

Book Reviews

Local Management of Schools: Analysis and Practice

R. LEVAČIĆ, 1995

Buckingham, Open University Press

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The purpose of this study was to assess the impact of the set of measures introduced under the 1988 Education Act, known for short as the local management of schools (LMS). It was conducted 'largely from economic and organisational perspectives', although it is acknowledged that other political or cultural perspectives 'would also have much to offer'.

LMS is a system of resource allocation, the underlying principle of which was 'to secure the maximum delegation of financial and managerial responsibilities to governing bodies' (DES Circular 7/88). The book begins with an explanation of the origins of and the case for LMS, and puts it in the context of an international tendency towards the decentralisation of management decisions and the centralisation of curriculum and accountability. Successive chapters deal with models for decision-making, the process of decision-making in schools, key roles in local management and the impact of LMS. Market concepts underlie the move towards decentralisation and thus the evaluation of LMS is made in terms of efficiency, effectiveness and equity. Responsiveness, diversity and choice are mentioned but not analysed seriously. The case put for LMS is that it is not simply a managerial issue, but has wider implications for the restructuring of education. For LMS to have an effect on the quality of education, however, it must impinge on the flow of financial resources into the school, the intermediate educational activities and the outputs. Since teachers' and managers' judgements about resource allocation are highly qualitative, and data measuring inputs and outputs hard to come by, the evaluation of LMS is examined through the process of resource allocation, which, it is argued, must be linked so that decisions on how to utilise resources are informed by an understanding of how different allocations might affect outcomes.

Generally, a rather rosy picture is painted on the basis of the evidence presented. Cost efficiency has been improved, operational and administrative services can now be provided more speedily and cheaply, especially in large schools where there are scale economies available in bulk service contracts and the employment of support staff. Organisational changes have been successfully implemented, formula funding is operating, schools have coped with and are managing their own budgets, and it is claimed that there is a consensus in favour of LMS. This latter may be true of head teachers whose powers have been increased (together with their administration workload and pay), but it would be more convincing to see some quantitative evidence in support of, and also to have the view of, ordinary teachers. The author points to the development of a dual labour market in which about 10% of teachers

are on temporary contracts; she might also have mentioned the effect on morale and the costs in terms of staff time of shifting a large amount of administration and elementary accounting onto untrained staff. Casual observation suggests that LMS has contributed to the flight from teaching which has left the labour force unbalanced in its age and experience structure. Pupil-to-teacher ratios have risen but it is argued (questionably in my view) that this has been more than offset by the rise in the numbers of ancillary staff who enable teachers to concentrate on teaching

The impact of LMS appears to have led to greater cost efficiency at the expense of shutting down small schools and small year groups. The emphasis is on cost rather than quality. The input side is more pronounced for large compared with small schools. It is impossible to reach any definite conclusion on equity since it depends on value judgements about whether primary education should be emphasised at the expense of secondary and higher education. Special needs are seen as disadvantaged by lack of funds rather than LMS, which is seen as separate. Perceptions of effectiveness vary between gainers and losers. There appear to be no direct benefits in the classroom, but rather it is suggested they occur in culture and decision-making processes. In brief, LMS is seen as a way of getting efficiency and organisational control and it has increased differences between organisational structures and cultures owing to the way in which market forces have operated, plus the divergencies in political and organisational responses in different areas.

No clear conclusions are reached as to whether the new system is more effective (in achieving objectives) than the old. This is because learning outcomes and outputs are not simply a result of more resources or better motivation arising from a better integrated school culture. Similarly, in the case of equity, there is no reliable evidence on what has happened. The author acknowledges that markets are noted for their promotion of efficiency rather than their equity and so one would not expect resources to be allocated more fairly without government intervention to protect the weak and underprivileged.

LMS is reviewed from a generally sympathetic perspective, and the recommendation and suggestions for further work all focus on the technicalities of budgeting procedures and the links between resource allocation and processes, the improvement of funding formulae and the understanding of the nature and effects of resource allocation. All these issues derive from an exploration of the concepts of efficiency and effectiveness. This illustrates the strength of this approach and its (potential) weakness. Much of education policy and its perception by the public is concerned with issues of equity. The concentration on efficiency can lead to an overly narrow outlook in which teaching is seen merely as a dimension of 'human resource management' and the 'products' are valued simply in terms of minimum standards and examination results. Hitherto, education at all levels from the age of infants to adults has benefited from the goodwill of teachers (i.e. jobs which are unpaid and which do not contribute to promotion prospects), which has contributed both to the culture of the school (in the sense used by Levačić) and to the wider education of the pupils. When judged solely in terms of effectiveness and efficiency, there is a danger that the school culture will exclude extra-curricular activities whose purpose is solely to develop rounded individuals and which may also contribute to the wider social community to which the school belongs. The relationship of the school to its surrounding community, the encouragement of learning for its own sake to compete with other distractions are things which are helped by a more equitable distribution of resources.

This is not an easy book to review. The issues it deals with are technically complex, the evidence fragmented and its interpretation more than usually a matter of perspective and personal values. But even within this framework, issues such as the costs of change which have had a profound effect on workloads and morale are not addressed. Within its limits, this is a thorough and useful study whose interest lies not simply in the evaluation of LMS, but also in the deployment of economic tools of analysis to conduct the evaluation. The economist's concepts of rationality, efficiency, effectiveness, equity, input-output, principals and agents are all deployed to advantage, although, surprisingly, X-inefficiency, cost/benefit and quality are not mentioned. The emphasis on market principles and processes in the running of schools highlights both the strengths and weaknesses of the market approach, and the conflict between financial and educational standards.

The presentation of arguments is not helped by an effort to achieve precision, which results in sentences of five or six lines in length and somewhat over elaborate prose, e.g. 'the political and ambiguity perspectives as descriptions of reality act as salutary inhibitors of managerial panaceas based on rationality' – life is more complicated than managerial models! One might hope that further research will explore teacher attitudes, estimates of value for money and benefits as well as costs of the new system.

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Training for Employment in Western Europe and the United States

J. R. SHACKLETON, with L. CLARKE, T. LANGE & A. WALSH, 1995

Aldershot, Edward Elgar

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The aim of this book is to review the literature on the economics of vocational education and training (VET), and it is distinctive insofar as it takes a comparative approach. It is intended to have broad appeal, by providing an introduction to the issues and a critique of policy proposals for intermediate undergraduates, policy-makers, training practitioners and business people. With such a broad audience in mind, there are inevitably areas of weakness in the book, in terms of the depth of coverage of some of the issues and the omission of others. However, a major strength of the book is its breadth of coverage, which is only partly a function of the comparative approach taken. The book is split into four parts with 13 chapters.

The first part of the book contains three theoretical chapters, which act as a framework for the remainder of the book. Chapter 2 provides a succinct review of the basic human capital model, including a discussion of general and specific skills, the costs of training, age – earnings and experience – earnings profiles, and ending with a discussion of the sources of market failure. The exposition is clear, but unfortunately there are omissions, such as the work of Stevens (1994) on imperfect competition and the investment in training. In Chapter 3, the authors critique the human capital approach, and follow this with a brief discussion of alternative theoretical perspectives, such as the sorting – screening hypothesis, the internal labour market approach and the job competition model. An assessment and evaluation of these heterodox approaches reveals their theoretical and