

**The Influence of Sector on Human Resource Management:
Public, Charter, and Private Schools**

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Abstract

There is a longstanding debate in public administration as to differences and similarities in management practices across sectors. Furthermore, a number of scholars have argued for the institution of market-based reforms as a means to transform and improve public sector services, including the education system. Charter schools have emerged as a form of education reform that proposes to improve the educational system through choice, competition, and autonomy from the bureaucracy of traditional public school districts; but their implications are not yet fully understood. This mixed-method study analyzes differences in human resource management across public, charter, and private schools, with a focus on formalization and autonomy. In support of other research on public-private management differences, quantitative and qualitative findings suggest that public schools are more formalized and have less autonomy than do private and charter schools. Findings also provide support for the core approach in the public-private management debate, suggesting that legal organization has a significant influence on management practices, at least more of an influence than funding with regard to personnel practices.

There has been a long standing debate in organizational theory as to whether generic organizational theories apply to both public and private sector organizations, or whether differences between the sectors preclude the applicability of theories from one sector to the other. This debate surrounding public-private management distinctions had emerged by the 1970s (Rainey, Backoff, and Levine 1976), but little consensus has developed over the past thirty years. Scholars continue to argue whether management is generic, whether there are fundamental differences between public and private management that preclude generic organizational theory, and whether those differences are based on ownership or other factors.

Furthermore, the application of market-based reforms to the public sector has been a critical issue in public affairs for over a decade. The charter school movement is one manifestation of such reforms in the field of education. Charter schools are publicly-funded schools, operating under a charter with an authorizing body within the state, that may be owned and/or managed by non-public entities such as private companies or non-profit organizations. School sectors, with organizations spanning public, private, and hybrid forms, serve as a natural, but thus far neglected, source for examining theories of the public-private management debate.

The Public v. Private Management Debate

Despite decades of research on the public-private management debate, there still exists uncertainty regarding the extent to which public and private management differ, and which factors play a role in such differences. Scott and Falcone (1998, 1-3) characterize three schools of thought in the public-private management debate. First, they identify the “generic approach,” which argues that public and private management is primarily the same and that best practices can be developed across sectors. Although this approach is rare among contemporary public affairs scholars, there have been supporters (Baldwin 1987; Murray 1975; Gold 1982).

Second, the “core approach” asserts a line of demarcation between public and private organizations based on legal ownership, arguing that there exist fundamental differences between public and private management. Aligned with this approach is the argument that the fundamental differences between the sectors preclude the effective transmission of management practices across public and private organizations (Allison 1980).

Third, the school they term the “dimensional approach” represents those arguments acknowledging more of a continuum between the two. This approach, first articulated by Myron Fottler (1981) in “Is Management Really Generic?” and Barry Bozeman (1987) in *All Organizations are Public*, suggests that “the difference between public and private is a matter of degree; publicness is both a behavioural category, not a legal one, and multi-dimensional” (Antonsen and Jorgensen 1997, 338). One of the major assets of this approach is its ability to incorporate mixed organizational forms, such as government enterprises and privately owned government contractors, which do not fit appropriately within the core approach framework. Scholars have recognized that “...it has become increasingly difficult, and perhaps irrelevant, to classify organizations as purely public or purely private using a formal criterion. The boundary between the two is too blurred and the public sector acquires private sector characteristics at a rapid rate” (Antonsen and Jorgensen 1997, 338). One of the limitations of this approach, however, is the lack of consensus as to which factors to include in determining degrees of publicness. Bozeman (1987) focuses on the impact of external political authority; Bozeman and Bretschneider (1994) focus on funding and ownership; and Antonsen and Jorgensen (1997, 337) “define ‘publicness’ as organizational attachment to public sector values; for example, due process, accountability, and welfare provision.”

Studies have come to different conclusions regarding the appropriateness of the three approaches. Bozeman and Bretschneider (1994) and Scott and Falcone (1998) provide some support for both the core and dimensional approaches. In other words, in both studies, some measures support the argument that the public-private distinction is based on ownership (core approach); other measures support the argument that other factors are also important (dimensional approach). Furthermore, Scott and Falcone's findings indicate that the core approach is more useful in explaining "personnel functions and external outputs," but the dimensional approach is better at explaining "large-scale procurement and internal research funding functions" (1998, 9).

Over the years, scholars have examined differences between the sectors empirically. Studies have examined numerous aspects of management across sectors, including goals (Rainey, Pandey, and Bozeman 1995), motivation (Baldwin 1987), and leadership (Hooijberg and Choi 2001). Studies examining the differences between the sectors in the areas of formalization and autonomy are the most applicable to the present study.

Formalization has been defined as "the extensiveness of rules and formal procedures and their enforcement" (Rainey and Bozeman 2000, 7). Some empirical studies suggest that public organizations have more rules and procedures, both generally (Antonsen and Jorgensen 1997; Chubb and Moe 1990), and specifically in terms of personnel systems (Bozeman and Bretschneider 1994). Other studies, however, have resulted in conflicting findings. For example, Kurland and Egan (1999, 447) report that their findings indicate "that public employees did not perceive higher levels of job formalization."

Formalization has been identified in public human resource management specifically (Bozeman 2000). The literature acknowledges that public organizations are generally larger, older, and more unionized than private sector organizations (Harel and Tzafrir 2001). These characteristics may lend themselves to greater formalization in human resource management practices. For example, one of the suggested reasons behind the greater formalization in the public sector found in prior studies is the extent of unionization of that sector: “The higher level of unionization in the public sector also leads to a higher level of formalization in the process of recruitment and selection in order to comply with the collective bargaining agreement” (Harel and Tzafrir 2001, 325).

The literature also suggests that public sector managers have less autonomy in their decision making (Baldwin 1987; Boyne 2002). This appears to be particularly true in terms of human resource management capacity and is related to the literature on formalization. If public managers are subjected to large numbers of inflexible rules concerning hiring, firing, and promotion, it follows logically that their autonomy in decision making is lower. Empirical research supports these claims that public organizations are less autonomous than private organizations. Coursey and Rainey (1990) found that managers in public agencies have less autonomy over personnel issues than their counterparts in the private sector (See also Antonsen and Jorgensen 1997).

There is, however, some evidence that some of these issues concerning formalization and autonomy are changing in the public sector, generally: “For many years, public organizations have been less flexible than private organizations in choosing human resources and developing them. However, awareness of the strategic role of human resource practices has finally penetrated to the public organizations” (Harel and Tzafrir 2001, 345).

Formalization, Autonomy, and Schools

As noted above, school sectors provide an appropriate foundation for assessing the similarities and differences between public and private management. The present study compares the human resource practices of schools across the public-private spectrum. The primary distinction between private and public schools concerns whether they are owned, funded, and/or operated by governments or private companies. Recent reforms, such as charter schools, blend the above distinctions between public and private schools, resulting in a kind of hybrid organization, as charter schools have been recognized in the literature (Manno 2000). As Lubienski (2003, 404) explains, charter schools are “public-private hybrids,” which “occupy an area between the different institutional roles (and consequent structural characteristics) typically played by public and private schools.”

Charter schools are publicly funded schools, operating under a charter from an authorizing entity or board. Charter schools, which originated in practice in Minnesota in 1992 (Schroeder 2004), have become a widespread means in which to instill choice and competition in the public education system. As defined by Peterson and Campbell (2001, 6), “[c]harter schools are those schools granted a charter by a state agency giving them the right to receive state funds in exchange for commitments contained in the charter.” In other words, charter schools are publicly-funded schools that operate under contract and may be managed by non-public entities such as private companies or non-profit organizations. There are a wide variety of charter schools, as well as various motivations for supporting them, but a common characteristic is the desire for greater autonomy from the public school bureaucracy. Unlike private schools, charter schools are accountable to a charter granting entity, but presumably have far greater discretion in the operation of the school than traditional public schools.

For proponents motivated by instilling market mechanisms into public education, the conceptual origin of the charter school movement is attributed to John E. Chubb and Terry M. Moe's influential and controversial book *Politics, Markets, and America's Schools* (1990)ⁱ. This book presents the findings from research examining the characteristics of effective versus ineffective schools. Its fundamental argument is that the primary problem with public education in the U.S. is institutional—the democratic governance of public schools impedes the ability of schools to organize effectively. The authors propose charter schools as a means to reduce the bureaucracy of the public school system, and thus improve school effectiveness.

Chubb and Moe (1990) examine four areas of schools: personnel, goals, leadership, and practice. The authors argue that the institutional setting of a school influences significant dimensions of a school's organization:

Democratic control tends to promote bureaucracy, markets tend to promote autonomy, and the basic dimensions of school organization—personnel, goals, leadership, and practice—tend to differ in ways that reflect (and support) each sector's disposition toward bureaucracy or autonomy (Chubb and Moe 1990, 61).

This study focuses on the personnel aspects of Chubb and Moe's study, which the authors emphasize as a particularly significant area affecting organizational effectiveness: "Personnel constraint may well be the critical determinant of whether public school organization is affected adversely by bureaucracy" (Chubb and Moe 1990, 277). In terms of their analysis of personnel policies, the authors report that public principals are more constrained in terms of personnel decisions as a result of statutes and requirements as well as the unionization of teachers. Private school principals have more discretion in personnel practices such as the hiring and firing of teachers. In other words, personnel decisions are more formalized and principals have less autonomy in public schools than in private schools. Their argument suggests that the bureaucratic constraints of personnel policy in public schools result in less organizational

effectiveness than the more autonomous personnel policies that are more characteristic of private schools.

Charter schools have since emerged as an alternative to the bureaucracy of public schools. In the years following the publication of *Politics, Markets, and America's Schools*, over 4,600 charter schools have emerged, educating over 1.4 million students (Allen, Consoletti, and Kerwin 2009). Charter schools have clearly become a part of the public education landscape:

In a short time, these independent public schools of choice, freed from rules yet accountable for results, have spread like wildfire across much of the land, providing schooling alternatives for hundreds of thousands of families and challenging some basic assumptions about public education (Finn, Manno, and Vanourek 2001, 19).

Despite this relatively quick growth of the charter school movement, the implications for such reforms are not yet fully understood. School choice generally and charter schools as one manifestation of school choice have forceful critics (Henig 1994; Smith 1994; Smith and Meier 1995) as well as supporters (Medler 2004). Questions remain about the extent to which charter schools are freed from bureaucracy, as well as the effectiveness and appropriateness of charter schools in generating the administrative and curricula innovations, and subsequent improvements in achievement, that charters claim to generate (Lubienski 2003). Although school choice criticisms such as the potential consequence of a reduction in effectiveness and/or equity are clearly important areas for research, this study focuses on the formalization and autonomy across school sectors without assessing the effectiveness or unintended consequences of such management practices.

This study brings together public-private management theory and the literature on human resource practices in schools. As explained above, Bozeman and Bretschneider (1994, 197) define “publicness” as “a characteristic of an organization which reflects the extent the

organization is influenced by political authority.” Applying this dimensional approach to education allows for the development of a continuum of publicness across school sectors. Following Bozeman and Bretschneider’s (1994) logic, traditional public schools would exhibit the highest degree of “publicness,” private schools the lowest, and charter schools would fall somewhere in the middle. This study focuses on funding and ownership (or legal organization) as the two dominant factors in determining degrees of publicness, as did Bozeman and Bretschneider (1994).

Empirical Findings on Human Resource Management in Schools

There have been a limited number of studies examining human resource practices in charter schools (Triant 2001) and across school sectors (Ballou and Podgursky 1998; Podgursky and Ballou 2001; Podgursky 2006). Thus far, research has generally supported the contention that private and charter school principals have more autonomy and their school’s policies are less formalized than their public sector counterparts (Ballou and Podgursky 1998; Bulkley and Fisler 2002; Podgursky and Ballou 2001; Triant 2001).

Michael Podgursky and Dale Ballou (Ballou and Podgursky 1998; Podgursky and Ballou 2001; Podgursky 2006) are perhaps the most notable researchers examining human resource management across “traditional” public, private, and charter schools. As such, their research deserves particular attention. In “Teacher Recruitment and Retention in Public and Private Schools,” (1998) they examine differences in personnel practices between public and private schools. In “Personnel Policy in Charter Schools” (2001) and “Teams Versus Bureaucrats” (2006), they broaden the scope of personnel policies examined and include charter schools. Their findings echo some of the broader literature on personnel policy across sectors, specifically in the areas of formalization and autonomy. Overall, they conclude that, at least within the states

examined, “when given the opportunity, charter schools pursue innovative personnel policies that differ in key respects from those of traditional public schools and more closely resemble the practices of private schools” (2001, 24).

In terms of hiring policy, Ballou and Podgursky (1998, 2001) find that private school administrators usually have the ability to hire teachers who lack state certification and that charter schools behave more closely to private schools in hiring flexibility with respect to state certification. Open-ended responses also include the perception that the small size and independence of the school permit them to “avoid the red tape of dealing with a personnel office,” and that the recruitment process involves parents, teachers, and board members (10-11). It is important to note, however, that this research was conducted prior to the passage of No Child Left Behind (2002), which includes a requirement for “highly qualified teachers” that applies to charter as well as traditional public schools.

Ballou and Podgursky (1998; 2001; 2006) have also investigated administrators’ flexibility in dismissing poor teachers, the length of teachers’ contracts, and tenure. In line with the research on private organizations generally, they have found that charter schools, like private schools, are able to remove ineffective teachers, have shorter teacher contracts or at-will employment, and are less likely to have tenure.

Michael Podgursky and Dale Ballou have provided significant research in the area of personnel policies in charter schools; however, there is clearly room for additional research in this area. Podgursky and Ballou’s 2001 report gave an account of research collected during the 1997-1998 school year and Podgursky’s 2006 paper is based primarily on data collected over the 1999-2000 school year. As ten years have passed since their research, the charter school landscape has changed dramatically. Charter schools have become much more prevalent,

educate many more students, and some have been in operation for over a decade. In addition, the policy landscape has changed in that time. Not only may state charter laws have changed, but the federal No Child Left Behind (2002) legislation has been implemented, and state and federal legislation have the potential to dramatically impact the nature of charter school personnel policies.

Methodology

Broadly construed, the purposes of this study are to examine differences between public and private management with regard to schools and to examine the implications of charter schools on school management. The primary research question is as follows: Do differences in human resource management exist between public, private, and charter schools?

Hypotheses are as follows:

H₁: Personnel policies are more formalized in more “public” schools.

H₂: Principals in more “public” schools have less autonomy than principals in more “private” schools in terms of personnel decisions.

Data collection methods consist of a survey to principals¹ of elementary schools in the states of Arizona, Colorado, Georgia, Massachusetts, Michigan, and the District of Columbia and interviews with the principal/head of school at 16 schools in Michigan, Massachusetts, and Colorado, including a mix of four public, six charter, and six private schools. Statesⁱⁱ were selected based on several considerations: 1) the need for several states with particularly high rankings in terms of strength of state charter laws, as measured by the Center for Education Reform, 2) variability in charter laws across states, 3) sufficient numbers of charter schools in each state, 4) states that have had charter laws in place for at least five years.

¹ Titles varied, including “Headmaster” and “Director”

Requests to participate in the online survey were mailed and/or e-mailed to 1191 principals/heads of schoolsⁱⁱⁱ in the states of Arizona, Colorado, Georgia, Massachusetts, Michigan, and the District of Columbia. Principals are in a rather unique position to judge both the external constraints on their authority, as well as the quality of teachers, and have been the subjects for other research studies examining personnel issues at the school level (Ballou and Podgursky 1998; Triant 2001). The survey consists of primarily close-ended questions, but includes several open-ended questions as well. The response rate is approximately 20 percent, with 233 respondents, although only 201 responses completed the survey sufficiently for use in most of the analyses reported here.

In this study, “publicness” is the primary independent variable, as represented by the levels of public, charter, and private schools. Levels of the independent variable are operationalized as follows:

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|------------------|--|
| Public Schools: | Schools that are funded and owned by the public sector. |
| Private Schools: | Schools that are funded and owned by non-public entities. |
| Charter Schools: | Those schools operating under the charter school laws of their respective states. For these schools, the primary funding, ownership, and/or operation functions are generally divided between the private and public sector. |

Formalization of personnel procedures and principal autonomy serve as dependent variables in the analyses. Formalization of personnel procedures is operationalized as the extent to which personnel policies are written and inflexible. Principal autonomy is defined as the relative ability of the principal to make personnel decisions independently.

Due to the variety of survey items, multiple statistical analyses were applied to the data, including multiple linear regression analysis, ANOVA, and chi-square, depending on the nature of the variables. Although the results of the regression analysis on summated scales are the

quantitative focus of this paper, supplemented by a few chi-square analyses on nominal data, support for the study hypotheses is consistent across all three types of statistical analyses and for a multitude of individual variables.

Results

Formalization

Formalization refers to the extent to which human resources policies and procedures are written and inflexible. All statistically significant results support H₁: Personnel policies are more formalized in more “public” schools. Generally, the differences between public and charter schools and the differences between public and private schools are significant, suggesting that public schools are more formalized than both charter and private schools. Differences between public and private schools are generally not significant. In fact, a smaller percentage of charters respond that they have tenure and/or a salary schedule at their schools. The qualitative findings support the quantitative analysis, providing additional insight.

As noted above, this study uses multiple linear regression to analyze formalization. A summated formalization scale includes five items involving general personnel policy, as well as dismissal, hiring, and evaluation policies. Multiple regression analysis supports the hypothesis that “publicness” has a positive relationship with formalization. Of the independent variables included—school sector (using public and private sector dummy variables), number of students, free and reduced lunch eligibility, and school location (using rural and urban dummy variables)—public sector is the only significant independent variable. As demonstrated in Table 3, the multiple regression for this model is significant ($p < .001$), with the public sector variable significant ($B = .345$, $p = .030$), suggesting a strong, positive correlation between “publicness” and formalization. The model only accounts for less than one-tenth of the variance ($R^2 = .115$,

adjusted $R^2 = .088$), however, indicating that other factors play an important role in explaining variance in scores on the summated formalization scale. As shown in Table 2, this scale has a Cronbach's alpha of .603, demonstrating questionable internal reliability.

This finding is further supported through chi-square analyses on several nominal variables, as demonstrated in Table 1. Public schools demonstrate the highest levels of formalization in terms of the existence of written policies for evaluation, salary schedules, and tenure. As far as written policies for evaluation, 95.6% of public schools respond affirmatively when asked if their school has a written policy outlining methods to be used for evaluating teachers' performance, compared with 78.4% of charter schools and 66.0% of private schools ($X^2 = 18.564$, $p < .001$). The analyses also demonstrate a significant difference in terms of salary schedules, with 97.3% of public schools responding affirmatively when asked if their school uses a salary schedule for determining teachers' pay, compared with only 60.2% of charter schools and 78.0% of private schools ($X^2 = 31.159$, $p < .001$). Tenure analyses reveal the largest gap between public and private/charter schools, with 93.2% of public schools answering yes to the following question: "After serving with your school for a specified number of years, are your teachers awarded tenure (a special employment status, guaranteeing contract renewal except in unusual circumstances, subject to due process)?" This compares with only 12.5% of charter schools and 14.0% of private schools ($X^2 = 126.917$, $p < .001$). It is interesting to note that the percentages for charter schools fall outside the range between public and private schools for both tenure and salary schedules.

Table 1
Summary of Chi-Square Analyses for Formalization

Variable	Responses	Public (n=73)	Charter (n=88)	Private (n=50)
Written Policy For Evaluation $X^2=18.564, p<.001$	No	4.1%	21.6%	34.0%
	Yes	95.9%	78.4%	66.0%
Tenure $X^2=126.917, p<.001$	No	6.80%	87.50%	86.00%
	Yes	93.20%	12.50%	14.00%
Salary Schedule $X^2=31.159, p<.001$	No	2.70%	39.80%	22.00%
	Yes	97.30%	60.20%	78.00%

The sixteen interviews with principals provide context and support for the quantitative findings. All of the public school interviewees responded that their schools have formal hiring, evaluation, and dismissal policies. The charter and private school respondents also reported the existence of formal evaluation policies, but there appears to be less formalization in terms of hiring and dismissal policies at both charters and private schools. For example, although the difficulty in dismissing ineffective teachers, in part due to the formal, inflexible nature of dismissal policies, is identified as a major challenge for traditional public school principals, this is one of the areas with the least formalization for charter and private schools in the qualitative component of the study. Some of the private and charter schools explained that their lack of formal dismissal policies is based on legal advice. As one charter school principal responded to a question asking if the school had formal policies for dismissal, “No not officially. Because we are employment at will. Once you put something like that in writing, it destroys your employment at will status.”

The interviews also shed some light on the differences between salary schedules between sectors. In the qualitative component, all of the public and private schools interviewed consistently reported the existence of salary schedules based on experience and education,

factors generally associated with traditional schools. Most of these private school principals, however, reported that they have the ability to diverge from that salary scale, unlike their public school counterparts. Charter schools in the qualitative component have lower rates of salary scales, which is consistent with the quantitative results, and they, too, typically reported the ability to diverge from those schedules. Interestingly, despite the consistent reports of strict salary schedules in public schools, two of the public schools principals interviewed reported that their teachers have an option for another system of pay or that their salary schedule was changing to incorporate a role for student performance—and these two public schools are located in different states.

It is important to note that the qualitative component reveals differences within sectors as well as distinctions between them. For example, in terms of the formalization of hiring policies, two private school principals had very different responses, with one explaining that his commitment to get the best teacher takes precedence over the written hiring procedures—that he has “unilaterally made that decision, gone to the team and apologized for not following the process” when necessary, while another private school interviewee emphasized how “strict and very tight” they are with regard to even the interview questions. Furthermore, the qualitative component suggests that formalization is an evolving process—that perhaps charter schools are simply too “young” to be formalized. As one charter school principal explained: “And as a charter school, . . . you can’t have everything right now. You have to take it in baby steps and just kind of grow.”

In sum, both the quantitative and qualitative findings suggest that public schools demonstrate greater formalization, including the inflexibility of such policies, than their charter and private counterparts. Public school human resource policies are typically written, inflexible,

and created at the district level. Private and charter schools have less formal, more flexible human resource policies.

Autonomy

The analyses are also supportive of H₂: Principals in more “public” schools have less autonomy than principals in more “private” schools in terms of personnel decisions. This study analyzes a second scale, a summated autonomy scale, combining multiple items indicating the extent of principal autonomy. As shown in Table 2, this scale combines nine variables in areas such as autonomy in making decisions, constraints on decision-making, and the independence of decision-making. This included areas such as hiring, evaluation, and dismissal, but also constraints due to other forces such as boards, unions, and educational management organizations. Cronbach’s alpha was calculated for this scale to assess internal reliability. With an alpha of .735, this scale demonstrates acceptable internal consistency.

Multiple regression analysis of the summated autonomy scale supports the hypothesis that “publicness” has an inverse relationship with autonomy. Using the “enter” variable selection method, multiple regression analysis predicts scores on the summated autonomy scale using the following independent variables: number of students, free and reduced lunch eligibility, school sector (using public and private sector dummy variables), and school location (using rural and urban location dummy variables). As indicated in Table 3, the model accounts for about one-fifth of the variance in scores on the summated autonomy scale ($R^2 = .203$, adjusted $R^2 = .178$), $F(6, 195) = 8.259$, $p < .001$. The public sector dummy variable is the only variable with significance. With a Beta value of $-.686$ and significance at $p < .001$, this demonstrates a strong, negative relationship between autonomy and public school sector.

Most of the items related to autonomy are included in the scale to maximize internal reliability as measured by Cronbach's alpha. Aside from the variables included in the summated autonomy scale, there are no other significant analyses directly assessing the autonomy of principals. There are two related scales, however, that warrant some discussion. In a strict sense of principal autonomy, one could argue that principals have relatively less autonomy when other groups, whether higher or lower in the organizational hierarchy, have higher levels of influence. In order to look at some of the influences from above, a Summated Board and District Influence Scale combines nine items assessing the extent of influence the local school board/district, school district staff, and the governing/diocesan board has on hiring, dismissal, and evaluation influence. As Table 2 shows, Cronbach's alpha for this scale is .698, which is very close to the acceptable range for internal consistency. Using the same independent variables as the models for the formalization and autonomy scales, the overall model is significant ($R^2 = .137$, adjusted $R^2 = .11$), $F(6, 195) = 5.158$, $p < .001$, with both the public sector variable ($B = .334$, $p = .001$) and the free and reduced lunch eligibility variable ($B = .431$, $p = .012$) significant. This analysis suggests that both the public sector and the percentage of students eligible for free or reduced lunch have a strong, positive relationship with levels of board or district level influence. In other words, the analysis provides additional support for the argument that public schools with high levels of low-income students have the most centralized human resource practices. Although this analysis may be expected when comparing public and private schools, the interesting result is that charter schools fall closer to private schools, despite the fact that some charter schools have their charters or other relationships with the local school district.

A second related scale, a Summated School Influence Scale, is also worth mentioning. Addressing autonomy is a bit complex, in that it's possible to focus on a principal's autonomy or the autonomy of an organization at the school level. As a result, the Summated School Influence Scale assesses the extent of influence various groups at the school level have on hiring, evaluating, and dismissing teachers. High scores on this scale represent widespread influence at the school level, as opposed to principal autonomy specifically or greater control at the district level. As demonstrated in Table 3, this model accounts for only about seven percent of the variance in scores on the Summated School Level Influence Scale ($R^2 = .099$, adjusted $R^2 = .072$), $F(6, 195) = 5.158$, $p = .002$. Interestingly, three variables are significant: the public sector dummy variable ($B = -.168$, $p = .026$), the private sector dummy variable ($B = -.213$, $p = .026$), and the urban location dummy variable ($B = .189$, $p = .044$). When interpreted in conjunction with the other two regression models discussed, this added model suggests that although private and charter school principals have more autonomy than public schools, as evidenced by both the Summated Autonomy Scale and the Summated Board and District Influence Scale, there are differences between charter and private school principals in the use of that autonomy. As evidenced by this regression analysis, there is a significant, negative relationship between widespread influence at the school level and both private and public school sectors. Charter school principals, however, appear to further decentralize influence over human resource decisions throughout the school. As shown in Table 2, this scale has a Cronbach's alpha of .833, demonstrating good internal reliability.

Qualitative findings in the area of autonomy provide context and support for the quantitative results. In the interviews, public sector principals reported the highest levels of constraint on their autonomy, particularly due to district and union or professional group

constraints on human resource decision making. Charter and private schools reported much greater autonomy, but generally share their decision making authority, revealing a greater diffusion of autonomy in charter and private schools.

Based on the qualitative component of this study, one of the areas with the most significant difference in autonomy between public schools and charter or private schools involves dismissing ineffective teachers. Charter and private schools reported far more autonomy in dismissal decisions than traditional public schools. Although the public school principals interviewed generally did report that it was *possible* to dismiss an ineffective teacher, most public school principals noted the extreme difficulty in doing so, particularly to dismiss veteran teachers. One public school principal even referred to it as “mission impossible.” Charter and private schools, on the other hand, generally reported both more ease in dismissing ineffective teachers, as well as more authority over the policy setting process for doing so. To illustrate the difference between dismissal autonomy in public and private schools, one private school principal with decades of public school experience explained:

You can do it, but it’s a considerable amount of work...If you really want to terminate a teacher in the public school environment, my experience with that, you better be willing to dedicate half your life, half a school year to lay the groundwork and that’s your only purpose. So, you better have some good assistants...’Cause, you will not have time to run the school...and that may be overstating a little bit, but that’s what people really do feel.

Despite the relative ease of dismissing ineffective teachers in charter and private schools, the principals in these sectors reported that they do not take such decisions lightly and that, barring some major violation or safety issue, steps are often taken to help ineffective teachers become successful, prior to a dismissal or nonrenewal of contract.

It is also important to note the variability within sectors with regard to autonomy. For example, public school principals reported that they generally play a significant role in specific hiring decisions, although they reported virtually no autonomy in terms of the establishment of or changes to hiring policies. They did note significant constraints on their hiring autonomy that are not issues in any of the private and charter schools interviewed. For example, most of the public school principals noted that there are times when they are given “forced transfers,” where they must take a teacher from another school due to reasons such as school closings, teachers returning from maternity leave, and even teachers not working out at other schools. In one district that was facing a large number of school closings, principals were not able to interview or hire candidates they would like for open positions. Rather, the unions were making those decisions for the principals based solely on seniority. Charter and private school principals, however, reported much more autonomy, both in terms of the creation of policies and specific hiring decisions. The interviews did suggest, however, that hiring is one area where charters are facing a relatively new, but significant constraint—the No Child Left Behind Act’s (2002) requirement for “highly qualified” teachers. Several of the charter schools noted that this is influencing their hiring, but some charters were just beginning to realize the legislation’s impact at the time of the interviews, despite the fact that the act had been enacted five years prior.

In sum, the quantitative and qualitative findings support the hypothesis that more “public” schools have less autonomy than more “private” schools in the area of human resource management. Public sector principals report more constraints and less autonomy than charter and private school principals. Charter principals, however, appear to share their decision making authority to a greater extent than the other sectors, resulting in a greater diffusion of authority at the school level.

Table 2
Scales

	All Schools		Public		Charter		Private	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD
<i>Summated Formalization Scale (Cronbach's alpha = .603)</i>	3.50	0.744	3.82	0.719	3.34	0.714	3.32	0.692
Liberty to Diverge from Personnel Policy*	2.99	1.317	3.69	1.296	2.58	1.153	2.65	1.200
Comprehensive Specific Guidelines for Dismissal	4.29	0.964	4.63	0.591	4.16	1.004	4.04	1.177
Written Guidelines for Hiring	4.28	0.963	4.41	0.796	4.11	1.098	4.37	0.906
Inflexible Hiring Procedures	2.20	1.234	2.45	1.354	2.02	1.114	2.14	1.212
Specific Policies for Evaluation	3.79	1.292	3.97	1.306	3.77	1.208	3.55	1.400
<i>Summated Autonomy Scale (Cronbach's alpha = .735)</i>	3.98	0.688	3.58	0.689	4.23	0.543	4.12	0.666
Strong Traditions*	3.80	1.183	3.47	1.188	4.07	1.133	3.78	1.166
Evaluation Autonomy	4.16	1.168	3.78	1.252	4.29	1.160	4.44	0.907
Ability to Dismiss	4.16	1.150	3.66	1.283	4.65	0.699	4.02	1.242
Independent Hiring Decisions	3.53	1.432	3.62	1.319	3.63	1.382	3.22	1.641
Board Supports Decisions	4.15	1.001	3.94	1.056	4.28	0.946	4.23	0.983
HR Constrained by Board*	4.02	1.164	3.73	1.227	4.15	1.057	4.20	1.195
Policy Constrains HR Ability*	4.11	1.035	3.62	1.151	4.30	0.904	4.46	0.813
EMO Constrains HR*	4.10	1.125	3.62	1.151	4.26	1.122	4.53	0.804
Unions Constrain HR*	3.77	1.437	2.78	1.317	4.58	0.957	4.67	0.817
<i>Summated Board & District Influence Scale (Cronbach's alpha= .698)</i>	1.90	0.593	2.14	0.476	1.83	0.623	1.69	0.588
Hiring Influence of Board/District	2.01	1.041	2.28	0.974	1.82	0.966	1.94	1.185
Hiring Influence of District Staff	2.15	1.062	2.80	0.754	1.93	1.102	1.58	0.895
Hiring Influence of Governing Board	1.80	1.055	1.38	0.804	1.96	1.080	2.09	1.158
Evaluation Influence of Board/ District	1.52	0.720	1.66	0.700	1.45	0.735	1.45	0.709
Evaluation Influence of District Staff	1.73	0.883	2.13	0.873	1.71	0.913	1.17	0.429
Evaluation Influence of Governing Board	1.39	0.776	1.17	0.517	1.59	0.902	1.36	0.764
Dismissal Influence of Board/District	2.34	1.186	3.01	0.957	1.90	1.060	2.08	1.269
Dismissal Influence District of Staff	2.12	1.174	3.09	0.974	1.76	1.007	1.30	0.623
Dismissal Influence of Governing Board	1.82	1.135	1.20	0.613	2.19	1.224	2.02	1.189
<i>Summated School Influence Scale (Cronbach's alpha = .833)</i>	2.23	0.474	2.17	0.380	2.35	0.502	2.13	0.510
Hiring Influence of Principal	3.84	0.470	3.86	0.421	3.85	0.448	3.80	0.571
Hiring Influence of Curriculum Specialists	2.22	1.037	2.20	0.861	2.47	1.119	1.80	1.014
Hiring Influence of Teachers	2.81	0.898	3.07	0.704	2.80	0.975	2.43	0.890
Hiring Influence of School Site Council	1.72	0.957	1.93	0.935	1.78	1.055	1.30	0.632
Hiring Influence of Parent Association	1.59	0.769	1.67	0.732	1.60	0.828	1.47	0.710
Evaluation Influence of Principal	3.94	0.297	3.94	0.231	3.95	0.213	3.90	0.463
Evaluation Influence of Curriculum Specialists	2.10	1.060	2.06	0.968	2.39	1.085	1.66	1.010
Evaluation Influence of Teachers	1.96	0.962	1.69	0.941	2.12	0.962	2.08	0.922
Evaluation Influence of School Site Council	1.25	0.585	1.17	0.484	1.36	0.695	1.16	0.479
Evaluation Influence of Parent Association	1.29	0.605	1.19	0.490	1.43	0.703	1.20	0.539
Dismissal Influence of Principal	3.87	0.422	3.79	0.532	3.97	0.185	3.84	0.510
Dismissal Influence of Curriculum Specialists	1.94	1.041	1.90	0.958	2.16	1.096	1.60	0.986
Dismissal Influence of Teachers	1.76	0.884	1.50	0.794	1.96	0.932	1.80	0.841
Dismissal Influence of School Site Council	1.36	0.745	1.23	0.569	1.51	0.833	1.31	0.793
Dismissal Influence Parent Association	1.39	0.697	1.21	0.529	1.54	0.786	1.40	0.707

*Polarity Reversed

Table 3

Summary of Regression Analyses Predicting Formalization and Autonomy

Independent Variables	Dependent Variables					
	Summated Formalization Scale			Summated Autonomy Scale		
	Beta	SE	Std. Beta	Beta	SE	Std. Beta
Number of Students Enrolled	0.000	0.000	0.033	0.000	0.000	0.055
Free/Reduced Lunch Eligibility	0.190	0.211	0.082	-0.084	0.191	-0.038
Public Sector	0.494	0.118	0.322*	-0.686	0.143	-0.392*
Private Sector	0.149	0.149	0.086	-0.116	0.135	0.082
Rural Location	-0.027	0.129	-0.017	0.101	0.116	0.067
Urban Location	0.157	0.146	0.098	-0.163	0.132	-0.107
R ²	0.115			0.203		
Adj. R ²	0.088			0.178		
F	4.240*			8.259*		
Model Sig.	0.000			0.000		
N	201			201		

Independent Variables	Summated Board & District Influence Scale			Summated School Level Influence Scale		
	Beta	SE	Std. Beta	Beta	SE	Std. Beta
Number of Students Enrolled	0.000	0.000	-0.106	0.000	0.000	-0.051
Free/Reduced Lunch Eligibility	0.431	0.169	0.231	0.079	0.135	0.054
Public Sector	0.334	0.094	0.268*	-0.168	0.075	-0.173 [†]
Private Sector	-0.040	0.120	-0.028	-0.213	0.095	-0.195*
Rural Location	0.043	0.103	0.033	0.108	0.082	0.108
Urban Location	-0.070	0.117	-0.054	0.189	0.093	0.187*
R ²	0.137			0.099		
Adj. R ²	0.11			0.072		
F	5.158*			3.581*		
Model Sig.	0.000			0.002		
N	201			201		

*p<.05

Discussion and Conclusions

This study contributes to the existing body of theory exploring differences between public and private organizations in the areas of formalization and autonomy. It provides additional support to the prevailing literature that public organizations are more formalized than private organizations and that public sector managers have less autonomy than private sector managers. Although some analyses for individual variables are not significant (and not reported here individually), public school responses consistently demonstrate greater levels of formalization and lower levels of autonomy than private and charter schools.

Public schools are generally thought to be relatively bound in personnel decisions by the formalization of procedures, including salary schedules and tenure. This study's quantitative and qualitative findings support such claims. The qualitative component suggests that for most public schools, personnel policies are extensive, written, inflexible, and created at the district level. Although private school principals often report the formalization of policies, they also report greater flexibility in diverging from these policies where necessary, and greater control over the formulation of such policies, as do charter principals.

These findings come with an acknowledgement of weaknesses. First, the low response rate limited the range of analyses available. Charter schools are very diverse organizations—there is no one charter model. The low response rate prevented meaningful analyses within sectors of variables such as type of charter authorizer, presence of an educational management organization, the strength of the state charter law, whether or not the charter was a conversion, etc. Second, the regression models only explain a small percentage of the variance in scores on the scales measuring formalization and autonomy. It is important for future research to identify other variables to help explain the variance. Areas worth exploring include the age of the school,

school performance, and contracts with management organizations. A third limitation results from the sampling method for charter schools. States were selected based, in part, on the strength of their state charter law. As a result, the findings may not be generalizable to charter schools in states with weaker charter laws. Despite such limitations, however, the findings contribute to the body of literature analyzing public-private differences.

This study comes to a similar conclusion as others (Bozeman and Bretschneider 1994; Scott and Falcone 1998) that have attempted to untangle some of the distinctions between the approaches in the public-private management debate—that some measures support the core approach and that others support the dimensional approach. In the present study, neither the quantitative nor the qualitative findings reflect a consistent continuum with significant differences both between public and charter schools and charter and private schools, as anticipated based on the dimensional approach to the public-private management debate, although the qualitative findings do indicate such a continuum for teacher hiring. More consistently, charter schools closely resemble private schools with regard to human resource practices.

This study, following the work of Bozeman's dimensional approach, anticipated that both funding and legal organization play a role in the "publicness" of a school's human resource practices. In line with this argument, a continuum was expected to be found throughout the analyses, with charters generally falling between traditional public and private schools in both autonomy and formalization. Although the charter and private schools clearly demonstrate more autonomy and less formalization than public schools, the distinctions between charters and private schools are not so clear. The means or percentages for charters fall between public and private schools on the majority of individual variables, but none of these analyses show that

private schools are significantly less formalized or more autonomous than charter schools.

Interestingly, although the mean for charters falls between public and private schools on the Summated Formalization Scale, the mean for charters is larger than the mean for private schools (though not statistically significant) on the Summated Autonomy Scale. As a result, this study generally supports Scott and Falcone's (1998) assertion that the core approach, focused on legal organization (or "ownership") is often more descriptive of personnel practices.

The qualitative component, however, does provide some support for the dimensional approach. Although charter and private schools report relatively similar degrees of autonomy across most human resource issues, there is a notable exception emerging in the area of hiring that was not specifically assessed by the quantitative component. The No Child Left Behind (2002) requirement for "highly qualified" teachers is having a major influence on the hiring practices of charter schools, which often do not value teacher certification to the extent of the traditional public school system. Although the legislation was enacted into law five years prior to data collection for this study, the qualitative component suggests that charters were only beginning to realize the extent of impact the law would have on their hiring procedures.

In sum, the qualitative and quantitative findings of this study provide the most support for the core approach that differences in human resource management practices between public and private management are primarily based on legal organization. At the very least, this study refutes the generic approach that public and private management is generally the same and sheds some doubt on the argument that funding is a major determinant of "publicness" with regard to management practices. Differences in management practices across school sectors are clear and

generally consistent. Charter schools, despite receiving primary funding from public sources, show very little similarity to public schools with regard to formalization and autonomy and closely resemble private schools.

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ⁱ For alternative perspectives on the origin of charter schools, see Rofes and Stulberg (2004)

ⁱⁱ Although the District of Columbia is included in the sample, the term states will be used throughout this paper for simplicity.

ⁱⁱⁱ The title for this position varied across schools, and included other terms such as director. For simplicity, respondents will be referred to as the "principal" throughout this paper.