

School Accountability: Top-Down or Bottom-Up?

by

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A prominent feature of the education reform debate in Texas is the A-word: accountability. Schools should be held accountable for educating students, right? I doubt that anyone would disagree with this proposition. Then why does accountability generate so much controversy?

The disagreements over accountability are many. This article is devoted to just one distinction that can help clarify disagreements over accountability.

Accountability can be broken down into two distinct processes: top-down accountability and bottom-up accountability. Top-down accountability is the managerial response to government. Bottom-up accountability is the managerial response to consumers.

The following expands on the fundamental distinction between top-down and bottom-up accountability. It also presents the role of effective competition in explaining why top-down accountability tends to predominate for public schools and bottom-up accountability is the main focus for private schools. In closing, it elaborates on top-down versus bottom-up accountability by pointing to three further distinctions: top-down accountability relies heavily on objective measurement, while bottom-up relies more on subjective assessments; top-down accountability focuses

on a narrower range of assessment criteria than bottom-up accountability; and finally, top-down accountability tends to be a discontinuous process, while bottom-up accountability is a continuous or everyday process.

Top-Down Versus Bottom-Up Accountability: The Broad Strokes

Top-down accountability for any enterprise¹ is achieved by meeting the expectations and standards set by government. Since governments have the power of coercion, failure to meet requirements of top-down accountability can threaten substantial repercussions. These repercussions can include warnings to customers, penalties, and even closure of the enterprise. In the case of a government enterprise, such as a public school or hospital, failure to achieve top-down accountability standards can result in managerial demotions or dismissals.

Bottom-up accountability is achieved by meeting the expectations and standards of

¹ As used in this article, an enterprise is any organization that uses resources to produce goods or services. An enterprise may be privately owned, such as a private school, a delivery service (e.g., Federal Express), or a private hospital. A public school, the U.S. Postal Service, and a V.A. hospital are examples of government-owned enterprises.

consumers. Customers or consumers are the active force in bottom-up accountability. In theory, each consumer may decide to maintain, increase or decrease patronization of an enterprise. The consumer may also decide to completely terminate “doing business” with an enterprise. Consumers may enlarge their impact by telling others about their positive and negative experiences with an enterprise.

Top-down accountability comes from the expectations and standards of government authorities. Bottom-up accountability comes from the expectations and standards of customers.

Before examining the two types of accountability in education, consider this example of accountability in the restaurant business: The Sicilian Sandwich Shop (SSS) offers outstanding sandwiches and specializes in the Monster Meatball Sandwich. To be successful, SSS must be accountable – both in the top-down and the bottom-up sense.

For top-down accountability, the Sicilian Sandwich Shop must meet government health regulations. In addition, top-down accountability requires compliance with worker safety, smoking, and wages and other labor regulations. And yes, SSS must make timely IRS payments for employee taxes withheld and matching payments for payroll taxes.

Managers of the Sicilian Sandwich Shop know that top-down accountability is only part of their recipe for success. SSS must satisfy its customers, i.e., it must meet the challenges of bottom-up accountability. No particular customer has the “muscle” of government authorities. Still, customers as a group have

the power to close down the restaurant. The loss of customer base reduces revenue. If substantial, the loss of revenue can move SSS from profit to loss, and eventually out of business.

For the Sicilian Sandwich Shop to prosper and grow, those meatball sandwiches had better be hot and tasty. And, many other matters must be considered in bottom-up accountability. Customers desire prompt and courteous service. The restaurant should be clean and attractive. It might be a good idea to accept credit cards. The hours of operation should be convenient. Departing customers should, at least occasionally, hear, “Thanks for coming in today.”

While Sicilian Sandwich Shop faces both types of accountability, bottom-up accountability dominates in the minds and actions of managers. Generally, the requirements of top-down accountability can be met with routine business practices. When a restaurant fails, the reasons rarely relate to top-down accountability. Rather, failure typically results from failing to meet consumer preferences in ways that generate adequate revenue.

K-12 schools, like restaurants, face both types of accountability. Top-down accountability comes from the expectations and standards of government authorities. Bottom-up accountability comes from the expectations and standards of customers. For minor children, parents – not students – are the customers.

K-12 schooling involves two spheres of education: public and private. In each of these spheres, managers must deal with both top-down and bottom-up accountability.

Imagine yourself as the principal of a private elementary school. If state government or an accrediting institution accredits your school, you will have to meet accreditation standards. Your school must meet worker safety, disability, and wage and

hour standards. School finances must meet the requirements of tax withholding.

The larger accountability challenge for the private school principal, however, is bottom-up accountability. Since parents must voluntarily pay tuition, a private school education must provide substantial benefit to children. If not, parents can switch to a public school or enroll in another private school.² With these choices available, principals of private schools must be highly attentive to the desires and expectations of parents.

Now, imagine yourself as principal of a public elementary school in a district with ten other elementary schools. Certainly, you are concerned about parents and bottom-up accountability. To some extent, parents are your partners in creating a successful educational experience. Moreover, dissatisfied parents may want out of your school. Parents have three options. They may attempt to enroll their children in another of your district's elementary schools. Parents may move to a different school district to give their children an opportunity to attend another school. (A common variation of this choice is deceiving the desired school district into believing that your child has moved within their district boundaries.) Finally, parents may decide to incur the added financial cost of enrolling their children in a private school.

The ability of dissatisfied parents to exercise one of these three options is closely related to the income level of parents. Lower-income families generally lack the financial capacity to pay private school tuition. The financial hurdle to moving to another school district is harder to clear for poorer families.

While the principals of public schools are attentive to bottom-up accountability, the primary concern for most Texas public schools

² Home schooling could be considered as another option. This article views home schooling as a private school choice.

is top-down accountability. Under Texas law, the Texas Education Agency (TEA) rates each school and school district annually. For 2000-2001, each school is given a "grade" of Exemplary, Recognized, Acceptable, or Low Performing. (For school district rankings, the TEA uses the term "Unacceptable" instead of "Low Performing").

The ranking formula for schools incorporates three indicators: student attendance rates, student dropout rates, and student performance on the Texas Assessment of Academic Skills (TAAS). TAAS performance in the areas of reading, math, and writing are built into the accountability system. The all-important TAAS indicator is the percentage of students who pass (considering the overall student population and various subgroups). The TAAS tests are administered in April. The TEA releases school and district rankings in August, prior to the beginning of the next school year.

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In the face of expanding top-down accountability in Texas public schools, bottom-up accountability has declined in relative significance. Public schools strive for high and improved TEA ratings. Instead of responding directly to parental expectations, public school principals are tuned into the expectations of district administrators and the TEA. Of course, it is possible that school response to top-down accountability also serves students and parents. However, if this is the case, it is the indirect result of top-down accountability.

The Foundation of Differing Accountability Emphasis

We have seen that top-down accountability dominates within public schools and bottom-up accountability permeates private schools. This being the case, it is important to realize why the “accountability balance” is tilted differently for the two spheres of K-12 education. In simplest terms, the key explanation is the existence of effective competition, which makes consumer choice a reality. Parental or consumer choice means little without effective competition.

Public education is arranged in ways that dramatically limit choice for most parents. The two key choice-limiting features of public education are the geographic boundaries of school districts and taxpayer financing.

The unique organization of K-12 public education confines customers to particular geographic areas. To avail themselves of public education, children are assigned to schools within school district boundaries, generally with little choice among schools allowed.

Other government enterprises do not have similar geographic limitations. A person can mail a package at any U.S. Post Office in Waco, McLennan County, or beyond. However, a family living in McLennan County is limited to just one of the county’s 14 school districts and one of its schools for the consumption of educational services.

In addition to geographic confinement, competition in public education is limited by reliance on funding through taxation. School districts generally do not obtain revenue from direct payments from parents who choose their

schools. Rather, schools are funded directly by school district taxes and grants drawing on state and federal tax revenue. Payments by parents, linked to their school choice decisions, play no role in school funding.

These conditions severely limit competition from other public schools and from private schools. Typically, school districts do not accept students from other districts. If they do, they normally charge tuition. Private school competition may be an option. However, the parent’s choice is far from an open market choice. To choose a private school, the parent must reject educational services available free of charge (i.e., those provided with no added cost to family budgets).

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Moreover, the choice between a public school and a private school fades into no choice at all as family income decreases. The playing field of competition between public and private schools is decidedly “unlevel.”

With competition substantially diminished, public schools can be confident that the vast majority of their students will return year after year. With most parents of children in public schools lacking alternatives, the efficacy of bottom-up accountability is severely weakened relative to top-down accountability.

Effective competition and consumer choice is very much a reality for parents sending their children to private schools. The situation in education is similar to the restaurant business. The Sicilian Sandwich Shop charges \$5 or \$6 for lunch and competes with La Petite Bakery, which charges similar amounts for their dainty croissant sandwiches. The competition is robust, but the playing field is level.

The private elementary school may charge \$4,000 in tuition for a year. Other private elementary schools may charge more but offer a more rigorous curriculum and teachers with better training.³ In this way, the competition among private schools is similar to the competition among restaurants.

Actually, private schools face even more rigorous competition. The Sicilian Sandwich Shop does not face competition from a government restaurant financing its menu offerings through taxes and giving the meals away to patrons free of charge. However, this is precisely the competitive situation faced by private schools.

The private school parent always lives in a school district that offers education at zero-added cost to family budgets. Indeed, the typical private school operates in a highly competitive environment. This being true, the forces of bottom-up accountability are quite robust in private schools.

Public schools and private schools operate in very different competitive environments. Therefore, it is not surprising that the two spheres of education operate within vastly different accountability environments. Public schools, with weak competition, are dominated by top-down accountability to government. Private schools, facing strong competition, are focused on the forces of bottom-up accountability to parents.

³ The availability of alternative private schools is more likely within larger cities and suburban areas. Effective competition for private schools in small cities and rural areas is not likely because of the limited size of the market.

Additional Distinctions Between Top-Down and Bottom-Up Accountability

To conclude this examination of school accountability, we should recognize additional distinctions between the two types of accountability. Important comparisons include: (1) objective versus subjective evaluation, (2) narrow versus broad inclusion of evaluation criteria, and (3) discontinuous versus continuous evaluation.

A common characteristic of top-down accountability is objective, or specifically measured, evaluation. Principals in Texas public schools are fully aware of how the TEA assigns grades of Exemplary (E), Recognized (R), Acceptable (A), or Low Performing (LP) to schools. School ratings are determined by TAAS tests, student attendance, and student dropout rates according to a specific formula. On the first day of the school year, the principal knows how his or her school will be measured in the state's top-down accountability system.

Bottom-up evaluation in private schools is subjective. Each parent makes the judgment about whether the school receives an E, R, A, LP, or some other "grade." Parents make their judgments according to their subjective evaluations of course work, school environment, and extracurricular activities.

At the beginning of the school year, the private school principal does not know the objective criteria for gauging success in terms of bottom-up accountability. Facing subjective judgments of parents, the private school principal must be vigilant in recognizing the varied and changing concerns. This is similar to the competition between the Sicilian Sandwich Shop and La Petite Bakery. For bottom-up accountability, there is no

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objective measure of an “exemplary” or “recognized” sandwich. A satisfactory dining experience is what customers judge it to be.

Closely related to objectivity/subjectivity is the range of criteria or variables considered in accountability. With the burden of making objective measurements, top-down accountability narrows the range of variables considered.

In the Texas system of accountability, TAAS tests do not include every grade and all subjects. Student attendance and dropout rates are also part of Texas top-down accountability.

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However, there are many other matters that play no part whatsoever in top-down accountability. TAAS is included in TEA ratings as pass rates – not average test scores. This effectively excludes the performance of outstanding students and outstanding teachers.

School safety is a growing concern of parents. However, this plays no explicit role in top-down accountability. While Texas public schools are doing more each year in character education, this is not included in TEA grading of public schools.

For private schools, on the other hand, the criteria or variables included in bottom-up accountability are as numerous as school parents. School administrators must be aware of a wide range of parental concerns. As with the Texas top-down accountability, academic performance in the areas of reading, writing and math are relevant. But other subject areas

– from the sciences, to art, and drama – are also important. Likewise, athletic and other extracurricular experiences are important to many parents. School safety and character education are growing in relevance to parents each year.

The final comparison of top-down and bottom-up evaluation is continuity of the evaluation process. With top-down accountability dominated by TAAS testing, public schools focus their attention on the huge week of high-stakes testing in April. Then in August, the TEA sends out report cards to school campuses and school districts. Each year brings the same discontinuous evaluation cycle dominated by TAAS testing.

Bottom-up accountability is daily accountability. Parents have their diverse concerns about the education of their children, and they have these concerns every day and every week. Again, the accountability environment is similar to competitive restaurants. At the Sicilian Sandwich Shop, those meatball sandwiches have to be well prepared every day. And, the croissants should be flaky and moist every day at the La Petite Bakery.

Private school principals know that every day is evaluation day. Realizing this, they tend to be in tune to potential school problems. With continuous evaluation, principals are enthusiastic about additional students enrolling after the school year has begun and want parents to spread the positive word about their schools. On the other hand, they dread the real possibility that a parent will withdraw children from their school to enroll them in another private or public school.

This article has pointed out the distinction between top-down accountability to government authorities and bottom-up accountability to school parents. The emphasis on top-down accountability in public schools and bottom-up for private schools is explained

by the relative lack of effective competition and consumer choice in public education.

Additional accountability distinctions are that bottom-up accountability tends to be subjective, encompasses a broad range of criteria, and operates on a continuous basis.

This survey of the nature of top-down and bottom-up accountability by no means exhausts the issues involved. Are there ways to improve each type of accountability?

Can education reform strengthen the role of bottom-up accountability in public schools?
Can and should education reform extend

greater top-down accountability to private schools? If school voucher programs involve greater top-down accountability, will this undermine the role of bottom-up accountability? As the debate over education reform proceeds, the A-word will continue to hold center stage.

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