Management Oversight But Not Management

By DONALD K. McADAMS

Good board members and effective boards do not micromanage, but they are trustees for the public. They must accept responsibility for establishing and maintaining high ethical standards for themselves and all school district employees. They must ensure that everyone follows the law in letter and spirit.

This means ethics codes, conflict-of-interest policies, equal opportunity for employment and contracts, transparency, periodic monitoring of business and academic performance indicators, periodic reviews of major management systems, periodic reviews of internal audit procedures and annual external financial audits.

In short, this means management oversight.

Committee Intrusion
Management oversight is a major board responsibility. But management oversight is not management. Some school boards, in their zeal to oversee management become entangled in management, slowing down decision making, disempowering their superintendent and undermining overall management effectiveness.

How do boards cross this line? Most often through standing board committees. Standing committees are established in such areas as finance, budget, facilities and personnel. The committees meet regularly, often monthly, and dig into the fine points of money management, budget monitoring and adjustments, contracts and contract management, and the hiring, compensation, discipline, transfer and termination of employees.

Board members become experts in these areas—or at least they think they do. They also establish close working relationships with the superintendent's direct reports and some middle managers.

This can be dangerous. It is not wise for board members to discuss business with district employees, except for the superintendent's direct reports. And even these conversations should be shared with the superintendent at the earliest opportunity.

For these and other reasons a committee established to review management results can easily become a committee to review management decisions, and soon board members may even start to share their opinions about upcoming management decisions. The committee may not be making official management recommendations, but board member opinions about past decisions powerfully influence future decisions, and opinions about decisions not yet made become directives.

At this point the board committee has become, in effect, a management committee, undermining the superintendent's management authority and weakening the overall management of the district.

This is not management oversight. This is management. Management oversight is not influencing management decisions before they are made. It is not even reviewing management decisions after they are made. It is guaranteeing the integrity of major management systems and processes and reviewing results.

There is a way for boards to do this with a combination of board workshops and superintendent reports or, if the board wishes, management audits by external auditors.

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To start the process, the board gives the superintendent several months' notice to prepare a workshop to educate the board and the public on a major business operation, say construction management. At the workshop, the superintendent and his or her staff explain how the system is structured, how the major processes work, how non-routine decisions are made, the use of performance measures, the effectiveness of internal checks and balances and so on.

Board members, thoroughly prepared for the workshop, have an opportunity to ask questions, request policy recommendations from the superintendent to remedy policy gaps and make suggestions. For example, board members might request policies to properly vet candidates for employment, set maximum and minimum compensation levels for job positions or govern financial portfolio management. They might suggest alternative or additional performance measures, point out deficiencies in administrative procedures, and outline the timeline and format for reports to the board on the performance of the school system. The superintendent will have no difficulty recognizing which comments have broad support.

Assurance Measures
Once management has responded with an initial report on systems changes and the board has approved the requested policy changes, the board can confidently rely on annual reports from the superintendent. (Or, where there has been a pattern of abuse or public interest is high, the board can request annual performance audits from external firms to assure itself that all is well.) At this point, with rare exceptions, board members should consider the subject closed until reports are due.

Board members now can respond to constituent and news media questions about operations in the area, confident they understand how the system works, that internal checks and balances are in place, that performance measures are being collected and that annually they and the public will receive a full report.

Meanwhile, the superintendent knows how performance will be judged that he or she is free to manage within the policies set by the board for a full year without distracting questions or requests for information. This is oversight of management without micromanagement.

Don McAdams is president of the Center for Reform of School Systems, 123 North Post Oak Lane, Suite 405, Houston, TX 77024. E-mail: mcadams@crss.org. He adapted this column from a forthcoming book, Reform Governance: A Comprehensive Theory of Governance for Urban School Boards Committed to High Achievement for All Children.