that will occur to employees as a result of the performance appraisal process. While some of this philosophy applies—namely, that people like to know and please their boss—there are some marked differences between industry and education. Performance appraisal in industry is usually tied to salary and advancement. In education, advances in salary are usually the result of the collective bargaining process and additional training. There are few financial penalties for mediocre performance. No wonder most educational administrators and teachers are cynical when at the end of the appraisal cycle, all that happens is that the material is placed in a file.

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Another major difference between education and industry is the number of people supervised. In industry, the "span of control" is often about one to six. This ratio was never even approached in performance appraisal of administrators or teachers in our district. We tried to get around it by rotating the number of staff on appraisal each year, but it wasn't realistic to place people on appraisal one year out of four. An unrealistic ratio of supervisors to those being supervised will hurt any MBO program.

Conditions in Education

Some factors are not so much a matter of differences between education and other organiza-

tions as they are reflections of current conditions in education. One important factor in our district has been the response of the teacher association. Although outwardly supportive of what they admitted was a "due process" system, and pleased with its philosophy, officers of the association

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seemed more interested in attaining their own goals than in those of the district. Agreements negotiated by the association stipulate the number, times, dates, and types of evaluation that an administrator can make. These restrictions make it difficult for administrators to fulfill their responsibilities under MBO.

An effective MBO system requires a degree of cooperation and trust between the supervisor and the person supervised. The manager shares responsibility for how well subordinates perform. Their failure to reach job targets reflects not only on them, but also on the manager. Staff development, therefore, must be part of the appraisal process.

Some MBO systems may be ineffective because job targets consist of objectives only. A well-written target should contain a work plan including a time line for specific parts of the plan, the kind of help and assistance that is necessary, the data that will be collected to assess the degree of job target achievement, and also a statement of what will be considered an acceptable level of target achievement. It is the responsibility of both the appraiser and appraisee to include all of these elements. There should be no surprises.

Also, some managers may overdo the collegial approach to setting objectives. Instead of accepting whatever objectives subordinates propose, managers may have to be more direct in negotiating objectives in accordance with district priorities.

Commitment

Perhaps the most important factor affecting success or failure of MBO is commitment. The board and superintendent must set their targets and make them public. The targets should be similar in format to those that the other managers are expected to set.

All too often, commitment is replaced by crisis. Who expected the poor fire inspection report that had everybody running around setting things straight for two weeks? Because crisis management is a fact of life, a well-planned MBO model will build in time for the unexpected. Frequent communication with the management team should be planned for, so that adjustments may be made in priorities and time lines. Records should be kept of any changes that are made, so that the final appraisal includes recognition of reasons that parts of the original plan were not accomplished.

Hidden Agendas

Some school systems begin using MBO because administrators and board members believe it will increase accountability. Board members may be familiar with its operation in the private sector and feel that if it works for business it should work for education. Others do it for political reasons. They conceive of MBO as a means of establishing control over the system and the superintendent. Because the board sets the objectives, they expect to gain a larger role in decision making.

Sometimes boards want MBO in order to "get the superintendent." Setting unrealistic demands on a superintendent can result in a poor evaluation. The fact that a superintendent has not met the objectives can be considered grounds for dismissal. On the other hand, the MBO process can be used by the superintendent for self-protection. By writing an MBO evaluation procedure into the contract, the superintendent can feel secure that his/her appraisal will be reasonably fair. He/she can set targets that are realistic, and develop data that ensures a successful appraisal. Ideally, the board's motive for starting MBO should be to improve the educational program.

Elements of a Good MBO Program

In summary, the following are key elements of a good performance appraisal plan:

1. The people involved must be skilled in the process and committed to seeing it through. This starts with a strong board of education policy that includes performance objectives.

2. The system must define jobs of all participants.

3. Each person's performance objectives must be tied to larger organizational goals.

4. Sufficient resources must be allocated to support the program.

5. Appraisal must be used as a staff development process as well as a vehicle for achieving organizational goals.

6. The system must contain rewards and sanctions for the achievement or nonachievement of objectives.

7. The system must be constrained as little as possible by negotiated contracts.

8. Sufficient time must be provided and paperwork should be kept to a minimum.

9. The system must be flexible and allow for crisis situations.

MBO holds great potential as a management tool. It is just a process, but the rewards that can accrue to students are well worth the effort of making it work in your district.



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