

The result: The school has gained markedly in test scores as well as enrollment, luring pupils back from private institutions.

In addition to recommending that school districts develop "entrepreneurial principals," Ouchi also advocates that they allocate more money to poor and disadvantaged youngsters. This is, of course, a zero-sum game: Giving more to the poor means giving less to students from relatively well-off families.

As such, so-called weighted student formulas could be a recipe for revolt by the middle class and the rich. But they don't have to be.

In Houston, for example, as much as \$200,000 a year was diverted so that poor students "could have more," says former school board member Donald McAdams, who now heads a nonprofit organization that helps implement school reform. At the same time, Houston officials made sure that they held property taxes steady while school scores improved — a move that helped convince parents in wealthier neighborhoods that the redirecting of funds was worth it.

Even though some Houston schools have been caught up in a scandal for allegedly overstating their test results, the fact remains "that 82% of our students perform at grade level today compared to 44% 10 years ago," notes McAdams.

Yet if such reforms are so powerful, why aren't more urban school districts models of excellence?

Because — the achievements highlighted by Ouchi notwithstanding — talk is easy and implementation of reforms is considerably more complicated.

"We have a coherence problem in the system," says Alan Bensin, who has built a reputation as a reformer in six years as superintendent of the 145,000-student San Diego City Schools. Principals capable of managing a multimillion-dollar budget need to be trained and a system of accountability needs to be constructed — a process that can take years.

Other obstacles abound.

Another new book, "The 2% Solution" by columnist and former McKinsey & Co. management consultant Matthew Miller, advocates giving federal subsidies to raise the pay of teachers who toil away in urban districts — a clear analogy to the incentives common in the world of business.

But union rules, in teaching as in other trades, frown on differential pay.

Perhaps as much as any place in the nation, Los Angeles underscores just how tough education reform really is.

The L.A. teachers' union ostensibly favors more local control of schools. But "Ouchi's ideas cannot work in a big standards-based district like Los Angeles," warns John Perez, president of United Teachers-Los Angeles. "Too much local autonomy would lead to chaos."

Jose Huizar, president of the Los Angeles Unified School District board, says he is working hard to introduce a per-pupil budgeting system, "which will allocate funds according to different pupil needs."

He adds that he would like to see more "decentralization of authority" and the fostering of an "environment of performance."

But getting there, he acknowledges, won't be simple — or swift. "First," he says, "we have to train people so that we have skills and knowledge at the local school level."

Ouchi's notions are good ones. Unfortunately, at school districts such as LAUSD, the odds are that it's going to be business as usual for quite some time.

James Flanigan can be reached at jim.flanigan@latimes.com.



Copyright 2003 Los Angeles Times