Accountability in Education: Reviewing the Reviewers

A Policy Study of the Education Review Office

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LIST OF TERMS AND ABBREVIATIONS

AA: Assurance Audit.
AHJR: Appendices to the Journals of the House if Representatives.
AR: Accountability Review.
BoTs: Boards of Trustees.
CE/CEO: Chief Executive Officer.
CRO: Chief Review Officer of the Education Review Office.
DAA: Discretionary Assurance Audit.
DAR: Discretionary Accountability Review.
DoE: Department of Education.
ER: Effectiveness Review.
ERO: Education Review Office.
GST: Goods and Services Tax (a government tax of 12.5 per cent).
MOE: Minister of Education.
MoE: Ministry of Education.
NAG’s: National Administration Goals
NEG’s: National Education Goals
NEERs: National Education Evaluation Reports.
NPM: New Public Management.
NZEI: New Zealand Educational Institute.
NZPF: New Zealand Principals Federation.
NZS: New Zealand Statutes.
OECD: Organisation for Economic Co-operation and Development.
OfSTED: Office for Standards in Education (UK).
SES: Socio-Economic Status (SES Decile).
SSC: State Services Commission.
STAT: Statutory Review.
TINA: There Is No Alternative.
ABSTRACT

This thesis investigates the state's education accountability organisation, the Education Review Office (ERO), as a New Public Management (NPM) agency in transition. The period for 'reviewing the reviewers' covered its creation in 1989, through its various metamorphism until the agency's last external review 2000/2001. The ERO was a 'contested' agency established in competition with other central educational agencies to provide policy advice to the Minister.

The analysis is based on an extensive study of the ERO's documentation and interviews with key informants and stakeholders. The ERO's methodology, which claimed consistency and validity through an explicit position that treated all schools the same, was examined against their own data. These data represent 1,477 of the ERO's reviews over a two and a half year period and this comprised approximately 30 per cent of all the ERO's review outputs from 1996 to 1998. Findings exposed major differences in levels of compliance between rural and urban schools, between schools in lower and higher SES deciles as well as some differences between school types. An overarching finding was that a level of inequity in the current system was due to the differential impact of the ERO's reviewing system on schools. This was manifest in the variables of the geographical location of the ERO Office, school location and school size. This belies ERO's own claims to national consistency in their evaluation of schools across the country and gives rise to question the validity and reliability of the ERO's own methodology. It also examines the Office's claims to independence, impartiality and objectivity, and outlines that these are ideological assertions, which require scrutiny.

Examined from a multi-theoretical perspective using state theory, neo-marxist and managerialist discourses, the concept of accountability was shown to be a movable feast having been established, firstly, in terms of professional standards, and then in terms of fiscal imperatives following NPM principles. The ERO's application of accountability has promoted market mechanisms and in conjunction with their review procedures, these have acted as control mechanism over schools, forcing them into examining short term outputs on compliance issues rather than educational improvement outcomes for students. A central theme throughout the thesis followed Offe's claim that the state was constantly seeking to resolve tensions between democracy and the economy. The ERO, as state agency, extended its designated domain of authority beyond its statutory authority which raises constitutional issues for democracy in Aotearoa/New Zealand.
INTRODUCTION AND METHODOLOGY

Many a researcher would like to tell the whole story but of course cannot, the whole story exceeds anyone's knowing and anyone's telling.

(Stake, 1996: 240)

Overview

The major focus of this thesis provides an understanding of the Education Review Office (ERO) as an organisation. This chapter outlines the central issues considered in this thesis and the approach taken to address them. The research questions centre upon the socio-political development of the ERO as a unique agency which has developed and changed over time, extending its influence into areas outside its direct legislated sphere. A particular conception of accountability was applied in the New Zealand education sector and state reform more generally. This new type of accountability was informed by various neo-liberal ideas, and underpinned by aspects of New Public Management (NPM) or managerialism (as it is often called), is considered alongside the developing roles and functions of the ERO. It is an organisation which has been extremely controversial since its inception in 1989. It could argued the ERO has been at the centre of considerable debate in the education sphere and been embroiled in contested struggles on a multitude of fronts, for example, with other educational bureaucracies (more specifically, the Ministry of Education), the teaching profession in its many manifestations, and in particular with the secondary teachers union, the Post Primary Teachers' Association (PPTA).

In terms of state agencies, the ERO has been the most reviewed educational public sector organisation since it was formally established on the first of October 1989. In terms of formally mandated reviews by Government or Ministers responsible for the Office, it has been actively scrutinised on four occasions in its nearly fourteen year history (in 1990, 1991, 1997 and again in 2000). All these reports are referred to in this research under the name of chairperson or convenor of the review panel; however a full list of each of the panels membership is included in the footnotes (these reports were Lough, 1990; Fenwick, 1991; Austin, 1997; and Rodger, 2000).

1 The full names of the panels members in each of the Ministerial/Governmental reviews are noted below:


In addition, in what was a watershed year for the Office, the ERO became subject to two reviews simultaneously; one was requested by the Minister (under the guise of the State Services Commission, in a secretariat role) and the other was a review commissioned by the PPTA engaging a review team who comprised academic educational researchers (Robertson, Thrupp, Dale, Vaughan & Jacka, 1997a).

**Introductory Comments**

The *Tomorrow's Schools* educational administration reform programme began in 1988, and was legalised through the *Education Act* 1989. This resulted, amongst other things, in the establishment of a new state educational agency. This agency, whose name changed twice in 1988 – 1989, quickly became known by its initials as the ERO (or the vernacular ‘ERO’). This thesis investigates the rationale for the inception of the ERO and at the same time provides a historical analysis of the various policy changes to this organisation over the past almost twelve years.²

The ERO has been both a prominent and controversial agency. Of all of the reformed educational bureaucracies, it is the ERO that best exemplified aspects of New Right theories and practices, both in its modes of operation and in its application of New Public Management (NPM) or managerialism. This research, as a socio-political study of the ERO, locates the organisation and its functions within structures of the state. It is important to note that the ERO’s practices should not be viewed in isolation because they are but a part of a systematic reform programme of the whole central state. That systematic reform programme had the dual aims of creating efficiencies and generating greater accountability amongst various service providers. And in the particular case being investigated here, that meant efficiencies and accountabilities in education.

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² The data contained in this thesis in relation to the ERO, is in the main confined to a finite period from 1989 until the year 2000. The data collection period for gathering empirical data spanned 1995 -1999. Whist the majority of the empirical data relating to the Office’s ‘outputs’ during this period is outlined, various other activities during the twelve year period are also outlined. There was a deliberate point of ceasing data collection at the end 2000, just before the release of the latest Ministerial Review report (Rodger, et al., 2000). The report itself notes that it was presented to the Minister responsible for the ERO (Hon. Trevor Mallard) in December 2000, although the report was not publicly released until mid February 2001. The researcher had speculated on the findings of the report and made a submission and recommendations to the committee (Smith, 2000a). A further reason for ceasing writing about the ERO at this stage centred on the fact that it was to enter into a new type of accountability regime, more in line with what had existed under the Inspectorate. The researcher does, however, in parts of this thesis, refer to aspects of the findings of the Rodger et al. (2000) Report. A final rationale for not including more data on the changes and new phases of development for the Office, was that it provided an avenue for further research on this organisation, which is already underway (Smith, 2002a, manuscript in preparation).
The Rationale for this Research

When this research process began in 1993, the ERO was a relatively new organisation and as such, it could not fail but to be under-researched. Certainly, there was no evidence of its introduction being informed by research. Hence, it was, even then, potentially worthy of exploration.

But whilst the ERO become the subject of review and investigation in the educational literature over the past decade (Robertson, et al., 1997a; Thrupp & Smith, 1999), there remain very few in-depth, detailed analyses of the agency. Thus, there remained a gap in the literature and this research, it is contended, offers new insights and contributions to the field. However, this is not so much a raison d'être for the research as it is a factor that sparked an initial interest in undertaking this research.

Over time, an awareness had developed that the roles and functioning of the ERO are pivotal to understanding the changes in the educational landscape of New Zealand. Their explicit role of auditing education and of ensuring compliance with government regulations has the capacity, both explicitly and implicitly, to shape and so determine the manner in which education is developed and maintained. It has the power to shape the way that people think about education and, therefore, the way in which they behave in education. And given the strong political and ideological correlations that have been advanced by a series of governments with respect to national economic and social development, this factor has, in that regard, assumed an added significance.

Two further reasons for undertaking this research must also be noted. Clearly, the argument can be made that what transpires in classrooms, impacts upon individual learners. Thus, if a teacher is ‘conditioned’ either positively or adversely by review processes, that, in turn, is likely to impact upon the various learners with whom teachers work. For that reason, research into how the ERO impacts upon the manner in which teachers assist learners assumes an importance that is beyond question. Again, that importance has to do with the power that the ERO has for shaping the way that people think and behave in education.

The other reason has to do with the capacity that the ERO has for gathering data at both a community and at a national level. Given that the administration of education has been devolved to Boards of Trustees (BoTs), it follows that review data gathered by the ERO can potentially serve as a powerful mechanism for exerting influence on the quality of education provided by a school. This feedback can, aside from impacting either positively and negatively on teachers and learners in schools, just as surely impact upon school
governors and community constituents. Clearly, therefore, such an influential body that can generate such influential feedback, warrants investigation. But in addition, the potential, if not the actual capacity of the ERO to use cumulative data to critique existing government policies and strategies, and to subsequently advise on new educational policy initiatives is obvious. And the questions that arise have not only to do with the issue of whether or not valid educational review data are gathered with rigour, but also have to do with the matter of whether or not those review data are gathered with uniform reliability throughout the country. Investigating these matters, therefore, became an important concern for this researcher.

**The Research Audiences**

It is intended that four different audiences will derive benefit from this research. The first audience is to the academic community who may see this thesis as a contribution to the academic debate and as adding to the literature on educational policy. They should also see this study as an socio-political description of the genesis and transition of a powerful ideological state education agency. The second hope is that this will be seen as a critical commentary on the ERO that can be enlightening for practitioners who had have experienced first-hand the functioning of the state educational surveillance agency. It is hoped that this thesis will contribute to their understanding of the philosophy, ideology and methods, that underpin the ERO and provide an accessible analysis of the position of the ERO in relation to the New Right ideologies subscribed to by a succession of political masters.

The third audience comprises politicians\(^3\) and policy-makers. This is consistent with the stances assumed by Kelsey (1995) and Jesson (1999) who suggested that contrary to the received wisdom of Kelsey (1995), who noted that it was fashionable by some politicians to claim that ‘There Is No Alternative’ (TINA) there were, in fact, alternatives to the state-imposed restructuring in the 1980s - 1990s. Equally, there are bound to be alternatives in the future whenever politicians and policy-makers again advocate a TINA approach. It is hoped that this thesis demonstrates that even now, there are alternatives to the way the ERO operates and these are explicitly outlined in the conclusion of this thesis.

The final audience is the ERO as an organisation. This thesis critiques the ERO on a number of counts. But importantly, this thesis attempts to provide a balanced account of the ERO’s strengths and weaknesses based upon the evidence presented. Furthermore, the

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\(^3\) In the spirit that this research may potentially influence future policy directions for the ERO as Trow (1997: 208) notes ‘One almost always talks about research influencing decision makers – and if the researcher is a university social scientist then the decision maker is almost certainly someone a distance away with his or her own concerns, political commitments, interests, and prejudices’.
researcher argues that the ERO performs a particularly difficult role under tightly constrained circumstances and that they are significantly under-funded in both financial and personnel terms (Smith, 1997a; 2000a). However, the organisation has remained in operation throughout its turbulent history, adroitly adapting to the changes in government and at times it has been very responsive to certain ‘clients’ (Smith, 1997a; 2000a). It is intended, therefore, that these adroit reviewers may also gain from this study.

Central Research Questions
The specific research questions addressed throughout this study are:

(1) Why has accountability become an important issue in education, and further, how can the changing meaning of this term be understood within an educational context?

(2) What does this notion of accountability tell us about the State and how neoliberal ideas have informed/affected the reformed state?

(3) How did the idea for the need for a Review and Audit Agency come about?

(4) What roles and functions does the ERO perform? And what changes have occurred within the organisation over the past decade?

(5) How does the neo-liberal State govern? What is the ERO’s role in this process?

As with any substantive research opus that is conducted over an extended period of time, these research questions changed and evolved over time; they were informed through the conduct of ongoing analysis of this rapidly adapting organisation. These changes in the form and scope of the Office gave rise to new theoretical and political questions, leading in turn to further extensive empirical data collection – and encouraging also a range of new ways to attempt to make sense of the organisation that was hastily transforming as changes in the political terrain and the public sector, each of which were changing throughout this period, directly affected it.

As new literature on the organisation arose, insightful challenges were posed by commentators, supervisors, examiners, the ERO personnel themselves, along with the researcher’s own intuition and knowledge of the this changing environment. New questions arose, such as:

(1) What was the central purpose of the ERO? Was it a ‘technical’ or ‘political’ organisation – or a hybrid of both? (see Philips, 1998).

(2) Was the organisation designed to be a temporary agency – as an information provider and a guide for parents on educational quality, until the full forces of the market prevailed, and schools closed as a result of parents exercising their extended consumer choice?
(3) What prompted the audit/evaluation ideology the organisation pioneered, and what structures allowed it to remain in place for such a long period?

(4) The ideology of the ‘tightly focused’ evaluation methodology promoted by Office provided the organisation with significant power over schools, but in what ways was this power exercised?

The issues of politics and identity arose, as did those of structure and agency. What allowed the ERO structures to remain in place? Was it the strong audit/evaluation mentality and framework created and fostered by the organisation – or was it to do with the cult of personality (Schick, 1996) and what did it have to do with the identity of a strong and outspoken leader? The answers to these questions are found in the analyses in chapters Four to Six of this thesis.

Whilst the NPM restructured state provided a platform in which the newly created organisations either flourished or withered, it was through the development of a strong organisation culture, ethos and structure that the role of the ERO expanded throughout the decade and made it much admired by neo-liberal acolytes and praised by some of its political masters. It was within the NPM framework and aspects of agency theory that the Chief Review Officer (CRO) through performance and purchase agreements (see Boston, Martin, Pallot & Walsh, 1991) was directly answerable and accountable to the Minister. But as is argued in this research, it also allowed the CRO to interpret the the NPM in a specific way in which it provided scope for the Office to develop in a certain way (see Robertson, et al., 1997a).

*Research Themes and Issues*

The significant research themes that follow from the above questions include:

- The notion of accountability as a term that became applied in the public sector generally, and more specifically, within the state education sector;

- The genesis of the Review and Audit Agency (the former name of the ERO) and the matter of how, and in what ways, the organisation and its function have changed over the past decade;

- Determining how the neo-liberal state governs in education, and the mechanisms through which the ERO serves as a part of this process;

- The issue of how the ERO became both the state’s education surveillance mechanism and the de-facto regulator of the education system.

Two aims underpin these themes. The first lies with providing an in-depth case study analysis of an evolving agency over time. A central constitutional issue explored concerns the primary role of the Education Review Office. The organisation claims to serve two
distinct groups – namely the Minister responsible for the ERO (and, therefore, the state administration) and simultaneously the voice of parents as proxy consumers in the education market. In these two roles the ERO provides firstly, an legally mandated audit role for the state by reviewing schools and early childhood centres (service providers) for their accountability for financial resources. They do this in order to ascertain that the taxpayer is the receiving value for money. The second role, however, is a much more self-created one, and that involves the ERO acting as the watchdog of civil society representing the interests of parents and the community.

As noted above, conducting research on an agency in transition means that the research questions themselves also evolved and changed during the course of the research (as outlined earlier). Indeed, this is a common development in policy research (Ozga, 2000; Scott, 2000a) and will be discussed further in this thesis. However, as this research reveals, the ERO as a high profile, politicised and ideological agency. As such, the meanings of its various forms influence the context within which it exists. These issues have implications that will also be returned to and discussed throughout the thesis.

In conducting a study of the state, the issue of the complex inter-relationship between structure and agency must be addressed alongside the dynamism of politics, and the legitimation problems of the state. This research, therefore, raises a series of democratic and constitutional issues related to this, such as how one unelected person can interpret the will of the people and can be mandated to do so by fiat of appointment. And furthermore, it asks the question, what are the implications of such power for democracy? Indeed, it is argued in this thesis that the ERO has become what this researcher will describe as an unbounded agency determining aspects of educational policy well outside its area of legal expertise (an example was the ERO’s review of pre-service teacher education in 1999). It is further argued that because of a power vacuum created in the new educational structures, as the Ministry of Education became a ‘hands off’ institution, the ERO used the opportunity to extend its sphere of influence into determining policy.

**Theoretical and Methodological Issues**

As Walford (1997: 518) notes ‘policies and philosophies have to be understood in relation to the appropriate social, political and economic contexts’. In acknowledging the tenets of this statement, the literature utilised in this research is both theoretically and methodologically eclectic. This thesis spans a range of disciplines, and herein lies a complexity: it draws upon the sociology and politics of education; history and philosophy; it also delves into aspects of public policy, business, accounting, organisational and
economic theory (principally those series of theories which come under the rubric of NPM or managerialism). But overall, this is a thematic history of accountability in New Zealand education utilising a socio-political frame, similar to what Grace calls a socio-historical analysis (Grace, 1987).

**Historiography and Policy Studies**

Ozga (2000: 114) argues that education policy needs to be understood within:

... its political, social and economic contexts, so that they also require study because of the ways in which they shape education policy. ... We are also required, I believe, to explore the effects of prevailing ideologies on education policy.

Both the methodology and the theoretical frame of this particular research reside within the arena of policy studies. Some of the data gathering methods used, however, are akin to historiography. McCulloch and Richardson (2000) defined historiography as the theory and practice of historical enquiry and writing.\(^4\) Furthermore, these authors noted that case studies in the modern historiography of education are few and far between (ibid: 23). As Ozga (2000: 166) advised, the history-sociology relationship is potentially a very rewarding one in education policy research but is, perhaps, not fully exploited. Ozga suggested that critical education policy studies enable teachers to be actively involved in understanding and creating their own work. Until recently there have been a only a few specifically socio-historical analytical studies in a New Zealand context. One example in educational policy studies would be Grace (1991)\(^5\).

Nesbit (1987), Deem and Brehony (2000) and Ozga (2000) each noted that policy research is difficult to define and that there is no consensus about what the term means for educational researchers – even within a single country. An overarching definition that Deem and Brehony (2000: 193) employ suggests that education policy is a term used to refer to almost any analysis of changes, reforms or developments in education. These may occur at the ‘macro’ (national or supra-national), ‘meso’ (middle) or ‘micro’ (local) level, and they may happen irrespective of whether the focus is on contemporary or historical events and processes. This particular research locates the ERO within the macro and meso analyses of changes to the state and also takes account of effects at a micro level, that is,

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\(^4\) An alternative definition of historiography is ‘... the writing of history based upon the critical examination of sources, the selection of particulars from the authentic materials, and the synthesis of particulars into a narrative that will stand the test of critical methods’ (Merriam-Webster’s Collegiate Dictionary).

\(^5\) Other examples of academic New Zealand educational policy research would include Codd (1990a, 1993a), Grace, (1990a), Gordon, (1992a) and Dale and Robertson, (1997). This list of contributors gives a general flavour of specific aspects of the literature but there are many other examples and many other researchers working in this field.
those which effect schools and their stakeholders, by identifying the effects on schools and teachers from what can be regarded as the hegemonic state.

Policy-making is, by its very nature, an inherently political activity as this research will reveal. Furthermore, this study shows how the ERO management follows a strong managerialist ideology and how this has had implications for the entire schooling structure of New Zealand.

Other Methodological Considerations

*Cross Disciplines and Mixed Methodologies*

This research draws across disciplines and uses a range of methods spanning both qualitative and quantitative paradigms as appropriate. At one point this research questions and evaluates the ERO's highly quantitative approach to reviewing by investigating its methodology. The organisation's self-positioning as an external evaluator with 'impartiality, objectivity and independence' (ERO, 1992a: 7) is critiqued and analysed in the research. That section, Chapter Five, uses quantitative statistical data in completing a series of analyses of variance and correlations. This was completed with the aid of the StatView5 programme which was used to analyse statistical trends deriving from a large number of the ERO school reports.

However, a significant proportion of the other data presented in this study employed qualitative methods. A combination of documentary analyses/interpretation, interviews and historical and political analyses are used to develop an in-depth understanding of the ERO's inception and constant changes over the past decade. The methods employed are explained in more detail below.

*Case Study Research and some Encountered Difficulties*

Anderson and Arsenault (1998: 249) defined case studies as 'an empirical investigation ... [and] ... a qualitative form of inquiry that relies on multiple sources of information'. These authors suggest that in conducting case studies, researchers typically use seven sources of evidence: documentation, file data, interviews, site visits, direct observation, participant observation and physical artifacts (ibid: 155). However, Anderson and Arsenault (1998) also argued that the interview is the prime source of case study data.

An alternative definition of case study is proposed by Wilson (1979, cited in Merriam, 1998: 29) who argues that it is a process that tries to describe and analyse some entity in complex and comprehensive terms not infrequently as it unfolds over a period of time. In a similar

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6 In a similar context it has been noted in recent ERO documents that the services it provides are 'impartial, ethical, useful, reliable and fair ... and free from bias' (ERO, 2000a: 3).
context, Burns (2000; 461) noted historical case studies trace the development of an organisation/system over time. This method, which stresses development over time, is used to investigate the ERO and its changes over the past decade.

In highlighting elements or benefits of case studies, Burns (2000: 460-461) noted that it is often a preferred strategy when the investigator has little control over events. Although investigating and researching the ERO, it must be noted that for this thesis, the researcher had no control over this organisation whatsoever.

Many of methods described by Anderson and Arsenault (1998) for case studies were used in this research. Some difficulties arose, however, because of the positioning of the organisation in the state, and the need surfaced, therefore, to negotiate particular protocols and quite specific rules of access. Thus access to the ERO documentation was allowed, as was access to some file data. Indeed, site visits to the ERO Districts and to the Corporate office was also permitted, as were interviews with key the ERO personnel. There were, however, some difficulties experienced in gaining access to, or even being able to directly observe the ERO personnel whilst they were conducting school reviews.

The original conception was to do a case study and institutional investigation of the ERO Canterbury District Office (based in Christchurch), collecting the ERO documentation for analysis, and then shadowing the ERO personnel on a number of reviews in schools in order to investigate the review process. However, in October 1993, when formally requesting permission to obtain access to the ERO literature and accompany reviewers (in an observation role) during reviews, the researcher was advised that the ERO would only grant access to assembled information and that (observation) participation in any actual review would not be appropriate (Aitken, 1993a)⁷.

This clearly meant that with the observation avenue of investigation no longer being available, an alternative method of enquiry was needed in order to provide some empirical analysis on the reviews. That involved accessing the ERO school reports. Whilst obtaining permission to access the ERO reports proved to be a relatively straight-forward matter, actually getting the reports themselves proved to be a much more problematic process.

Initially, permission was granted to access documents relating to 'sample reviews' from the Canterbury Office. Later, permission was given to obtain copies of publicly available ERO

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⁷ Dr Judith Aitken (the then ERO Chief Review Officer) was initially the ERO contact for this research. In early 1994 Ms Frances Salt (the Director of Analytical Services based at the Corporate Office in Wellington) was designated as the ERO 'contact manager' for the study. Furthermore, the researcher had to sign a contract with ERO in order to obtain the information.
reports about work completed on schools. Permission was also granted for the researcher
to view the ERO manuals. However, the researcher was told that these would be available
for reading only from Corporate and District Offices (Salt, 1994a). Subsequently, in
October 1993, visits were made to the Christchurch site to view the ERO documentation
such as manuals, some school reports and also Annual Reports.

The researcher having viewed the limited documentation at the Christchurch site, was left
with no way of establishing whether or not the schools covered by reviews in this area
were a ‘representative’ sample compared to those in the rest of the country. The scope of
the inquiry was widened, therefore, to include a much larger pool of the ERO reports on
the compulsory schooling sector.

This new approach, however, also proved problematic. A sufficiently large sample of all
types of ERO’s reports from all ten ERO offices was considered desirable in order to gain
valid and reliable data. But because permission was limited to viewing only ‘on site’
documentation, this would have necessitated that the researcher travel to each ERO Office
in order to access school reports on each separate site. Furthermore, additional, extensive
and protracted consultation would be required with the contact manager in order to gain
access to all ERO Offices. Thereafter, negotiation with each District Manager would be
required in order to establish a research/working space within each office.8

Getting information about the number of reviews conducted by each ERO office for
sampling purposes also proved difficult to ascertain. The only way to discover this
information was (and remains) through access to the ERO’s comprehensive institutional
database; this could be achieved only by contacting personnel in the Corporate Office. In
March 1996, in order to achieve this, the researcher wrote to the ERO Corporate Office
requesting a list of all the schools which had received ERO reviews that had been
completed in 1994 and 1995. The reply the researcher received from the ERO said that it
was possible for them to supply the requested data but that it would be time-consuming to
collate monthly reports for this information given that there were some 3,000 completed
reports in these two years (Canning, 1996a). It was further noted that the ERO would
proceed on a cost-recovery basis, plus there would be a charge per copy to receive reports
(ibid.)9.

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8 In the course of the study two ERO District Offices were visited and the District Managers were interviewed
(in June 1996). Both the offices have similar numbers of personnel and review approximately the same
number of institutions. While school reports were provided for perusal within each ERO office, in neither
case was the researcher supplied with the copies of the actual reports to take away.

9 ERO did supply five copies of Discretionary Assurance Audit reports free of charge. The additional charge
per report was quoted as $10.00 (Canning, 1996a).
This was simply not feasible given that a sample of a minimum of some several hundred reports would have been needed, thus making the cost of such a research strategy clearly prohibitive. Furthermore, while it may have been possible to get a random sample of reports directly from the ERO, there would be no way of determining whether or not the reports would have represented a random sample given that they were chosen/selected by involved others.

Thus an alternative strategy was employed to access the ERO reports which did involve both thinking and acting creatively\textsuperscript{10}. A Member of Parliament agreed to request copies of ERO’s reports. These were collected by the MP’s Secretary and forwarded on to the researcher. Collecting the reports in this way did, however, eventually pose an ethical dilemma, a constitutional one and an administrative one. This came about because the researcher was unable to contact the ERO personnel either at Corporate or District level to ascertain why all the school ERO reports had not been sent (as was subsequently discovered in a later data collection phase).

Data from all reports received were subsequently entered into a database\textsuperscript{11} and those data were analysed in order to determine statistically significant differences using the variables of school location (rural or urban); the schools’ socio-economic status decile; the size of the school (student roll number) and the ERO district or area office which had conducted the review.

The description above provides a brief contextual background to the rich and varied series of interactions that transpired with the ERO. However, it is beyond the scope of this research, both for space and ethical considerations, to outline this in more detail. Two points, however, are worth making; the first is about the role of the ERO personnel ‘gatekeepers’ to information vital to the research, and the second has to do with the organisational ethos and high public profile of the ERO.

There was initially a great deal of gate-keeping occurring in terms of gaining access – especially access to view the reviews in progress. In discussing this issue, Hammersley and Atkinson (1983) suggested certain lines of enquiry may be blocked off. Furthermore, they asserted:

\textsuperscript{10} An alternative word could be subterfuge, but this has negative ethical connotations and that was absolutely not the case in this instance. The ERO had, by its response, created a problem for the researcher who resolved the dilemma in a creative manner.

\textsuperscript{11} The specific procedures followed such as the construction of the database, the rationale for choosing specific variables and importantly the findings are outlined in more detail in Chapter V: ERO in Action: An Exploration of Its Outputs and Effects.
Introduction and Methodology

seeking permission of gatekeepers ... is often an unavoidable first step in gaining access to the data. ... Even the most friendly and co-operative of gatekeepers ... will shape the conduct and development of the research.

(ibid: 72-73)

This has certainly been the case in this research. A specific condition of the contract was that the researcher was to provide a copy of the report, or at least those portions based on material gleaned from office records or interviews, to the contact manager so that factual content can be confirmed (Salt, 1994a).¹² This provision may still in the future prove to be more contentious as Punch (1994: 86-88) advised:

Gatekeepers can be crucial in terms of access ... The determination of some watchdogs to protect their institutions may ironically be almost inversely related to the willingness of members to accept research ... Where the research bargain includes an implicit or explicit obligation to consult the group or institution on publication, severe differences of opinion can arise.

The second issue concerns the organisational ethos of the ERO and its high public profile. The ERO documentation is imbued with the language of independence, impartiality, openness and publicity (ERO, 1997a: 2). It was somewhat ironical, therefore, that the agency was so reluctant to supply independent researchers with data that could be used to evaluate the Office's own performance¹³. It appeared somewhat contradictory that an organisation which espoused accountability, transparency and public reporting for others, was then reticent to allow themselves to be scrutinised in a similar manner (Smith, 1997a).

Document Analysis

One method of data collection involved document analysis of the ERO publications, which Patton (1994) describes as written data, usually from documents yielding excerpts, quotations or entire passages from organisational records, official records or publications. This method involved (where possible) reading the public records of the ERO’s manuals and their reports and publications.¹⁴ In conducting documentary analyses the author was mindful of what other researchers had noted about this using this method and assessing the authenticity of documentation:

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¹² After sending a copy of the draft thesis to the ERO for vetting for factual accuracy, the researcher received a five page letter from Mark Canning (Canning, 2001a) outlining corrections of matters of fact and some comments where there were disagreements with the philosophical stance or conclusions and judgements made. The author has noted these points of contestation throughout the thesis in footnotes where they were small errors of fact and in the text when they were more substantial in terms of a critique of the thesis.

¹³ Other researchers such as Thrupp (1997) and Robertson et al. (1997a) have experienced similar difficulties with direct access to ERO documentation. This point has also been raised by Smythe on several occasions (Smythe, 1997 interview; 1996, 1997a)

¹⁴ In addition, internet searches were conducted by using newspaper search facilities. These were mainly completed during the later stages of writing (2000-2001) using the New Zealand Herald as a source for information on ERO and its personnel, and for its reports in the media. The mass media thus provided useful documentary data and this is consistent with advice proffered by Merriam (1998).
Introduction and Methodology

• What is the history of the document? ...
• If the document is genuine, under what circumstances and for what purposes was it produced?
• Who was/is the author? ...
• For whom was the document intended?
• What were the maker’s sources of information?
• What was or is the maker’s bias? ...

(Guba & Lincoln, 1981: 238-239)

Wellington (2000: 117), like Guba and Lincoln (1981) and Merriam (1998), poses a series of similar questions to assess documents including (which are quoted at length):

Authorship: Who wrote it? Who are they? What is their position and their bias?

Audience: Who was it written for? Why them? What assumptions does it make, including assumptions about its audience?

Production: Where was it produced and when? By whom?

What were the social, political and cultural conditions under which it was produced?

Presentation, appearance, image: How is it presented? ... What ‘image’ does it portray?

Intentions: Why was it written? With what purpose in mind?

Style, function, genre: In what style is it written? How direct is the language? Is it written to inform, to persuade, to convince, ...

Content: Which words, terms or buzzwords are commonly used? Can their frequency be analysed quantitatively (content analysis)? What rhetoric is used? Are values conveyed, explicitly or implicitly? What metaphors and analogies does it contain? What is not in it?

Context/frame of reference: When was it written? What came before it and after it? How does it relate to previous documents and later ones?

Merriam (1998: 123) suggests the following procedures should be followed in documentary analyses:

After assessing the authenticity and nature of documents ... the researcher must adopt some system for coding and cataloguing them.

If possible written documents should be photocopied. ...

By establishing categories early on for coding, the researcher will have easy access to information in the analysis and interpretation stage.
Furthermore, Merriam (1998: 123) raises the following ways to conduct documentary analysis for qualitative case studies 'a form of content analysis is used to analyse documents. Essentially, content analysis is a systematic procedure for describing the content of communications'.

In essence the documentary analysis method was used extensively in this study, and it links clearly to the methods employed in policy research, which is what this particular thesis is about, a policy study of the ERO. Policy analysis requires the reading of texts/documents and textual analysis (see Ball, 1990a; Bottery, 2000; Codd, 1988; Ozga, 2000; Wellington, 2000). In this way Scott (2000a: 8) describes the textual 'rules' of reading policy and of its influence upon the reader:

Texts are produced with specific audiences in mind. These texts may be constructed for multiple audiences, though it is possible to make the assumption that those audiences are arranged in the minds of the authors in a hierarchical order. Producers of texts have an audience in mind and furthermore have an idea of how the audience will read their texts; that is, they will deliberately construct it so that the it conforms to how they think their audience will read it. This may comprise an understanding about when they read it; at what level or depth they are likely to read it ... and their capacity to be persuaded of its authority and truth. ... indeed one of the intentions of text producers is to persuade the reader to read it in a certain way ... It is therefore of course, an exercise in persuasion, manipulation and power.

In analysing the ERO and the power it exudes over the public (especially parents as educational 'consumers'), over teachers/schools and even it's own Minister, it is argued in later chapters that the ERO write their school review reports, their Annual Reports, Departmental Forecast Reports, and more specifically, their National Education Evaluation Reports (NEERs) in a way that it is clearly intended to directly influence the reader (see Chapters Four and Six). Each of these types of publications is written for multiple audiences, but for different reasons, some because they are mandated by the state (via the House of Representatives) under specifically the Public Finance Act 1989, others as part of their 'purchase agreement' with their minister (a contract with ERO to produce a specified number of reports annually). But in the case of the NEERs 'outputs' specific themed documents may be requested by the Minister. However, it is the often the CRO and executive management of the ERO who decide the themes of documents they produce – and it is they who determine the quality, quantity and type of language used.

For example it is stated that these reports will:

... - where appropriate be supported by specific research findings; ...
- be linked to the government’s strategic objective and the National Education Goals; ...

- be concise and structured in a way which assists others to understand the aim of the document, the key findings and key implications;

- use appropriate language and style; ...

- be consistent with Office style; ...

- be referred internally and externally for comment from referees approved by the Chief Review Officer; ...

(ERO, 1997a: 50-51)

As can be seen from these statements, these documents carry ideological messages, whilst appearing to the uninitiated to be benign, and trust-bearing. The NEER documents are analysed more substantively throughout this thesis, but they are essentially designed to inform parents about the ERO’s perspective on selected topics.\(^{15}\)

Scott (1990, cited in Wellington, 2000: 114) poses four key criteria for assessing the quality of documents, these are:

Authenticity: is the evidence genuine and of unquestionable origin?

Credibility: is the evidence free from error and distortion?

Representativeness: is the evidence typical of its kind and, if not, is the extent of its untypicality known?

Meaning: is the evidence clear and comprehensible?

Interestingly, these criteria are not dissimilar to the way in which the ERO conducts its own reviews/evaluations of schools to assess their performance as an organisation. When describing their own review practices they claim, for example (Aitken, 1997c: 5)\(^{16}\) that:

In the Education Review Office the characteristics we have applied in applying internal performance measures to our own work are fourfold:

(i) reliability (i.e. that the measure produces the same results under comparable circumstances over time); ...

(ii) validity (i.e. that the measure measures what it purports to measure); ...

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\(^{15}\) They have been critiqued in the literature (see New Zealand Eduational Institute [NZEI], 1996, 1997; Robertson, et al., 1997a; Thrupp, 1999; Thrupp & Smith, 1999).

\(^{16}\) Whilst this is the first quotation from a speech by Dr Aitken, and as such should be listed as Aitken (1997a) it appears as Aitken (1997c) here because it appears more in context as a series of quotations by the former CRO from her speeches (in Chapter 1). These outline the central tenets of NPM which underlie the functioning and performance of the organisation she headed.
(iii) fairness (i.e. is perceived as fair or equitable by those whose performance is being measured); and ...

(iv) utility (i.e. that it contributes demonstrably to the intended results).

These then, are the Office’s evaluation criteria. These criteria have become mantra in the form of claims made ad nauseam by the ERO in a number of their publications; the practice appears to propose that there is some justification in a constant incantation, and if it is stated often enough, people will believe it as ‘truth’. In their documentation it is claimed that their reviews are conducted on the following bases, with:

... impartiality, objectivity and independence are vital to its [ERO’s] ability to credibly perform its tasks (ERO, 1992a: 7);

[that the role of the Office is as an] ... ‘independent external evaluator’ (ERO, 1994a: 14); and

[That the services it provides are] ... ‘impartial, ethical, reliable and fair’ (ERO, 2000a: 3).

These statements are presented as unchallengeable ‘facts’ and not as ideological assertions which are open to contestation. The following two quotations were borne in mind when analysing any of the Office’s publications. When investigating ‘public’ records, the researcher needed to be ever mindful of Denzin’s (1971) warning about organisational reports. As Denzin (1971: 265) notes these are:

Prepared by a person in a given organizational position, they represent a peculiar stance towards the issues contained in the report under study, and observers must be sensitive to the selective bias introduced by the person preparing such reports. ... Further, analysts must realize that any public archival document represents the imprint of the organization that produced it, and thus biases arise simultaneously from both the author and from his [sic] organization. ... the reality of any archival producing agency is a reality representing that agency’s interpretations of what occurred, what is to be reported, and what is to be saved for future generations.

This quotation heightens our understanding of the ERO serving as an ideological agency on the one hand, yet also as an agency presenting themselves as neutral arbiters of the system through their claims to objectivity (a theme traversed in detail in Chapter Four).

All public sector agencies, especially those newly created education ones stemming from the 1988 - 1989 reforms, had to attempt to solve two competing issues. Firstly, they had to address their terms of reference in relation to education, and secondly, they needed to retain mindfulness of their public image and credibility. As will be outlined throughout this thesis, the ERO, which in theoretical terms was framed as essentially a ‘technical’ agency whose explicit purpose was to audit/evaluate schools (this was their legislated
mandate), however, on many occasions the agency has chosen to actively extend its sphere of influence. The organisation created a certain image of itself as tough on standards, and as possessing a robust national methodology with standardised procedures, and review officers who were credible professional evaluation experts and beyond reproach. But whilst publicly maintaining neutrality, impartiality and credibility, they also entered the realm of the political by actively courting the media, especially from 1992 onwards. Moreover they achieved this by framing teachers as a vested interest group and by remonstrating continuously that their reporting was for students and parents as educational consumers (see Aitken, 1999 in French, 1999, and see also Chapters Four and Six).

The period covered by analysis in this thesis represented a period of great change and uncertainty in education and equally, represented uncertainty as to the directions of policy. For most of the decade under review in this thesis, there was significant restructuring in the sector; often unclear boundaries were evident between educational bureaucracies; there was clearly a Ministry of Education that operated from the standpoint of advocating a ‘hands off’ policy – as schools were ‘self-managing entities’ (see Butterworth & Butterworth, 1998; Fiske & Ladd, 2000; and Laking, Crawford-Gleeson, Karran, Douglas & Gunaratne, 1996).

One of the ways the ERO Office as an organisation was able to increase its profile and promote and stage-manage its presence in this uncertain environment was through creating standard ways of thinking about and acting on problems (Levin, 2001: 28). Indeed, as Douglas (1986, p. 92 cited in Levin, 2001: 28-29) notes:

Institutions systematically direct individual memory and channel our perceptions into forms compatible with the relations they authorize. They fix processes that are essentially dynamic, they hide their influence and they rouse our emotions to a standardized pitch on standardized issues. Add to this that they endow themselves with rightness and send mutual corroboration cascading through all levels of our information system ... Any problem we try to think about are automatically transformed into their own organizational problems. The solutions they proffer only come from the limited range of their experience.

These notions will be explored in later chapters which analyse how the ERO was able to exert its influence through its use of the law and compliance issues. In addition, as an organisation they acted in a manner that the researcher elsewhere has described as a ‘cult’ (Smith, 2000b).

As introduced earlier, one way in which the Education Review Office was able to maintain its political and fiscal viability, was to plug the policy vacuum left by the Ministry of
Education in the policy sphere, and it was able to maintain its influence by actively reporting on policy issues. There were considerable altercations between the two educational bureaucracies from 1989 until about 2000, a phenomenon that Thrupp (1999) and Robertson et al. (1997a) have referred to as ‘turf wars’ (see Jesson, 2000a).

As this research shows, many of the ERO’s documents, particularly the NEERs, reflect particular institutional and ideological flavours underpinned by NPM philosophies. Within these reports the suggestions/recommendations/conclusions presented are often outlined as preferred policy options, ideologies that promote managerialism and the marketisation of education (see also Robertson, et al., 1997a; Thrupp & Smith, 1999).

Matters of Validity and Reliability

The ERO documentation gained was triangulated for verification. Interviews with the ERO ‘key informants’ (Burgess, 1983) were counter-balanced wherever possible with alternative information from those outside the organisation. The researcher used a form of Denzin’s (1971 and 1978) ‘triangulation method’ of data collection that is achieved by cross-checking the accuracy of similar information collected in one way with that collected in another.

Triangulating material from the ERO was achieved by gaining access to their reports and reading, and coding these (mainly their major ‘outputs’ (the Assurance Audits, Effectiveness Reviews, Accountability Reviews and various follow-up Discretionary Reviews) and by checking the findings of the aggregated data from the databases against the ERO’s own aggregated reports, the National Educational Evaluation Reports (NEERs), when possible. Thus triangulation was achieved by using documentary analysis as a check against the findings and vice versa.

Moreover, triangulation was achieved by conducting interviews with key Office personnel for clarification purposes and for confirming understandings and interpretation of data. Conducting interviews with various, multiple stakeholders to ascertain their perspectives on the ERO methodologies (see Interviews in the References) was also an important triangulation strategy. Using these methods enabled the researcher to corroborate the accuracy of findings. Several ‘outside’ academics with an interest in both the ERO and a wider knowledge of statistical analyses were also consulted (including supervisors and others – see acknowledgements).

Keeves (1997: 281) described triangulation as confirmation that is commonly sought through multiple methods of investigation so that the different perspectives provide
support for the findings and observed relationships. McMillan and Wergin (1998: 91) note that this technique reduces researcher bias and enhances credibility. In this thesis, therefore, consistent attention was paid to triangulation to enable the author to remain confident that findings reported were consistently valid and reliable.

Interviews

Anderson and Arsenault (1998: 190) defined interviews as a specialised form of communication between two people for a specific purpose associated with some agreed subject matter. Burns (2000) noted that within specific media for communication, an interview is a:

... verbal interchange, often face-to-face, though the telephone may be used, in which an interviewer tries to elicit information, beliefs or opinions from another person.
(Burns, 2000: 423)

As Denzin (1970, cited in Oakley, 1981: 33) sagely suggested:

... interviewing is not easy. ... A balance must be struck between the warmth required to generate ‘rapport’ and the detachment necessary to see the interviewee as an object under surveillance.

The use of language is interesting and it was interesting to observe how the ERO as an organisation, and the personnel themselves as agents, became the ‘objects’ of surveillance for this research. On occasions the researcher was denied information because it would be too costly in terms of time, or too expensive to produce, unless it was supplied on a full cost recovery basis.

Data Collection: Interviews

A total of 21 semi-structured interviews were conducted, with one respondent being interviewed twice. In sum, 23 people were interviewed and in three of these interviews, two people from the same organisation were interviewed together. In all but two cases interviews were conducted in a face-to-face situation, whilst the other two were telephone interviews.

Interviewees were specifically selected from a variety of educational backgrounds (mostly at the tertiary level). They were chosen for the breadth and width that their knowledge could provide about the reforms of the state sector and consequently, about those occurring in the education system. Four of the participants were overseas academics working in the education or public sector and accounting fields within their own countries. A rationale for utilising these sources was that similar reforms had occurred within their own countries and there had been considerable ‘policy-borrowing’ (Halpin & Troya, 1995) between countries over the past decade. Furthermore, these academics had
researched and written in the public policy and education fields and had extensive knowledge of the reform process in New Zealand.

The respondents thus acted as ‘key informants’ (Burgess, 1983) to provide closer insights as to what had occurred in the restructuring process. A large proportion of those interviewed were ‘insiders’ and thus had good institutional knowledge to add depth to the literature. Because the subject matter of the study centred around the concept of accountability and yet had its genesis in the arena of public policy and finance, four academics from this area were also interviewed.

All interviews were semi-structured and typically took approximately one hour, although the times ranged between forty minutes to one hour and forty-five minutes. The interviews were audio-taped, with accompanying field notes taken. The tapes were mostly transcribed in full. In three cases, the field notes taken were used rather than a tape-recorded session, either because of the quality of the tape recording, or alternatively, at the request of the participant who did not wish to be recorded. The actual number of interviews fall into the following categories:

- ERO personnel (current or former) 7
- Other educational bureaucrats 2
- Educationists/academics in education 9
- Public sector academics 4
- Politician 1

The full list of those interviewees is located in Appendix I.

The structured themed-questions for the interviews were: the concept of accountability; accountability as applied in education; conceptions of the Inspectorate as an organisation or its replacement agency the Education Review Office (ERO). A copy of the interview schedule is included as Appendix II. Whilst all respondents were asked to comment on the questions/issues on the schedule, they were also asked further questions relating to aspects of their jobs, their knowledge, experience or perceptions of the ERO as an organisation.

Interviewing involves notions of power between the interviewer and the interviewee. However, in this study the traditional position of the researcher having all the power was, in reality, reversed – the interviewees (especially the educational bureaucrats) had the institutional knowledge and much of the power in the relationship. The research was conducted in the tradition of what Jesson (1992) referred to as ‘researching up,’ that is, interviewing people who are in effect in a higher social or institutional position. It is also associated with researching educational ‘elites’ (Ball, 1990a; Gewirtz & Ozga, 1994; Ozga & Gewirtz, 1994). In the case of the present study, what often happened was that bureaucrat
took control of the process of interview and often told the interviewer the ‘sanitised’ institutional version of events which could be read in the official documents. This meant that the alternative views were of increased importance. What was experienced may be typical of research into state bureaucracies – the presentation of the ‘departmental view’ and the highly regimented consistent ‘public’ face of the ERO, or what the researcher has referred to in later chapters as the ‘ERO as a cult’ (see Smith, 2000b). Furthermore, the researcher experienced similar reactions/responses to what Jesson (1992: 5 – 6) reported as:

... the intruding authority relation of the State, supported by Official Information Acts, the tradition of State secrecy, and the mystification of the bureaucracy that ‘behind them in Wellington lurk the political masters’


The methodology and data collection phase was rather convoluted extending as it did into approximately three years in the field. However, the dataset is rich insofar as both the quantity and quality of data are concerned – moreover, the material gleaned from the interviews became even richer when it was linked to the data mined from the large pool of the ERO’s own literature and the growing literature base which questioned the Office’s standards, efficacy, legitimacy and ideological stand-points and increasing politicisation.

The central theme of this thesis remains a study in general terms as a critique the NPM/managerialist strategies and model as imported/imposed on the education sector. However, at a much more specific level this study provides a critique of the ERO’s use of this model, and how it used its power as the state’s agent of educational accountability to focus schools on short term compliance goals at the expense of improving teaching and learning in education. Furthermore, it appears that it was able to exert considerable pressure in terms of managerial accountability at the expense of professional responsibility (see Codd, 1994a; Gordon, 1995a; Robertson, et al., 1997; Smith, 1997a; Thrupp & Smith, 1999; and Wylie, 1995).

The data discussed above were collated into a series of chapters in two parts for this thesis, and an outline/overview of each of these chapters follows.

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17 However, throughout some of the interviews some very interesting and contentious information was publicly revealed. A number of more politically sensitive and embarrassing items of information were shared as private thoughts after the interview had ceased. These were deemed to be 'off the record' information, and could not, therefore, be used. Some informants were critical of the ideological and organisational philosophy of ERO but would not be publicly critical of the agency while taking part in this research.
Outline of Chapters

Part I: Overview
The first part of this thesis consists of three initial chapters which provide the context in which to understand the development of the ERO within the newly reformed educational system. The first chapter discusses state theory in education in order to conceptualise how the state governs and controls education. The second chapter provides a description and analysis of the massive restructuring to the central public agencies in New Zealand and locates the restructuring to the education sector throughout the late 1980s and throughout the 1990s within this domain. The third chapter in part one provides an historical background to the concept of accountability of New Zealand schooling by investigating the roles and functions of the Inspectorate as an organisation. In this sense, this agency acted as the state’s educational agent of quality assurance. These three chapters provide the background to the restructuring and highlight the philosophies and ideologies underpinning these changes. Furthermore, they provide the rationale to understand how the ERO was conceived, the philosophy through which it was developed and explain how the organisation was rapidly able to adapt to changes that were occurring within other parts of state structures.

Chapter I: New Models of State Regulation
Chapter One outlines theoretical models of the state and explains them as levels of analysis from global politics to the specifics of micro educational politics. It raises theoretical issues relating to the theme of why the state is still important in education. The relationship between structure and agency and their intersections is discussed and it is shown how through this, the state governs and maintains coercive power over the education system. These discussions are aided by drawing upon a selection of neo-Marxist theorists and neo-liberal and New Public Management (NPM) theories in order to analyse effects at the macro level. The chapter critiques aspects of the various strains NPM/managerialism. Moreover, this chapter discusses the dynamism of politics and the problems of the bureaucratic state such as its legitimation problems. The analysis centres on shifts in the state and the mechanism of regulation. It draws upon a selection of the ERO’s Chief Review Officer’s speeches to highlight how these NPM philosophies were integrated into the structures of the Office and how, accordingly, it was able to exert its influence.

The overarching argument presented is that the reforms in education cannot be understood without contextualising them in relation to the reorganisation of the central state and bureaucracy.
Chapter II The Concept of Accountability and Public Education

Chapter Two provides a general overview of the restructuring of the public sector. It does so through the application of neo-liberal theory and uses the concepts and processes of managerialism and new public management (NPM) to show how these have been implemented within the state sector. Furthermore, it describes the processes in which these same theories have been introduced or imposed upon the education system. The literature and theoretical basis for Chapter Two comes from economics, accounting, management and organisational fields. Chapter Two highlights the growing links between the economy and education which were premised on raising standards through the state drive for the knowledge society/economy. It links the notion of accountability more specifically within the NPM notion of accountability and how that has been transported in educational practice.

The central theme of this chapter is the imposition of marketisation in education. Chapter Two provides the context to the changes in educational bureaucracy stemming from the Picot et al. Report (1988), Tomorrow’s Schools (1988) and the Education Act (1989) which led to the demise of the Department of Education (and thereby the Inspectorate) and which spawned the subsequent establishment of the ERO.

Chapter III: From Responsibility to Accountability: The Inspection Model – Pre ‘Tomorrow’s Schools’

Chapter Three provides a description of accountability of schools through a study of school inspection model before 1988. It describes the Inspectorate’s various roles throughout the 1860 – 1988 period and highlights which particular roles of the Inspectorate held primacy. There were, nevertheless, supposedly incompatible roles of providing grading and giving advice, and this led to considerable criticisms throughout the 1970s – 1980s. The organisational form of the Inspectorate was highly bureaucratic and somewhat paternalistic to those it reviewed. However, the inspectors were also noted leaders in the field and they had a close alignment with the education fraternity. This alignment was, ironically, one of the reasons for the later demise of the Inspectorate.

A central argument is that school accountability to the state has always been an important issue even in the early days of inspection, yet the original focus of inspection was on the teachers as professionals and not on the the school as a cost effective unit.

The first three chapters taken together provide a rationale for the exploration and analysis of the case study of the Education Review Office which form the remaining chapters of the thesis.
Part II: Overview

The second part of this thesis consists of four chapters and a pre-amble which provides an overview of the ERO’s outputs and activities over the period of investigation. The central themes permeating the analyses within this thesis section is that of all the new educational agencies, the ERO best exemplified and epitomised aspects of NPM and neo-liberal theory and philosophy. Moreover, the ERO adapted its culture according to the central tenets of managerialism. More than this, however, it represented aspects of both neo-liberal and neo-conservative elements espoused by New Right ideology. As an agency it became lean and efficient (with a decreasing budget throughout the early to mid 1990s and a small cabal of staff, approximately 100 review officers to review every school and early childhood centre in the country on an approximately three-year cycle). Furthermore, imbued with this philosophy, the ERO management expected those whom it reviewed, namely schools, to also conform to their standards; it did this by demanding strict compliance (see Smith, 1994). In its approach to reviewing and improving schools (through public censure) and acting as a guardian for parents making informed decisions in the educational market, the ERO promoted educational standards which represents its neo-conservative values.

Chapter IV: ERO: From Conception to Maturity 1989 – 1996: From Inspection To Audit

Chapter Four traces the development of the ERO from inception until the middle of the decade prior to its second major review. It is structured into two parts, the first of which covers the period 1989 – 1991 and the second from 1992 – 1996. It describes its genesis and changes in this period, what the researcher has labelled from ‘Inspection to Audit’. It was a completely new agency, that was not imbued with the previous history and shackles of bureaucracy. In its initial stages, it is argued that the ERO was an uneasy amalgam of the older style professional inspection. The newer, more distant style audits only emerged in late 1992/early 1993 and remained throughout the period of this study.

The analysis covers the outcomes of the Lough Report (1990) which significantly reduced the size of the agency before it had been completely established by decreasing its budget by over $5.0 million or 20.53 per cent and by cutting the personnel by over a third (36.37%) of the original complement.

Three themes underpin this chapter. The first is that its two Chief Executive Officers (Chief Review Officers) very clearly influenced the organisational culture and philosophy of the agency through their styles of management – thereby demonstrating the principle that individuals can have a significant influence and considerable agency even within reformed educational administrative structures. The second theme, which was highlighted in the
overview, is that the ERO became the test case for applying NPM theory in action and that it very successfully adopted it. The third theme is that the ERO represents a very powerful ensemble of control through coercion, hegemony and a culture of compliance over schools and teachers through its tightly prescribed methodology which is technicist, overly quantitative and premised on measurable outcomes.

Chapter V: ERO in Action: An Exploration of Its Outputs and Effects
This chapter provides evidence for some of the themes raised in Chapter Four. It explores the ERO's changing 'outputs'—its review types and how the effects of the ERO audits are manifested in schools. The findings of various research projects, particularly the lower decile schools (e.g. Yeoman, 1995; Lauder, et al., 1994; Hawk, et al., 1996\(^{18}\)), revealed that these schools were the most adversely affected by the ERO reviews.

The data collected from the ERO's school reviews are analysed in Chapter Five to ascertain the differences in the levels of compliance between schools serving different areas. The findings reveal statistically significant differences: between rural and urban schools, between 'high' SES decile schools and those located in 'low' SES decile areas, between types of school and also differences between independent and state schools. These findings are then contextualised within the ERO's discourses of discounting SES as an important variable which affects the performance of schools.

Furthermore, in this chapter the data collected were analysed against two of the ERO's publications, Good School, Poor School (ERO, 1998a) and Small Primary Schools (ERO, 1999a) to determine whether there were any differences. These and other NEERS are discussed and critiqued in this chapter (and elsewhere in this thesis, in particular in Chapter Six). In addition recent research from the author on the ERO's changing position on reviewing schools located in high SES decile areas (Smith, 2001) is presented as is work on the ERO's treatment of Te Kura Kaupapa Maori schools (Smith, 2002b).

Chapter VI: Political Pressure for Change: The ERO's Restructuring 1997 – 2000
The factors noted above showed that there were differences in performance of some types of schools in the educational market. The perception that the public release of reports to the media by the ERO intensified competition (and apprehension by those regarded as 'underperforming'\(^{19}\)), led to growing levels of dissatisfaction with the ERO as an ideological agency. This chapter is also structured in two parts, the first of which covers

\(^{18}\) In both of these studies, there are large numbers of authors. Hence the decision not to list them here. They are, however, cited in full in the reference section.

\(^{19}\) In particular the perception that the ERO was unfairly targeting schools which were underperforming, such as those located in South Auckland and the ERO's report on Improving Schooling in Mangere and Otuara (see ERO, 1996a; Thrupp, 1997a).
the critiques leading to the reviews, whilst part two provides an analysis of the reviews and briefly assesses the Office's efficacy in this period.

It is argued in this chapter that there had been a number of generalised criticisms of the ERO and reports from the 'stakeholders' of education. Such was the seriousness of dissatisfaction with the ERO as an agency that two reviews on the efficacy of the organisation were simultaneously conducted – one was commissioned by the PPTA (Robertson, et al., 1997a) and the other was a Ministerial Review (Austin, et al., 1997a). These factors, plus a change of Minister and the political manoeuvreing within the Coalition Agreement between the National Party and New Zealand First in the 1996 General Election, preceded the Review of the ERO by Austin et al. (1997a).

This chapter outlines some of these critiques and highlights the recent changes to the ERO as a result of some of the recommendations of the Austin Review. Furthermore, in another aspect, the chapter emphasises the ERO as a dynamic organisation which has cleverly read the changing political milieu of the country and has adapted some of its procedures accordingly (Smith, 1997). It is also argued, however, that the perception that Office had not adapted to the requirements of a new incoming government and this led to a further review in 2000\(^{20}\).

Chapter VII: Looking Ahead? Implications for Review, for Education Policy and Conclusion
Chapter Seven revisits some of the themes raised in Chapter One. Using Offe's (1984) theories of the contradictions of the state between legitimacy and economic efficiency the contradictions of education with the structural positioning of the ERO is highlighted within this. The positioning of education both within the state and civil society creates tensions. These same tensions occur within the role that the ERO performs – in effect for whom is it auditing and for what? On one level it is the state and its own Minister (as it is part of the state apparatus) and at another level, the ERO claims that its role is for parents and civil society. The chapter argues that these tensions cannot be resolved and herein lies the central problem for the ERO.

The final chapter draws together the issues, threads and themes raised in earlier chapters thus amalgamating parts one and two in accordance with the theoretical frameworks established for this thesis. It raises implications as to the efficacy of the ERO as an audit

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\(^{20}\) This report from this Ministerial Review (Rodger, et al., 2000) was published in December 2000 but not publicly released until the 14th of February 2001. The report is thus technically outside the timeframe boundaries of this Ph.D thesis and therefore while the researcher is raising the issue of its existence, that report has not discussed the review in detail. The point at which this thesis finishes is late 1999 and early 2000.
agency and questions whether it can continue in its present form. The final part of this chapter introduces possible directions for policy and identifies issues to contemplate for further research.

The choice about what to include, and of equal importance, what not to include, is a major decision of any research. This particular issue was a dilemma in this research – there was so much rich data, yet space considerations precluded including a great deal of it. This point brings the chapter full circle, to re-visit the Stake (1996) issue raised at the beginning about the whole story ‘exceeding anyone’s knowing or telling’.

There are some unexplored avenues for research on the ERO not traversed in this thesis. Some will be taken up by the author in subsequent research (Smith, 2002a), whilst others are there as a challenge to the organisation itself to undertake ‘research’ and still others there for educational scholar-practitioners to mine the furtile ground of the ERO in transition post Rodger et al. (2000) to chronicle its development over its next decade. As data in this thesis reveals the organisation is a fascinating case study of an evolving organisation which behoves informed ‘outsider’ views of the agency, not merely essentially ‘insider’s’ perspectives and accounts of its own development (see Butterworth & Butterworth, 1998; French, 2000). This external scrutiny needs to occur to avoid the legacy of what Denzin (1971) and Scott (2000a) variously describe as the agency’s exercise in ‘organisational interpretation and bias’ and ‘persuasion, manipulation and power’. Despite the new open-ness and transparency advocated by the NPM-inspired public sector reforms and new strategies exercised by the new educational agencies – there remains an uneasy sense of the mystification of the bureaucracy and a suspicion of researchers.
CHAPTER I

NEW MODELS OF STATE REGULATION

The state is a complex structure which defies precise definition, but which remains of crucial importance in understanding the contours of public policy. It is a crucial starting point because the state translates values, interests and resources into objectives and policies.

(Davis, Wanna, Warhurst & Weller, 1993: 19)

Overview

Chapter One examines the theoretical underpinnings of the shift in the organisation of the New Zealand state as it moves from a form of Keynesian Welfare State to neo-liberalism. For this shift to happen required a change in the agencies of the state, a change from being responsible ‘civil partners’ to a much more distant mechanisms of accountability. The mechanisms through which this new accountability regime was imposed in the public sector from 1984 onwards have been explored by Boston, Martin, Pallet and Walsh (1991; 1996). The shortcomings of the new model as it was applied were exposed by Boston et al, while Schick (1996) and Shaw (1999) suggested that these shortcomings were a result of a compliance culture resulting from focusing too much on short term outputs. Under the leadership of Dr Judith Aitken as the Chief Review Officer, the ERO was transformed from a ‘civil partner’ into a specific New Public Management (NPM) model of the more distant evaluation agency. In this, however, it too focused on short term goals of holding schools, via their Boards of Trustees (BoTs), and school management to account for short term compliance goals through the types of reviews the Office conducted.

The chapter examines the theoretical models of the state clarifying how the state operates in education. The relationship between structure and agency is highlighted to show how the state governs and maintains coercive power over the education system. The analysis of the structure-agency relationship draws on neo-marxist theorists who consider the structures of the macro-level. The dynamism of politics, the problems of the bureaucratic state (such as legitimation), the shifts in the organisations of state and the mechanism of regulation, form the theoretical context within which the operations and functioning of the ERO are examined in later chapters.

The overarching argument presented is that the reforms in education of the late 1980s and 1990s are contextualised within the reorganisation of the central state. The state form
shifted from the Keynesian Welfare State (KWS) settlement to a neo-liberal inspired state (Codd, Gordon & Harker, 1990; Grace, 1990a; Grace, 1991; Gordon & Codd, 1991). Moreover, this shift to neo-liberalism changed the nature of the state’s regulatory mechanism. The corresponding shift in the regulatory mechanisms and hence society occurred through New Public Management (NPM) and the combination of economic rationalism/managerialism (Jessop, 1990a; Hood, 1991; Dale, 1997). The major arena in which this occurred was the education system and so a major example of such ‘surveillance’ agencies has been the Education Review Office.

The neo-marxist theorists highlight tensions in the state between the needs of the economy and the needs of democratic legitimation and how these are manifested in the education sphere (Gordon, 1992a; 1995a; Dale, 1997). The ERO itself, as a state agency, is thus enveloped by, and operates within these tensions: between the needs of the economic sphere to create a higher educated workforce, and the requirement that it acts in accordance with rules set by the administrative structure. And yet because the ERO is a state agency that actively affects the operations of schools, it is subject to civil and/or political demands, both directly and through its Minister.

The Influence of the ‘New Right’ in New Zealand: Changing the State

In describing ideas of the New Right, King (1987: 859) notes they are primarily a revival of classical liberalism. According to Chitty (1989: 211) the New Right ideology re-emerged as an extreme right-wing response to the prolonged global economic recession precipitated by the oil crisis of the early 1970s, the exhaustion of Fordism as a regime of accumulation and the break-down of American hegemony. It was also the time when the policies and institutions of post-war social democracy began to be discredited (Gamble 1988: 1).

Gamble (1988: 29) notes the New Right has two major strands: a liberal tendency which argues the case for a freer, more open, and more competitive economy, and a conservative tendency which is more interested in restoring social and political authority throughout society. Lauder (1990: 1) argues that in 1984, the Labour Government produced a New Right revolution in New Zealand which changed the relationship between the state, the economy and civil society. In outlining the theoretical underpinnings of the New Right Lauder (1990: 1) furthermore contends that ‘the New Right has developed a standard set of ideological strategies for undermining existing social arrangements and laying the

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1 The explanation of the changes from the KWS to the neo-liberal state are only touched upon in this chapter.
groundwork for its own’. Lauder advances that throughout the Western world there have been:

... public pronouncements by leading New Right figures that the institutions/policies they are attacking have been an abysmal failure; the publication of propaganda by New Right think tanks supporting such claims and presenting New Right alternatives as common sense; the presentation of social policies as if they were merely economic policies to which, it is claimed, there are no alternatives.

(Lauder, 1990: 1)

The New Right ideology promotes: (i) free market competition and wherever possible privatisation; (ii) the elimination or minimisation of government from all economic affairs; and (iii) the reduction of social programmes and benefits to all but the most extreme cases of hardship (Easton, 1994; Lauder, 1987).

One of the principal vehicles for implementing the New Right agenda in New Zealand was through the influence of the Treasury (1984; 1987), and there has been considerable literature on this influence (Easton, 1994; Grace, 1990; Jesson, 1989; Lauder, 1987; 1990; Lauder, Middleton, Boston & Wylie, 1988). In its 1987 Briefing Paper to the Incoming Government, the Treasury argued that the education system was:

less flexible in responding to what is brought to or sought from education by disadvantaged individuals or their agents; more prone to capture as a whole by particular non-disadvantaged interest groups and more prone to domination by a particular educational agenda.

(Treasury, 1987: 39)

Furthermore, the issue of ‘capture’ by ‘non disadvantaged’ groups was used to escalate the sense of educational ‘crisis’ for purely political and ideological reasons by the Treasury (Grace, 1990). Educationalists were cast in a different light; for example:

... once regarded as committed public servants, were now represented as a vested interest group with dangerous and, in some cases, potentially subversive ideas.

(Grace, 1990: 173)

The Treasury’s (1987) prescription for the education system is illustrated in summary form as embracing the following principles:

... state support of ... education should be implemented so as to:

• maximise information flows;

• maximise user choice both at the level of the school and of the family ... 

• target funding;
Minimise ... bureaucracy and barriers to exit from the present state system; ... improve inspection and accountability

(Treasury, 1987: 151)

and;

... the Government should: avoid interposing itself between customers and providers as far as possible ... increase flexibility on the supply of educational services ... redirect funding to individuals, families ...

(ibid: 293)

The document provided a transparent neo-liberal rationale for restructuring the education system and, it may have had some influence within the state policy arena, however, as Dale and Ozga (1993: 66) cautioned 'it is wrong to suppose that the education reforms that followed it were a direct reflection and implementation of those Treasury proposals'. The Treasury's significance in education was however, profound. And as Lauder (1990: 2) maintains, it was through increased representation on a number of the more important committees that Treasury instigated the consideration of fundamental changes in education policy in an effort to 'police proposals that might actually increase rather than decrease state expenditure in education' (Lauder, 1990: 2). Furthermore, Lauder contends that:

... participation on these committees has enabled treasury to advance arguments in the social and educational fields that go far beyond the economic domain, and thus it has been able to exert a practical influence on outcomes in areas in which it has little competence.

(Lauder, 1990: 2)

Following Dale (1992), it is argued that the reform process by Labour followed more in the management of education vein than simply an imposition of the market over the public sphere of education (see Dale & Jesson, 1993). The reform process will be outlined in more detail in the following chapters.

Whilst it has been most widely argued in the literature that the New Right influence in New Zealand education mainly stemmed from the neo-liberal strand (Dale & Ozga, 1993; Thrupp, 2001), it is argued in this thesis that the direction of education, particularly under the National Government (1990 – 1996) contained aspects of policies which were neo-conservative about increasing and maintaining standards and monitoring. Within the

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2 Nevertheless, the marketisation of education was established during the reform period of education 1989 onwards, but taken too more quasi-markets forms under the National Government from 1990 onwards, see for example Gordon (1995b); the book outlining the 'Smithfield' research (Lauder, Hughes et al., 1999); plus data from Fiske and Ladd (2000).
National Government there were competing ideologies of neo-liberalism and neo-conservatism\(^3\). The neo-liberal element supports the marketisation of education, increasing parental choice and consumer sovereignty, and a reduction in state expenditure, whereas the neo-conservative element, had an agenda of external evaluation, monitoring standards, and promoting the central concept accountability, plus the adoption of a centrally determined National Curriculum (Smith, 1995).

Following the New Right, or more specifically the neo-liberal ideological principles espoused through the Treasury, the Fourth Labour Government massively transformed the economy and public sector during its first term in office from 1984 – 1987 (Boston & Holland, 1987; Boston, Martin, Pallot & Walsh, 1991; Kelsey, 1993; Roper & Rudd, 1993; Sharp, 1984). In its second term in office, 1987 – 1990, this government turned its attention to the education system, having been prompted by calls from the Treasury to make education more competitive. Treasury wanted education to be linked with the needs of the economy and they advised recasting professional educators as a vested interest group (Treasury, 1987; Grace, 1990a; Gordon, 1992a). One of the ways in which the compulsory education sector was transformed, therefore, was by dismantling the supposedly large and overly bureaucratic Department of Education and replacing it with a series of smaller purpose-built agencies. These new agencies included, the Ministry of Education (for funding and administration), the New Zealand Qualifications Authority (for administering qualifications in the secondary and tertiary sectors) and the Education Review Office (for overseeing the accountability and surveillance roles) (Picot, Rosebery, Ramsay, Wise & Wereta, 1988; Codd, 1990a; Gordon, 1992a). The ERO’s responsibility was to review schools and early childhood centres for efficiency purposes – to account for the public spending on education, and also to monitor and improve their performance.

A key feature of the public sector reforms in New Zealand was that the new agencies were deliberately established with specific roles to perform, however, they were also in competition with each other in relation to advice given to the Minister. In addition, each agency vied for funding, for influence and increasingly for political survival (Robertson, et

\(^3\) For further examples of these distinctions (see Codd, 1993c; Gamble, 1988; Jessop et al., 1990; Johnson, 1991a, 1991b; and particularly Dale, 1989) who noted the competing and contributing strands which made up Thatcher’s social policy regime: “the industrial trainers; the old Tories; the populists; the moral entrepreneurs, and the privatisers” (ibid: 80-90). In this context Elliot and MacLennan (1994: 181) noted:

Neo-conservative governments are everywhere made up of disparate elements - of neo-liberals ... and more or less radical conservatives .... Reforms in education, reflect that fact. They are the result of struggles and compromises not only between ideological factions in a governing party but also between politicians and bureaucrats, between different sections and levels of the public service, between politicians and officialdom, professional educators and parents.
al., 1997a; Jesson, 2000a). As the tensions of the changing public sector became difficult to resolve then criticisms of both the process and outcomes gained political momentum, (exemplified in the Schick Report, 1996, see below). At this point the ERO moved to separate itself from the Ministry of Education and portray its own role as an overtly civil one of public accountability, and guardian of the public’s interest in education.

Held (1989: 11) argues that the ‘nature of the state is hard to grasp ... [and] difficult to understand.’ And further he noted ‘[t]here is nothing more central to political and social theory than the nature of the state, and nothing more contested’ (ibid.). In 1990, Codd, Gordon and Harker (1990: 16) maintained that whilst the state has become increasingly ‘powerful and pervasive’ little attention had been given in education to developing adequate theories of its role and relationships to other aspects of society. Furthermore, they contended that there had been a ‘virtual absence of theories of the state in education policy’ (ibid.). Since then there has, therefore, been a growing literature in this field.\(^4\)

Dale is perhaps one of the most well known state theorists to apply state-centered theory to education policy (Dale, 1989). He noted that the notion of state has an amorphous nature, in that, for example, the state taxes, benefits, controls and protects us. It is impossible, however, and likely of little value, to see the state from a one dimensional or isolated perspective. Dale (1989: 57) makes the point that:

> The State then is not a monolith, or the same as government or merely the government’s (or anybody else’s) executive committee. It is a set of publicly financed institutions, neither separately nor collectively necessarily in harmony, confronted by certain basic problems deriving from its relationship with capitalism, with one branch, the government, having responsibility for ensuring the continuing prominence of those problems on its agenda.

Furthermore, as Dale (1989) notes, ‘states’ are able to carry on functioning in the absence of governments. Governments may be democratically voted out of office, yet the state remains in existence. For Dale (1989: 54), the state consists of ‘state apparatuses’, such as the departments of state (government departments), the police and the military which are ‘officially’ accountable to government; but it also includes the legal system and the judiciary which are not accountable to government in the same way.

The meta-concept of the state being, at once, more than government, state apparatuses, and a multidimensional institutional actor, has implications for how state theory is translated

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into actual policy. The state has control over the education system as both the immediate provider and funder as Dale (1982; 1989) observes:

... focusing on the source and nature of control over education and schools entails focusing on the immediate provider of education, the state, and it is in the analysis of the state that we begin to understand the assumptions, intentions and outcomes of various strategies of educational change.


Yet the state in education performs at least three important roles (Dale, 1997: 275):

(i) it is the funder of educational services;
(ii) it is the regulator of education system; and
(iii) it has historically been the major provider of educational services

Dale (1997) contends that the restructuring of education under neo-liberal forms has led to a fundamental set of changes in the state-education relationship, from direct state bureaucratic control to a set of what he terms ‘governance’ relationships, in which the former state activities of funding, provision, and regulation are turned over to other agencies (Dale, 1997). The argument advanced here is that the ERO became the agency of regulation in education (see Chapters Four – Six) while portraying itself as the guardian of the public’s interest.

Contrary to the neo-liberal rhetoric Dale (1997: 272) argues that the restructuring of the state has not weakened the state’s role in education, but rather, the control over education has been strengthened by these changes:

... while education remains a public issue ... its co-ordination has ceased to be ... the sole preserve of the state. ... Instead it has become co-ordinated through a range of forms of governance, among which decentralisation and privatisation feature prominently. ... It is crucial to note that the state does not ‘go away’ in this process. Rather ... its continuing role as overwhelmingly the major funder and provider of education enables it to remain very much in the driving seat.

(Dale, 1997: 274)

The new forms of ‘governance’ (Dale, 1997; Rhodes, 1997) and regulation were introduced through the application of new management techniques such as ‘managerialism’ (Pollit, 1990; 1994; Exworthy & Halford, 1999) and ‘New Public Management (NPM)’ (Hood, 1991; Dunleavy & Hood, 1994). Moreover, these policies became inextricably linked with the shift towards neo-liberalism and so the adoption and application of the neo-liberal practices in the state.
Theoretical Models of the State: Levels of the System

Dale (1991: 34) provides a useful model of the state using five analysis levels from the global (world ‘stage’/economy) through to the nature and effects of education policy. His model attempts to structure these competing and mediating forces which affect modern nation states, and is useful for explaining how these multitude of levels impinge upon policy-making, especially in the area of education politics. The model contains: level A - the world economy); level B - the national economic and social formulation; level C – national politics; level D - the politics of education; and level E – education politics.

In this thesis all of these analytical levels are engaged to some extent. However, the focus of this particular chapter is at levels B and C, which reasons that there are repercussions for all levels of the system. Later chapters specifically analyse the ERO as an agent of regulation and the effects this has on schools, and so focus more upon the lower levels of educational policy (level D, and level E in particular) of Dale’s model (Dale (1991: 34).

There is little doubt that the influence of the world economy, international competitiveness and globalisation have effects upon nation-state’s economies and education systems. There are international financial organisations such as the International Monetary Fund and World Bank and World Trade Organisation which have influenced world-wide financial and educational policies (Kelsey, 1995; Dale, 1997). In addition, transnational organisations such as the Organisation for Economic Co-operation and Development (OECD) have also been influential in creating an atmosphere for comparisons and policy-transfer particularly in education between its member countries (see Vickers, 1990; OECD, 1994; 1995; Elliot, 2000). It is certainly beyond the scope of the present analysis, however, to outline the large educational literature on globalisation (for this see Brown & Lauder, 1997; Dale & Robertson, 1997; Taylor, et al., 1997; Dale, 1999).  

Following the socio-political (or political economy) perspective, it is argued that the provision of education is necessarily political if only because it is funded by the state from taxes. The state attempts to link a prevailing philosophy (or ideology) about the economic needs of the country with individual demands about schooling (see Jesson, 2001). It is the political economy of a country, therefore, that both structures and defines the education system (ibid.).

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5 In analysing state education policy, there is a tradition in the literature of creating frameworks that account for multiple levels of the system (Ball, 1990a; Hargreaves, 1985; Lingard, 1993; Ozga, 1987; Power, 1995; Rhoten, 2000; Deem & Brehony, 2000). This thesis follows in this tradition.
Ozga's (1990) suggests that education policy analysis needs 'to bring together structural, macro level analysis of education systems ... and micro level investigation' (Ozga, 1990: 359). It can be argued that a Foucauldian analysis may usefully be adopted to understand the micro level of analysis at the school level. However, here it is reasoned that the analysis provided by Foucault through his theories of surveillance (Foucault, 1977) and governmentality (Foucault, 1979) have to be dispensed with because empirical data were not directly collected from schools about this during this study. It would be difficult, therefore, to sustain the argument that schools are self-surveilling and that the ERO has dominated schools' practices. It is not known to what extent schools were able to resist the ERO's reviews or influence in this study. However, whilst this research did not specifically explore the ideological power exerted by the ERO over teachers and schools at this micro-level – there is anecdotal evidence that the ERO has engendered a sense of anxiety, particularly for low socio-economic status decile schools (Hawk, Hill et al., 1996; O'Neill, 1998; Thrupp, 1999).

Furthermore, the researcher has argued elsewhere that both the Inspectorate and the operations of the ERO can be analysed through a Foucauldian lens (Smith, 1998). Ball's (1990a, 1994) analyses along with those of Jessop (1990a, 2000) provide rationales and approaches for combining the macro and micro drawing upon neo-marxist and Foucauldian literature. For example, Jessop (1990b: 257) noted that although Foucault started out from the 'infinitude of micro-powers, he increasingly emphasised the need to examine how different micro-powers are invested, realigned and integrated into a global strategy of class domination by the state' (Foucault, 1976: 94; 1980: 99 – 100, cited in Jessop, 1990b). In addition, Jessop (2000) has recently written about Foucault's views of the state and drawn on a number of analyses. For example, Jessop (2000: 10) notes:

Foucault's work has inspired many other studies of the state and state power. These are generally focused on specific policies or policy apparatuses and/or specific political discourses and strategies (e.g. Barry et al., 1996; Burchell et al., 1991; Cooper 1998; Hindess and Mitchell 1998; Miller and Rose 1990; Neocleous 1996; Rose 1999; Rose and Miller 1992). A few studies have tried to develop a general account of the state purportedly based on Foucauldian perspectives.

Aspects of neo-marxist theorising on the state such Dale (1989), enables a 'big picture' analysis of the state and its institutions, and also provides a way to see how state power is exerted over its educational institutions – through audit and accountability mechanisms and by demanding compliance.

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4 See also Camilleri's (1995) analysis of neo-marxist and Foucauldian dual theoretical applications.
To understand how the ERO operates, it will be necessary in Chapter Two to explore the central tensions thrown up in terms of accountability and education. It will be argued that the ERO has used its discourse of accountability to influence the production (by the Ministry of Education (MoE) of regulations – the National Education Guidelines and National Education Goals, NEGs & NAGs). Furthermore, the ERO has actively promoted an international competitive ideology of creating strong links between education and the economy (ERO, 1994a & 1998b). One of the ERO’s vision statements setting out the Office’s ‘strategic intent’ was:

... aim[ing] to contribute directly to the social and economic development of New Zealand by evaluating the quality of New Zealand education

(ERO, 1993a: 5)

Moreover, the ERO has encouraged the benefits of school-business links and partnerships (ERO, 1996b) and actively supported policies promoting the conception of the knowledge economy (ERO, 1998b).

The Neo-Marxist Perspectives

Gramsci (1971) recognised that in modern western societies the existing system of class domination is considered ‘legitimate’ (Benton (1998). What Gramsci emphasised was that consent or legitimacy are not spontaneously given by the people. It requires continuous ideological work to integrate individuals into the existing social system by subjecting them to the hegemony of the dominant ideology, a set of ideas and values that ultimately supports the dominance of the capitalist class (Bullock, Stallybrass, & Trombley 1988: 27).

One of the ways the state exudes this hegemonic power is through education reinforcing ideas and beliefs which maintain the reproduction of capitalism thereby preparing citizens for specific roles in the pre-existing social structure. The ERO’s ideological hegemony is pervasive both as a structural organisation and as one which has considerable influence in the reformed education sector. In addition, by using a specific discourse of accountability, the ERO has acted as an information broker in the educational market of the civil sphere because it has assumed a role as a guardian of parental rights to information on the performance of the education sector (Aitken, 1999; Salt, 1999, cited in French, 2000: 23).

It is argued that as an ideological organisation, and through the personage of the Chief Review Officer (in particular, Dr Judith Aitken) the ERO gained considerable power and agency. From 1992 onwards the Office under her leadership successfully extended its
sphere of influence (see Smith, 1997b; 2000a). Thus, this thesis provides evidence, and support for a perspective of the importance of agency over structure.7

Importantly, the point being made is that as structures of education become materialised through particular agents, agent personality takes on an important role. The ERO has through its 'hegemonic', coercion, and control (underpinned by legalistic rhetoric and a demand that there be compliance to regulations) was able to exert significant influence over the education sector (O'Neill, 1998; Smith, 1998)8.

Theories of Legitimation and Crises: Overview from Offe
The political work of Claus Offe is also drawn upon because he was a theorist who was influential in informing the work of a number of educational policy sociologists (Codd, 1992, 1993a; Codd, Harker & Nash, 1990; Codd, Gordon & Harker, 1990; Dale, 1989, 1997; Gordon, 1992a, 1992b; Jesson, 1992, 1995, 2001; Power, 1995; Ozga, 2000; and Sutherland, Peters & Jesson, 2001).

For Offe, the state is not a neutral, administrative structure that operates in the interests of the general will of the people, but instead is integral to capitalist society (Dale, 1989). The State is organised around contestation, domination and authority. It has both a repressive and legitimising function, in which the prime purpose is the maintenance and development of the existing economic system in all its facets, socio-cultural as well as strictly material.

The state's authority to govern depends, however, upon its acceptance by the citizens. To achieve this the state has to conform to certain ideas of representation and citizenship; it has to govern according to some idea of the common good. Thus, the State is seen as the legitimate authority that is owed allegiance by its citizens. In return there are various obligations of the State with respect to providing for the people, particularly through welfare aspects like health and education (Dale, 1989; Jesson, 1992).

At the same time, the state is under pressure from business to decrease taxes, to deregulate, to open up market opportunities, and to encourage the competitive nature of the 'free

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7 Gramsci's (1971: 261) definition of the state was that it should be '... understood not only [as] the apparatus of government, but also the 'private' apparatus of 'hegemony' or civil society'. For Gramsci the state was the chief instrument of coercive force in the winning of consent by ideological domination.

8 The author is not arguing here that schools and early childhood centres do not have any agency in their relations with ERO. However, there are severe power imbalances between the ERO and the institutions it reviews.

The state is, of course, also obliged to provide education for the people (its democratic role). And yet ironically, education is an active participant in this contradictory relationship between the economy and the state (Dale, 1989). On the one hand, education has to be relevant to the economic needs; yet at the same time, the education system remains concerned with the production of collective values and attitudes, with the inculcation of the ideas for those who form the next generation (Jesson, 1992). Not surprisingly, this creates pressure to provide an education that is relevant for legitimation purposes, for the development of social norms. These contradictions, that is, the tensions of the capitalist state, the welfare system and the economy, are illustrated in Figure 1.1 below.

![Diagram](image_url)


Figure 1.1: The contradictions in the capitalist state: accumulation and legitimation

The tensions between the competing roles of the economy and accumulation and legitimation are what underpins the contradictory meanings of the term *accountability*.

Offe (1984: 52) observes:

The success or failure of the attempt to balance contradictory imperatives depends upon the organizational linking or mutual insulation of three 'subsystems'. Depending on the specific regulatory media involved, three subsystems can be distinguished: the economic system, the political-administrative system, and the normative (legitimation) system.
In a later discussion Offe (1984) outlines two of the contradictions faced by the state – legitimacy versus efficiency and its administrative system. Here Offe (1984: 130 – 131) argues that:

One can argue on a descriptive level, that to maintain both legitimacy and efficiency is a major task of modern democratic regimes, and that various branches and institutions of the political system do specialize in providing either one of these functional prerequisites. ... On a more theoretical level one can argue that the need to perform those two functions simultaneously tends to cause certain strains and tensions in such political systems ...

Offe's contribution is useful to clarify the relationship between the state and policy development of particular importance in education. Taylor et al. (1997) noted that Offe argues that state structures mediate the policy process, 'determining' to some extent, what issues get onto the policy agenda, the possible policy options available, and also the policy outcomes (Taylor, et al., 1997: 30).

The philosophy underpinning the ERO's influence in the civil society sphere reflects Offe's (1996) thesis about legitimacy and the will of the people. It is argued that the ERO has established itself as the agency to actively inform the will of the people about the functioning of education. The ERO used institutions of civil society (the media) to appeal directly to parents and took upon itself a role as the guardian of standards for the 'educational consumers' (Aitken, 1999; Salt, 1999, cited in French, 2000: 23).

At the same time, the ERO also acted as a promoter of the concept of an educational market. In doing this, the ERO used its own considerable agency. Moreover, the ERO was successful in circumventing both democracy and administrative structures in many respects and imposing 'ERO developed standards and ideologies' over teachers through their webs of surveillance.

Thus (using these ideas of Offe's), we can see that from 1992 onwards, the ERO was to play an important role in educational policy formation in New Zealand. The ERO influenced what issues got onto the policy agenda, the possible policy options available, and also the policy outcomes. As a state agency whose mandate was outside policy, it has, nevertheless, been able to wield significant power in actually determining policy. It is possible to conclude, therefore, that the ERO assumed a significant role in terms of policy development as well as promoting the introduction of new forms of assessment in primary schools and in supporting the marketisation of education (Smith, 1998; Thrupp & Smith, 1999).
Neo-Liberal Inspired NPM State Reforms 1984 – 1999

New Public Management (NPM), (Hood, 1990; 1991) was a strategy used to ‘control and reverse the logic of the demand-driven Keynesian welfare state’ (Gordon 1995a: 54). The adoption of such policies constitute a strategic response to the dual ‘fiscal’ and ‘legitimation’ crises experienced by the state (Codd, Gordon, Harker, 1990).

Neo-liberal strategies favour property rights over personal rights. This gives legitimacy and even primacy to a claim for consumer rights over those of citizenship. Whitty (1994) has noted that the neo-liberals who dominated policy-making consciously believe that social affairs are best organised according to the general principle of ‘consumer sovereignty’. Individuals are supposed to be the best judge of their own interests, needs and wants. The neo-liberals thus expected individuals to provide for the bulk of their private needs via the market, their family, or through the aegis of voluntary agencies and charities in civil society. The emphasis was on ‘self-reliance and individual responsibility – those unable to meet their basic needs (narrowly defined) through their own efforts are entitled to state assistance which is vigorously means tested’ Boston (1992: 3).

Additionally, Whitty has noted that as education is devolved from the state to an increasingly marketised civil society, consumer rights prevail over citizenship rights, thus reducing the opportunities for democratic debate and collective action (Whitty 1994: 13 – 14).

Gamble (1988: 34 – 35) stated that ‘the overriding goals of economic policy become efficiency and modernisation. ... Reform of institutions such as central bureaucracy and the education system become priorities’. In outlining similar changes that occurred in Australia, Lingard, Ladwig and Luke (1998: 89) noted:

... private sector management practices are utilised to restructure the bureaucracy to ensure a narrower focus on goals, more efficient delivery of services, are enhanced capacity to respond to change. In contrast to older style Keynesian bureaucracies, the ... state is about achieving clearly articulated, but narrowed, outcomes at lowered structural costs. ... The alleged results, then of these new state economies and systems are flexibility, local responsiveness, flattened hierarchies and decentralised decision-making, and, indeed, increased efficiency and innovation.

Whilst some aspects of the examples are applicable in a New Zealand context\(^9\), it is argued here that in New Zealand, the reformed state was to become a more weak and ‘hands off’ deregulated state than the UK (Kelsey, 1995; Jesson, B., 1999). There are differences between the way that NPM has been applied in New Zealand and the UK (Boston, Martin, Pallot & Walsh, 1996: 28). Furthermore, these authors note the NPM application in New Zealand had an emphasis on:

...c. improving managerial and political accountability, via greater clarity and transparency of ministerial goals and interventions, the tighter ex ante specification of desired departmental outputs, and improved ex post reporting and monitoring of performance....

... e. the recognition of the need to give greater attention to consumers of public services and, where possible and appropriate, to satisfy preferences.

(Boston, et al., 1996: 29)

According to Boston there are several strands of the whole new model of public management or NPM restructuring which occurred in New Zealand Boston, et al. (1991; 1996 and Shaw, 1999).

One of the main objectives of the NPM was to improve the accountability of public institutions and the accountability of the executive to Parliament. From the key principles underpinning the model, those pertinent to this discussion are:

... e. There should be a clear separation of the responsibilities of ministers and departmental chief executives (CEs): ministers should be responsible for selecting the outcomes they wish to achieve and purchasing their desired outputs; CEs should be responsible for selecting the inputs required to produce the desired outputs with the minimum practicable interference from ministers and central agencies; ...


\(g\). Institutional arrangements should be designed to minimise the scope for provider capture.

\(h\). Preference should be given to governance structures that minimise agency costs and transaction costs.

(Boston, et al., 1996: 4 – 5)

There are several economic and administrative theories which underpinned the reforms and contributed to the NPM. Particularly influential were public choice theory, organisational economics – especially agency theory and transaction-cost economics (TCE) – and managerialism or the new public management (NPM) (Boston, et al., 1996: 16). One

\(^{9}\) Whilst similar themes can be identified in the literature, some differences are also evident. These differences may be explained by those elements of states that are nation-specific as noted by the Centre for Contemporary Cultural Studies (CCCS, 1981 cited in Gordon, 1992b: 1). Examples of such factors include previous political settlements, broad historical forces, the institutional arrangements of state agencies and governments, and the nature of social expectations within civil society.
of the central tenets of the public choice approach is that all human behaviour is dominated by self-interest. Individuals, in other words, are 'rational utility maximisers' (Boston, et al., 1996: 17).

In the New Zealand context it was assumed that public servants are typically motivated by a desire to advance their personal interests with regard to 'pay, status, personal convenience or ambition' (Self, 1993, p. 33, cited in Shaw, 1999: 189). This theory underpinned aspects of the 'provider capture' and 'vested interest' arguments presented by the Treasury (1984; 1987).

According to Shaw (1999: 190) the central assumption of agency theory is that all economic, social and political interactions are in essence contractual relationships (see also Boston, et al., 1991; 1996). In these relationships one party, usually referred to as the principal, enters into exchanges with another party, referred to as the agent (Boston, et al., 1996: 18). Shaw (1999: 190-191) observes that agency theorists typically endorse the use of contracts as the sole means of specifying the tasks required, the incentives intended to motivate an agent and the sanctions that might be applied in the event of non-compliance.

Boston et al. (1996: 19) notes that agency theory, like public choice theory and neo-classical economic theory, assumes that individuals are rational, self-interested, utility maximisers. Hence, the interests of agents and principals are bound to conflict. Furthermore, these authors stated 'like agency theory, TCE assumes that principals and agents are opportunistic' (Boston et al., 1996: 21).

For Boston et al. (1996: 24) managerialism's 'essence' lay in the assumption that there is 'something called management' which is a generic, purely instrumental activity, embodying a set principles that can be applied to the public business, as well as in private business'. Similarly, Shaw (1999: 191 – 192) in outlining central assumptions of managerialism noted that management is an inherently scientific activity with objective, neutral and universally applicable rules and principles which can be applied to all human endeavours (Pollitt, 1993).

Sachs (1998 cited in Locke, 2001: 43) notes recent state-wide education reforms in Australia promoting devolution and decentralisation have relied heavily on managerialist structures to ensure implementation and compliance of a frequently resistant profession (namely the education profession). For Sachs, managerialism as an ideology makes two distinct claims: efficient management can solve any problem; practices which are appropriate for the
conduct of private sector enterprises can also be applied to public services (Sachs, 1998 cited in Locke, 2001: 43).

As can be observed in the New Zealand context, managerialism has been applied here in a rigorous manner. For Boston et al. (1996: 26) it was the resulting convergence of intellectual currents of these theories that produced NPM. The particular features relevant to this discussion include:

... b. a shift in emphasis from process accountability to accountability for results (e.g. a move away from input controls and bureaucratic procedures, rules, and standards to a greater reliance on quantifiable output (or outcome) measures and performance targets); ...

... d. the devolution of management control coupled with the development of improved reporting, monitoring, and accountability mechanisms;

e. the disaggregation of large bureaucratic structures into quasi-autonomous agencies, ... and policy advice from delivery and regulatory functions; ...

... i. a preference for monetary incentives rather than non-monetary incentives, such as ethics, ethos, and status; and

j. a stress on cost-cutting, efficiency, and cutback management.

(Boston, et al, 1996: 26)\(^{10}\)

**Accountability or Responsibility**

Yet the imposition of these policies and the cult of efficiency did not create the outcomes that the architects had suggested. Therefore, as part of the on-going review of the reform policies, the control departments of the state commissioned (in 1995) an outside academic expert (Professor Allen Schick) to independently evaluate the impact of the public sector reform (see Schick, 1996). Several of Schick’s criticisms are outlined below.

Schick (1996: 51) observed problems with the new accountabilities in terms of the respective roles of the Minister (as principal) and the Chief Executive of the department (as agent), for example:

The dual roles of Minister and chief executive sometimes make it difficult to define precisely where one’s responsibility ends and the other’s begins. ... In design, the Minister is accountable to Parliament, and the chief executive is accountable to the Minister; the Minister is responsible for policy, the chief executive for operations; the Minister is accountable for outcomes, the chief executive for outputs. In practice,

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\(^{10}\) There are numerous New Zealand commentators who produced critiques of either the processes of the reforms or outcomes of the reforms (e.g. Boston & Holland, 1987; Boston, Martin, Pallot & Walsh, 1991; Boston, 1995; 1996; Hazeldine, 1998; Jesson, 1999; Kelsey, 1993; 1995; Roper & Rudd, 1993; Sharp, 1984; Shaw, 1999). These academic ‘critics’ were often dismissed as ‘vested interests’.
distinctions get blurred ... Fuzziness is inherent in an arrangement that assigns political risk to the Minister and managerial discretion to the chief executive.

(Schick, 1996: 51)

A major problem identified by Schick is that the reforms were focused too closely on short-term gains in ‘outputs’, and less on strategic long term capacity and outcomes. Schick (1996: 74 - 75) observed:

The New Zealand version of accountability currently has more to do ... with producing outputs than with the overall capacity of the department, more with whether managers are meeting specified targets than with whether public programmes are effective. Policy outcomes are outside the managerial accountability framework; they are considered matters of Ministerial responsibility and political judgment. ... Outputs are the common interest of Ministers and managers; they are the linchpin of the New Zealand accountability system. ... New Zealand focuses on outputs because they provide a reliable basis for enforcing managerial accountability, not because they are the most important indicator of government performance. Accountability is facilitated because the supply of outputs can be directly attributed to the performance of chief executives and their departments.

For Schick (1996: 91) most of these improvements were a matter of technical or operating efficiency – more outputs produced with fewer inputs. The CE’s performance is measured against the meeting the specified ‘outputs’ and these are easily quantified and ‘auditable’. In other words, the new accountability process was more about compliance with short term goals rather than with any engagement in long term outcomes.

Schick’s criticisms were also leveled at the ‘management-by-checklist’ approach which:

... unduly narrows managerial perspective and responsibility. Some managers seem to take the view that if it is not on the list, it is not their responsibility. ... But the most valuable asset that chief executives bring to their relationship with Ministers is not compliance but judgment and leadership.

(Schick, 1996: 85)

Schick’s major criticisms of the new accountability regime were the loss of a sense of professional ethic and responsibility by CE’s. He drew attention to a conflict in meaning between concepts of accountability and that of responsibility:

In this report, as in the literature of public management, accountability and responsibility are sometimes used interchangeably. But the words lead down very different managerial paths. Responsibility is a personal quality that comes from one’s professional ethic, a commitment to do one’s best, a sense of public service. Accountability is an impersonal quality, dependent more on contractual duties and informational flows. ... As much as one might wish for an amalgam of the two worlds, the relentless pursuit of accountability can exact a price in the shrinkage of a sense of responsibility. Responsibility itself is not sufficient assurance of effective performance; if it were, there might have been no need to overhaul public management. Yet something may be lost when responsibility is reduced to a set of
contract-like documents and auditable statements. In the new world of New Zealand management, it is urgent to uphold the old-fashioned tenets of managerial responsibility, while strengthening the modern instruments of managerial accountability.

(Schick, 1996: 89, emphasis added)

Schick’s later paper was to continue his previous critique, noting that ‘the new system brought accountability at the expense of responsibility’ (Schick, 2001: 1, emphasis added).

Boston, et al. (1996) and Shaw (1999: 198) described this NPM process as ‘the decoupling of ministerial responsibility from managerial accountability’. This process sought to separate political responsibility for determining a government’s preferred policy outcomes (which falls to Ministers) from responsibility for the efficient management of government departments in the production of outputs (which is vested in Chief Executives) (Shaw, 1999: 198). The legislative decoupling of roles is intended to remove Ministers from direct intervention in the routine management of departments. Their responsibilities are to set policy parameters, provide resources, to monitor departments, and to hold them accountable for their performance - and to reduce the leverage exerted by officials over policy directions (Schick, 1996, cited in Shaw, 1999: 198).

Shaw maintains that this process also encourages a conception of the relationship between Ministers and CEs that is somewhat ‘artificial’, and contends that:

It is simply a rhetorical fiction to suggest that Ministers do not involve themselves in the operational activities of their departments, and that senior public servants have no influence over the shaping of policy. ...

Equally, the activities of officials rarely approximate with disinterested neutrality. In fact, the New Zealand experience would suggest that senior officials are more inclined to act as 'policy entrepreneurs or advocates' than as 'neutral, disinterested policy advisers who supply policy advice by setting out the pros and cons of a range of options.'


The role that Dr Aitken performed as a policy entrepreneur will be explored in more detail in Chapters Four and Six.

Drawing on other commentators, Shaw noted:

... the management of the political/administrative interface through a plethora of accountability documents and processes imposes considerable costs upon departments, and has arguably resulted in a preoccupation with 'compliance [as] the measure of success rather than the quality of the outcomes being attained' (Upton, 1999: 14). The reforms may thus have fostered managerial accountability
(narrowly defined), but in the process may well have devalued managerial responsibility.

(Boston, 1999: 15, cited in Shaw, 1999: 200)

Kelsey (1995: 46) has also observed that during neo-liberal reform, the state and its economic actors become even more powerful through the restructuring process. Furthermore, whilst the restructuring may appear anti-statist, Kelsey contends that:

... economic policy reforms strengthen the core powers of the state, especially the executive branch ... the expansion of the role of markets requires a strengthening of the state and especially of its financial bureaucracy.

(Kelsey, 1995: 460)

Kelsey (1995: 114) argued that deregulation was carried out in the name of efficiency and consumer sovereignty. As will be shown in later chapters, these were values that the ERO espoused and actively promoted. Drawing upon Offe’s (1984, 1996) analyses, it is contended that these goals of efficiency conflicted with those of legitimacy and that the ERO favoured efficiency over legitimacy. The ERO does so by claiming its own legitimacy as the state’s agent with the brief to review schools. Yet at the same time, the former Chief Review Officer, Dr Judith Aitken, tried to claim that the ERO has no real coercive power over those it reviewed, and that either publicly reporting an individual school’s performance and/or re-visiting institutions was the only power the ERO actually possessed (Aitken, 1993; Aitken, 1999 cited in French, 2000: 25). In contrast, however, it is argued in this thesis that in creating such an ideology, the ERO had both the coercive force of legislation and the hegemonic processes of the state behind it.

The creation of the ERO as a regulatory agency in education actually ran counter to the ideology of deregulation. It is argued in later chapters, that the ‘hands-off’ deregulated model of the state, in education at least, quickly become the regulated surveillance system, and the principal agency for this task was the ERO. It is perhaps the greatest irony of all in the restructured state and public sector, that whilst all other areas of the economy were being deregulated, the education system was being even more tightly regulated than ever before (see Aitken, 1994; Robertson, et al., 1997a).

Chapters Four – Six argue that the ERO clearly adopted managerialist strategies (Codd, 1994a; Smith, 1994; Robertson, Thrupp, Dale, Vaughan & Jacka, 1997a; Thrupp & Smith, 1999). The ERO closely monitored the performance of schools in ways advanced by the NPM model outlined by Boston, et al. (1996). In their own documentation, following the NPM model, the ERO clearly identified their primary ‘client’ as their Minister, (ERO,
1992b; 1993a). However, and perhaps more importantly, they also noted that their consumers were students and their parents, thereby highlighting the particular issues of 'consumer sovereignty' through which the ERO appealed to the civil society sphere (Court, 1994; Codd, 1994a; Smith, 1994).

Later chapters will show how ERO has been integral in maintaining the ideology of teachers as a vested interest group (especially in 1997 with the ERO's highly published claim of teacher incompetence, see Smith, 1997b). Furthermore, the ERO has been directly implicated in influencing aspects of teacher education policy in New Zealand (Smith, 2000a; 2000b).

The creation of 'evaluation culture' (Campbell & Husbands 2000: 39 – 40) is one in which Dr Judith Aitken required that her agency perform within the education sector by relying upon specific accountability and performance indicators. Furthermore, as Halsey, Lauder, Brown and Wells (1997a: 25) note, accountability mechanisms brought in by the 'reforms' involved an attempt to link the accountability of educational institutions, and where possible individual teachers, to the measurable assessment of students.\footnote{Dale (1997) also takes up the issue of educational accountability in relation to the state in his chapter in Halsey, et al. (1997).}

Under the discourse of accountability the ERO's compliance functions explicitly required that the regulations (which they actually helped produce) were upheld. Indeed, it is very clear that the ERO has been diligent in requiring that schools are compliant with the law and regulations (Aitken, 1993; Codd, 1994a; ERO, 1993c; O'Neill, 1998; Robertson, et al., 1997a; Smith, 1994; Thrupp & Smith, 1999).

A number of NPM strands of accountability are identified in the performance of the ERO or more specifically in the way that these NPM processes were interpreted by its Chief Review Officer, Dr Judith Aitken. From the beginning of her appointment, Dr Aitken pressed for the redesigning of the Office's outputs in clearly quantifiable terms and for improved reporting and monitoring networks for schools in order to comply with contractual obligations and legislation (ERO, 1992a). She explicitly used the underpinning theories of NPM as an organisational guide. For example, Aitken (1997a) notes:

In my experience, useful models for organisational shape can be found in many diverse areas, but I have found helpful analytical opportunities in ... a cluster of the same theories as informed New Zealand's initial economic reforms in 1984: agency theory, contestability theory and transaction cost analysis.

\footnote{Aitken (1997a: 10)}
Dr Aitken (1997b) has lambasted educationists for not adopting, or indeed embracing these same NPM principles, and observes most educationists as living in the past. Furthermore, Aitken appears somewhat perplexed that educationists have resisted the new ways of managing in the public sector. The following lengthy passage to provides evidence for Aitken's position:

Perhaps most disappointing of all for Review Officers is to attempt to identify, understand, and evaluate the theoretical bases for professional educators' behaviour and action and the openness of these challenging and perhaps unfamiliar logics from other disciplines, the knowledge and use made by principals and teachers of an eclectic range of theoretical frameworks to explain and analyse such matters as:

- different organisational structures,
- the impact of different modes of human service delivery,
- the impact of entry or exit control, ...
- hard question like the definition of inputs, outputs and outcomes in relation to a human service like education.

...These issues are far from purely academic or merely theoretical. They are the daily stuff of schooling.

So without a sustained and informed interest in such, it can be little wonder that much of their professional work, their diverse roles and functions, their complex accountabilities, appears incomprehensible, incoherent, unsympathetic, inappropriate, unfamiliar, and unhelpful to those managing Crown entities, and working as professional teachers in them.

In my view it is so much easier to cope with, work productively in, and manage a public sector organisation if one has tried to gain some knowledge of public choice theory, contestability and agency theory, transaction cost theory, and the fascinating (albeit controversial) raft of research that derives from these frameworks.

The structure of the modern public sector, the structure and workings of the post-1989 education sector, the pressures on it, the barriers faced by students and teachers, the incentives and sanctions that are applied, still seem foreign to many employed in the education services. ... I am talking about those who remain locked in the past, and have few research-based tools and few eclectic theoretical perspectives to help in dealing with the present and preparing for an unknown future.

(Aitken, 1997b: 84 – 85)

Aitken has actively applied agency theory in education sector in the following ways by:

... defining the education market in terms of agency theory - with the student as consumer (i.e. the principal) and all other parties as the agent of student in varying degrees of proximity to that student;

... defining the relationship between the Crown and the locally-elected voluntary Boards as essentially contractual in nature, and centrally reliant on the scope and terms of the central document – the Charter, which both parties sign;

defining the Secretary of Education as the Crown's contract manager;

(Aitken, 1996: 2 – 3, see also Aitken, cited in French, 2000)
In other places, however, the ERO portrayed itself as principal in terms of its own accountability processes was to the Crown (via the Office’s Minister), with the Board of Trustees and school management being the responsible agents. Aitken (1993) suggested that ‘we have clearly characterised the Crown as the principal, the board of trustees as the agent, and the student as the intended beneficiary’ (Aitken, 1993).

In utilising the NPM model in education, Aitken (1998a: 5) maintained that the:

... lines of accountability from providers to the owners, purchasers, regulators and service consumers must be transparent and efficiently monitored; ...

there must be effective incentives and sanctions for provider failure, and the criteria for applying both must be known to all parties; ...

... the education service provider must be willing and competent enough to consistently and scientifically monitor, record, measure and report, in both quantity and quality terms, the extent to which the services they supply meet the pre-assessed needs and expectations of the consumer (student).

(Aitken, 1998a: 5)

It can be noted here that for Dr Aitken the focus on outputs, and the use of measurable and managerialist (scientific and objectivist) principles and strategies are paramount. Furthermore, Aitken clearly purports that on-going monitoring is necessary for focusing on outputs. Following the neo-liberal tenets, the ERO has maintained its methods are objective and impartial (ERO, 1993c). In a managerialist sense the ERO applies its own version of the ‘impartial’ evaluation agency both to itself and to the schools it reviews, as the following example reveals:

In the Education Review Office the characteristics we have applied in applying internal performance measures to our own work are fourfold:

- reliability (i.e. that the measure produces the same results under comparable circumstances over time); ...
- validity (i.e. that the measure measures what it purports to measure); ...
- fairness (i.e. is perceived as fair or equitable by those whose performance is being measured); and ...
- utility (i.e. that it contributes demonstrably to the intended results).

We not only apply internally these to ourselves, but as the State’s external evaluators for the New Zealand education system, we also expect schools and other educational service providers to assess their own students’ performance using techniques which meet these four performance measurement tests.

(Aitken, 1997c: 5)

For Aitken as Chief Review Officer the benefits of this continuous monitoring equated to better performance in the public sector:
... monitoring can and does have a beneficial effect on managers' behaviour and policy makers' decisions, and demonstrate that measurement and monitoring combine as powerful tools for public sector improvement.

(Aitken, 1998b: 10)

A recurrent theme throughout a number of Dr Aitken's speeches is that there is a lamentable lack of evaluation culture in the New Zealand public service and that if more evaluation was adopted better longer term outcomes would develop (Aitken, 1997d; 1998a; 1998b; 1998c; 1999a).

In a very real sense the ERO represented the new entrepreneurial agency demanded by the NPM doctrines, and set itself up as a model of evaluation for the reformed public sector, for example:

Since 1984 there has been little demonstrable development of task-specific institutions set up to conduct high quality professional evaluations of policy in operation, targeted at ex post policy revision and if necessary reform. ...

With the exception of my own department, the Education Review Office, which is unique in the central machinery of government, there has been no provision for or establishment of custom-designed, purpose-specific, stand-alone, tax-funded, statute-based evaluation agencies.

(Aitken, 1997e: 20)

In utilising the NPM strategies the former Chief Review Officer makes the following self-assessment:

ERO is recognised as a competent and well-managed department of State. It has an impeccable record in terms of professional probity and strict adherence to explicit ethical codes, operational protocols and evaluative procedures.

(Aitken 1998d: 12)

Similarly, in assessing the ERO's performance as a public sector agency Aitken (2000a: 5) noted:

I think it can be argued on the basis of evidence that the Education Review Office has contributed both directly and indirectly to:

- improved educational outcomes;
- improved accountability;
- greater system efficiency.

The ERO thus portrays itself as the agent in the principal-agency relationship with the state, via the Minister as the principal. Yet this is the same ERO that is charged with the statutory responsibility of reviewing and publicly reporting on the performance of schools on behalf of the state. Hence, while the ERO has developed its own set of evaluative
criteria and performance indictors which schools must follow (ERO, 2000b) and these help to identify errant institutions, the ERO itself has actively pursued ‘under-performing’ schools (ERO, 1997b; Thrupp, 1997a; Robertson et al., 1997a; Thrupp & Smith, 1999). These specific regulatory and audit behaviours are elaborated upon in later chapters.

The Applicability of Combining the Theoretical Frameworks

In both the neo-Marxist and neo-liberal perspectives, the state can be viewed as a site of struggle. Not surprisingly, it is, at the same time, a site in which some actors or organisations have more power than others and they are, therefore, able to assert power over others. It is clear that the ERO has successfully been able to exert its influence within the restructured state.

The researcher is following a tradition of theoretical eclecticism in the educational policy arena, perhaps best exemplified by the work of Stephen Ball (see Ball, 1990a; Ball, 1994). In his 1990 text Ball draws upon the work of a variety of neo-Marxist theorists, in particular, Althusser (1969), Dale (1982) Habermas (1976) and Offe (1984). In the first chapter of his book Ball (1990a: 5-21) provides a rationale for understanding policy using a variety of theoretical strategies (see Figure 1.3, p. 10) using structural theories to describe the ‘economic’ level, the realist/interactionist to explain the ‘political’ level and the discursive to uncover the ‘ideological’ (Ball, 1990a: 10). In this thesis aspects of the discursive analysis will be used to unpack the ideological statements made in the ERO documents (viewed as policy ‘texts’ (see Ball, 1990a; Bottery, 2000; Codd, 1988, 1994a; Ozga, 2000; Scott, 2000a).

Another prolific writer in the area of education policy, Jenny Ozga, provides an alternative example of the rationale to ‘to bring together structural, macro level analysis of education systems ... and micro level investigation’ (Ozga, 1990: 359). It should be noted in this thesis that although the macro is mainly attended to, the outcomes on the micro level are also explored where possible, within the limits of the methodologies employed. In addition, there appears to be a tradition in the literature on education policy which has created frameworks for analysing the various/multiple levels (see Deem & Brehony, 2000; Hargreaves, 1985; Lingard, 1993; Ozga, 1987; Rhoten, 2000).

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12 Although the researcher is not using Foucault extensively in this thesis, he does occasionally venture tentative links. Ball (1990a) also draws upon a range of Foucaudian literature (Foucault, 1972; 1979; 1980). In the other text Ball (1994) draws upon the neo-Marxist theories of Dale (1989; Offe, 1984) and several of Foucault's theoretical positions (Foucault, 1977; 1980).
Concluding Comments

What has been constructed in this chapter is a overarching map of the theories that are used in greater detail throughout this thesis. Above all, these theories provide explanations of the state's power and the restructuring to the state which has occurred in New Zealand over the past twelve years. It has been argued that the state remains centrally located and crucially important, even within the restructured and supposedly localised system. The state in education still performs three major functions, albeit in different forms than it has done historically (Dale, 1997). The state is involved, therefore, in the funding, provision/delivery (and in New Zealand it is still the major provider) and in the regulation of education. It has been argued that one of the important new forms of regulation in the restructured education sector has been the role that the ERO has assumed for itself.

Two major perspectives on the state were outlined, those of neo-Marxism and alternatively theories derived from the neo-liberal perspective and how these have been draw upon to justify a reduction in the size and scope of the state (Dale, 1989). Furthermore, those representing neo-liberal interests within the state have applied New Public Management (NPM) strategies to restructure the state and its central agencies. It was concluded that the application of these NPM strategies has been utilised in the education sphere, and in particular with the ERO under the stewardship of Dr Aitken, who has been clearly identified as an NPM acolyte. It is necessary to look to both of these perspectives in understanding how state power operates at both a macro level and how the state is able to exercise its power and influence over schools (in this case the power of the state's educational watchdog, Smith, 1995). The neo-Marxist perspective was employed to illustrate how the state is inextricably linked with the capitalist system, and that whilst the institutional form of the state is not determined by the interests of capital, state policies will tend to shape capitalist development and reproduce the capitalist mode of production. Within the neo-Marxist perspective there was also discussion of the mediation of the policy process by state structures and a brief exploration of the ERO's position within the restructured state.

The processes and methods used in the restructuring of the public sector have been briefly outlined in order to highlight the state's partial withdrawal and setting up of new regulatory regimes to evaluate, inspect and audit on behalf of the state. Here it was argued that new agencies such as the ERO have been created in order to operate as quality and
accountability mechanisms from within the apparatus of the state structure. This will be argued more fully in Chapter Two and in Chapters Four to Six.

The next chapter, therefore, provides a discussion of how NPM techniques have been introduced into the public sector and more specially, how this type of managerialist practice is both imposed and adopted in the education sector – and promoted by the ERO.
CHAPTER II

THE CONCEPT OF ACCOUNTABILITY
AND PUBLIC EDUCATION

It has been said that 'in the post-industrial world there is a continuing and even growing need for the state not only to monitor what is happening, in absolutely every corner of life, but also to take a hand in it'.


Overview

The aim of this chapter is to explore the process by which states govern and in particular to make transparent the practices that were adopted in education by neo-liberal governments. This process was enunciated using a concept of *accountability*. Following an overview of the concept of *accountability* as it is variously defined and applied, the discussion focuses on the particular meanings accorded to the concept by neo-liberals. Particular note is made of the use of the concept of *accountability* as both the rationale and the purpose for restructuring in education. Related to this is a discussion about what educational accountability means: who is accountable, for what are they accountable, and to whom? Accountability as propounded by the adherents of NPM created the natural linkage between the technicism of NPM and the contractualist state (Codd and Gordon, 1991). The Treasury and the State Services Commission (SSC) can be seen as the ‘policy entrepreneurs’ in this process.

The chapter then goes on to briefly describe the 1989 educational reforms and unpacks the Picot/*Tomorrow’s Schools* concept of *accountability*. These changes in educational bureaucracy stemmed from the Picot Report (Picot, Rosemergy, Ramsay, Wise & Wereta, 1988), *Tomorrow’s Schools* (1988) and the *Education Amendment Act* (1989). Each of these contributed to the eventual demise of the Department of Education and thereby, by association, the Inspectorate (the KWS model of educational accountability). But ultimately, they also led to the establishment of the ERO. This discussion highlights the messy and conflicting definition of accountability that these education reforms imposed on the schools. The chapter outlines a brief discussion of the newly established agencies in which policy development and implementation and advice about schools and curriculum was split from the function of audit and review. From this ‘structured separation’ emerged conflicts between concepts of accountability meaning ‘shared responsibility’ and that of the more evaluation and review model of the later ERO.
Accountability as required under the NPM structures is outlined, followed by a critique of the model of NPM/managerialism as it has been applied in the public sector and educational spheres. The chapter ends with a very brief evaluation of the New Right reforms in Aotearoa/New Zealand which now spans just over a decade.

At the core of the push to introduce the reforms at the level of the public sector generally, and to the education system more specifically, the policies promoted stemmed from 'New Right', mainly neo-liberal sources (as outlined in Chapter One). While under the rubric of rightist policies, they have been manifested and implemented through new public management strategies. For example, in the UK as Johnson (1991a: 103-108) advances:

Different New Right theorists from Hayek to the Public Choice School have developed a kind of class theory of the state, an 'economics of politics', which explains why bureaucrats, state professionals and politicians might favour interventions (Green, 1987, pp. 92 – 108; Bosanquet, 1983, pp. 62 – 74). ... the state is an instrument which bureaucrats and state professionals use for security and self-promotion. Protective legislation creates special interests which also defend the status quo. ... The growth of state provision has indeed involved new forms of regulation, new kinds of coercion, a new dependence. ... A distinctive managerial layer is emerging in most professions: 'management' is everywhere the new word for 'control'. New Right drives to 'accountability' coincide with longer-term tendencies here. ... 'Management' is also the new word for elite, establishment, or even the ruling class!

Whilst Johnson (1991a) describes the situation which existed in the UK, there have been similar policy developments occurring in Aotearoa/New Zealand. This chapter unpacks aspects of many of the themes outlined by Johnson (1991a) and describes, analyses, and evaluates how these types of policies have been implemented in this country.

The Concept of Accountability

The neo-liberal reforms in education represent a new doctrine for inserting ruling forms of governance over schools to make them more overtly responsive to the needs of industry. Within this political process, the New Right has appropriated language creating a particular discourse around the term accountability. The relations and practices of accountability thus take on a particular form within education and are realised in particular ways that will be explored throughout this chapter.

Like the concept of 'the state,' accountability as a term defies simple and precise definition. Burgess (1992: 5) noted '[T]he trouble is that people understand many different things by accountability ... [it] can be of many kinds: personal, professional, political, financial, managerial, legal, contractual'. In the 1980s and 1990s, the term 'accountability' in
education became a prime focus and rationale for change throughout the Anglophone countries (Smith, 1995). The interpretation of accountability in education revived a debate begun in 1970s concerning behaviourism. In 1971 in the USA Tyler (1971: 1) stated:

Accountability has become a major subject of educational discussion and a focus of sharp controversies. Ten years ago, the word rarely appeared in educational publications and was not mentioned on the programmes of educational organisations.

Meanwhile Sciara and Jantz (1972: 3) predicted that accountability ‘could well become one of the most important educational movements in the decade of the 1970s’ by suggesting that:

... public schools must prove that students at various levels meet some reasonable standard of achievement. The concept further implies that schools must show they use funds wisely – that expenditures justify educational outcomes.

Accountability was also being discussed in an Australian context (see Chippendale & Wilkes, 1977). Walker (1977: 4) rejected the narrow interpretation, pointing out that the human outcomes of education are not quantifiable (ibid.). Despite this intellectual background, the concept of accountability adopted in the USA, the UK and Australia in the 1970s, was not employed in education in New Zealand in the same way until the early 1980s (Renwick, 1983; Scott, 1986; Clark, 1988). Yet over the 1980s the terms became progressively more important internationally.

Neo-liberal governments and 'new right' lobby groups in the USA supported calls for accountability in public schooling. In the USA, following the release of A Nation At Risk (1983) the US Secretary for Education (William Bennett) produced a report entitled: American Education: Making it Work (Bennett, 1988). Bennett (1988: 59) stated '[I]n sum, accountability means responsibility for results. ... Accountability is the linchpin of education reform'. Furthermore, he noted:

Accountability ... is not an abstract principle. It has four concrete and imperative elements: spending wisely; providing choice; monitoring productivity, and rewarding success ...

(ibid: 45)

At the same time, in the UK, Bowe, Gewirtz and Ball (1994) observed that a political theme emerging in the 1970s was to make education accountable. However, they also noted of accountability and its stablemate, the construct of 'choice,' that:

[they have] ... a great deal to do with the way in which, influenced by micro-economic and public choice theories, the Conservative government has re-contextualised accountability and placed education within the ideology of the market and, in particular, within the notion of consumer power.

(Bowe, Gewirtz & Ball, 1994: 63)
The Organisation for Economic Co-operation and Development (OECD) commissioned a report on the accountability mechanisms in education of its member countries which was finally published in 1995. The OECD report advanced that accountability was a ‘complex concept and a fashionable term with both fiscal and political meanings’ (OECD, 1995: 20). They raised the importance of accountability as a ‘desirable policy’ for promoting transparency in education:

Simply making schools ‘accountable’ ... is unlikely on its own to lead to improvements in performance; but it is a highly desirable policy in the interests of transparency and democracy in education.  

(ibid.)

The OECD promotion of ‘market’ information for parents, performance indictors, external evaluation and clearly linked education to the needs of the economy (OECD, 1995; see also Vickers, 1990; Dale, 1997; Elliot, 2000). Further, the OECD advocated ‘outcome’ data from schools for a variety of reasons:

- to generate data on national standards;
- to evaluate the effectiveness of certain policies;
- to make sure that schools are complying with regulations;
- to monitor value-for-money; and
- to elicit information which would improve the quality of parental choice

(OECD, 1995: 22)

In the UK, Johnson (1991b: 38-40) advanced the educational tendency that leaned towards neo-conservatism reform measures and the promotion of more modern measures to used for judging ‘standards’. Furthermore, he argues that education can be judged against the requirements of a modern economy. ‘Standards’ can mean ‘employability’; the curriculum can be rejigged to foreground ‘enterprise’ (Johnson, 1991b: 40).1 Whilst it can been cogently argued in the earlier comparative literature which analysed the education reforms in England and Zealand (Dale & Ozga, 1993; Gordon & Whitty, 1997; Thrupp, 1998) that the New Zealand reforms were more market and managerially orientated to a neo-liberal perspective than a neo-conservative one, it is argued in this thesis that there were some important examples of neo-conservatism at play. This was more evident in terms of the National Government’s position on standards and values in the curriculum (O’Neill, 1996, Peters, 1995; Smith, 2000b; Snook, 1995). But importantly, it is advanced throughout this research that the ERO was a significant driver of much of the reform and in realising them in practice (especially in terms of promoting particular types of assessment).

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1 For the neo-conservative wing of the Tories in the UK, Johnson (1991b: 54) noted that prioritising standards, not choice; and using central control, not the market, was the preferred strategy.
More recent research on the reforms (Codd, 1998; Locke, 2001; O’Neill, 1998) have argued that the state’s role over areas of curriculum had increased as a result of a tightening up on standards. Furthermore, other contemporary analyses that can be broadly described as comparative (Apple, 2001; Levin, 2001), and which contain passages on the New Zealand reforms, have noted aspects of some neo-conservative tendencies which could be observed in the restructuring – particularly under the National Government (1990–1999).

In New Zealand the use of the term accountability, along with accompanying terms of efficiency, contestability, effectiveness and choice, encapsulated the neo-liberal language of a market and management culture which permeated the New Zealand education sector thereby leaving an indelible mark on the education community (Smith, 1994; 1995).

The concepts of choice and accountability have populist appeal, and each demands approval. However, as both Lawton (1992) and later Codd (1994a) argue, these words have a wide range of meanings and can be ‘situated in different, even opposing ideologies’ (Codd, 1994a: 1). Both words have been appropriated into the rhetoric of the ‘New Right’ who claim these words equate to better quality. In Aotearoa/New Zealand, the neo-liberal version of accountability applies to ‘market’ or ‘consumer’ model of accountability. These were, in fact, applied throughout Anglophone countries (for an overview analysis see Forster, 1999; Gordon and Whitty, 1997; Marginson, 1997; Whitty, Power & Halpin, 1998; Lauder & Hughes, et al., 1999a).

In the UK model Johnson (1991b: 68 – 76) suggested the preferred model of inter-school relations is competitive and that the main point of the National Curriculum was to introduce choice, competition and market relations. If schools start to co-operate, this erodes ‘consumer sovereignty’.

Furthermore, Johnson (1991b: 68-76) advances:

... the difference between democratic devolution and the neo-liberal model. The former aims to extend politics and revivify democratic practice by devising ways of negotiating the interests involved; the latter seeks to contain politics by reducing it to an economics – to ‘choice’ and ‘consumption’... The earliest New Right strategy was to evoke parent power against the professionals. ... 'Accountability' is the way this project is pursued. Schools should be accountable to parents for the education of 'their' children. Power should be given to parents by enabling them to choose one kind of education over another. This discursive figure of accountability to the parent is, however, ideological in the strongest sense: it hides more than it reveals. ... Accountability is not about empowering parents as such, still less about empowering children.

The strategies employed under the English model had New Zealand comparators. It is argued in this thesis that there was a central tension advanced in the 1989 reforms which at
one level promoted democratic versions of accountability (at least in a superficial sense) yet the reality and the practice was that accountability became used as a hegemonic tool for the state to maintain, exert, and in fact under the ERO model, extend control over the education sector.²

The analysis proposed by Johnson in the UK is very forceful and powerful. It claims that the 'New Right does not lead us to 'freedom' (in any meaning), but towards a deepening coercive regulation of civil society, to forms of serfdom indeed' (Johnson, 1991b: 85). Whilst, this may have been the case in the UK in the early 1990s and whilst it is also true that there have indeed been some striking parallels and aspects of policy-borrowing (Halpin & Troya, 1995), the position of 'national specificity' needs to be taken into account (Centre for Contemporary Cultural Studies [CCCS], 1981; Gordon, 1992b; Bottery, 2000). There have also been differences in the way the reforms have been applied (Dale & Ogza, 1993; Gordon & Whitty, 1997; Thrupp, 1998, 2001). The researcher notes that whilst the 'serfdom' that Johnson (1991b) advocates was a direct consequence of reforms as they occurred in England, the marketisation/mangerialism processes in the New Zealand context, while both damaging for schools and teachers as professionals, may not have been as directly destructive as those in the UK (although the author notes this is open to contestation in the literature).

There have been, however, direct disparities within the education sector, in particular in relation to socio-economic status dimension as a result of marketisation, and this has been well documented in the literature (see Gordon, 1994; Hawk, Hill et al., 1996; Ladd & Fiske, 2000; Robertson et al., 1997a; The Smithfield Studies, in particular, Lauder, Hughes & Watson, 1999 and Lauder, Hughes, et al., 1999a; Thrupp, 1999). Furthermore, New Zealand variants of the state regulation thesis and aspects of its coercive effects on the teaching profession have been well documented (O'Neill, 1998; Codd, 1999; and in particular the analyses of Robertson, 1996, 1999; and Dale, 1997).

'Market' accountability was proposed in the Aotearoa/New Zealand context by the New Zealand Treasury (Treasury, 1984; 1987; Bushnell & Scott, 1988; Scott, Bushnell & Sallee, 1990) and critiques of the Treasury position have also been published (Lauder, Middleton, Boston & Wylie, 1988; Grace, 1990b; Codd & Gordon, 1991 (Eds.); Codd, 1993a; 1994b).

In line with neo-liberal theories, as outlined in the previous chapter, the application of micro-economic methods or 'new institutional economics' (Boston, 1991), 'new public

² See the early analyses discussing the reform processes by (Codd, 1990a, 1990b; Codd, Gordon & Harker, 1990; Codd, Harker & Nash, 1990; Codd & Gordon, 1991a; 1991b; Lauder, 1990; Dale, 1992).
management’ (Hood, 1990), or ‘corporate managerialism’ (Considine, 1988) to the operation of the state changed the culture of public administration. The business of government became overwhelmed by business values and business behaviour. Norris (1995) suggested that the government’s concern for ‘value for money’ moved evaluation towards the measurement of outputs regardless of context and processes (Norris, 1995: 271-272). Like Boston (1991), and later Schick (1996), Norris (1995) also suggested that Treasury interests reinforced the role of evaluation in facilitating greater financial control at the expense of social accountability.

In the British context, Power (1994) described the process as the ‘audit explosion’ and later the ‘audit society’ (Power, 1997). Methods adopted for NPM to audit institutions are based on the following strategies: ‘Quantitative; Single Measure; External Agencies; Long Distance Methods; Low Trust; Discipline; Ex Post Control and Private Experts’ (Power, 1994: 8-9).

He maintained that in this way public accountability was reframed to incorporate goal definition, efficient resource allocation, financial performance and competition (Power, 1994: 11). The mechanism for this was ‘the audit’:

Audits are not simply answers to problems of accountability. They also shape the contexts in which they are demanded in important ways. Submission to audit has become such a benchmark of institutional legitimacy that resistance and complaint look like attempts to preserve abuses of privilege and secrecy. The audit explosion has its origins in very recent transformations of government, which have sought to devolve many of its functions while retaining regulatory oversight. (Power, 1994: 48)

Furthermore, Power (1994) argued that the emphasis on audit reflected not only the government's withdrawal from the provision of services but promoted a lack of trust of the professionals who actually provide that service (Ouston, Fidler, & Earley, 1998). While the stated purpose of audit and accountability in NPM was to raise standards of service, it was also noted, however, that the process of audit may lead to declining standards of performance through the lack of trust and autonomy of professional staff (ibid.). This criticism was echoed in the work of Schick (1996).

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3 Power’s analysis has been applied in education in relation to the process of inspection by OfSTED (see Wilcox and Gray, 1996: 116-118). Furthermore, in the New Zealand context, Robertson, Thrupp, Dale, Vaughan & Jacka (1997a) have described the ERO’s review practices as operating under a low trust model. Moreover, Power’s analysis provides a useful example of how to analyse the roles and functions of the ERO and these are discussed in later chapters where it is argued that ERO's reviews are essentially a type of ‘performance audit’.
The relevance of these analyses has resonance in the restructuring of both the central state and the reforms of the New Zealand education system. (The different forms of auditing used for accountability by the ERO, will be outlined in later chapters).

**New Public Management (NPM): New Zealand Style**

There is an extensive literature on the public sector reforms from politicians, government agencies or bureaucrats involved in the process (Treasury, 1984; 1987; Bushnell & Scott, 1988; Scott, Bushnell & Sallee, 1990; Douglas, 1993; Shick, 1996). The major purposes of the reforms were to exercise budgetary/fiscal restraint by the state and to enable the move to supply-side policies as opposed to demand-led ones and also the introduction of competition via a marketisation process. The Labour Government’s rationale for restructuring was imbedded in its response to the fiscal crisis through the repayment of public debt. This involved what Gordon (1992a; 1992b) described as a fundamental shift in New Zealand’s economic philosophy; public debt was perceived as the basis for restoring the nation’s economic fortunes.

The introduction of new forms of accountability provided a mechanism for new forms of state control. Accountability as a term and a practice became increasingly important bringing with it a shift to a much more contractual-based society.

Within the principal-agency frame of NPM, strong accountability mechanisms need to be in place, so that the agencies which are at a distance, act in the state’s interest. Scott, Bushnell and Sallee (1990) who as Treasury officials were instrumental in developing these requirements, opined:

... that the changes were designed to achieve greater ministerial control over the determination of policy through two mechanisms: the separation of policy development from operations; and efficient management in terms of the delivery of specified outputs to meet the government’s desired outcomes.

(Scott, Bushnell & Sallee, 1990)

These views of the ‘officials’ in Treasury, State Services Commission held sway during the reform period becoming the mainstream economic principles and published as ‘official’ discourse. Kelsey (1995; 1997) argues that New Zealand was an international experimental testing ground for these broad ‘new right’ monetary policies and that the architects of the regime wrongly proclaimed it as a success story across the globe. What was occurring was what she calls the ‘privatisation of power in which the people’s preferences as purchasers
of goods were perceived to be more important than what sort of society they wanted to live in' (Kelsey 1995: 297).

In terms of managerialism and marketisation strategies, Bottery (2000) notes that inter-institutional competition flourished premised on the belief that governments need to be much more policy directive in order to produce a globally competitive workforce and in order to ensure a level of value and social stability. (However, it was asserted, this does not rule out the use of markets altogether.) At the institution level, then, the market is seen by many policy-makers (such as the Treasury and SSC) as possessing a number of useful functions, and Bottery (2000: 150) identifies these as:

- It generates competition between institutional providers, creating incentives for good performance and for successful innovation, as well as punishing those producers who underperform; if the right structures are put in place, it can provide the kind of information which 'consumers' need in order to make adequate comparison between the 'products' on offer; finally, it locates praise and blame at the institutional level and thereby diverts political censure. As long, then as policy direction is firmly located at the centre, the market continues to be a favoured mechanism for institutional performance.

These processes were those that underpinned the reforms at both the public sector level, the restructuring of the education sector, and as argued in Chapters Four and Six these policies were directly promoted by the ERO and aspects of them were utilised in their surveillance over schools.

The state, and in particular the control departments, promoted the concept of democratic accountability, or, as Bottery (2000: 150) describes it, as the belief that if an institution and its members are using public money, then the public has a right to know how efficiently and effectively that money is being spent. This has been a long-standing criticism of public sector 'producers' and continues to be utilised as an argument for control and surveillance of those individuals or institutions that are utilising public money. Futhermore, Bottery (2000: 150-151) observes that:

- Stakeholder participation – the belief, stemming either from market or democratic assumptions, that 'producers' should not be the sole of even the major determinants of content and practice in educational institutions. On the contrary, on both democratic and market scenarios, all those affected by such practice should be entitled to some input into policy and practice.

It is argued that these were the policies followed by the state and promoted by the control department in their attempts to influence the restructuring of the education sector and that these processes underpinned and informed aspects of policy advocated in the Picot Report.
were implemented by the *Tomorrow's Schools* (1988) reforms and legislated in the *Education Act* 1989.

Hambleton (1996: 44) claims that shift in the public administrative system involved three different strands. These strands (see in Figure 2.1 below) criss-cross and overlap, with the emphasis on different strands shaped in different ways for different policy areas, at different levels of government and under different forms of political control.

The first phase, he described as 'unresponsive public service bureaucracies', and this refers to the build-up of large, highly professionalised departments structured to mass-produce services in the period from the 1950s to the 1970s where the dominant organisational form was bureaucratic. This is what was earlier termed the KWS or Keynesian Welfare State. During the 1970s, dissatisfaction with this form of service management emerged. Alongside this emanated an increased public concern about the remoteness of centralised decision-making and a perceived lack of accountability.

In New Zealand these claims were voiced directly from the Treasury in 1984, and were levelled at the public service and later at the educational bureaucracy in 1987 (Treasury, 1984; 1987). The 1980s, the second phase of Figure 2.1, witnessed a crisis in these old solutions and the emergence of three sets of reactions if we use the Hambleton (1996) model.

Hambleton's first broad alternative, (the market) is usually associated with the neo-liberal perspective. It seeks to challenge the very notion of collective and non-market provision for public need. It centres on the notion of privatisation. It seeks to replace public provision with private provision. The second alternative, shown on the right of Figure 2.1, aims to preserve the notion of public provision, but seeks a radical reform of the manner in which this provision is undertaken. Thus the mechanism seeks to replace the old bureaucratic paternalistic model with a much more democratic model. Hambleton 1996: 43-45) argues:

> Both the right and the left took the view that the public service bureaucracies, whatever their stated intentions, were incapable of transforming themselves. New mechanisms needed to be created which would force the bureaucracies to become responsive to external pressures. ... But, having agreed upon the nature of the problem, the solutions then prescribed differ dramatically. ... Whereas the right

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4 It should be noted Picot et al. (1988) and Lange (1988) had criticised the large and bureaucratic Department of Education. Furthermore, as will be addressed in Chapter Three, there were already precursors for change recommended by some government appointed committees through the 1970s and 1980s (Holmes, 1974; McCombs, 1976; Scott, 1986) and in the analysis by Barrington (1990). Later chapters will argue that the ERO, using the media strategy of releasing reports, was a form of rhetoric for extending democracy and empowering parents as citizens.
offers markets, competition and individual choice, the left offers strengthened democracy, participation and collective control. Whereas the right champions the individual consumer, the left advocates a new form of democratic collectivism built upon concepts of citizenship ... and communities.

The third broad strategy for public service reform identified in Figure 2.1 is 'new managerialism' or NPM. Hambleton draws upon Hirschman's (1970) concepts of 'exit' and 'voice' to clarify the object of each strand of the model (at level three, the 1990s). He identifies the market model focuses on a 'consumer' who is dissatisfied with a product or service who can exercise the 'exit' option by going to an alternative provider. In the managerial model the object is the people as customer.

The alternative Hambleton (1996: 45) suggested to these competitive models was that markets and managerialism could be the extension of democracy, or in Hirschman’s terminology, a strengthening of voice. This concept of democracy was actively promoted as an option under the rubric of 'parental power' and community involvement under the Tomorrow's Schools reform policies. And at one level it could be argued that there was this
strategy for increasing responsiveness to parents as ‘consumers’, but there was also the underlying philosophy of removing or at least reducing the power of the teaching profession.

**Brief Overview of the Restructuring of Education**

The reforms to New Zealand education cannot be viewed in isolation, they need to be contextualised within the reforms occurring in other countries. The reforms in the UK have informed aspects of policy developments in New Zealand, and the reverse has also been the case. In its original form – the author of this thesis had stated that the reforms in the UK had been informed by some of the developments in New Zealand but this has now been tempered to highlight that there were areas of reciprocity, whereby the New Zealand reforms may have been influenced by policy developments in the UK. The original statement was contested by Canning (2001a: 1-2) particularly the comment about ‘comparing ERO and OFSTED’. Furthermore, Canning (2001a: 1 - 2) stated ‘I wonder whether the influence of those UK reforms might be a little overstated. ERO is its own unique model, even if international developments were referenced by the designer!’ This point is still open to debate, and as this researcher and others have noted elsewhere (Robertson et al., 1997a; Smith, 1995; 2000b; Thrupp, 1998; 1999) there is considerable linkages between these two agencies. In addition, in the Office’s own *Annual Report* (1996c: 21-22) the ERO discusses the subject in the following terms:

... the management of an exchange programme with the Northamptonshire Inspection and Advisory Service (NIAS), an agency contacted to the ... (OFSTED) in the United Kingdom. Under the terms of an exchange programme set up in 1995 the ERO and the NIAS in Britain host school inspectors and review officers from each other’s country for two weeks each year. NIAS is one of the agencies which carry out reviews of schools under contract to OFSTED in England and Wales.

In interviews with the researcher, two senior ERO executive managers (Aitken, 1993; Salt, 1994) each confirmed that there was significant communication between the two comparative organisations. Furthermore, Frances Salt had attended and completed the OFSTED training (required to be a registered OFSTED inspector).²

The reforms have been the subject of considerable literature as well as some country comparative studies. Examples include: Dale and Ozga’s (1993) comparative analysis of aspects of the early reforms; Gordon and Whitty’s (1997) analyses outlining the imposition of the educational markets and its effects; and Thrupp’s (1998) comparison of the ERO and OfSTED inspection agencies in these two countries. There has been both extensive critical

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² The information contained in the ERO 1996/1997 *Annual Report* (1996c) about the joint exchange programme between the agencies has not been reported in the ERO *Annual Reports* since 1998 (ERO, 1998b: 38).
comparative analyses and bureaucratically-driven 'official' international comparative analyses conducted in recent times, particularly between the UK reforms and those of New Zealand although some include Australia and Canada as well. (For example, see Carter & O'Neill, 1995a; 1995b; Evans & Davies, 1990; Halsey, Lauder, Brown & Wells, 1997; Smyth, 1993; Walford, 1996; Whitty, Power & Halpin, 1998; Thrupp, 1999a; OECD, 1994; 1995.)

For another more recent comparative study see Levin (2001).

**Accountability at Work in Education**

The term accountability provides the public rationale for reform. The discourse enables the public, i.e. the electorate, to gain a glimpse of a solution that is brought to bear when dealing with concerns over the inert bureaucracy.

Ladd (1996), in the USA, noted that past efforts to reform education in the States focused on changes in educational governance, process and inputs (Ladd, 1996: 1). By contrast, the accountability reforms in education focus public concerns on the outcomes of the education system. There was a drive for more efficiency and to get more 'outputs for fewer inputs' (ibid.). Describing this regime as the 'new state accountability' she postulated that those adhering to this view see the school as the most appropriate site of accountability (ibid: 11). Ladd was highly critical of the position that teachers and schools can be held accountable for the performance of students.

Poulson (1996) in the UK drew upon Foucauldian theory to explain the effects of accountability in education. She noted the concept of accountability carried different meanings and that the current meaning:

... may be seen less as a moral obligation to clients or colleagues, either individually or collectively, than as an aspect of the disciplinary technology by which the work of teachers and schools is surveyed and controlled.

(Fourcault [sic], 1977 cited in Poulson, 1996: 585)

This view of the different concepts of the term accountability is akin to Schick's (1996) sense of responsibility over managerial accountability. Moreover, Poulson claimed that accountability was used to establish a discursive consensus which constructed teachers and schools as being in need of external regulation (Poulson, 1996: 585).

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6 See Denzin's (1971) analyses of organisational 'bias' in the Introduction and Methodology. The OECD has as its focus, economic development and the expansion of liberalised world trade, each of which are ideologically based. The 1995 Schools Under Scrutiny report has an agenda, and the authors for the New Zealand country section were senior bureaucrats from the Ministry of Education and Education Review Office. In relation to the point above, the PPTA noted that in the Austin Review (1997a) report:

... the OECD reference turns out to be the New Zealand country paper by the NZ Government (hardly an impartial observer) and in fact it is quite possible that the section on education review was written by ERO itself.

(PPTA, 1998a: 3)
Accountability becomes, therefore, a central tenet of NPM privileging educational administration over learning. Maurice Kogan (1986, 1988) [a principal theorist in educational administration] argues that there are three broad models of educational accountability and each serve different purposes:

- for public or state control;
- for professional control and self-reporting evaluation (self-regulation);
- and for consumerist control.

(Kogan, 1988: 139)

Consumerist control itself can have two forms: (a) for participatory democracy or partnership or (b) to support market mechanisms (Kogan, 1988: 139). Kogan indicated that each of these various forms of accountability could only be assured if there were sanctions associated with poor performance (ibid.).

In the UK context Scott (2000b: 76) notes:

In the past fifteen years education policy-makers have focused on changing the culture of schools. They have attempted to do this in three ways: the development of new structures for managing schools (both within and without); the establishment of consumerist and state control mechanisms of accountability (Kogan, 1986) and the endorsement of different arrangements for teaching and learning.

Similar strategies to those outlined by Scott (2000b) have also been enacted in the New Zealand context and these are outlined in the following section.

**New Modes of Operation and Accountability: Picot Era**

This section provides a brief overview of how the use of accountability and NPM strategies constructed the reform of education in 1989. From the early Picot education reform period, academics predicted that the process of decentralisation would in fact require tighter accountability and regulatory mechanisms thereby increasing centralised control by the state (see for example Codd, 1990a; Gordon & Codd, 1991; Gordon, 1992a; Grace, 1990a; Lauder & Wylie, 1990; Middleton, Codd & Jones, 1990; and Nash, 1989).

While these early papers described and critiqued the early reform processes, notably after the reforms had been initially embedded, other papers continued to critique the implemented educational policy of accountability (Codd, 1993a, 1994a; Dale & Jesson, 1993; Dale, 1997; Gordon, 1995a; Peters, Marshall & Massey, 1994; Peters, 1995; Snook, 1985; Olssen & Morris Matthews, 1997; and Wylie, 1995). More recently, other analyses
have looked back over a decade of the reforms and reviewed their impact (Butterworth & Butterworth, 1998; Fiske & Ladd, 2000; Lauder, Hughes et al., 1999a and Thrupp, 1999a; 1999b)\(^7\).

It will be argued in Chapter Three, that whilst the term accountability was used in education documents in the 1980s (such as the Scott Report, 1986) it was not until the major restructuring in the late 1980s that the 'new' and explicit forms of accountability premised on NPM were adopted. There was a perceived lack of accountability in the education sector and a dearth of objectives and measurable outputs and outcomes as was in evidence throughout the Picot Report (1988). The following examples from Picot highlight this:

Lack of Accountability
3.5.7 Effective management requires specific and detailed objectives. Clear responsibility, and control of resources available to meet those objectives. When objectives and priorities are undefined or unclear, there can be no clear responsibility for the use of resources. Individuals and groups can only be properly held accountable for achieving, or not achieving specific objectives. In the absence of those kinds of objectives accountability becomes vague, fragmented and uncoordinated. And what passes for accountability can turn out to be checks on whether administrative instructions have been followed, rather than measuring how well educational objectives have been met. ...

Accountability
4.2.8 Those who use public funds must be accountable for what is achieved with those funds. ... Those who are accountable must know who they are accountable to; the lines of accountability must be clear. On occasion accountability can be split, with a particular individual or agency being responsible to more than one other individual or agency for different aspects of the same task. When this happens, the different accountabilities should be clearly delineated and there should be no conflict between them.

(Picot, et al., 1988: 31 & 43)

The Picot Taskforce described the new accountability structures clearly in terms of NPM theories, principally agency theory, in line with the Treasury officials Bushnell and Scott's (1988) conception of accountability. Matters of control, and monitoring by an external agency are clearly evident in the following passage:

6.4.2 Those who exercise power and responsibility on behalf of others must expect to have their performance monitored and to be accountable for what they have achieved. ... real accountability is more than reporting on the use of funds and adherence to established rules. Genuine accountability involves three major elements:

6.4.3  
- clear and specific aims and objectives, expressed as outcomes

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\(^7\) Another source of academic commentary covering aspects of the reform process has been the annual publication from the Education Department at Victoria University, essentially covering the decade from 1991-1999 (Manson, 1992-1995; Livingston, 1996-2000).
• control over the resources available to achieve those objectives
• monitoring by an outside agency of how well those objectives are met.

(Picot, et al., 1988: 60)

Picot suggested a new agency be established to perform a more focused role than the previous Inspectorate. The new agency of accountability was not to perform an advisory role to school communities. The explicit function would be for determining whether or not management teams in schools and their Boards of Trustees were meeting their charter obligations. There was also a new focus on fiscal responsibility to the central state:

[T]he Education Review Office has been established to ensure that learning institutions are ... accountable for the Government funds they spend.

(ERO, 1989: 3)

However, the Picot Report also established a messy definition of accountability for the Boards of Trustees. At a local level they were accountable to their school community while being simultaneously accountability at a national level to the state (Codd & Gordon, 1991). This confusion of dual accountabilities between accountability for partnerships with the community was sold through the Tomorrow’s Schools rhetoric (Lange, 1988) and accountability and control over resources moved to the central state. The contestation of policy formation and the linking of school accountability to the local community permeated the discourse over accountability. The expectation that the Boards had multiple principals runs counter to the principal – agent relationship expounded in NPM theory.

The following information about how the ERO was conceptualised in the Picot Report and Tomorrow’s Schools, is by necessity a brief overview, and will be covered more extensively in Chapter Four which discusses, amongst other things, the conception of the agency. Furthermore, it is necessary to outline the change here in order to provide a context for the following chapter on the history of the Inspectorate (the ERO’s preceding counterpart) and how this changed over the time leading to the 1989 reforms.

Picot et al. (1988: 57) recommended that:

6.1.3 ... • That monitoring the performance of the education system should be undertaken by an independent agency able to comment on the quality of policy implementation, as well as on the education performance and management efficiency of institutions. ...

The stated purpose of review was 6.4.4: 'to help the institution assess its own progress
towards achieving its objectives, as well as to provide an independent audit of

It was also recommended in the document that:

6.4.9 ... Those employed in this work should not have any other function. In
particular they should not have responsibility for advice and guidance to institutions
apart from any recommendation they wish to make in their reports.

(Picot, et al.,1988: 61-62)

Review and Audit Functions
8.4.3 During the remainder of 1989 and 1990 the new Review and Audit Agency
will be responsible for continuing a programme for school inspections using the
present procedures, and for the development of performance measures and
information-gathering techniques to be used in the subsequent reviews.

(Picot, et al.,1988: 86)

The Review and Audit Agency (R&AA) was being promoted to clearly monitor standards,
and to provide an account to the public. Whilst their role was to be delineated from that of
the previous Inspectorate’s policy of providing advice/guidance as well as inspecting,
there are also undertones of 'soft' inspection' and providing some form of support at least
in the implementation phase to assist/improve schools in objective-setting and
rudimentary self-review.

What is also interesting in the proposal is that there appears to be a moot that proposes an
extended period of embedding the new structures (two years). This involved continuing
with previous types of inspection while at the same time developing new performance
measures and a different type of review methodology. Thus, it may be argued that the
proposed new agency was something of a hybrid which contained elements of both the
processes and procedures employed by the former Inspectorate, and yet there was a new
dimension of a stronger focus on accountability at the level of school, and holding schools’
management and governors (Boards of Trustees) to be publicly accountable.

The argument proposed in this thesis is that whilst the new agency was afforded flexibility
as a new state agency in order to enable it to develop incrementally, there were some
mixed messages provided by the Picot et al. (1988) taskforce (although it is unclear
whether these were intentional). The final document contained both elements of the NPM
doctrine and also harked back to an alternative previous philosophy encouraging some
professional responsibility of the new R&AA to provide elements of support to schools.

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8 For an 'insider's' view of the debates within the taskforce and development of the new structures in
education and how they materialised see the account by Ramsay (1993).
The implementation policy document *Tomorrow's Schools* (Lange, 1988) retained the majority of the recommendations proposed by the Picot Report (1988). It was mandated under the title 'accountability' in Lange (1988: 4) that '1.1.9 ... The institution's - and the board's - performance will be formally reviewed by the central Review and Audit Agency'. Furthermore, there was recorded in this document that '2.3.1 An independent body - the Review and Audit Agency - will be established to ensure that institutions are accountable for the government funds they spend' (Lange, 1988: 20).

However, unlike preceding proposal documents (the green paper, the Picot Report), the policy document (white paper) required tighter planning and review and developed a methodology that was more in keeping with NPM policies. It required that the agency develop the following:

2.3.9 During 1989, the Review and Audit Agency’s chief executive officer will develop a strategic plan – including the methodologies to be used in the reviews of different types of institutions, and the structure of the Review and Audit Agency itself. (The question of the agency’s presence at local, district or regional level will also be decided by its chief executive officer).

The document thus provided a somewhat tighter focus on aspects of accountability with the agency being viewed as more of a quality assurance mechanism in the education sector. There is significant evidence, therefore, of the NPM developments (in particular agency theory) as outlined earlier (Bushnell & Scott, 1988; Scott, Bushnell & Sallee, 1990; and the criticism of this model by Boston, 1991; Boston, et al., 1996; and also to a lesser extent Schick, 1996).

In line with the theories of managerialism, the new CEO (or Chief Review Officer, CRO as the title became known) as the overall manager or 'agent' of the new organisation was accorded as an individual, significant power with which to determine the form, structure and operations of the new agency. However, the CRO remained answerable and accountable to the Minister responsible for the R&AA/ERO.

Given that most of the original Picot Report (1988) recommendations were implemented through *Tomorrow's Schools* (1988) the flexibility provided by the new structures allowed the original CRO considerable autonomy to determine the direction of the new agency. However, as is developed in more detail later in the thesis (in particular in Chapter Four) there still existed a fuzziness with respect to the dual accountability of schools to the community as well as to the state. In addition, whilst there were guidelines for the role the new agency was to perform, it is articulated that there were not clearly defined responsibilities, and accountabilities of the new agency (the R&AA). The at least 'espoused' 'democratic' philosophies in both the Picot Report (1988) and *Tomorrow's Schools* (1988) provided this state of fuzziness for enabling the implementation of a new regime of
inspection that allowed for the development of an organisation. That organisation was to proceed with mixed methods – an amalgam of the former Inspectorate, and what was to become, post 1992, a more distant, accountable and powerful agency for policing the educational landscape. Thus was formed what this author and others have elsewhere ascribed as a label to the ERO, ‘the educational watchdog of the state’ (Smith, 1997b).

As the researcher further argues in Chapter Four, the original CRO was a former District Senior Inspector, and had a personal educational philosophy which was imbued with what Codd (1990b; 1994a) has termed the ‘professional contextualist’ rather than one that was dominated by the language and philosophies of NPM which was what was required as the ERO moved more rightwards from 1992 onwards (see Smith, 1994, 1995; Thrupp & Smith, 1999).

Yet, in spite of this conflict of accountabilities as outlined earlier, the Picot Report (1988) and its implementation through Tomorrow’s Schools (1988) did establish new structures in line with NPM forms of accountability. Through these processes, the state strengthened its role at the centre (Codd, 1990a; Nash, 1989). In analysing the effects of the Picot Report MacPherson (1993) and Rae (1991) summarised the findings in the following ways:

Management systems had become too complex and fragmented to provide for efficient and effective service, resulting in wasteful duplications and client dissatisfaction. Achievement standards were declining while unsustainable costs kept rising.

Those within education, including teachers, had become self-serving, the ‘provider-capture’ model.

Accountability measured fidelity to administrative regulations rather than clear cut educational aims.

Novlan (1998) observes that there is still an existing belief that the move to educational reform was motivated by economic reasons (Murphy, 1991) and that the object of decentralisation was for the state ‘to achieve greater control of essential functions and to withdraw from interventions where it cannot be successful’ (Nash, 1989: 119).

As Gordon (1995a) noted, elements of agency theory were ‘used to shape and control the schooling system’ (Gordon, 1995a: 55-56). Furthermore, she suggested, the transformation created a smaller central state made up of a series of free-standing agencies, devolved school management tied to the state through a contract, an emphasis on central formulae for determining entitlement to funds and services, and new processes of accountability (ibid: 56). Gordon (1995a: 62) observed that the restructuring of the central educational agencies:
... stressed top-down accountability, the separation of policy from operations and new, separate, systems of accountability, bringing the education sector in line with the ‘agency’ system of management which was implemented throughout the state sector.

Wylie (1995) also noted the application of NPM, especially agency theory in the education sector and her analysis focused on two state education agencies, the Ministry of Education and the ERO. Wylie (1995) provided a damning conclusion of NPM’s application in education suggesting that the NPM framework in education may produce only a small gain for the substantial cost of forgone attention to teaching and learning, within positive, supportive relationships’ (Wylie, 1995: 168).

In perhaps what is the most cogent and powerful critique of managerialism, this researcher was able to locate, Inglis (2000: 420-421) drawing on a range of literature noted the following:

New Public Management professes freedom from ideology, a position famously identified by Alisdair MacIntyre (Macintyre, 1971) as itself as sanctimoniously ideological. Insomuch as it operates through agencies set up by government but functionality independent of it, such management can claim to be about the people’s business ... The ideology of managerialism is propounded by the handbook’s of New Public Management (e.g. Osborne and Gabbler, 1992) was at hand in order to explain how and why to do it.

In this analysis Inglis (2000) is able to expose the underpinning, yet unacknowledged ideology of NPM. It is argued later in this thesis (Chapters Four to Six) that NPM and managerialism was at the root of much of the ERO’s activities from 1992 onwards. The CRO, Dr Judith Aitken, was able to raise both the public profile of the Office, and used the position of the agency to promote a particular view of schools and teachers and thus made education increasingly more politicised by promoting particular policy agendas under the rubric of public accountability and providing information for parents as consumers (the people’s business) in Inglis’ terms or influencing ‘the will of the people’ (Offe, 1996).

In returning to the central theme this chapter (and indeed a central concern of the thesis as a whole), that is, the concept of accountability, Inglis (2000: 422 - 423) maintains that:

Accountability is legal not moral ... A right is satisfied when evidence is produced not so much that the duty has been done but that the documentation on hand codifies its doing. A bureaucratic procedure is translated from the realm of efficiency to that of legislation.

Furthermore, he observes ‘auditing is an act of policing’ (Inglis, 2000: 423). This analysis is useful in understanding the way that the ERO has acted from 1992 – 1993 as a legalistic agency requiring short term compliance from schools and publicly reporting upon their
activities. As an audit agency the Office has managed to operationalise its activities by having a stringent methodology and requiring codification of the information it collects from schools during its reviews (see Robertson et al., 1997a; Robertson, 1999). Although these themes will be analysed in more detail in Chapters Five and Six, they are raised here in order to highlight how the ERO uses the concept of holding schools accountable for outputs, in line with its NPM defined mandate under the State Sector Act 1988.

In critiquing NPM, Power (1997) drawing on a number of theorists noted the following problems of the theory:

... NPM and the promotion of a private sector management style has been driven less by a sober empirical evaluation of consequences and more by faith in the presumed benefits of abstract management (Bogdanor, 1994) and a universalistic approach to administrative design (Hood, 1991:9-10). It is this insensitivity to side effects and empirical consequences which has been the object of considerable criticism. ... One of the ironies of the NPM is that while it insists that 'public services must invest much more heavily in the currency of measurable outputs ... some fundamental aspects of NPM reforms themselves appear to have remained almost immune from such requirements' (Pollitt, 1995: 135).

Apple (2001) with specific reference to the USA context, but none-the-less also suggesting that its application is more global, critiques managerialism by drawing on the seminal literature developed by of the proponents of the theory:

However, managerialism is not only about altering what the state does and how much power it has. It also offers new and powerful roles for the individuals and groups who occupy positions within the state. In technical terms, we might say that the managerial discourse provides “subject positions” through which people can imagine themselves and their organizations in different ways. Thus one of the key characteristics of the managerial discourse is in the position it offers to managers.

They are not passive but active agents – mobilizers of change, dynamic entrepreneurs, shapers of their own destinies 62. No longer are the organizations they inhabit ploddingly bureaucratic and subjected to old-fashioned statism. Instead, they and the people who run them are dynamic, efficient, productive, “lean and mean” 63.

... It promises in the words of new managerialism – transparency, at the same time as it supposedly empowers the individual consumer. It is an ideal project, merging the language of empowerment, rational choice, efficient organisation, and new roles for managers all at the same time.9

(Apple, 2001: 29 - 30)

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9 Apple’s (2001) sources here are placed as endnotes on page 234 of his book. The endnotes refer to the following authors:


The themes identified by Apple (2001) have direct application in New Zealand and it is argued in Chapters Four and Six that the ERO, particularly under the leadership of Judith Aitken, has acted as policy entrepreneurs as advocated by NPM theory and have extended their realm into policy domains (Smith, 2000a; Smith, 2000c).

In the New Zealand context (Boston, 1995; Boston, et al., 1991, 1996; Hazeldine, 1998; Jesson, B., 1999; Kelsey, 1993, 1997; and Shaw, 1999) have provided cogent critiques of the NPM programme as introduced from 1984 onwards but it is clearly beyond the scope of this chapter to traverse these well rehearsed arguments (besides, these are also covered in Chapter One). However, these authors’ analyses are pivotal to understanding public sector restructuring.

This following analysis provides an account of how these managerialist processes stemming from neo-liberal discourses have impacted in the education sphere. The analysis especially draws upon recent literature from Codd (2002) who has written extensively in this area (see Codd, 1990b, 1992, 1993a, 1994a, 1999). Codd (2002: 5) cogently argues that:

In its contemporary form, managerialism is preoccupied, if not obsessed with the notion of quality. Quality has become a powerful metaphor for new forms of managerial control. Thus, in the pursuit of quality educational institutions must engage in objective setting, planning, reviewing, internal monitoring, and external reporting. ... Managerialism, with its emphasis on efficiency and external accountability, treats teachers as functionaries rather than professionals and thereby diminishes their autonomy and commitment to the values and principles of education.

External (low trust) accountability is based on line management. It is hierarchical and maintained by external controls and sanctions. It is largely an impersonal process that requires contractual compliance and formal reporting and recording of information. In this form of accountability the moral agency of the professional practitioner is greatly reduced. The ethic of neutrality is invoked when the practitioner assumes that responsibility for a decision or policy rests with those who have greater authority. This fits the soldier whose role is not to reason why. External accountability therefore does not depend upon moral agency. Obedience and conformity to organisational values are sufficient justification.

Internal (high trust) accountability is based on professional responsibility, with an underpinning conception of moral agency. It is maintained by internal motivations such as commitment, loyalty and sense of duty, it involves accountability to client beneficiaries and professional peers.

For well over a decade Codd has been critiquing the NPM encroachment over education, and in particular its effects upon teachers – he maintains that the current systems still works on the model of a culture of distrust in the profession. His analyses are useful in analysing how external agencies such as the ERO have managed to maintain a coercive culture of compliance over schools (Codd, 1998). The themes outlined by Codd in the 2002
publication are revisited in analysing the underpinning philosophy of the ERO and how this has changed from 1989 – 2000.

What is interesting in Codd’s analyses is that the ERO personnel would maintain that as evaluators, the conceptions of internal high trust accountability exists within their own organisation, and to those it reviews. This is especially pertinent with regard to the late 1990s and the quite recently announced assessments of their own role. The following example, for instance, provides evidence for its stated position: in 1997 Dr Aitken maintained that the characteristics that the ERO apply to their own organisation include ‘reliability, validity, fairness, and utility’ (Aitken, 1997c: 5).

Furthermore, there is no doubt that in even more recent documents, the ERO claims that the services it provides are ‘impartial, ethical, useful, reliable and fair ... and free from bias’ (ERO, 2000a: 3). Indeed, this is a recurrent theme in a number of the Office’s publications which began in 1992 with the release of its Information Pack (ERO, 1992a). On other occasions in their documentation, they maintain that they are responsive to their stakeholders and want to increase stakeholder satisfaction (ERO, 1997a: 3).

Whilst the following information is strictly outside the period under review, it provides evidence of the Office’s continuing changes and efforts at self-improvement (see Smith, 1997b, 2000a). In Smith (1997b) the researcher argues that the motivation was often premised on one hand by a conviction to self-review, and on the other hand, by the imperative to respond to a changing political environment, and add slightly a softer focus as a result of external factors such as Ministerial Reviews (see also Thrupp & Smith, 1999).

As has been noted elsewhere in this thesis, the ERO is a dynamic organisation. Its latest current changes may be attributed to many factors but these continue to attest to it remaining dynamic; there was a change in CRO in late 2000 (to Karen Sewell), further changes were initiated in response to its consultations with the sector, and also as a result of the recommendations of the latest ministerial review (Rodger, et al., 2000).10

It is noted in the ERO’s Statement of Intent 2002/03 (ERO, 2002d: 26 – 27) that:

Internal Environment

The key values that underline the work of all ERO staff are integrity, honesty, aroha, rangimarie, respect and fairness.

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10 After the Rodger et al. (2000) Review, the ERO circulated two discussion documents (soliciting for submissions) on the proposed changes to its methodology and directions the compulsory sector (see ERO, 2001b; and the early childhood sector (ERO, 2002d) both called Future Directions. These documents may be viewed on the ERO website, including their responses to the submissions received. The office also consulted widely with the Te Kura Kaupapa Māori schools in order to improve their relations/profile with this sector (Smith, 2002b). An analysis of ERO’s changes is covered in Smith (2002a, manuscript in preparation).
Underpinned by these values, ERO expects that its work will be:

- Responsive – to stakeholders’ needs
- Constructive – through providing judgement on quality to complement the delivery of education services.
- Informative – by providing information that is relevant and of practical use.

This provides evidence of some of the changes the Office is making in order to soften its approach and in order to no longer be perceived as purely an auditing/evaluation agency (see Smith, 2000a, 2000b, 2002a).

**A Critical Assessment of a Decade of Education Reform**

Whilst the results of the reforms have been celebrated by those closely involved in their design and implementation, for example the politicians and the bureaucrats, (see Butterworth & Butterworth, 1998) other writers have been more critical of the process (see Thrupp, 1999b). The Wylie studies (1991 - 1999) reported mixed reviews of the reform process. Some of the gains from the reforms were reported as: greater flexibility; more parental involvement in schools; new partnerships between schools and communities and lower class sizes (Wylie, 1999a: xv-xxi). These gains, however, were tempered by concerns and some losses or criticisms including: funding and resourcing concerns; staffing issues such as the high level of principal and staff turnover; increased workload on administrative tasks and increasing competition between institutions (ibid.).

In a damning critique of the reforms using OECD (1984) sources Gordon (1997: 79) noted:

> The stated aim of school reform in New Zealand was to improve the quality of education in the state sector. There is no evidence at all that this has happened (OECD, 1994), or indeed how competition could translate into school improvement.

In reviewing the political nature of the reforms and noting their similarities to those employed by the UK, Codd (1999: 9) observed:

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11 On at least two separate occasions, executive members of the PPTA have called for a whole-scale review of Tomorrow’s Schools because of its perceived weaknesses (Cooney, 1996; Bunker, 1997).

12 When discussing the evaluation of the impact of the NPM reforms in New Zealand Boston, et al. (1996: 353-354) noted:

These evaluations have included reports of academics, consultants, central agencies, the Audit Office, government-appointed working parties, and overseas commentators. On the whole, such reports have relied heavily on the opinions of senior managers and key players in the reform process. These evaluations have been mostly very favourable, citing senior managers supportive of the new managerial flexibility and ministers who believe that improvements in performance have resulted.
in both Britain and New Zealand the reforms have produced more centralised control over critical political areas such as the curriculum, the assessment of learning, the teaching profession and general educational expenditure. To understand the nature of these education reforms, it is necessary to locate them within a wider political and economic movement towards economic rationalism. ... In retrospect, the education reforms of the past decade can be seen clearly as serving particular political and economic interests.

Codd (1999, cited in Thrupp, 1999b: 5) suggests that ‘as a report card on the reforms of the past decade [they constitute] a very damning appraisal’ a view shared by a number of contributors in the NZJES (see Thrupp, 1999b). In the New Zealand context the agenda has been pushed by certain organisations as Snook et al. (1999: 18) maintain:

Successive national governments, urged on by the State Services Commission, the Treasury, the Education Review Office and the Education Forum (a right wing lobby group) have attempted to impose far-reaching changes to teachers’ pay and conditions of service while at the same time requiring them to implement large scale curriculum and assessment change.

Other authors have raised similar points about changes to the teaching profession (see for instance Gordon, 1991; Sullivan, 1999; Robertson, 1999; and Jesson, J., 1999).

The changes outlined by Codd (1999) show that what has transpired has been a strengthening of central governmental control over education, albeit at a distance. The early predictions of educationists such as Nash (1989; Codd, 1990a; Codd, et al., 1990) as outlined earlier, were accurate and policies that materialised throughout the decade provide examples of this. Furthermore, as Gordon (1999: 250) noted:

... the choice and devolution agenda of Tomorrow’s Schools, although wrapped in constant obfuscation from the very beginning ... has never been about anything other than a profound withdrawal of the state from its nation-building responsibilities in education and leading inevitably towards privatisation. Choice and devolution, by their nature, are not nation-building.

In assessing the overall impact of the reforms Snook et al. (1999: 39) observed the following:

... the purpose of the “Tomorrow’s Schools” educational reforms has proved frustratingly difficult to identify. It is even more difficulty [sic] to assess their success. ... the zealous reformers of the 1990’s have failed to measure up to their own professed standards: the aims of the educational reforms were far from clear and have fluctuated wildly; few clear measures of key variables have been stated by the agencies concerned; as a consequence, though they demand accountability of others, they do not provide the means of securing it of themselves.

Flockton (1999) also provides damning evidence of the ‘failure’ of the Tomorrow’s Schools reforms by noting:
There is no reliable evidence that a decade of ... reforms has led to improved student learning. He quoted Harvard University academic Richard Elmore saying there was "little or no" evidence that site-based school management had a direct or predictable relationship to changes in student learning. ... Flockton said the clear message was that you could not "assume or even begin to feel confident that school restructuring of itself leads to improved student learning.

(Flockton, 1999 cited in Cassie, 1999b: 5)

While consecutive governments from 1990 onwards have hailed the reforms as 'successful' there is a range of academic literature dispelling these 'myths', or at least critiquing the assumptions and ideology underpinning the reforms (see Wylie, 1991; 1994; 1997b, 1999b; the Smithfield team, 1994, 1997; 1999b; Olssen & Morris Matthews, 1997; Snook et al., 1999; Thrupp, 1999b; & Fiske & Ladd, 2000).

Concluding Comments

It was argued throughout this chapter (and the previous one) that it is necessary to locate and contextualise the reforms in education in 1989 within the changes which had occurred at the public sector area from 1984 - 1987. Furthermore, it was contended that these changes in both the public sector and the education system needed to be contextualised within the international arena. This chapter has provided a rationale for the term accountability which has both a financial and a political dimension clearly linked to the concept of power. Accountability provides a mechanism for the state to maintain control over the education system and in particular, over the teaching force. This has direct implications for the following chapters which relate to investigating the ERO and its practices.

Two major themes linking the present chapter to previous ones and to those which follow about the ERO are:

(i) The restructuring of the administration of the state from public policy to neoliberal policies, has been viewed within the larger discourses of reform to the state from liberal democracy to a neo-liberal entity; and

(ii) The reform of education from Yesterday's Schools to Tomorrow's Schools, has been located within the larger discourses of reform to administration of the state generally, and more specifically the reform of the state's education agencies.

Theories used by the New Right such as NPM/managerialism have been outlined and critiqued; these involve stripping away some of the public functions of the state and imposing a business model in tandem with the adoption of private sector practices. Fiscal responsibility was promoted as a rationale for the changes and disengagement by the state. However, in order to protect the state's investment in education, new forms of control
were required. The continued restructuring of the education sector along neo-liberal lines from 1989 - 1999 has given rise to a particular form of accountability which has further privileged the state against the teaching profession (see Sullivan, 1999). One of the ways in which this has occurred is through the ERO which functions as the agent of accountability by various forms of control in the education sector such as disciplining schools.

The previous paragraph has been contested by the ERO executive management (Canning, 2001a: 2), who noted:

While ERO has certainly functioned as an agent of accountability in the pre-tertiary sector, it has never been, and is unlikely to ever be, a control agent through a "forms of control in the education sector such as disciplining schools". ERO has never had powers of discipline, only powers of recommendation, and these only to its own Minister and not to the Minister of Education. The transparency of its work and the publication of its reports might be seen to be a form of discipline, but you draw a very long bow with your statement to suggest that ERO has a role "in disciplining schools"!

This comment by Canning (2001a) about the Office's powers of recommendation [and no other form of sanction except revisiting schools] has been a constant theme in interviews the researcher conducted with the ERO senior personnel (Aitken, 1993; Salt, 1994) and is often restated in other sources (see Aitken, cited in French, 2000). This may well be a matter of factual accuracy in the legislation, and its terms of reference as a state agency. However, the perception amongst practitioners and academic commentators appears to be different (see Gordon, 1993, Gordon, 1995a; Hawk, Hill, et al., 1996; Robertston, et al, 1997a; Smith, 1997a; Thrupp, 1999; Thrupp & Smith, 1999). These points of contention will be elaborated upon in Chapters Four to Six.

It is abundantly evident that the restructuring of the state has not weakened the state's role in education, but conversely the control of education has been strengthened by these changes as Dale (1997) notes. Clearly the neo-liberal inspired education policies outlined and critiqued in the previous section provide evidence of how the role and control of the state has been strengthened (see also Codd & Gordon, 1991; Gordon, 1995a; Wylie, 1999b). Furthermore, as both Dale (1997) and Gordon (1997, 1999) have articulated of the changes, education has become co-ordinated through a range of forms of governance, amongst which decentralisation and privatisation feature prominently (these were outlined in the previous section). The neo-liberal state governs through maintaining its funding and regulation roles.

Having demonstrated the cardinal move towards centralised control of education, the following chapter provides, by way of a contrast, a generalised 'historical' analysis of the
Inspectorate. It does this by investigating the organisation’s changing roles, functions and responsibilities in order to contrast and contextualise the role that the ERO under the discourse of accountability it has assumed in the reformed post-Picot education system.
CHAPTER III

FROM RESPONSIBILITY TO ACCOUNTABILITY:
THE INSPECTION MODEL - PRE ‘TOMORROW’S SCHOOLS’

[The Inspectorate] ... constituted the most important body of education officials in the country. Mere weight of knowledge, both of teaching and of the minutiae of administration, placed them in a position of commanding influence.

(Webb, 1937: 97)

Overview

Chapter Three provides a description of the mechanisms of accountability of schools which operated prior to Tomorrow’s Schools. The chapter primarily describes the Inspectorate’s roles in the Keynesian Welfare State. Throughout the 1970s – 1980s the conflicting roles of inspectors grading teachers for salary purposes and providing up-to-date curriculum advice increasingly became considered incompatible. As part of the Department of Education, organisationally the Inspectorate was highly bureaucratic. But at the same time they were noted leaders in the field and they were seen, therefore, as professional leaders. This conflict resulted in them being regarded by teachers as being somewhat paternalistic while external bodies considered that they perhaps had too close an affinity with the rest of the ‘education fraternity’.

School quality has always been an important issue for the state (whether it was at the local state, i.e. provincial level in the early days of inspection or national). The focus of inspection, however, was on teachers, not upon the school per se. It was part of a process of professional control; control the teaching and control the process. This chapter draws together a range of literature to highlight the role of the Inspectorate as the educational police-force of the state.

In order to locate this discussion into a contextual framework, a brief overview of the New Zealand state is provided by using a diagram to highlight the fact that the New Zealand state has been organised around a capitalist mode of production (Wilkes, 1993). There are four periodisations of the New Zealand political economy presented here with three levels of analysis utilised to explain the changes (although these vary in length and significance). The first level concerns how the state is organised, its accountability mechanisms and in some instances the level of provision of social policies for its citizenry. The second level outlines the developments in the education system in relation to changes in the state, whilst the third level (which is the most significant for this research) focuses exclusively on
the Inspectorate to outline how the state maintained order in schools through its agent of educational accountability.

The first section of this chapter, the periodisation quickly moves from colonisation and the *laissez-faire* ‘minimal’ state prior to 1900 (and slightly beyond), through the Keynesian Welfare State period until the late 1970s, and then on to a more modern variant of *laissez faire* in form of the ‘neo-liberal’ state. This shifting state emphasis, therefore, provides a context from which the roles of the Inspectorate can be described along with the nature of the forms of accountability encompassed.¹

This second section draws on elements of the history of the Inspectorate. It is drawn from the popular historians, Butchers (1929, 1930) and Campbell (1938, 1941), together with, and to a lesser extent, some primary source material from the inspectors’ reports. The description and analysis of the Inspectorate provides a useful basis to compare the ERO as the state agency of accountability.

This brief section provides an overview of changes that took place within the New Zealand education system from the 1850s until 1988. The model used is a variation of Wilkes’ (1993) framework of ‘periodising’ the formation/ transformation of state to highlight the changes in the education system. The periods/timeframes used here are organised around events occurring in education generally and more specifically to issues affecting the Inspectorate with the actual focus of the chapter on the KWS and the neo-liberal periods. Table 3.1 details this as an illustration.

<table>
<thead>
<tr>
<th>State Form</th>
<th>Period (Approximate)</th>
<th>Character of Education</th>
<th>Form of School Accountability</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Provincial System</td>
<td>1850 – 1913</td>
<td>Educational Efficiency, Provincial systems, no National system until 1877</td>
<td>Inspectorial Examination of students, Payment of Teachers by results.</td>
</tr>
<tr>
<td>Laissez- faire</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proto-Democratic State</td>
<td>1914 – 1940</td>
<td>Regional mass primary system with local secondary schools, National Regulations.</td>
<td>School Inspection, Teaching Standards, Grading of Teachers, ‘Professional models’</td>
</tr>
<tr>
<td>Laissez faire with interventions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Democratic State</td>
<td>1935 – 1970</td>
<td>Expansion of demand, Mass secondary system.</td>
<td>School Inspection, Teacher Grading and Professional Advisory Services, Grading for primary teachers only, ‘Professional leadership’</td>
</tr>
<tr>
<td>KWS Conflict</td>
<td>1970s -1980s</td>
<td>Social Equity</td>
<td></td>
</tr>
<tr>
<td>Neo-Liberal State</td>
<td>1989 onwards</td>
<td>Managerialist</td>
<td>Inspectorate Abolished.</td>
</tr>
</tbody>
</table>

¹ The primary focus of this chapter outlines the changes to the modern Inspectorate principally its changes from the 1970s through until its demise as a result of the 1988 - 1989 reforms. However, the analysis is reasonably detailed contrasting Inspection as organised under the Keynesian Welfare State (KWS) and the later neo-liberal inspired versions of accountability.
The Provincial System

Before the 1877 Education Act, the provision of education was neither entirely free, nor universal (Butchers, 1930; UNESCO, 1972; Butterworth, 1993: 8). Each of the then nine provincial governments assumed responsibility for providing for public education, which they did to the best of their varying ability (Butterworth, 1993: 8). In most cases the provincial systems incorporated existing schools created by church bodies which were then supplemented by endowments in the form of land or finance from central government (Butterworth, 1993: 9). Each administration employed its own school inspectors and set its own standards. These inspectors were required to report to their provincial authorities on the quality of education under their jurisdiction. The inspectors' accountability thus was to their employers, i.e. the Boards of Education (Butchers, 1930; Campbell, 1941). So while the central state provided some finance to the provincial boards, it was not responsible for the direct provision of education, nor the monitoring of its quality. Thus, although the emerging central state had responsibility for legislation and regulation, it did not have the capacity to hold either schools or boards directly to account either through inspectors or through funding processes.

During what is here designated as the second period, the uneasy amalgam of classical liberal policies and more social democratic ones merged into what the researcher has called 'proto-social democracy'. During this period (in 1912) the civil service was reformed which, according to Cheyne, O'Brien and Belgrave (1997: 33) '... freed the state sector from the most blatant of political interference and allowed government departments to expand and take over new roles'. This established the mechanisms for an impartial and professional civil service, and the formation of a bureaucracy. The centralisation of the Inspectorate in 1914 (Butchers, 1930) resulted from this state restructuring. The provincial inspectors were brought under control of the Department of Education and were now designated civil servants. However, both Butchers (1930) and Webb (1937) note, critically, that this bureaucratisation meant that Inspectors were no longer able to openly criticise government education policy (Butchers, 1930; Campbell, 1941; Ewing, 1970; and Webb, 1937).

The Social Democratic State

The 1935 Labour Government transformed the state once again through a much more conscious intervention characterised as 'Keynesian-style' economic policies (Armstrong, 1990; Rudd, 1993; Shirley, 1990; and Wilkes, 1993). Keynes's theories justified increased state intervention to promote full employment, to minimise inflation and to 'curb the volatility of private investment using an active fiscal policy (government spending and taxation policies) and monetary management policy' (Armstrong, 1990: 120). As
Armstrong (1990: 119) noted, the consensus involved state intervention in a regulated economy with subsidies, state ownership of certain industries and the free provision of public services such as education, housing and health. Codd, Gordon and Harker (1990) contended that New Zealand thus historically developed a highly interventionist state.

Education as it developed in post 1935, or as Grace describes this period, the 'education settlement' (Grace, 1990a; 1991),\(^2\) involved direct intervention. There was a massive expansion of education. The changing demography required an increase in financial resourcing, the commitment to higher education resulted in increased numbers of people, programmes and institutions. Whilst in opposition, the 1935 Labour Government had announced that all cuts made as austerity measures for the depression would be revoked, and that Labour would embark upon a vigorous programme of training teachers, building and rebuilding schools (Butterworth 1993: 34). This promise was to be carried out.

The Beeby-written, Fraser quoted 'mission statement' or manifesto for education characterised the values being espoused in this period and thus it is worth quoting in full:

> The Government's objective, broadly expressed, is that every person, whatever his level of academic activity, whether he be rich or poor, whether he live in town or country, has a right as a citizen, to a free education of the kind for which he is best fitted and to the fullest extent of his powers.

> ... it is only against this background that the Government's policy on education can be fully understood. It is necessary to convert a school system, constructed originally on a basis of selection and privilege, to a truly democratic one where it can cater to the needs of the whole population over as long a period of their lives as is found possible and desirable.  

> (Fraser, 1939, AJHR, E - 1: 2 - 3)

The second paragraph of this quotation is perhaps not as well recognised. Contained within it are the 'operational consequences' of the proclamation. The state's orientation to education required the active involvement of both the Department and the Inspectorate in order to implement this new approach. Butterworth (1993: 34) noted the Annual Report of 1940 stated the need to develop the professional leadership of the inspectors. Furthermore, she stated:

\(^2\) In both of these publications, Grace contrasts the first education consensus with the later neo-liberal one from the Fourth Labour Government. The education settlement spans both levels C and D of the Dale (1991) model. For a critical discussion of the liberal theory of education across sixty years see Freeman-Moir (1997). For insights and accounts of those involved 'officially' in the social democratic consensus in education see Beeby, 1986; Beeby, 1992; Renwick, 1986. For relatively early critiques of this process and the 'politics of education' see Clark, 1981, edited essays. For a more contemporary overview and analysis, see Openshaw, Lee, & Lee, 1993.
The introduction into the primary school of what has come to be known as ‘the new freedom’ makes it more than ever desirable that the Department through its Inspectors should develop to the utmost its functions of professional leadership.

(Butterworth, 1993: 34, emphasis added)

During this time, the increased expenditure in education was coupled, with ‘an acceptance of vigorous state leadership’ Butterworth (1993: 35) has contended. It provided a model that became accepted as the given form. Renwick³ (1986) has suggested that ‘... the fact that it has proved so serviceable is evidence in itself that it articulated aspirations and expectations that are deeply held and widespread among New Zealanders’ (Renwick, 1986: 28).

Grace (1990a: 169) argues that the Keynesian view of education was a ‘public good’, which ought to be provided by the state at all levels from early childhood care to university scholarship:

Within this political perspective, a democratic, centralised, State agency was seen to be the most efficient and effective means for expanding the education system, improving the quality of its services and opening access to it from all sectors of the community.

(Grace, 1990a: 169)

The period of expansion which followed World War 2 coincided with developments of ‘progressive education’ policies in the teaching and learning of children (Beeby, 1992; Middleton & May, 1997: 73 - 76) that are often associated with John Dewey (Dewey, 1916; Renwick, 1986; Middleton & May, 1997). There is considerable New Zealand literature covering both the social democratic state in general and how its policies were realised in education⁴. Throughout the long boom of the 1950s and 1960s, policy-making largely involved incremental changes within the institutional confines of the Keynesian Welfare State (Roper 1990a: 39).

However the oil crisis in the 1970s and Britain’s entry into the European Economic Community (EEC) in 1973 (Armstrong, 1990; Roper, 1993) precipitated economic ‘downturns or crises’. These encouraged calls for more direct accountability and for a reduction in state spending. Such calls gave impetus to those who sought the development

³ Mr. W. M. (Bill) Renwick was the Director-General of Education, from 1975 - 1988 (Butterworth, 1993), just prior to the major structural reforms in the compulsory education system.

of new forms of state organisation advocated through neo-liberal theories (Roper, 1993; Wilkes, 1993) as outlined earlier.

As the state’s role in education became increasingly ‘hands on’ there also developed a desire to make it (education) more efficient and more accountable. However, the progressive base meant that education was expected to have a commitment both to the central state and, at a local level, to parents and communities (Holmes, 1974; Nordmeyer, 1974; McCombs, 1976). This dual accountability pressure provided the precursors for changes to the administration of education (see Barrington, 1990) and in particular for the discussion here, for the Inspectorate as Education’s regulatory arm.

Emerging Political Conflict (1980s)
During the late 1970s and the 1980s, the state was grappling with the twin difficulties of inflation, and increased demand for citizen rights. As the economic crisis became exacerbated, the solution was the ever more active and unsuccessful application of Keynesian solutions – these then paved the way for radical monetarism which enabled the state to become politically disengaged from areas of the economy and public life (Codd, Gordon & Harker, 1990). The separation of economic strategy from social policy made the state more susceptible to attacks from the ‘New Right’ (Jesson, Ryan, & Spoonley 1988). The restructuring of the state that occurred under the Fourth Labour Government (1984 – 1987) was both swift and totally unprecedented, and in fact, in terms of the civil service, was revolutionary in nature (Boston, 1991).

The focus of governmental political activity was about restructuring the economy and the public sector, and importantly, during the first term of this government, the education sector was not substantially changed. However influential educational reports such as the Scott Committee’s Report (Scott, 1986) recommended greater accountability measures over teacher education and the central education agencies (see below). Calls for restructuring education became increasingly shrill from the National opposition during this period. The National Party’s 1987 election manifesto, according to Grace (1990a: 174), suggested that schoolteachers were promoting partisan propaganda’ through peace studies and trade union studies for example. In pursuing a second term in office, Labour, in 1987, actively campaigned on a platform of reorganising and modernising education.

The Treasury assumed an important active role in most aspects of educational policy releasing Government Management Volume II (Treasury, 1987). This document cast educationists as a ‘vested interest’ group, students were described as consumers and education was no longer a public good but was now to be considered a private commodity
(Lauder, Middleton, Boston & Wylie, 1988; Grace, 1990a; 1990b; 1991; Codd, 1990; Gordon, 1992a). The discourse was, therefore, inexorably changing and the scene was being set for the re-organisation of the education system.

**Overview of the History of the Inspectorate**

The following is a (necessarily brief) history of the Inspectorate in Aotearoa/New Zealand. A few caveats need to be signalled in the following descriptions and analyses of the Inspectorate. The data presented are not a traditional history, rather they represent a political economic structural account of changes in the state which are reflected in the changing role of the educational inspectorate. This section, therefore, does not discuss the changing structures of the inspectorate *vis a vis* the administrative system within education. Rather, this section considers the role of the inspectorate as the state's form of accountability over schools and teachers. It should be noted that there were four divisions within the inspectorate at various times, primary, secondary, technical schools and Native/Maori schools. Taken together, these sectors of education constituted the sum of targets that required state surveillance (this is argued more extensively in Smith, 1998).

The Inspectorate as a separate structure has received rather scant attention in spite of its important role in maintaining the social order within schools. The Inspectorate, as an important educational organisation, has thus been under-researched in the history of New Zealand education. No actual 'official' history of the Inspectorate *per se* exists – there is no 'official account of its formal beginnings.⁵ Perhaps one reason for this was that considerable archival material was lost during World War Two (McGeorge, 1996; 1998). The literature which exists on the Inspectorate is thus mainly to be found as accounts of and by individual inspectors or in generalised educational history texts (Butchers, 1930; Campbell, 1941; Cumming & Cumming, 1978; Ewing, 1970; McLaren, 1974; Mitchell, 1968; 1971; Murdoch, 1943; and Webb, 1937).⁶

Whilst there is no official position from which to substantiate the contention, it would appear that the New Zealand Inspectorate was not directly based upon the UK model of the HMI and more in line with the Scottish model – with a number of the earliest inspectors originating from Scotland (Campbell, 1970; Ewing, 1970; Snook, 1989). What is

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⁵ This is unlike the UK in which Her Majesty's Inspectorate has been the widely researched. School inspectors in the UK were a product of the Industrial Revolution. The first were appointed in 1833 under the Factory Act, and in 1839 the Government officially created the HMI (Learmonth, 2000). See also Corrigan & Sayer, 1985; Lawton & Gordon, 1987; and Johnson, 1970.

⁶ Other sources include passages about the Inspectorate in more recently published literature of educational history (see McKenzie, Lee & Lee, 1996; Openshaw, Lee & Lee, 1993; Openshaw & McKenzie, 1987).
interesting is that whilst in England had officially established Her Majesty’s Inspectorate (HMI) in 1839, a relatively young country such as Aotearoa/New Zealand (in terms of its colonial heritage) there were Inspector’s Reports from the 1860s recorded in the Journals to the House of Representatives. It is argued in Smith (1998) that the richest source of information about the Inspectorate itself, however, comes from their own inspectorial reports revealing various ‘insider’ accounts and their professional beliefs. Originally reports of individual (1878 – 1920)\(^7\) from various Education Boards were recorded in the Appendices to the Journals of the House of Representatives (hereafter, AJHR).

However, from 1909, the Chief Inspector of Primary Schools, and from 1915, the Chief Inspector of Secondary schools, wrote overall reports for the Director-General of Education for submission to Parliament. These reports were submitted together with the report of the Senior Inspector of Maori Schools and all were included in the AJHR. These reports ceased in 1953 although quite why is not stated. It is possible that their cessation could be part of an economisation measure, or alternatively, because of a perception that ‘few people were actually reading them’ (McGeorge, 1998). Furthermore, in analysing the content of these reports McGeorge (1996) noted from the early days the reports gradually become more watered down of content, and decreasing amounts of detail were recorded.

While this very brief account provides a generalised overview of the history of the inspectorate, it should be clearly noted that it cannot not do justice to an important organisation that existed in a national sense from 1914 – 1989. Whilst this is a historical narrative that is interesting in its own right, it is argued with respect to this thesis that the changing forms of accountability required both of the Inspectorate (as the state’s agent of accountability) and of schools, particularly in the later periods under review, are the important focus of this research.

The Inspectorate: Changing Forms of Educational Accountability

This section considers the role of the inspectorate as the state’s mechanism over schools and teachers. The early Inspectorate performed two different types of reviews of teaching: the inspection, and the examination. These early models involved a direct oversight of the teaching profession. The Inspectorate were perceived in a variety of ways, both positively

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\(^7\) There were inspectorial reports on ‘Native’ Schools from as early as the 1860s, and also small inspectorial reports on ‘regular’ schools recorded in the AJHR’s from 1872. However, these were solidified with full reports from the inspectors in each district from the 1878 AJHR, which also included the first of the Annual Reports on Education by the Minister of Education.
and negatively. Because of their professional authority, the Inspectorate commanded significant respect and in this context Webb (1937: 97) notes that the Inspectorate had:

... constituted the most important body of education officials in the country. Mere weight of knowledge, both of teaching and of the minutiae of administration, placed them in a position of commanding influence.

This view of the Inspectorate as ‘professional leaders’ served to blur the division between the profession, i.e. the teachers, and the state, i.e., the Department of Education. Because members of the Inspectorate had been teachers, they shared many of the cultural stances of teachers. This meant that they were perceived to be aligned with the profession, even though they were employed by the state and were, therefore, external to the profession. Their claim to authority was thus imbedded in their professional expertise but was also partially reinforced by their external status.

However at the same time the Inspectorate also represented aspects of a somewhat coercive state regime which engendered considerable fear and anxiety. The inspectors represented the bureaucratic face of the state. This view was perhaps best exemplified in the writings of Sylvia Ashton-Warner (Ashton-Warner, 1963; 1967; 1979).

There is a third perspective that has been more recently adopted by some educationalists since the dissolution of the Inspectorate. This alternative could be described as a ‘nostalgic view’ in which the professional Inspectorate has become somewhat ‘idealised or glorified’ (Smith, 1998). As Jan Kerr (1995) cynically suggested ‘everyone seems to be very keen on the old Inspectorate now. But that never seemed to be quite the case when they were actually operating’. Dr Judith Aitken, in a speech in 1996, described the Inspectorate as ‘[T]he old (near-canonised) system of ‘The Inspectors', more beloved in retrospect than they ever felt in their own time’ (Aitken, 1996).\(^8\)

In a paper to the Department of Education in 1976, William Renwick, as Director General of Education, suggested that the national Inspectorate was established (in 1914) to meet four purposes:

* to safeguard the public interest,
* to regulate the work of schools,
* to maintain standards, and
* to account to Parliament through the Department of Education for the quality of education offered.

(Renwick, 1976: 3)

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\(^8\) Similar claims are made in the ERO documents, or attributed to the ERO personnel (ERO, 1994a; French, 2000).
Inspectors were thus agents of control in the education sector whilst simultaneously pursuing the role of professional leaders. Hence from its earliest inception they held a strong mandate responsible for education.

The early Inspectorate, made two annual visits to every school, one for inspection, and the other for examination. The first was a ‘surprise visit’ when the inspector arrived unannounced. Wood (1992), suggests that the term ‘surprise visit’ was one used by inspectors rather than being prescribed in the regulations. Nevertheless, teachers were given no notice of this first visit, thus allowing the inspector to judge the everyday working of the school; they were able to make an assessment of the teaching, tone and discipline of the school and were also able to inspect the fabric and cleanliness of school buildings (Wood, 1992).

In contrast the examination day was more formally arranged. Pupils and teachers spent anxious weeks preparing for the ‘ordeal’. Inspectors were faced with the task of examining all children in their area in every major subject. The examination circuit was the most exacting and time-consuming portion of the Inspectorate’s work (Wood, 1992). While the rhetoric was about examining children, their professional responsibility was the examination of teachers.

It is important to remember that the Inspectorate, were clearly the active functionaries in the regulation of teachers, yet also vigorously and publicly resisted Departmental and Governmental policy when it suited them to do so (Butchers, 1930; Campbell, 1941; Ewing, 1970; Webb, 1937; and Wood, 1992). This conflict exemplified the tensions of professional autonomy in a state bureaucracy. It is possible, then, to see this as a paradox with the Inspectorate being both the senior arm of a profession and agents of control within education. By the time of the Inspectorate’s dissolution in the 1980s, professional collegiality with those they reviewed had become considered to be the preferred norm (Clark, 1988; Codd, 1994a; Middleton & May, 1997).²

The Changing Roles of the Inspectorate

By the end of the 1980s the professional rationale of the inspectorial review was ‘to improve educational processes in schools’. The multiple roles performed by the inspectors to achieve this included grading teachers, providing professional mentorship/advice, and

² It is argued in later chapters the ERO have demonstratively removed themselves from those they evaluate in order to maintain their impartiality. The ERO have adopted a ‘hands-off’ focus from the education system in line with new public management and agency theories, and represent both a neo-liberal and neo-conservative agency (Smith, 1994; Smith, 1997b and Chapters Four – Six of this thesis). Furthermore, the ERO engaged in what Thrupp (1998a; 1998b) described as the ‘politics of blame’.
promulgating curriculum initiatives. In addition, they issued triennial reports on the performance of each school in the district.

Gianotti\textsuperscript{10}, (1994) echoing Renwick (1976) suggested that inspectors had four types of responsibility:

- supervision of the work conducted in schools, as inspectors approved the organisational outline of schools;
- a resource allocation role, in which discretionary resources such as special needs and training courses were allocated to schools;
- a training and guidance function, in which they provided advice and assistance to individual teachers, principals and school committees; and
- an accountability function in which they made judgements about individual teachers and issued personnel assessments which determined teachers' appointments to jobs.

(Gianotti, 1994)

Yet interestingly it should be noted that in each of the periods suggested in Table 3.1 above, the Inspectorate performed a similar range of tasks, focused on the work of individual teachers, making sure they were carrying out their professional responsibilities.

Each period described below is attributed with a characterisation – a characterisation that represented the paramount role played by the Inspectorate in each of the eras. However, as is noted in Table 3.1 in some periods the Inspector's performed a number of functions.

The first period (1850s – 1913) entitled here Educational Efficiency can be characterised by educational 'efficiency' through examination in which the inspectors were the examiners. In describing the system McKenzie (1995: 249) noted:

... the school with the lowest average age and the highest percentage of passes in the same standards is the most efficient ... a high average age and a low percentage of pass indicates a school of the opposite character.

\textit{(AJHR, 1880: 41, cited in McKenzie, 1995: 249)}

As Ewing (1970: 16) noted, the government had a penchant for examination statistics. And he also observed that this practice 'helped to give the percentage of passes an exaggerated

\textsuperscript{10} Maurice Gianotti was the first Chief Executive Officer of the Education Review Office, and had acted as the Chief Executive Officer of the Picot (1988) review committee.
importance in the minds of teachers, parents, and education boards, as well as of some inspectors' (ibid.). The 'results' were published in the media\textsuperscript{11}.

As the ranking of the schools was settled on the basis of these successes, a virtual element of payment by results was introduced into the system; for promotion depended more on "percentages" than on any other evidence of efficiency.

(Butchers 1930: 56)

Echoing Butchers' concerns, Campbell (1941: 85) suggested the system 'achieved a narrow and half spurious efficiency at enormous cost'. Furthermore, the effect was to turn inspectors into educational policemen and to reduce the teacher to the level of the hack examination coach (ibid.).

The public reporting of examination results in the media provided a form of accountability which is consistent with classical liberal theory. It was supposed to act as a spur upon schools to improve their results\textsuperscript{12}.

The second period entitled Teaching Standards and Accountability derived from the practice of grading teachers, a practice which was introduced in 1920 (Department of Education, 1979). To a large extent, this was a result of the teachers union, the NZEI, seeing itself as a professional association and wanting, therefore, to gain a structured and fair (professional) way of determining appointments and promotions (Butchers, 1930; Campbell, 1938; Webb, 1937). This additional role for the inspectors thus came to dominate their role set. The system of grading later became widely criticised in the literature (Butchers, 1930; Webb, 1937; Campbell, 1938; Murdoch, 1943). Webb described the system in the following way:

Just as the inspectors were escaping from the tyranny of excessive examining, a new and even worse tyranny was thrust upon them. They were required to sit in judgement on every teacher once a year, to assess his worth mathematically, and to eliminate from their assessments, as far as possible, personal preferences and idiosyncrasies.

(Webb, 1937: 100 – 101)

The Advisory Role

The advisory role gained prominence during the post WW2 period and became almost dominant in the third period (1950s - late 1970s) as various changes were made to the grading process in consultation and negotiation with the teacher unions. Secondary

\textsuperscript{11} For further examples of this see Rutherford, 1988; Wood, 1992; & McKenzie, 1995.

\textsuperscript{12} This form of public reporting of 'success' and 'failure' of educational institutions has also been re-introduced under the ERO model of public accountability for schools. This is essentially a similar process in a modern form occurring under the neo-liberal state. For a discussion of the results and critiques of this method see Smith, 1994; 1997b; NZPF/Wylie, 1997; Robertson, Thrupp, Dale, Vaughan & Jacka, 1997a; Thrupp, 1997a; 1998; Thrupp & Smith, 1999.
teachers in particular were no longer graded after 1974\textsuperscript{13}. Thrupp (1997b) noted that each school had a regular liaison inspector whom they could call on for advice. The Inspectorate was thus being actively transformed into the organisation of professional leadership.

Previously, the Holmes’ Committee’s Report (1974: 122) had observed that the Inspectorate’s main tasks were to give advice, and to provide leadership.

The 1981 Department of Education Manual (hereafter, DoE) noted that inspectors were ‘consultants and advisers to school principals, and helped schools with their public relations’ (DoE, 1981, cited in Thrupp, 1997b). The unexamined perception was that the Inspectorate maintained ‘close relationships with teachers’ (DoE, 1978 cited in Clark, 1988: 89).

While the advisory, guidance and curriculum development roles were valued by schools (Clark, 1988; Middleton & May, 1997), there were difficulties. From a government perspective, there appeared to be a gap in the process of audit. According to Clark (1988: 53), both the Curriculum Review (1986) and the Scott Report (1986)\textsuperscript{14} suggested that a greater audit role (as opposed to their professional advisory role) was required of the Inspectorate.

In fact, from the mid 1970s, it is possible to find increased calls for greater accountability of schools particularly with regard to financial issues. And it was the Inspectorate who were seen to be best suited to holding educational institutions to account. For example, the Holmes’ Committee’s Report suggested:

\begin{quote}
The public spends a great deal of money on education and is entitled to an account of the stewardship. The inspectors will remain in many ways the eyes and ears of the authorities, with a vital function of evaluating the education provided by the schools and seeing that Government policy is carried out.\textsuperscript{15}
\end{quote}

(Holmes, 1974: 122)

The 1980s became a time of increasing conflict for the Inspectorate as they were torn between the calls for accountability and professional leadership and responsibility. A range of

\textsuperscript{13} The history of grading itself would provide an interesting case study of the inspectors roles but it is beyond the scope of this thesis.

\textsuperscript{14} The Scott Report (named after its chairperson Noel Scott) consisted of five Members of Parliament who made up the Education and Science Select Committee. It was an enquiry into the quality of teaching in New Zealand and it also made recommendations about the Inspectorate whose role was to monitor teachers’ performance.

\textsuperscript{15} These comments could have been extracted from the reports a decade and a half later (Picot, et al., 1988; Lange, 1988).
Governmental Reviews (most notably Scott, 1986) continued to propose structural changes to the organisation. These changes represented the beginnings of reform and of the emergence of a greater accountability from the education bureaucracy. The 1980s thus represents an uneasy amalgam of social democratic policies with calls for accountability which were latter to be seen in line with the beginnings of NPM and neo-liberal strategies. In this context, the Director-General of Education, Renwick (1983: 75) noted that the word accountability [that] 'now appears so regularly in educational discussions, ... we need to remind ourselves how recently it came upon our linguistic scene'. In the 1980s, therefore, accountability as a term was being bandied about.

The Impact of the Scott Report

Clark (1988: 117) contends that it was the Scott Report (1986) on the quality of teaching in New Zealand that ultimately brought the issue of accountability to the forefront of public thinking. This committee, whilst chaired by the Labour Government’s Associate Education Minister, also included the National Opposition’s spokesperson on education, Ruth Richardson who was clearly identified at that time as representing a neo-liberal perspective. The review sought to find ways for influencing teacher education, teacher accountability and more importantly control. Professionalism of teachers was seen by Richardson as a cover for teacher self interest (Smith, 1995; Jesson, 2001).

The authors of this influential report expressed concern that the ‘inspectorate’s responsibilities to advise and to judge are often in conflict in terms of accountability’ (Scott, 1986: 43). One of the fundamental cornerstones of the Scott Report was its central theme of making the teaching profession more accountable to the state. Many aspects of this report became forerunners to the bulk of the recommendations contained in the Picot Report (Picot et al., 1988).

The Inspectorate did indeed lack accountability in the sense that the Scott Report (1986) defined it. Two of the ‘deficiencies’ of the Inspectorate noted by the Scott committee were that:

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For an analysis of Richardson's involvement in creating an education 'crisis' see Jesson (2001). Richardson went on to become Associate Minister of Education and Minister of Finance when National was elected in 1990. For an overview of National's neo liberal education policies see Smith, 1995. In this paper it is noted that in 1983, the USA government produced the booklet A Nation At Risk (1983) and it is noted that when in opposition, Ruth Richardson the Shadow Minister of Education, produced a similarly entitled report (which was the opposition's 1987 education manifesto), outlining the deficiencies of the New Zealand education system (Smith, 1995: 3).

... there is little provision for follow up visits to check that problems identified during inspections have been remedied [and] the inspection procedure is on the whole ill-defined and cumbersome.

(Scott, 1986: 27)

Furthermore, Scott recommended that:

Inspectorate appointments should be on a limited tenure contract basis to allow for regular review. ... that the present numbers, quality and status of inspectors need to be greatly strengthened and their dual roles re-examined if they are to play their part fully in quality

(Scott, 1986: 38)

Thus Scott advocated stronger accountability measures over teachers as well through regular reports by the Inspectorate. While the Scott Report recommended strengthening the Inspectorate though increasing its numbers, this did not happen. Nor was their status upgraded. In spite of the fact that Scott had recommended 'an immediate and critical review of the role, functions and resources of the Inspectorate' with a view to creating separate advisory and audit divisions (1986: 54), nothing was begun.

This report was eclipsed two years later with the Picot Committee's (Picot, Rosemergy, Ramsay, Wise & Wereta, 1988) recommendation to replace the Inspectorate with an agency that had audit as its single focus in order to provide tighter accountability measures (Smith, 1994).

The Scott Report (1986), however, as has been stated, did help create a climate that was particularly centred on the notion of accountability, and indeed a particular type of accountability over the education professional. It was considered to have merit because it was a supposedly bipartisan document that had stemmed from the relatively powerful Education and Science Select Committee. In the report Scott had raised important issues about the Inspectorate's accountability (by criticising its lack of public transparency), thus simultaneously undermining aspects of the credibility of the Inspectorate. There was considerable opposition to these recommendations from the education sector, particularly in relation to teacher accountability (Weeds, 1987; Clark, 1988). The ensuing lack of action on the issues raised was later able to be seized upon by Treasury and the State Services Commission and became acted upon through the Picot Report (Picot et al., 1988) and Tomorrow's Schools (1988) documents.
Perceived Problems of the Inspectorate’s Accountability

The accountability of the Inspectorate was to the Department of Education and the Government. The Primary Division District Senior Inspector made an Annual Report to the Chief Inspector of Primary Schools on the work and conditions of schools in the district (New Zealand Statutory Regulations, 1963: 146)\(^\text{18}\). This was, however, neither public nor open/transparent accountability because these were considered to be professional matters that were not available for the public:

\[\text{[N]o part of any report by an Inspector of Schools shall be published” (ibid.). In this context, the findings of inspectorial reports were not open to public scrutiny and remained confidential to the schools themselves and the Department of Education, at least at this time} \]

(\textit{New Zealand Statutory Regulations, 1963: 146})\(^\text{19}\).

Although the Scott Committee (1986) did recommend publicising the results of school reports, ‘... inspection reports should be publicly disclosed ... to inform the public of assessment proceedings, enable discussion and involvement in the follow up’ (Scott, 1986: 28) they did not elaborate on this matter. Thus the matters of how this publicity would happen, and in what form it would occur, were not discussed. What was raised and advanced instead was a form of disclosure transparency and of potentially public censuring of schools (Smith, 1994; 1997b; ERO, 1997b; 1998b).

The Department of Education had responded only superficially to the Scott Report. Clark, (1988: 129)\(^\text{20}\) suggests that:

The Department of Education, in its response to the Scott Report (1986), noted that the Education (Organisation and Inspection of State Primary Schools) Regulations have been rewritten and will provide for the full report on the school to be made available to the controlling authority, to the principal and to the chairman [sic] of the school committee or committee of management. Restrictions on the publication of all or part of the report will also be removed in the new regulations. The provisions of the Official Information Act will apply to Education Boards also this year, and this move will provide the public with a means of access to school reports’ (p. 69).

\(^{18}\) These were contained under: 1963/46 \textit{Organisation and Inspection of State Primary Schools Regulations 1963}.

\(^{19}\) This practice of making schools publicly accountable had been done before the turn of the century by placing the schools’ examination results in newspapers (Rutherford, 1988; Wood, 1992; McKenzie, 1995). It is argued in Chapters Four – Six that the ERO has, through publicly releasing schools’ ERO reports, and in particular in placing them on its home/web page ‘named and shamed’ (Thrupp, 1997a; 1998) schools that are not ‘successful’ in that agency’s assessment.

\(^{20}\) There was no mention of this DoE document elsewhere in Clark’s analysis, nor did it appear in anywhere in the Bibliography. Furthermore, the researcher has been unable to locate other literature to substantiate this position of a move towards greater accountability through publication of institutional reports.
The professional sense of collegiality that was engendered through the guidance and advice roles of inspectors working with educators was considered sufficient to make improvements to schools. In one sense, this was the aspect of accountability to the schools and the teachers that the inspectors did report upon. Their institutional culture operated through what Codd (1993b; 1994a) describes as a ‘professional contextualist’ model of education, i.e. accountability by professional evaluation. Inspectors were considered to be reflective practitioners with integrity, who were motivated by intrinsic rewards and professional commitment. Their accountability was thus to the profession.

Moreover, because the central purpose of the Inspectorial reviews was to improve educational processes in schools, their focus was primarily on individual teachers and this was increased somewhat through their grading role.

The following brief sections provide specific information on the Inspectorate to provide a context for a comparative analysis with the Education Review Office which replaced it (a more full account of this is provided in Smith, 1998).

**Number of Inspectorate Personnel**

The State Services Commission’s (1981) report notes that the total 'strength' of the inspectorate was 167, (68 in secondary and 99 in primary (SSC, 1981: 33). The Department of Education’s Report of 1982 noted that there were 59 secondary inspectors with three vacancies, totalling 62 positions; and 93 primary inspectors with six vacancies, totalling 99 positions (DoE, 1982). The actual number of personnel in the Inspectorate in 1982 was, therefore, 152, and with nine vacancies, that gave a total establishment of 161. Contrary to the implication that the Inspectorate was a large cumbersome organisation, this statistic needs to be considered against the current 2001 ERO establishment of 165 officers (see Preamble, Part Two).

**The Frequency of Inspections**

The 1964 *Education Act* did not prescribe how often schools were to be inspected although it did note that private schools would be visited at least every three years. However, Thrupp (1997b) notes that both primary and intermediate schools were formally inspected every three years (although anecdotal evidence suggests a four year cycle was more usual) and that secondary schools were inspected on a five-year cycle. Clark (1988: 102) also suggests that the Inspectorate had trouble meeting the regulations which specified the triennial inspection for each school. Clark (1988: 102) notes:
... the expansion of inspectors' duties and the demands of personal grading of teachers, militate against that degree of regularity. All inspector teams have difficulty meeting the requirement despite its prime function as a measure of accountability.

The Scott Committee (1986: 27) later claimed that both the frequency and thoroughness of inspections were inadequate. Furthermore, they suggested that, "[M]any schools are inspected only once every five or six years" (ibid.). The frequency of reviews under the ERO has changed slightly between 1989 – 2000, but on average was a three-four year cycle (Smith, 2002a).

The Inspectorate’s Approaches to Review
The culture of inspection generated by the Inspectorate from the 1970s was based on spreading ‘common-sense’ beliefs about good teaching practice. This was based on practical experience rather than on any formal monitoring of standards or trying to measure student progress. Scott (1980) suggested that:

The New Zealand inspectorate has developed an expertise over the years in what might be called qualitative assessment. From years of experience, they have developed a ‘feel’ for what is acceptable and what is not. They recognise the skilled practitioner and the ineffective teacher and the many grades in between. From their wide experience they can provide advice and guidance to teachers heads of departments and principals and if called upon to do so, can provide a reasonably accurate qualitative assessment.

(Scott, 1980: 16)

The emphasis of inspectorial reports was thus more qualitative than quantitative. Moreover, as has already been made apparent, the advice and guidance function provided to schools created a reasonably close professional alignment between the inspectors and the inspected (Codd, 1994a; Middleton & May, 1997). This perceived collegiality, or a concept of an ‘educational family’, it could be argued, provided some evidence for those representing neo-liberal views to maintain that the inspectorate had been ‘captured’ by the profession (the provider-capture arguments advanced by the Treasury), and hence may have been partially responsible for its abolition in the 1988 – 1989 reforms.

However, given the often critical nature of inspectorial and audit activities, those who engage in them are unlikely to be popular with those groups under scrutiny. This was certainly true of the Inspectorate. The Inspectorate, particularly in the primary division, had considerable power over teachers because of their grading function – and it was the grading of a teacher that determined their chances for promotion. The historical accounts of extreme anxieties experienced by both the students and teachers upon inspectorial visits
are well known (Butchers, 1930; Campbell, 1941; Boswell, 1960 cited in Wood, 1992; Ashton-Warner, 1963; 1979; Rutherford, 1988; McKenzie, 1995).

Yet there appear to be very divergent views and changes in perception from educators over the years about the Inspectorate and the roles they performed. In 1930, Butchers noted that the Inspectorate commanded the respect and loyal obedience of the rank and file of teachers because of its superior qualifications and experience of the workings of schools, and not merely because of the authority and power which it exercised (Butchers, 1930: 395). He observed a change in the perception of the Inspectorate:

It is now perceived as a body of supervising and guiding experts, rather than a body of external judges and assessors, terrifying both teachers and taught, as once used to be the case.

(Butchers, 1930: 395)

This assessment may well have been accurate, however their authority, according to Beeby (1992), was derived from their control of gradings that determined a teacher’s chances for promotion. Moreover, the ‘perceived’ change in how the inspectors were viewed is open to alternative interpretations. The New Zealand educator Sylvia Ashton-Warner described them as teachers’ ‘natural enemies’\(^{21}\) (1979: 272), a description which would, perhaps be consistent with the general view held by teachers at that time (she was writing of her experiences in the 1940s – 1960s)\(^{22}\). Ashton-Warner’s sense of apprehension was common to fellow teachers and principals:

... They were due this week, the Inspectors. ... It’s no good anybody telling me not to be nervous. There’s a ghoul from the past that haunts, I think, all teachers of my generation, from those five-year-old days when we felt the tension of the teacher and the foreboding of the Inspector himself.

(Ashton-Warner, 1963: 198)

_Criticisms were levelled at the both the system of inspection, and inspectors themselves. They were unhelpful, conservative, unaccountable, possessed insufficient knowledge of curriculum, and were prone to fault-finding\(^{23}\)._

\(^{21}\) This description of inspectors had been used even before the turn of the century. This was highlighted in an editorial in the Press in April 1896 (cited in Wood, 1992: 16) which asserted that a schoolmaster ‘looks on a school inspector as a natural enemy’.

\(^{22}\) For a more contemporary commentary on the relationship between the assessor and the assessed, see the somewhat amusing vignette/poem in Appendix III.

\(^{23}\) Many of these criticisms have been directed at the ERO as well (Thrupp, 1997a; Wylie/NZEL, 1997; MacDonald, 1997; Smith, 1997b; 1998).

There have also been examples particularly in the early periods of inspection, whereby the competence of groups of teachers has been questioned (O’Sullivan, 1878: 58-59; Restall, 1878: 76, AJHR Reports of the Inspectors of Schools, cited in Smith, 1998). It is interesting to note that claims above teacher ‘incompetence’
Butchers (1930) noted the problems of recruitment to the secondary division of the Inspectorate and the cyclical nature of inspectorial appointments in which they reported in confidence upon their own former colleagues and the principal’s organisation of the school (Butchers, 1930: 397). This severely compromised the accountability of the Inspectorate.

The claim that Inspectors were too critical was one commonly held amongst educators. Murdoch (1943) cited evidence from a questionnaire about grading and inspection in schools where he noted some of the main weaknesses alleged were that:

... some inspectors were prone to fault-finding, or advocated old-fashioned methods. These criticisms were in general mildly couched. A few phrases such as 'Antipodean Gestapo', 'organised spying', 'systematic fault-finding', reveal the extreme attitude, but the general attitude is best summarised in the remark, 'Most of us would probably be worse than they are; though at present we should like to inspect inspectors.'

(Murdoch, 1943: 275)

Other criticisms of the Inspectorate in the report outlined above were that inspectorial visits were too hurried, that there was a lack of specialist inspectors in some fields, and that there was an absence of frank discussion and consultation with teachers (Murdoch, 1943: 275). Furthermore, in terms of the value of inspection, the following data from the survey was presented by Murdoch ‘[S]ixty teachers thought inspection of great value; 90 of little value; 100 of no value, and 19 as harmful’ (Murdoch, 1943: 275)\(^2\).

The Department of Education itself was aware of how negatively the Inspectorate were perceived. According to McLaren (1974: 116) 'even the Department disliked the educational policemen image projected by its primary and secondary inspectorates'.

Yet it would appear that by the late 1970s, this perception was waning. Middleton and May (1997: 228) reported that many of their interviewees spoke positively of the role of some inspectors in initiating, supporting, facilitating and disseminating information about curriculum changes. Furthermore, they observed '[T]he Inspectorate had a very important role at that time of being a conduit for ideas' (ibid.). One respondent explained the Inspectorate's function they ‘... were there to give advice and guidance and help. Oh, it was beaut. ... They told you how things could be improved, ... it was a really friendly, co-operative, collaborative thing’ (Cotton, cited in Middleton & May, 1997: 336).

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have more contemporary parallels with the ERO CRO's 1997 controversial statements on this topic (see Smith, 1997; Thrupp, 1998; Thrupp & Smith, 1999 and comments in Chapter Six).

\(^2\) These criticisms of the Inspectorate are directly comparable to those made of the ERO by principals (Wylie/NZPF, 1997; Robertson, et al., 1997a; Chapters Four – Six of this thesis).
In contrast to these perceptions, Adams\textsuperscript{25} (1999 cited in French, 2000: 4) recalled that although the Inspectorate 'had been held in awe by teachers ... no one questioned the experience base ... [or] ... the credibility of inspectors' (ibid.). Adams' perceptions of the Inspectorate are, however, open to interpretation, and are only partially correct. There is an inconsistency between the Inspectors being revered by some educators, particularly for their advisory role, and for their experience and qualifications (Butchers, 1930; Webb, 1937), whilst also having problems of their credibility (Murdoch 1943; Thom, 1950). And so it was that the Scott Committee (1986) questioned the quality, credibility and accountability of the inspectors (ibid: 27).

It is argued that the Inspectorate had too close an association with the educational community and that they were not critical enough of either the education system, or more importantly, the teachers within it. In assuming a Treasury-position, it could be argued that the Inspectorate were a bureaucratic 'vested interest' group that had been 'captured' by their sense of 'collegiality' with those whom they inspected. In terms of accountability, the organisation was indeed bureaucratic, hierarchically organised and lacking in many elements of the new managerialism/NPM, which had been implemented elsewhere within the state (Boston, Martin, Pallot & Walsh, 1991; Kelsey, 1993; 1995; Chapters One and Two of this study).

But because of its close relationship with the education sector, and with colleagues within it, the Inspectorate was seen to be lacking in 'objective' assessments and in their ability to serve two distinct groups at once. There was an implicit tension in having the Department of Education and the State bureaucracy as their employers, whilst also serving the educational community as advisors and serving as a 'critical' friends to teachers (Smith, 1998).

The Inspectorate's accountability had been seriously questioned in the literature outlined above (from historians, academics, politicians and bureaucrats) and also by those in the organisation (the ERO) which replaced it as the following vignettes highlight. Maurice Gianotti (1993: 39 - 40) notes the lack of Inspectorate accountability:

... I don't think there was any accountability of inspectors under the old system. They were mainly free-ranging agents, accountable largely to themselves. ... There was an extreme lack of accountability in the old system ... Inspectors were writing reports about themselves and the working out of decisions they had made about school organisation.

\textsuperscript{25} Interview with Jan Adams, 10 June 1999 (French, 2000: 4). Jan Adams had joined the Manukau team of the ERO in 1989 as a review officer had previously served in the Auckland Primary Inspectorate (ibid.).
Gianotti criticised the 'in-house' nature of inspection and questions whether the inspectors were essentially reviewing the school or the recommendations that the school had not addressed since the Inspectorate's previous visit. In addition, Gianotti assessed the 'confused' accountabilities between the inspector's roles as grader and advisor (ibid.26).

In discussing the Inspectorate's effectiveness, Judith Aitken (1996) notes '[T]heir opinions, guidance, advice, appraisals, judgements, reports, evaluations, views, beliefs and prejudices were in effect private property. ... their effects were incalculable. And no one was, or was held to be, accountable for them'.

In this passage Dr Aitken was contrasting the lack of transparency and public accountability by not releasing Inspectorate reports into the public realm with the explicit practice of the ERO which did so under her stewardship. Furthermore, she alludes to the position that the Inspectorate's effects were not measurable and thereby suggests they were both unaccountable and ineffective. The ERO's position on transparency and accountability is outlined in Chapters Four – Six.

An underlying theme of this chapter is that for many teachers and schools, the Inspectorate represented the coercive power of the state, and the anticipation of an inspection visit was enough to make individual teachers and schools self-review, and self-inspect. It was this professional belief, therefore, that legitimated self-surveillance.

The disciplinary power that the Inspectorate exercised over teachers and students has been emphasised throughout this chapter. In the early period, they were able to create a relatively compliant workforce through the accountability strategy of publishing the schools' examination results. Furthermore, they graded teachers, thereby affecting their chances of promotion. In this way the Inspectorate were able to effectively control both the work of schools, but more significantly for the primary sector, they were able maintain control over individual teachers, thereby creating a compliant workforce under the guise of professional leadership.

The general perception (perhaps clouded by nostalgia) was that the Inspectorate was more 'client' friendly in the later stages through its liaison and advisory services and because of its close professional links with educational organisations. It was argued, however, that during all of this period, the Inspectorate operated under a conflicting role set; there were

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26 These points about conflicting roles have been outlined at length throughout this section. Gianotti's assessment was from an 'insider's' account having been a District Senior Inspector in both the Otago and Wellington districts.
tensions between their advice and audit roles where clearly, providing an audit was the means of ensuring accountability within the education system.

In analysing the historical effects of the inspection regime in the UK, Learmonth (2000) provided the following statements, which have resonance in the New Zealand context:

As the purposes and processes of inspection have varied over nearly two centuries, one central tension has remained constant: to what extent is school inspection about helping schools to improve? And to what extent is school inspection a process of accountability, whereby society requires those working in schools to justify the quality of education they provide and the efficiency with which they use public money?

(Learmonth, 2000: 1)

These were the issues that the state in New Zealand has also attempted to address through the Inspectorate. The New Zealand Inspectorate had a shorter lifespan than its UK counterpart (approximately 130 years, with 75 of these representing a national organisation and the remainder at the provincial/board level). But what has been raised in this chapter, and what will be argued in later chapters, is that the confused roles of advice/guidance and grading which inspectors, as the state’s agent of accountability, shifted throughout the history of the organisation. At its ‘birth’ and ‘death’ the accountability regimes appeared to be tighter; in intervening periods, the role of the inspector was to assist the education profession an improvement capacity. Clearly, however, the pendulum swung both ways during its history.

It is conjected throughout this chapter and then elaborated upon in Chapter Four – that the accountability precursors for change to the Inspectorate, and requiring tighter fiscal controls existed from the 1970s onwards. However, they only became enacted with the reforms to education in the 1988-1989 period. The demise of the Inspectorate and the rise of the R&AA/ERO as advanced in Picot et al. (1988) and Tomorrow’s Schools were to provide tighter accountability regimes over schools and the teaching profession. This accountability was spawned through the reform process and nurtured by restructured state education agencies as required by neo-liberal government policies that were underpinned by theories from the NPM/managerialist discourse (Boston, et al., 1996).

Concluding Comments

It has been argued in this chapter that during times of economic recession, the state operates tighter fiscal and accountability regimes and requires agencies such as the Inspectorate to check for efficiencies of schools and indeed, requires them to control the
work of teachers. This can be seen in the 'provincial' or nominal state pre-WWI and the revival of the 'liberal' state from the late 1970s and throughout the 1980s. With the economic downturn of the 1970s, calls for greater accountability mechanisms in education and for a more focused Inspectorate came from various government appointed committees (Holmes, 1974; Scott, 1986). The reports of these committees contained the precursors for changes to the Inspectorate. As Chapter Three has shown, their eventual demise came because as the inspectorial structures did not display the 'right type' of accountability required by the new public management (NPM) regimes.

As has been shown in this chapter, the Inspectorate, whilst small numerically, exercised significant authority over the education system throughout its approximately 130 year existence. From the late 1850s until 1988 the Inspectorate attempted to both maintain and often raise educational standards of students and teachers using a variety of techniques of control including examination, grading and inspection visits. Whilst, the inspectorate provided accountability to the central state, there were other arguably conflicting roles. The Inspectorate saw itself as being professionally accountable whilst providing assistance and leadership to schools and individual teachers through its the advisory and professional development function. In undertaking this function the Inspectorate were perceived by committees like that led by Noel Scott as having too close a relationship with teachers and this was one of the reasons, it is argued, for its eventual dissolution in 1989.

The following section is a preamble which is an overview of the changes to the ERO 1989 – 2000/01. This is then followed by next chapter outlines the inception of the ERO and traces its history and developments from 1989 – 1996.
PART TWO: PREAMBLE

The Education Review Office’s contested evolution as an agent of managerial accountability has been simultaneously one of the most admired and most hated aspects of the post-Picot reforms. (Thrupp & Smith, 1999: 186)

The rationale for this preamble is to provide a quick historical overview for any readers of this research of some of the important changes to principally the roles, functions and work undertaken by the ERO from 1989 – 2000. It briefly outlines its changing philosophy and ‘outputs’ or products of the Office from the period of investigation under review.

This preamble briefly traverses the issues of the Office’s organisational history in terms of changes in size, funding and data on ‘outputs’ across the period under investigation. The information was selected by the researcher to highlight the major changes which have occurred to this state agency in its thirteen year existence, to provide a quick overview reference and to provide a context in which the researcher examines those changes in the remaining four chapters. This short preamble, therefore, provides a context within which the remaining four chapters can be understood. The ERO is an important educational state agency and is arguably one of the most controversial, if not the most controversial, of all post 1989 bureaucracies.

It is argued that in order to understand the ERO as an organisation the researcher has to analyse the organisational philosophy espoused by the leaders of the new state agencies and their sometimes conflicting role of representing both their Minister and the wider public interest. The Office, since its formal inception in October 1989 has at times, and to varying degrees, both promoted and resisted aspects of the NPM which underpins its existence. These matters will be analysed in Chapters Four to Seven.

This thesis proposes that the ERO has been in constant transformation stemming from changes in the political climate, 1989 – 2000 and the whims of its changing Ministers, and the externally imposed reviews that occurred, sometimes as a result of the Minister’s ‘impressions’ of the public’s changing perceptions. However, this represents only a partial account of the Office, its structure and performance. It has become an increasingly entrepreneurial agency from 1992 onwards, not only to ensure its political and fiscal survival, but also as a consequence of ‘border skirmishes’ with its educational ‘rival’ (the Ministry of Education) which has seen the ERO become actively involved in extending its statutory sphere of responsibility into the policy sphere. Its mandate/terms of reference were essentially to perform a technical purpose of reviewing/auditing and publicly
Part Two: Preamble

reporting on the performance of the early childhood and compulsory schooling sector. However, it is argued that the agency has extended its role into the political and civil spheres – to inform the public and parents as consumers.

Furthermore, it is contended that the Office has at times had considerable agency to determine its own areas of interest and thus created a niche for promoting its own agendas (under the guise of supporting the government’s strategic priorities directions, and the National Education Goals and Guidelines). It has also been increasingly active in its own restructuring displaying organisational flexibility through changing on a reasonably frequent basis its ‘outputs’ and directions. It has done this through its own internal review processes and self-review mechanisms and in response to externally imposed forces.

Whilst the agency has publicly maintained an interest in increasing its stakeholder satisfaction throughout the period under investigation, and there is evidence to suggest that it does consult widely with its ‘stakeholders,’ it remains a controversial and somewhat unpopular organisation with those whom it reviews although there are ardent supporters. However, it is argued here that there have been significantly more detractors than lauders (Smith, 1997b; Thrupp, 1999b; Thrupp & Smith, 1999).

It is argued that the agency represents a wonderfully rich site for undertaking policy research on an evolving agency. It is contended that the Office is overtly political and ideological in its approaches to external evaluation. Staff have been supportive in promoting aspects of the neo-liberal hegemonic project but they have been entrepreneurial and active functionaries at the vanguard of promoting and directing the NPM/managerialist agenda towards their own practices whilst also attempting to steer those whom it reviews/evaluates in the same way.

The organisation does not, therefore, represent the bureaucratic apolitical public service ethic promoted under the Westminster model, and exemplified under the KWS settlements; rather it has been quite the opposite at times and during its short history it has become something of an exemplar. It has, therefore, achieved an almost ‘emblematic’ status in the NPM/managerialist regime promoted in the NZ public sector from 1984 onwards.

There has been an on-going tension for the agency (which it has been unable to resolve) that centres on meeting the needs of the duality of its central foci, the poles of which concern – (i) its principal role to act as the servant of its Minister as a monitor and regulator of the standards of education through is tightly prescribed purchase agreements (ii) its role as a public-information broker for parents as educational consumers and as an agent that is
expected to protect 'the child - the heart of the matter' (Aitken, 1999 cited in French, 2000: 22). The ERO is, therefore, the civil sphere's public educational watchdog.

It is maintained that the ERO from 1992 onwards has become a high-profile and powerful ideological agency - embroiled in battle not to win the hearts and minds of the education professionals, but to influence and inform the debates around the direction of educational policy. It has done so by 'selectively' informing the public of evidence collected and stored in its large institutional database through promoting particular policy positions, (masquerading as research) which permeates its documentation. It is argued that the ERO does not possess a robust methodology, merely a flawed one in which their evaluations are purported to be objective and 'impartial, ethical, reliable and fair' (ERO, 2000a: 3). Yet what this research shows it that their own structure and performance can be contested. The office has promoted policies of compliance over those they review, and this has led to an exacerbation of the negative market effects, particularly of those schools in lower socio-economic status decile areas whom they deem to be 'failing.' Moreover, the exacerbation is also manifested through their strategies of 'naming and shaming' (Thrupp, 1998) schools they evaluate as under-performing.

It has already been noted in this overview that the office are entrepreneurial; they are shameless self-promoters who avow that they have robust evaluation methodologies, that they are at the forefront of the field of education evaluation as practitioners a discipline (Cochrane, 1999 cited in French, 2000; 15) and that they are '... internationally recognised leader in education evaluation' (ERO, 1998c: 31).

It is a central theme in this research that the Chief Review Officer's have maintained a pivotal role by influencing the organisational philosophy and structures in particular directions, yet is it is ultimately the structures that transcend the influence of individual agents (no matter how powerfully they are perceived to be).

An important caveat needs to be addressed at this stage. The period under review spans the 1989 – 2000 years, and there have been changes tantamount to a sanitisation and softening of some of ERO’s practices throughout this era; the ERO has responded to external forces (in particular to the notion of SES decile and contextualisation, see Smith, 2000a, 2000d; Thrupp & Smith, 1999). Another initiative, from 2000, has been to pilot a review model that provides follow-up assistance for schools who receive a 'poor' Office review (involving a discretionary review - see ERO, 2000a; Smith, 2000b).

It is noted throughout this research that the ERO is an evolving organisation, in particular, as a result of the latest Ministerial Review (Rodger, et al., 2000). A number of significant
changes have already occurred as will be shown in the conclusion (ERO, 2001a; 2002e; Smith, 2002a). The point is made that the tenets of this review, in comparison to the previous one (which was essentially a legitimization exercise that resulted in little major structural change and merely in what may be described as cosmetic tinkering – see Smith, 1997b; Thrupp & Smith, 1999), has already resulted in more substantial change becoming implemented. But while the recommendations can be viewed as relatively positive overall because they focus schools on school improvement, the Office is still expected to 'maintain its compliance functions' (Rec. 5., Rodger, et al., 2000: 2). Thus it is argued that while steps have been made to re-focus the Office in a positive way, the compliance role of the ERO still represents a form of holding schools accountable for completing expected functions; it still focuses them on short-term outputs that are in line with the central tenets of NPM (Boston et al., 1996; Schick, 1996; Shaw, 1999), and with the arguments presented in pervious chapters.

There have also been initiatives to significantly alter the ERO’s methodology. However, the extent to which this has impacted is unknown given the recency of these revisions and the processes of embedding required. To date, to the best of the researchers knowledge, there has been no formal external evaluation of the piloting, nor any published academic assessment or critique (Smith, 2002a).

However, since this review has occurred, there appears to be closer consultation between the ERO and stakeholders generally. This is evidenced by the Office’s Future Directions consultation documents. These encourage stakeholders to have input through a submission process as a consequence to the Office’s proposed changes that were formulated as a response to the Rodger Report (2000). These ERO documents were for the compulsory schooling sector (ERO, 2001b) and for the early childhood sector (ERO, 2002d).

As a general guide, the information provided in this section of the thesis should be read as data that clarifies the nature of both the rate and flux of change that the ERO as an organisation has experienced. The changes to the outputs highlight the fiscal imperatives that the government introduced by the Minister and illustrates the changes over time to the office’s purchase agreements. Furthermore, they provide evidence of some areas of under-performance of the agency, and the changing directions of their CROs in promoting certain types of short-term outputs and compliance measures on schools.

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1 However, it should be noted that elsewhere the author has critiqued aspects of the then proposed changes – noting the ERO did not possess a sufficient skill base of school improvement and effectiveness to themselves provide the follow-up assistance and that it increased their power-base as agents of accountability (Smith & Clinton, 2001).
General Overview

The ERO provides an example of a policy entity/organisation in practice. Its roles and responsibilities have changed and as an agency its practices can be contested (at least at the level of academic debate). It could be argued that it has been much more difficult for schools to resist the ERO's reviews and to have avenues through which to contest findings (Robertson, et al., 1997a; Smith, 1997b; Thrupp & Smith, 1999 and Wylie/NZPF, 1997).

The Education Review Office was, in a sense, born into a struggle. This is nowhere more evident than in the name of the organisation, which was sharply contested even before the Office was established. Christened the Review and Audit Agency in the Picot Report and Tomorrow's Schools, by May 1989 this had been changed to the Education Review and Audit Agency (ERO, 1992a: 41). This first change reflected a partially successful attempt to reclaim the agency from the control departments, that is, to bring the concept of 'education' back in. The new name, Education Review Office\(^2\), both strengthened the 'education' links and removed the concept of 'audit'. The implications of these shifts will be examined throughout the following chapters.

At the heart of the issues raised in these chapters is whether or not education review is the same as any other form of accountability, or whether the needs of the education sector differ because of the special status of state education, or indeed, the special nature of educational work. The Education Review Office thus became a major site of a struggle between the education sector and, in particular, the control agencies of the state, over what it should do. What is unusual is that the struggles surrounding this question have shaped, re-shaped and altered again the size, scope, methodology and corporate character of the Education Review Office in a way that has not been apparent in any other educational agency of the state.

This preamble provides a brief overview of the ERO across the thirteen years since its establishment to highlight some of the trends and details about the organisation. The points presented will be elaborated in more detail in the following three chapters about the ERO (Chapters Four – Six). It provides data from 2001, which although slightly outside the period under review, that is, until 2000. However, these data are included here because they provide some up-to-date evidence of recent changes.

\(^2\) This new name - Education Review Office, was given in June 1989, thus the previous name was somewhat short-lived. The title of ERO was one of the first changes announced after the appointment of the first CEO (ERO, 1992a: 41).
The ERO Personnel Complement and its Level of Funding

This section highlights changes to the number of personnel employed by the Office, illustrates reductions in funding, and denotes some of the Office’s outputs and review types that show its efficacy through the period.

Changes in the role of the ERO since its inception are reflected in changes to the structure and size of the organisation over the thirteen years since it was established. Tables P1 and P2 provide a summary of changes to staff numbers over the period, showing the steady reduction in finance, and a concomitant decline in staff numbers.

Table P1: Number of full-time staff equivalents, Education Review Office, 1989 – 1998 and also 2001

<table>
<thead>
<tr>
<th>Year</th>
<th>No. National or Corporate Office personnel</th>
<th>No. Regional Office personnel</th>
<th>% Reg staff to Corp. personnel</th>
<th>Total Numbers ERO personnel</th>
</tr>
</thead>
<tbody>
<tr>
<td>1989/90</td>
<td>45</td>
<td>311.0</td>
<td>87.35</td>
<td>356.0</td>
</tr>
<tr>
<td>1990/91</td>
<td>33</td>
<td>193.5</td>
<td>85.43</td>
<td>226.5</td>
</tr>
<tr>
<td>1991/92</td>
<td>33</td>
<td>193.0</td>
<td>88.39</td>
<td>226.0</td>
</tr>
<tr>
<td>1993</td>
<td>31</td>
<td>193.0</td>
<td>85.39</td>
<td>164.0</td>
</tr>
<tr>
<td>1994</td>
<td>29</td>
<td>135.0</td>
<td>82.31</td>
<td>164.0</td>
</tr>
<tr>
<td>1995</td>
<td>34</td>
<td>129.0</td>
<td>79.14</td>
<td>163.0</td>
</tr>
<tr>
<td>1996</td>
<td>36</td>
<td>119.0</td>
<td>76.77</td>
<td>155.0*</td>
</tr>
<tr>
<td>1997</td>
<td>40</td>
<td>118.0</td>
<td>74.68</td>
<td>158.0**</td>
</tr>
<tr>
<td>1998</td>
<td>45</td>
<td>117.5</td>
<td>72.30</td>
<td>162.5</td>
</tr>
<tr>
<td>2001</td>
<td>47</td>
<td>118.0</td>
<td>70.90</td>
<td>165.0***</td>
</tr>
</tbody>
</table>


Notes:
* This total represents the actual ERO staffing complement as at 2 April, 1996 and does not include the positions which are currently available (Canning, 1996).
** At the nominated time the Office had advertised to appoint two staff in the Corporate Office (Canning, 1997a).
*** At the present time the office hopes to appoint between 10 – 15 new review officers from its recent advertisements (Canning, 2001).

3 Canning (2001a: 2) noted:

The first staffing figures for 1989/90 were ‘indicative only’, and were never realised in fact. They were the numbers originally agreed by Government for the new organisation and on which original recruiting was begun. That complement was never reached, however. The Lough review ... took place in early 1990 and staffing of the Office reached only 320 before advertising and appointments were stopped in response to that review.
Therefore, in 2001, the personnel complement of review officers for ERO could be increased by approximately 8.5 – 12.7 per cent.

The total establishment of the Education Review Office in 2001 is now less than half the size it was in 1989 – 1990. The reduction has actually been some 53.6 per cent.4 Table P1 shows two significant reductions in the number of staff, especially 1990 - 1991 and again in 1993, particularly in the regional offices. Underpinning this first change was the reduction in funding and personnel as a result of the Lough Report (1990) between 1989/90 and 1990/91 the staff reduced some 36.3 per cent. Interestingly, in light of the updated material (Canning, 2001a: 2), Canning did not make a comment about changing this figure. (However, the correct recalculated percentage is 29.2 per cent.) The 1993 further reduction was due to restructuring and redundancies around the financial and property specialist staff plus others.

From 1993 to 1998, the total number ERO personnel have remained relatively constant with small decreases in the regional offices and a some changes in number of staff at the Corporate division. The same trends are true for the latest figures, 2001; however, as noted above, there is potentially an increase of around ten per cent for ERO review officer staffing.

But as can be seen in the table, there have been fluctuations in the corporate division especially between 1990 – 1996. However, by 1998, the same number of staff as the original complement worked at National Office. In fact, there has been an overall decrease in the number of staff in the regions when compared to the Corporate Office. In the original complement, less than thirteen per cent (12.6%) of the ERO staff were at National Office but by 2001 that proportion is nearing 30 per cent (29.1%) of the ERO staff being employed at Corporate Office.

It is argued in Chapter Four that the Corporate Office is, therefore, the powerhouse of the organisation and that this division can be seen as top-heavy in relation to the lean numbers of staff at the regional offices.5 This may be the reason for the potential increase the number of review officers targeted for 2001.

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4 In light of the points raised by Canning about the number of personnel in 1989 - 1990 being 320, the researcher has chosen to accept his suggested change that the 'total staffing ERO in 2001 is now only about half the size' (Canning, 2001a: 2). Therefore, its it approximately 48.5 per cent of the original complement.

5 This point was contested by Canning (2001a: 2) in the following way, he noted ‘... there are staff in corporate office who work on reviews and reports. In my view the comparisons overstate the top heaviness’. This may be a valid claim from the office’s perspective, however, the researcher has chosen to leave it as a not a statement of fact, but a perception based upon interviews with other stakeholders. The author does note it is a contestable point.
The reduction in staffing was also reflected in reduced funding from Government. Canning argued that "while this may be the technically or financially true, in fact the reverse of the sentence was actually the case, as it was the reduced funding from Government which was reflected in reduced staffing" (Canning, 2001a: 3). In this instance, the researcher concedes that the Manager of Ministerial and Legal Services of the ERO is correct in this passage and, therefore, it has been incorporated into the text. What is more revealing for the author however, is Canning's follow-up sentence in which he noted:

Government took a sum away from the Office and left the Office to determine staffing within the funding that remained. And funding allowed for 226.

(Canning, 2001a: 3)

The content of this statement could be interpreted in a number of ways. Firstly, it sounds like a purely financial and technical exercise, devoid of the human costs involved in terms of redundancies and the dramatic affect upon the organisational culture (see Codd, 1990b). The downsizing changed the scope of what was achievable in terms of what the then CRO had planned as outputs (Gianotti, 1993) and these processes were not able to be realised with the reduced staffing.

A second alternative provides evidence that the government was true to its espoused philosophy of NPM in making the agent responsible for all managerial decisions including the management of finances (Boston, 1991; Boston, et al., 1996). It is also akin to Schick's (1996) catch-phrase of NPM 'making managers manage'. These points are analysed more fully in Chapter Four.

Initially, it was expected that extra funding would be required to carry out the Review and Audit functions contained in the Picot Report (1988). Section 9.2.9 stated:

At present some $11.6m is allocated to inspection services and some $8.2m to validation and accreditation at compulsory and post-compulsory levels. We have, however, suggested increased responsibilities for the inspectorate, requiring an increase in funding of some 40 per cent ($4.6m).

(Picot Report, 1988: 92)

The ERO Corporate Plan 1989/90 (1989: 11) noted that the organisation was being funded by a Capital Contribution from the Government but no actual revenue amount was shown. The expected establishment revenue of $24.4 million recommended within the Picot Report did not, however, eventuate and Terry Hughes (then ERO, Director of Finance) listed the initial Capital Contribution as $23.2 million (Hughes, 1994a). The following provides a summary of the total revenue to ERO including the Crown, Departmental, Other and
Interest contributions from various sources. These data highlight the declining budgets of the organisation. Specifically, Table P2 provides a summary of the changes to the Office’s funding during this period.

Table P2 Total Revenue for Education Review Office, 1989 - 2001
(Revenue listed in million dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue $ M</th>
<th>% Incr or Decr</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>1989/90</td>
<td>23.21</td>
<td>-</td>
<td>T. Hughes (1994a)</td>
</tr>
<tr>
<td>1990/91</td>
<td>24.50</td>
<td>5.55 +</td>
<td>ERO Corporate Plan 1990/91 (1990a: 21)⁶</td>
</tr>
<tr>
<td>1993</td>
<td>17.11</td>
<td>7.91 -</td>
<td>ERO A R 1993/94 (1994a: 44)</td>
</tr>
<tr>
<td>1996</td>
<td>15.07</td>
<td>0.065 -</td>
<td>ERO A R 1995/96 (1996c: 59)</td>
</tr>
<tr>
<td>2000</td>
<td>18.06</td>
<td>4.51 +</td>
<td>ERO A R 1999/00 (2000a: 57)</td>
</tr>
</tbody>
</table>

(N.B All figures from 1991 – 2000 are from the ERO Annual Reports (A R) Statement of Financial Performance for the year ended at 30 June using the data from the year’s Actual column. The ERO DFR is the Departmental Forecast Report. In accordance with generally accepted accounting practices, revenue is stated net of GST from 1991 – 2001. Data listed in the ERO Annual Report 1995/96 (1996c: 59) noted that the 1 July 1990 figure was also GST exclusive.

The highest funding was in ERO’s first full year of operation but in 1990/91, the funding was reduced by over a fifth as a result of the Lough Report (1990). In the National Government’s first and second terms 1990 – 1996, under their fiscal responsibility regime, the funding decreased by nearly forty per cent (38.4%) or in real terms, by nearly nine and a half million dollars ($9.43M).

The other trend reveals modest increases in 1997 – 2000 with a larger one in 1998 after the Austin Report (1997) and the change in outputs to Accountability Reviews. All of these

⁶ It was noted in this publication that ERO was funded totally by Capital Contribution for the 1989/90 year to meet Office establishment expenses and fixed asset purchases. No outputs were produced. The 1990/91 year is, therefore, the first year of operation (ERO Corporate Plan 1 July 1990 to 30 June 1991, 1990: 21).

⁷ This is the budgeted figure made up of $17,373 million Crown revenue and $380,000 revenue from third parties ERO (2000: 21). However, it is also noted in this document that the ERO expects to earn $829,000 from other purchasers of contractual services in this period (ibid.).
increases were as a result of specific changes in policies or for specific projects. There was a slight decrease in the 2001 year. Over the period 1989 – 2001 there was a decrease in funding of $5.46 million or nearly a quarter, i.e. some 23.2 per cent.

In terms of funding and personnel, the highpoint of the Education Review Office was its first full year of operation. These figures, however, cannot be read in isolation, but they are part of a protracted struggle over what the role of the Education Review Office should be. They reflect, therefore, a struggle underpinned by conflicting ideologies and different political agendas. These struggles form the basis of part two of the thesis.

Discussion of EROs Outputs\(^8\) on Schools Across the Period 1990 - 2000

The following information is provided to highlight trends in the ERO’s outputs over this decade.

One problem with the ERO’s *Annual Reports*, which note the Office’s ‘outputs,’ is that they cover not a calendar year from January to December in the same year, but instead coincide with Governmental financial periods. Specifically, this means they cover the period from 1 July in the first year to June 30 in the second year – and thus they span two calendar years. Hence it is difficult to note the precise number of outputs in any one year.

There are large variations in the number of reviews the ERO performed from 1990 – 2000. They conducted 400 in 1990/91 and 873 in 1991/92 (ERO, 1992b: 27). However, ERO restructured outputs in the 1992 – 1993 period into its major outputs types the Assurance Audits (AAs, which began in 1992) and Effectiveness Reviews (ERs began in 1993). The AAs decreased by nearly forty per cent (38.0%) during the period 1992 – 1997. The largest number of AAs was 805 in 1992/93 and the smallest 499 in 1996/97. The ERs decreased by nearly thirty per cent (29.9%) during the period 1992 – 1997. The largest number of ERs was 512 in 1992/93 and the smallest 314 in 1995/96.

When the 1992/93 and 1999/2000 data are compared, it becomes apparent that there has been an increase of nearly four times (370.2%) the number of Discretionary Assurance Audits and Discretionary Accountability Reviews (follow-up reports for schools with poor performance) over this period 1992 – 2001. The lowest number was 47 in 1992/1993 and 221 in 1999/2000. The n=47 figure, moreover, is a combination of DAA reports in both the

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\(^8\) Detailed descriptions and analyses of these outputs are provided in Chapters Four-Six.
schools and early childhood sector and the 221 only schools (there were 122 reports on early childhood centres).

When these data are compared to the total number of reviews conducted in early childhood centres and schools during each of these years, it becomes apparent that in 1992/93 there was a 2.1 per cent follow-up and in 1999/2000 a 20.9 per cent follow-up. In 1999, the individual percentages of follow-ups were 15.5% in early childhood centres and 26% in schools. This phenomenon is amplified in Chapter Six.

In 1996 – 1997 years, the ERO restructured its outputs again. The two major reviews were amalgamated into one review type, Accountability Reviews, and these began in late 1997. By comparison the ARs increased by nearly eight per cent (7.76%) during the period 1997 – 2000. The largest number of ARs was 850 in 1999/2000 and the smallest 784 in 1997/98.

The total combined ERO outputs (ERs & AAs) compared to AR reports show a decrease of over a third (35.4%) during the period 1992 – 2000. The largest number of outputs was 1317 in 1992/1993 and the smallest 784 in 1997/98. These statistics highlight that the Office was actually conducting less reviews as a direct result in changes in funding and perhaps also as a consequence of changing priorities.

The ERO began its output class Evaluation Services in 1992/93. However, the first actual National Education Evaluation Report (NEER) was produced in 1994. The total number of NEERs published by the Office in the period 1994 – 2000 was 50, and half of these were produced in the first three years.9 However, as will be explored in later chapters, this type of aggregated reporting has proven contentious and the ERO has been criticised, and their reports critiqued, for both their content and methodologies, and the underpinning philosophies.

Another sub-class of the ERO Evaluation Service output has been their Contractual Evaluation (or contractual services) conducted since 1992 about which the researcher has data from the 1993/94 period onwards. The revenue generated in this output more than doubled, however, with an increase of approximately 135 per cent from 1993 – 2000. Nevertheless, it should be noted that this output varied considerably from year-to-year with the lowest amount being only $19,000 in 1997/98 and the highest in $424,000 in 1998/1999. It should be noted here in line with the philosophy of managerialism, the state

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9 Because these reports are produced annually and incrementally increase the number of them, it is inappropriate to calculate the percentage increase in the number of this type of output.
agencies are expected to be entrepreneurial and recoup costs wherever possible – and make a contribution to their own funding regime! It is argued that the ERO has done this in response to a declining budget at one level, but also has promoted itself as an important evaluation agencies doing contractual reviews on other educational institutions (on a cost recovery basis) and by selling its outputs (some of its publications).10

The question of the Office’s outputs and its own efficiencies is called into question throughout the remaining chapters.

Because of the nature of conducting educational policy analysis on a dynamic agency in transition across a decade, the material presented in the following three chapters requires a little traversing backwards and forwards. One of the reasons for this is that the middle chapter, which contains data derived directly from the ERO’s reviews and outputs from 1995 to 1998, spans both the preceding chapter and the one which proceeds it. There are, therefore, some overlapping aspects between those periods. Taken together, however, they provide a comprehensive account of the changing political context and implications for this highly politicised agency of accountability.

10 In two instances during the field-work for this research, the author was advised that because it would take a specific amount of time to retrieve the information in a form readily assessable to the researcher if the Office provided with supply the information it would be done at a fixed price on a cost-recovery arrangement.
CHAPTER IV

ERO: FROM CONCEPTION TO MATURITY 1989 – 1996

INSPECTION TO AUDIT

The Education Review Office has been established to ensure that learning institutions are ... accountable for the Government funds they spend.


Overview of Parts One and Two

Chapter Four is divided into two parts which trace the development of the Review and Audit Agency (R&AA, or the ERO as it become known) from inception in the Picot Taskforce Report until maturity in the middle of the decade (the 1990s), a time just prior to its second major review. The chapter describes the ERO’s genesis and transformations as the organisation developed and changed. The Review and Audit Agency (R&AA) in the Picot plan was to be a completely new agency. It is argued that in its initial stages, this body, in its form as both the R&AA and later as the ERO, contained an uneasy amalgam of the older form of a technical professional inspection. This focused on teacher responsibility and a wider educational review of the school to reflect the politically determined needs of the community. The original ERO organisation provided a different model to other parts of the state sector as established by the State Sector Act 1988.

In 1992 under a new Chief Executive, a newer more professionally distant and technically pure form of organisation emerged that focused on school outputs and was more directly derived from New Public Management (NPM) audit model. This NPM form shaped both the culture of the ERO and the new character of school accountability. Yet, this supposedly neutral technical agency actively intervened to politically shape and change the culture of schools. The genesis of the change can be attributed two factors: a special committee of the Minister of Education chaired by Noel Lough, a former secretary of Treasury, and the appointment of a new Chief Review Officer, Dr Judith Aitken.

Three central themes are evident throughout this chapter. The first concerns the effect that Chief Executive Officers (Chief Review Officers) have on the organisational culture and philosophy of the agency, whereby the ‘technical’ cannot be separated from the ‘political’ (Philips, 1998). The second concerns the notion that ERO constitutes a very powerful mechanism of state control on schools and teachers through its culture of short term compliance – the application of NPM theory in action. The third theme has to do with the external political context influencing organisational developments. This chapter continues
the prominent theme of this thesis which focuses on examining the changing notion of accountability used by the ERO.

The first part of the chapter covers the period from 1989 through to late 1991, which was one of the most turbulent times in the history of the Office. It provides an extended outline/analysis of the Lough Report (1990) and its influence on the development of the organisation. It also addresses the resignation of the first Chief Review Officer and changes in the outputs as a result of the change in government from Labour to National.

Part Two of this chapter addresses the change in the direction of the organisation resulting from a changing rationale for the Office as directed by the appointment of the new CRO in late 1991.

Although brief concluding comments are made at the end of part one, substantive chapter conclusions are addressed at the end of part two.


Codd (2002: 3 – 4), along with others as outlined in the previous chapter, argues that prior to 1989, educational policy-making in New Zealand was more of a democratic consensual process than a politically driven one (see Gordon, 1992a). Furthermore, Codd (like Beeby, 1992; Renwick, 1986) contends that during the early post-war period, educational policy was subsumed within the day-to-day business of those who administered or governed the system (Codd, 2002: 3 – 4). However, he contends that it is now clear that the educational reforms of 1989:

> ... with the restructuring of educational administration were designed specifically for the attainment of wider political, economic and social goals as part of social and economic structural adjustment [Kelsey, 1995; Jesson, B, 1999]. ... The declared purpose of the reform was to make the system more efficient and more responsive to its clients, to alter the relationship between providers (teachers) and consumers (parents). A further related purpose was to shift the basis of educational accountability from a focus on inputs and process to a focus on outcomes and product. These policies remain unchanged.

(Codd, 2002: 4)

In this statement it is clear that the reforms to education were about changing accountability structures/arrangements in line with the principles of NPM/managerialism (as outlined in Chapters One and Two, principally by Boston et al., 1996; Schick, 1996; and Shaw, 1999). This Chapter provides details of how the NPM project was imposed on the newly formed agency, and how it attempted to mediate its effects from 1989 – 1990. However, by 1991 – 1992, NPM processes were firmly embedded, and, as is argued in part
two of this chapter, the ERO was the state educational agency that not only embraced the possibilities offered by managerialist theories and best exemplified these theories in both organisation performance and practices (Smith, 1994, 1997b). However, more than this, it attempted to exert its authority over schools in an attempt to get schools’ management and boards of trustees to apply them in practice by publicly reporting on schools which were not performing to the required standards as advanced and reported on by the ERO.

In Chapter Three it was argued that there were precursors for change in education that existed before the 1988 – 1989 reforms (Barrington, 1990). Furthermore it was propounded that the Scott Report (1986) which centred on the concept of accountability, that in a sense schools lacked public accountability (because the inspection reports were not public documents) and the accountability of the inspectorate was found to be wanting too. Questions were also raised about the efficacy of the inspectorate and the dual roles it performed. The review team had noted of the inspectorate that ‘... there is little provision for follow up visits to check that problems identified during inspections have been remedied’ [and that] ‘the inspection procedure is on the whole ill-defined and cumbersome’ (Scott, 1986: 27). The 1989 education reforms raised accountability at the level of the new self-managing schools.

The Creation of New Single Focus Agencies
The 1988 – 1989 reforms were certainly the most large scale in New Zealand’s recent education history, rivalled perhaps only by the initial Education Act 1877 which established the national education system in New Zealand. The person responsible for this change (as Minister of Education at the time), described it as ‘... the most through going changes to the administration of education in our history’ (Lange, 1988: 1). It is beyond the scope of this chapter to traverse the early post-Tomorrow’s Schools (1988) educational literature. It is now very often rehearsed and quoted if only because early predictions of the difficulties associated with such radical restructuring and their effects have unfolded in the last decade of the twenty-first century as these authors predicted (see for example, Codd, 1990a; Codd & Gordon, 1991; Dale, 1992; Gordon, 1992a; and Nash, 1989).

The abolition of the large Department of Education (DoE), and its splintering into single focused agencies in line with the new public management theories which underpinned them has been discussed in Chapter One. It is again touched upon in a brief way later in this chapter. What is revealing in an analysis of the early effects of restructuring and contestation around one of the central policy platforms of the reforms, the school charter, is certainly worth revisiting, as it was the ‘document’ against which the ERO reviewed
schools in the early years of its existence. Codd and Gordon (1991: 21) argue that 'One of the most problematic and controversial elements in the new structure of educational administration was the school charter'. In a similar style it is argued that in this research the same analysis and analogies could be applied to the ERO which has been one of the most contested, reviewed and controversial agencies in New Zealand's recent educational history. Codd and Gordon eloquently argue that the policies of state restructuring are:

In essence ... seeking to refine the boundaries between state and civil society, to change the form of state control and the mechanisms through which it is exercised, without weakening its coercive force or substantially altering its constitutional base. ... the charter has come to represent a particular relationship between the state as principal and trustees as agents in civil society. This arises from the reconstruction of the state's role in order to bring its political management policies in line with its monetarist economic policies.

(Codd & Gordon, 1991: 21 – 22)

It is argued in this chapter, and is further elaborated upon in Chapter Six, that the ERO has been one of the coercive arms of the state in terms of holding schools publicly accountable for short-term outputs, by focusing on compliance and through using applications of principal agency theory in its work (Boston, et al., 1991). And for most of the period under review, its primary contractual relationship was to its Minister as principal. However, by using a number of strategies such as publicly courting the media in terms of raising awareness of educational issues, it could be conjected that the Office has created sufficient anxiety to engender an 'educational crisis' (Grace, 1990a). In later years the ERO used its powerful positioning in the state to extend its realm into civil society and seeing parents as consumers as an enormous group of principals and itself as the agent, both in terms of the economic theoretical sense and as 'the agent' of standards and framing itself as directly influencing the 'will of the people' (Offe, 1996). These and other theoretical debates will be traversed in this Chapter and subsequent ones.

In order to set the scene of the ERO's transformations over time, it is pertinent firstly, to revisit the two major reports on the reform of educational administration which were influential in the establishment of the ERO. Administering for Excellence (the Picot Report, 1988) was released in May, 1988. Whilst it was inferred in the preamble that the Education Review Office has never 'officially' had any other name other than the ERO it has been called the Review and Audit Agency (R&AA) in what were essentially its founding documents.
Picot, et al., (1988: 30) argued the now familiar catch-cry echoing the concerns of Scott, et al. (1986) and of earlier review committee's that there were contradictory and confusing responsibilities to be found in the current roles of the Inspectorate.

Thus, it was noted that:

3.5.3 ...The department's inspectors have advisory and regulatory roles which can be in conflict. An inspector is required to improve the organisational outline of a school and subsequently may inspect that school and report on its programmes and educational outcomes. The same inspector may also have run in-service training courses or be called upon by the principal for advice and guidance. However, the educational outcomes may have been influenced by deficiencies in the inspector's advice or by the weaknesses in the organisation outline she or he approved.

(Picot, et al., 1988: 30)

There was a perceived lack of accountability in the system, and the review team advanced notions of measurable objectives in line with aspects of managerialism (Boston, et al., 1991, 1996; Kelsey, 1995; Shaw, 1999). Elements of the NPM strategies were thus proposed in the report that, for example:

3.5.7 Effective management requires specific and detailed objectives. Clear responsibility, and control of resources available to meet those objectives. When objectives and priorities are undefined or unclear, there can be no clear responsibility for the use of resources. Individuals and groups can only be properly held accountable for achieving, or not achieving specific objectives.

(Picot et al., 1988: 31)

In addressing the issue of accountability it was argued (Picot, et al., 1988: 60) that:

6.4.2 Those who exercise power and responsibility on behalf of others must expect to have their performance monitored and to be accountable for what they have achieved. In our view, real accountability is more than reporting on the use of funds and adherence to established rules. Genuine accountability involves three major elements:

• clear and specific aims and objectives, expressed as outcomes
• control over the resources available to achieve those objectives
• monitoring by an outside agency of how well those objectives are met.

The main recommendation for creating accountability was that policy implementation, formulation and evaluation should be separated as much as possible into single focused agencies. In order to do this the Picot Report (1988: 60) had recommended:

6.4.1 ... the establishment of an independent review and audit body which reports directly to the Minister of Education. [It] ... would be responsible for the review and audit of the performance of every institution in terms of its charter, and for providing independent comment on the quality of policy advice and on how well policies are being implemented at the national level.
The original concept as found in Picot contained a complex idea of a review agency that was able to review the work of schools, review both the content and quality of the policy advice body, (the Ministry of Education) as well as determine how these policies were being operationalised. The report’s recommendation on the formation of the R&AA were the following (quoted at length):

6.4.3 ... We propose this agency review and report publicly on the performance of each institution at intervals of not more than two years.

6.4.4 The review will be ... conducted by a multidisciplinary team which would consist of one or more curriculum specialist(s), a co-opted principal, a community representative, and a financial – or management-support person. The purpose of review will be to help the institution assess its own progress towards achieving its objectives, as well as to provide an independent audit of performance in the public interest. Such a review can be a co-operative attempt to improve the quality of education being provided, in the same way that an institution may engage consultants to provide a wider more impartial and informed assessment of its progress towards its objectives. ...

6.4.5 The review team will be provided with preliminary data collected by questionnaire or survey, and would spend the initial visit collecting information and assessing performance standards. This would include input from the community. The team would then produce a report which identifies strengths and weaknesses of the institution and its administration, and makes [sic] recommendations for improvements. The institution would have an opportunity to comment on the report and make changes in the teaching and management.

6.4.6 A second visit would be made one term later. The subsequent, detailed report from this review would be made public and would be referred to the Minister, with recommendations for any changes deemed necessary.

6.4.7 If the report sets out deficiencies in the management of the institution or in the achievements of its students, notice would be given of a further review six months later. This further review could lead to the dismissal of the trustees, if the deficiencies had not been dealt with in ways that produced significant improvement.

6.4.9 Reviews should be undertaken at intervals of not more than two years. Those employed in this work should not have any other function. In particular they should not have responsibility for advice and guidance to institutions apart from any recommendation they wish to make in their reports.

(Picot, et al., 1988: 60-62)

In analysing the concepts of this report as proposed, elements of the NPM model of a single focus agency without the provision of dual reporting and advice functions are evident. There is also the public accountability function advanced through the public release of reports underpinned by NPM conceptions and making schools publicly accountable for their performance, and the explicit provision of follow-up reviews for under-performing institutions. These, along with the provision that the new agency could recommend dismissal of the democratically elected BoT’s for poor performance, were
elements of NPM sanctions and monitoring required under the model – by improving managerial and political accountability and informing the public as educational customers (Boston, et al., 1996: 29). As was shown earlier, a number of these types of recommendation proposed in Picot et al. (1988) had been advanced two years earlier by Scott, et al. (1986).

The proposed reviews were to be undertaken at two yearly intervals, which provided a much closer monitoring and auditing function than had occurred under the inspectorate system whereby according to Scott et al. (1986: 27) ‘[M]any schools are inspected only once every five or six years’.¹ This close monitoring of schools can be understood in a number of ways. A charitable interpretation was that because of the newness of the proposed structures and abolition of the former Department of Education – the agency which schools were able to draw upon for support, schools may have needed closer steering. However, a more realistic exposition would be the closer overseeing and control of the educational workforce, and schools as advanced under NPM strategies promoted by the Treasury and SSC in education (Codd, 1990a; Grace, 1990a; Dale and Jesson, 1993 and Lauder, 1990).

Whilst it is argued that there is little doubt about the managerialist/contractualist underpinnings which permeated the Picot Report (Codd & Gordon, 1991), there were also elements of democratic approaches seeking to review for improvement purposes and there was also remnants of the ‘professional textualist’ model (Codd, 1990b. 1993b, 1994a). Examples supporting this position include: the opportunity for the community to comment on the report prior to public release; the inclusion of a community representative and a co-opted principal (peer reviewer). Furthermore, the review was promoted as a co-operative endeavour between reviewers, the school and the community; and as assisting in self-review for improvement.

Underlying themes were couched in the democratic discourses of the past, and sat uneasily in the new accountability environment with measurable objectives as advanced under the managerialist model. Picot et al. (1988: 86) had recommended a period of embedding of almost a year and a half, and that the R&AA ‘will need to be set up and ready to function from 1 October 1989’ (ibid.). Furthermore, as conjected in Chapter Three, the then current inspection arrangements (i.e. the usual programme of school inspections) were to remain in place throughout the 1988 – 1989 period until 1 October, 1989 (Picot Report, 1988: 86).

¹ The frequency of the reviews is a contested area. Thrupp (1997b) suggested that primary and intermediate schools were usually inspected on a four year cycle. Despite the difference in years advocated by these authors, what was being clearly advocated was much tighter and more frequent reviews of schools than had occurred previously.
The information on the proposed establishment of the R&AA contained in the Picot report, it is argued was somewhat ambiguous, and is, therefore, open to interpretation, but the new ERO as it was established were advised to do the following:

8.4.3 ... During the remainder of 1989 and 1990 the new Review and Audit Agency will be responsible for continuing a programme for school inspections using the present procedures, and for the development of performance measures and information-gathering techniques to be used in the subsequent reviews.

(Picot Report, 1988: 86)

This gave the new organisation considerable agency and time to determine its version of proposed outputs, and educational services. It should be noted, however, that under the principal-agency model, the government, via its Minister was the principal, and the state agency (the R&AA) was the agent supplying services to the Minister as ‘purchaser’ (see Boston, et al., 1991, 1996). These provisions were set up under the State Sector Act 1988, and there were also tightly subscribed contractual arrangements to hold agents to account (Boston, et al., 1991, 1996; Bushnell & Scott, 1988; Kelsey, 1995; Scott, Bushnell & Sallee, 1990; and Shaw, 1999).

The second iteration of the concept emerged in the government’s implementation policy document Tomorrow’s Schools (Lange, 1988) which endorsed the majority of the Picot Report’s proposals for the establishment of the R&AA, for example in terms of the new accountability arrangements Lange (1988: 4) argued for:

Accountability
1.1.9 The board of trustees will be required to report regularly to its community on the objectives of the institution’s charter, and on how well they are being achieved. ... The institution’s – and the board’s – performance will be formally reviewed by the central Review and Audit Agency. There will be two years between the completion of one review and the beginning of the next.

Continuing this theme of accountability it was proposed that:

2.3.1 An independent body – a Review and Audit Agency – will be established to ensure that institutions are accountable for the government funds they spend and for meeting the objective set out in their charter. The Review and Audit Agency will also comment on the performance of other elements in the system [including] ... the Ministry’s provision of policy advice and overseeing of policy implementation as it affects the performance of institutions.

(Lange 1988: 20 – 21)

The promotion of the R&AA as an ‘independent’ agency was advanced throughout the document (and the Picot Report) and has permeated the ERO’s own documentation ever
since this time. It is argued in later Chapters that this independence has been a powerful tool for the agency to advance particular agendas. What is interesting to note when analysing the *Tomorrow's Schools* (1988) document is that there is no reference to the then existing Inspectorate and its functions. This could be understood as an explicit omission so that the Minister had neither to raise the issue of the Inspectorate's impending dissolution, nor the need to publicly criticise its work as had been done in the Picot Report. It appears as though the notion of the Inspectorate and its role as an agent of accountability with a professional responsibility ethos was 'a vanquished ghost' – or was it?

The proposals of the Lange Report (1988) essentially mirrored those of its green paper predecessor, for example as the following Table (4.1) highlights. It outlines the duplication of proposals made by the Picot Report and the Lange Report.

The information contained in Table 4.1 showed there was on the whole a remarkable consistency between the two documents, with only slight changes in wording in some areas. For ease of readability the researcher has highlighted the differences in wording by italicising, or making the point 'Not commented on' in bold where there was no comparator proposal in the alternate report.

As can be seen in Table 4.1 whilst the majority of the proposals from the Picot Report (1988) are replicated in Lange (1988), there are some important differences in the policy document – and these are examined both before after the table².

What is interesting in the comparisons is the more direct language and directive of the second report – the actual policy document. The provision of special reviews, and the more direct statement about the public status of the RAA's documents are important issues to highlight. There are four other areas in which commentary is made for specific reasons. The first is the role of having a single function and not providing advice and guidance to schools. This was a deliberate policy, included in order to address the nature of the single focus agencies which was demanded of the new public sector agencies in education under the NPM model. This was proposed to overcome the dual and conflicting accountabilities which were critiques levelled at the inspectorate. In addition, it was to overcome the perception of provider capture of the Inspectorate by the close-knit educational family.

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² Unfortunately due to the large amount of information contained in Table 4.1 has precipitated spreading the table over two pages. Therefore, because of the page layout commentary on its contents is provided either side of the table.
Table 4.1: Comparison of the Picot and Lange Proposals on the R&AA

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Proposal</td>
<td>Content</td>
</tr>
<tr>
<td>4.3.1</td>
<td>Establish national R&amp;AA</td>
</tr>
<tr>
<td>4.3.1</td>
<td>[Institutions] accountable for public funds to R&amp;AA</td>
</tr>
<tr>
<td>4.3.1</td>
<td>[Institutions] accountable for public funds to R&amp;AA</td>
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<tr>
<td>4.3.1</td>
<td>Post-compulsory institutions be accountable to the R&amp;AA for operational and management practices, and accountable to customers</td>
</tr>
<tr>
<td>-</td>
<td>Not commented on</td>
</tr>
<tr>
<td>4.3.1</td>
<td>[Institutions] accountable to R&amp;AA meeting charter objectives</td>
</tr>
<tr>
<td>4.3.1</td>
<td>The R&amp;AA are accountable to the Minister through CEO</td>
</tr>
<tr>
<td>6.4.1</td>
<td>Provide independent comment on the quality of policy advice and how well policies are implemented at national level</td>
</tr>
<tr>
<td>6.4.4</td>
<td>Multi-disciplinary teams With community representatives and co-opted principal</td>
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<tr>
<td>6.4.4</td>
<td>Purpose of review: help institution to assess progress against setting performance for public interest</td>
</tr>
<tr>
<td>6.4.4</td>
<td>Independent audit of performance for public interest</td>
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<tr>
<td>6.4.4</td>
<td>Review be a co-operative attempt to improve the quality of education provided</td>
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<tr>
<td>6.4.5</td>
<td>Preliminary data via survey, initial visit spend collecting information. Report identifies strengths and weaknesses and recommendations for improvement</td>
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<td>6.4.6</td>
<td>Second visit – one month later – release public report</td>
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<td>6.4.7</td>
<td>If serious difficulties or deficiencies observed further review 6 months later</td>
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<td>Section</td>
<td>Text</td>
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<tr>
<td>6.4.8</td>
<td>Review might also be undertaken on initiative of the Minister or the R&amp;AA, when there is public disquiet about institution performance. Possible outcomes could mean BoT take action, be dismissed, statutory manager put in place</td>
</tr>
<tr>
<td>6.4.9</td>
<td>Reviews undertaken at intervals not less than two years</td>
</tr>
<tr>
<td>-</td>
<td>Not commented on</td>
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<tr>
<td>-</td>
<td>Not commented on</td>
</tr>
<tr>
<td>6.4.9</td>
<td>Single function – no responsibility for advice or guidance</td>
</tr>
<tr>
<td>7.3.15</td>
<td>Teachers of outstanding merit, recommended by principal or BoT – final judgement is from the R&amp;AA</td>
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<tr>
<td>7.74</td>
<td>Homeschooling checked by R&amp;AA</td>
</tr>
<tr>
<td>8.4.3</td>
<td>Present arrangements for review, but R&amp;AA develop performance measures and information gathering techniques for subsequent review</td>
</tr>
<tr>
<td>9.2.9</td>
<td>Present funding $11.6m for inspection, and $8.2m to validation, Increase funding by 40% ($4.6m)</td>
</tr>
</tbody>
</table>

There was not sufficient professional distance, and the control departments were trying to avoid educators ‘re-gaining ground’ they supposedly commanded before the reforms. Furthermore, there would have been the financial considerations of having to create a large agency, especially if it had to perform more than one task and had a tightly prescribed reviewing schedule of reporting on, or auditing schools, for both improvement and accountability purposes every two years.
The second issue is setting the R&AA up to perform functions that it was arguably incapable of achieving, namely commenting on the performance of:

... other elements in the system – the Special Education Service’s supply of services to institutions; the teachers colleges’ supply of general services to institutions; and the ministry’s provision of policy advice and overseeing of policy implementation (as it affects the performance of institutions).

(Lange, 1988: 20 – 21)

A case could be advanced that the new office’s workload was going to be high, and that perhaps there was an element of the government setting it up to fail. Whilst there is no tangible evidence to support this contention is merely raised here as a philosophical issue and question. However, a more sustainable argument is that the report created a powerful body to review the operations of schools and to oversee the domain of education policy advice and those of all other associated education ‘institutions’.

Yet another position may be advanced here, namely that the ERO was set on a trail of competition with the Ministry of Education; it is apparent from within these documents that competition was to clearly manifest itself in rather destructive ways throughout the period under investigation in this thesis. There is a plethora of references in the literature discussing the strained relationship between these agencies, what Jesson (2000a) described as a deep and abiding sibling rivalry, and Robertson et al, (1997a) described as ‘turf wars’. This author characterises the relationship as both a ‘war of attrition’ and as ‘border skirmishes’ with each agency vying for the Minister’s attention in order to influence policy, to attract additional funding, and, to present and maintain both politically and financially attractive appearances to a series of governments who were committed to attempting to be extremely fiscally stringent.

Point 2.39 from Lange (1988: 22) highlights one of the early tensions for the agency, that of a rather prescriptive Labour Government wanting at one level to control the central functions of the state, while at another level devolving the majority of administration to the margins in the form of encouraging competition between schools. Furthermore, it wanted to influence the teaching profession by holding both schools as structures, and the educators within them, accountable for ‘outputs’. For example, it is noted that:

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3 See also the literature by Austin et al., 1997; Butterworth & Butterworth, 1998; Fiske and Ladd, 2000; Laking, et al, 1996; Timperley & Robinson, 2002; and Thrupp, 1997a).
During 1989, the R&AA's CEO will develop a strategic plan – including the methodologies to be used in the reviews of different types of institutions, and the structure of the R&AA itself. (The question of the agency's presence at local, district or regional level will be also be decided by its chief executive officer).

(Lange, 1988: 22)

Thus at one level the government was being prescriptive, yet somewhat vague as to its requirements in the uncharted brave new world of education that it had created with the '2,700 competing institutions' as Hirsch (1994, cited in Gordon, 1995b) described the New Zealand model of devolution and school self-management. Thus whilst control was maintained at the centre through the application of two forms of contractual arrangements with purchase agreements (for the delivery of a outputs, to the quantity, quality and cost specified, ERO, 1997a: 40) and performance agreements between the CRO and the Minister through the application of agency theory – it is the CRO and the Office as the 'agents' which are responsible for the accountability regime.

In this instance, the ERO, via its CEO as managerial agent in the new public sector, have to be responsible for all the issues to with managing their personnel, budgets, premises, all underpinned by the regime of NPM/managerialism and auditing to make sure the organisation is efficiently managed (see Boston et al., 1996 Codd, 1990a; Dale & Jesson, 1993; Gordon, 1995a; Schick, 1996; Shaw, 1999 and Wylie, 1995).

The final point in relation to the table is the complex problem of funding. It is interesting that the Picot Report (1988) had acknowledged the financial implications required to establish the agency and had assigned a costing. Given that the policy document/doctrine Tomorrow’s Schools is just that, a statement of the government’s preferred position and policy option. It had no financial information as it is left to the control departments (the Treasury and State Services Commission, SSC) and the government to determine the appropriations and also appropriations were a consequence of the negotiation between the responsible Minister and the contracted head, in this case the CRO. It was up to them to bid for the Vote Allocation.

In contrast to the previous professional responsibility body (the Inspectorate) the ERO was to perform a far more focused role of managerial accountability. Those reviewing schools would not undertake an advisory role, instead accountability over school's operations would come through compliance – and this involved determining whether or not a schools' Boards of Trustees and their management teams were meeting their obligations to government and the local community as they had set out in their own charter. And there was, moreover, a far more direct accountability to the central state for fiscal responsibility
as the initial ERO Corporate Plan stated, ‘[T]he Education Review Office has been established to ensure that learning institutions are ... accountable for the Government funds they spend’ (ERO, 1989: 3).

While documents such as the Picot Report (1988) and Tomorrow's Schools (1988) were the basis for the massive education restructuring programme, it was legislation which officially created the new agencies. The Education Act 1989 abolished the old Department of Education and created a series of new agencies⁴. However the detailed material about the ERO were not included in this legislation to any significant degree as both the ERO and the Ministry of Education had actually been created under the State Sector Act 1988, not under the education legislation. While there was a brief mention of the Chief Review Officer (NZS, 1989: 2481) in the 1989 education legislation, the Office's roles and responsibilities were not clarified until 1993⁵.

According to Colquhoun (1993), the establishment of two separate educational agencies, the Ministry of Education and the Education Review Office (ERO), was intended to address separate concerns. The Ministry of Education did not provide education services itself. It did, however, provide policy advice and purchased education services as a principal on behalf of the Government. The creation of the Review and Audit Agency as a separate entity from the Ministry, and thus was supposed to reduce the potential of 'bureaucratic capture', which might have been possible if policy, provision and review were the responsibility of one organisation (Colquhoun, 1993: 17).

Political and ideological tensions between the separate bodies existed at their conception with both agencies focused on the operations of schools. An early attempt to clarify roles is

⁴ At the same time, seven other single purpose central education agencies were established in 1989 and 1990 as part of these reforms. They were the New Zealand Qualifications Authority (NZQA), the Education Training and Support Agency (ETSA), the Early Childhood Development Unit (ECDU), the Careers Service, Special Education Service (SES), the Teacher Registration Board (TRB) and the Parent Advocacy Council (which was later disestablished in 1991).

⁵ There was an Amendment in 1989, which provided for the CRO to review private schools (Canning, 2001a: 3). The Amendment in (No. 60) 1990 (NZS, 1990: 903-904) added a section, Part XVII Education Review Office, which stated the functions and power associated with the organisation. These were reviewed and adapted in an Amendment (No. 51) in 1993 by repealing the previous legislation and adding Part XXVIII Review of Educational Services sections 323-328 (NZS, 1993: 1087-1090).

In response to the points raised about legislation, Canning (2001a: 3) noted '[I]n fact the reality of our legislative history if you could grace so little with such appellation, is that it is the 1993 amendment which really established the roles and responsibilities of ERO and set out the new powers and functions of the Chief Review Officer'. The implications of this 1993 legislation on the ERO are important and are discussed in a later section (part two). To the best of the researcher's knowledge, this legislation is the most current in relation to the Office.
found in the *Review and Audit Agency Working Group Report* (1988). That working group was set-up by the SSC as part of the initial progress towards implementing the State Sector Act. Its brief was to report on the establishment of the R&AA. This working group consisted of educators from the old Department of Education, and Treasury and SSC representatives. The key recommendation was that all education institutions be reviewed against criteria of economy, effectiveness and efficiency, indicating that school charters should have clear objectives which can be reviewed (ERO, 1992a).

This recommendation in 1988 was very much in line with the NPM model of measurable outputs that underpinned the State Sector Act, and is the type of outputs Schick (1996) criticised for their short term focus. Furthermore, as was outlined in Chapter One, Schick (1996: 74 – 75) observed that the New Zealand version of accountability currently has more to do with:

... producing outputs than with the overall capacity of the department, more with whether managers are meeting specified targets than with whether public programmes are effective. ... Outputs are the common interest of Ministers and managers; they are the linchpin of the New Zealand accountability system. ... New Zealand focuses on outputs because they provide a reliable basis for enforcing managerial accountability, not because they are the most important indicator of government performance. Accountability is facilitated because the supply of outputs can be directly attributed to the performance of chief executives and their departments.

These issues were raised earlier in relation to measureable outputs, and will be considered later in the thesis in relation to the Office's effectiveness in meeting these outcomes, but as could be observed in the preamble, their were reductions in the numbers of ERO's primary outputs between 1991 – 1996

This committee suggested that to avoid any conflict in the R&AA's monitoring role, the R&AA would focus on school performance rather than financial management, the Audit Office would be responsible for auditing schools, and the Ministry of Education would be responsible for negotiating charters, (ERO, 1992a: 38 – 39). Only part of these recommendations were carried out.

It is clear with hindsight that early in the reforms, the newly established Ministry of Education, as the largest educational agency, and with a large proportion of ex-Department of Education (DoE) personnel, perceived itself as the dominant agency. However, in order to be able to review both the MoE and its policies as the Picot/ *Tomorrow's Schools* had suggested, the R&AA/ERO needed to delineate itself as far as possible from the MoE. The structural delineation required manifested itself in tensions
and strained relationships between agencies. Both actively competed for resources and constitutional responsibility (Jesson, 2000a: 22 - 23). The tensions between the two are well described in the literature (see Laking, Crawford-Gleeson, Karran, Douglas, Gunaratne & Taylor, 1996; Austin, Parata-Blane & Edwards, 1997; Robertson, Thrupp, Dale, Vaughan & Jacka, 1997a; Smith, 1997b).

The Initial Establishment of the ERO

This section outlines how the organisation was established, developed and interpreted as policy by the initial executive management. Furthermore, it explores as precisely as possible the setting up of the ERO, what it was supposed to achieve and how it was able to do so by the flexibility provided in the legislation, policy prescription, and because of the managerialist dictum of ‘letting the managers, manage’ (Schick, 1996).6

As described in Chapter Three, the old accountability regime of the DoE Inspectorate operated a professional responsibility model, described elsewhere as a ‘professional contextualist’ model (Codd, 1994a; Scott, 1980; Thrupp, 1997b). The implementation phase of the ERO (throughout 1989 until early-mid 1990) highlights an organisational amalgam in which the professional responsibility model of education review jostled uneasily with the managerialist model.

External politics were important in the establishment phase of the fledgling organisation. There were ‘behind the scenes’ dealings between the newly appointed ERO senior

6 A caveat is made here as to defining its role as precisely as possible as there appeared to be no specific formula required of the agency, and that it was given significant autonomy and flexibility for determining its own organisational structure and outputs (see Lange, 1988: 22). Furthermore, whilst some early educational critical literature outlining the perceived deficiencies of the new educational organisation arrangement post - Tomorrow’s Schools existed, for example (see Codd, 1990a, 1990b, Nash, 1989) which briefly discussed the power and control still existing at the centre and the ERO’s place within this new regime. However, the majority of the early literature on the ERO largely was produced by the organisation itself – thereby creating its own structure and organisational plans such as their Corporate Plans (ERO, 1989, 1990).
management, the working committees, and the control agencies. A brief example is the influence of the State Services Commission (SSC) on ERO’s appointment of personnel during the establishment. According to Giannotti (1993) the SSC officials had written the job description advertisements for the first Chief Reviewer and the education reviewers. Their assumption was that the preferred applicant would be a broad generalist with skills akin to an auditor rather than an educator. In contrast, Giannotti believed that all education reviewers needed recent extensive and successful teaching experience (ibid.). Furthermore, he believed that the agency demanded this educational focus because the reviewers needed ‘credibility within the education sector’. For Gianotti the process of conducting reviews involved more than the notion of an audit, which involved, he said ‘just ticking boxes’ to ensure that the school had complied (Gianotti, 1993). This assumption of professional responsibility was to imbue and endure in the new organisation.

Gianotti was appointed as the first Chief Review Officer in June 1989 and announced his plan of how the agency was to be established. The initial ERO structure had multi-disciplinary district teams of reviewers who all educational credentials and experience in senior management positions in schools (ERO, 1992a; Gianotti, 1993). As Codd (1993b; 1994a) has identified, most of the staff appointed to this Office had extensive teaching experience and many had held senior positions in schools or in the Inspectorate of the former Department of Education. Nearly half of the reviewers appointed had previously been inspectors of schools (Gianotti, 1993; French, 2000).

The Education Review Office, as Gianotti called the new agency, began operating in October 1989 with a national office in Wellington. There were eleven district offices: Whangarei, Auckland (two offices, Waitemata and Manukau), Hamilton, Rotorua, Napier, Wanganui, Wellington, Nelson, Christchurch and Dunedin (ERO, 1989: 12). In addition, there were three Regional offices: the Northern/Waikato/Bay of Plenty; Central and South

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7 Interviews conducted with personnel involved in the process, revealed some quite deep seated antagonisms. Public expressions of this can be found in Dale & Jesson, (1993), Butterworth & Butterworth, (1998) Fiske & Ladd, (2000) and French, (2000). The ERO Information Pack (ERO, 1992a) and ERO/Laugeson (1992) documents also provide useful overviews of the reports and reviews affecting the Office’s first few years of operation.

8 Maurice Gianotti had been a Senior Inspector and Regional Superintendent of Education. In 1987, he was seconded as Chief Executive Officer to the Pictor Taskforce. In one sense Gianotti was part of the ‘old school’ being a former inspector, and as such, he was not regarded by those with a strong NPM approach as being strongly imbued with the market-place thinking required of the new state agencies (see Smith, 1994).

9 There were also significant differences in the proposed remuneration levels of the review officers with SSC promoting $30,000 - $35,000 salaries and Gianotti suggesting around $50,000 plus, i.e. at the level of principals (Gianotti, 1993).
Island regions (ibid.). The proposed staffing was 356 (45 were in National Office) with each district office having about 25 – 33 except for the smaller regions such as Whangarei and Nelson who had nineteen staff (ERO, 1989: 12).

Gianotti was firmly committed to implementing the flavour of Tomorrow’s Schools in providing increased partnership between the government and the community and he actively campaigned around the country promoted this democratic view (Gianotti, 1993). It can be argued that as CEO of the Picot Taskforce, that Gianotti was both committed to the outcomes of the report and that he could hardly be described as a ‘neutral’ observer in the process. He firmly subscribed to the view espoused by (Lange,1988: 21) that:

2.3.5 The regular reviews would be a cooperative endeavour aimed at helping Boards to meet their objectives and review their own performance ... and would include input from the community.

In line with a philosophy of regional diversity, each district office had a ‘local flavour’. Gianotti’s model would establish a distinctive review methodology for each area and provide opportunity to trial various forms of review (Gianotti, 1993; Penitito, 1994). Each district manager was given considerable autonomy in setting up their review teams and establishing procedures (French, 2000). This meant that initially, no standardised national review methodology was developed. That there was not really any awareness of the extent to which the NPM process was creating the external political climate indicates, Gianotti’s political naivety.

Under Gianotti’s stewardship the ERO developed a partnership model in which both philosophy and organisation was collegially focused on a genuine concern to improve the educational outcomes of students (ERO, 1989; Gianotti, 1993). There was an attempt to work positively with schools to inform them of the process of review and to work with them for improvement. Gianotti expected that the ERO ‘reports would be fair, reasonable ... and any concerns would be expressed positively’ (1989, cited in French, 2000: 5).

The first Corporate Plan 1989-90 (1989) established that the ERO’s ‘values’ were to:

10 Wally Penitito was initially employed as Manager of Analytical Services in the ERO. Since leaving ERO, Penitito maintained an active role in terms of overseeing the Office in that he was a member of ERO’s Advisory Council of Quality in Education until 1998. This organisation was established in 1994 and provided the Chief Review Officer with ‘good counsel’ (ERO, 1997b: 23).


12 The text of the first Corporate Plan was developed by a group consisting of the Regional, District and National Office Managers in September 1989 before the ERO came officially into existence (ERO, 1989). It is a truly bi-cultural document with an emphasis on the Treaty of Waitangi and was written in both Maori and English, as was the second Corporate Plan (see ERO, 1990a).
Promote understanding and goodwill towards all people affected by its processes and policies. ... [and] ... is committed to developing a shared vision, which protects and respects individuals and groups.

(ERO, 1989: 6)\(^{13}\)

The Office’s initial mission statement was ‘[I]mproved education for all through regular review’ (ERO, 1989: 7). Thus there were developmental aspects contained in the philosophy, with the outcome being improvement and the method being the process of review which would assist this.

During the first few months of operation the ERO ‘... sought to develop procedures for the review of learning institutions that would be consistent with educational principles’ (Codd, 1994a: 48). There was a stated commitment to social justice, the Treaty of Waitangi and equal educational opportunity (ERO, 1989: 8). These reflected elements of the older collaborative professional responsibilities between the Inspectorate and schools (see Chapter Three). In essence, the new reviews were not the type of ‘audits’ that the model of NPM required. This situation was later severely criticised by the Lough Committee (1990).

From 1989 and early 1990, the Office planned, developed, and trialled their review procedures. The first ‘formal’ school reviews did not occur until July 1990. In March 1990, the ERO distributed a booklet to schools which described the reviews as co-operative and developmental activities (ERO, 1990b). The guiding principles for reviews included:

- A review must build on the strengths of an institution;
- A review must centre on charter objectives, reflect the nature of the institution and be culturally appropriate;
- A review will be consultative and within the time available be co-operatively planned with shared understanding of the purpose;
- A review will focus on the institution’s own self-evaluation;
- People on review teams will come from a range of disciplines but must have credibility within the sector being reviewed.

(ERO, 1990b; ERO/Laugesen, 1992: 9)

These principles were couched in a discourse consistent with, and supportive of the educational mission of learning institutions, and the professionalism of teachers (Codd, 1994a: 49). In contrast to the Inspectorate’s reports of the past, all the ERO reviews were to

\(^{13}\) This statement was then followed by the Office’s six guiding values (see ERO, 1989: 6) and these were added to it its second Corporate Plan (ERO, 1990a: 9). For a discussion of the values of this document contrasted with later ERO documents (see Codd, 1990b; Smith, 1994, 2000b).
be public documents from the beginning and the Office management tried to develop a positive public perception of schools and an understanding of the work of the Office (ERO, 1989: 10). Furthermore, they reflected the philosophy underpinning the new agency. The initial documents, contrast with later ERO’s documents, i.e. after 1992 (see also Codd, 1993b; 1994a; Court, 1994; Smith, 1994). Though the technical process of review was emerging, Gianotti maintained as much as possible, a clear political stand in favour of the status quo in education. This was, however, at odds with the ideology being promoted throughout the state sector by the NPM nature of the State Sector Act 1988.

The first eighteen months of the organisation provided ‘heady’ times for the initial staff (Smith 1997b; Thrupp & Smith, 1999). Three former ERO staff members described this period as ‘the brief romance’ noting ‘... those of us who were closest to the mechanisms for generating change also suspected ours was a flirtation with idealism’ (Penetito, Glasson & Thew, 1991: 4). The beginnings are also described as being ‘a little bit like a fantasy-land. ‘... [it was] ... a bit of a dream really – it just seemed too good to be true’ (Penetito, 1994).

The relatively long period of establishment and the close relationships being developed with educators, provided political ammunition for the ERO’s downfall. The ERO ‘was in deep trouble in its earlier days because of the way each of its eleven districts developed idiosyncratically’ (Adams, Glasson, Heslop & Penetito, 1993).

With hindsight the establishment of a professional partnership model was thought by current and former ERO personnel (see Penetito, Glasson & Thew, 1991; French, 2000) to have been unwise. Butterworth and Butterworth (1998: 129 – 130) contend that:

Annual reports refer repeatedly to the struggle to establish a sound and fair methodology ... [Gianotti] ... tried to organise the work on a regional basis so that a local flavour and practices would emerge. Since more than half the review officers were former school inspectors, this approach was generally interpreted as a sign that ERO was simply a reincarnation of the old inspectorate – comfortable and pastoral rather than demanding and challenging.

Novlan (1998: 16) contends rather ironically, that the ERO itself may be a contributing factor to a possible drop in the quality of education (as opposed to raising standards which was its intention). Furthermore, Novlan (1998: 16) identified that many of those initially hired for the department were unsure of their respective roles and the policies and procedures had not been worked out.14

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14 Novlan (1998: 16) also noted that the initial severe cuts to the office (as a result of the Lough Report, 1990) led to delays and fewer school reviews and audits.
Thus the overall effect of the perceptions outlined above was that they provided a rationale for the restructuring of the Office as a result of the Lough Report (1990). That there was not really any awareness of the extent to which the NPM process was gaining value indicates, as was noted earlier in this chapter, a level of political innocence or even naivety by Gianotti.

The ERO’s collegial organisational culture of partnership was to end suddenly in 1990. Even before the agency was fully established and conducting its first series of reviews, change was on its way (see Lough et al., 1990).

It is highlighted elsewhere in this thesis, and in the public sector and educational literature extensively, that the New Zealand Business Roundtable (NZBR) was becoming increasingly influential insofar as the shaping of government policy was concerned (Jesson, 1989; Kelsey, 1995; Marshall, Peters & Smith, 1991; and Roper, 1993). One of the ways in which this has happened has been for the NZBR to have reports commissioned in education precisely in order to have an influence upon education policy. In 1990 Stuart Sexton was brought out to New Zealand by the NZBR for two weeks to write a report evaluating the impact of the restructuring. The report was released in February 1990, and his major recommendations (which can be read as opinions and assertions) concerning the ERO were as follows:

In my view there is a need for an independent inspection service for the schools, but one which does inspect, and one which incorporates the role of policeman, fire brigade and consumer protection. ... there should in my view be an independent outside agency which, by means of random inspection, ensures that the schools comply with the law and provide the highest possible standard of education. ... Such an inspection service would work largely as an insurance policy. Its presence random inspection, and publication of inspection reports would serve to keep all school on their toes. ... For the comparatively small number of schools in New Zealand, the team of inspectors need to be nowhere near the 200 reviewers of the ERO. Probably 50 – 60 competent and experienced persons whose authority to inspect is generally accepted by the teaching profession.

(Sexton, 1990: 37)

Several issues can be drawn from Sexton's neo-liberal inspired 'analysis'. Firstly, it is apparent that he supports the notion of an independent agency; one that is an information provider for parents as consumers, and one that needs to be concerned with 'standards'. Secondly, he recommends random inspection, rather than regular review as was then the standard practice, this being more in line with inspections from the past and incorporating the 'surprise' visit as practices that had been conducted by the Inspectorate under the provincial system. This, it could be conjected, represented a return to the more laissez faire
style of inspections that had occurred before the turn of the 20th century (see Chapter Three, McKenzie, 1995). Sexton also argued for a considerable reduction in the size of the current ERO (at that time, 1990, some almost four times larger than he deemed necessary). However, curiously, and contrary to the usual 'provider capture' arguments of the neo-liberals which propose that teachers/bureaucrats are 'vested interest groups', Sexton advances the idea that 'inspectors' should have professional credibility. Whilst it is difficult to ascertain the impact of the report on the government's educational policy making at that time, it is suggested that it might at least have had some influence in the NPM arena of changing policies, and may indeed have influenced the control departments in their reviewing of the reforms.

**Today's Schools (1990) [the Lough Report] and the 'Downsizing' of ERO**

The Lough Committee produced one of the most influential reports in the ERO's short history. It is, therefore, analysed in some detail in the following section. Its terms of reference included:

To carry out a wide ranging review of the process and outcomes of the reform of education administration to date and to recommend any necessary improvements in the process or the structures. ...

(Lough Report, 1990: 2)

Its recommendations suggested:

That the Government redirect a significant proportion of the present funding for the ERO to schools; ...

That the ERO personnel be reduced to approximately half its current establishment;

That the methodology group be responsible for developing a clear review methodology that concentrates on outputs and outcomes.

(Lough Report, 1990: 8-9)

The 'official' after-the-fact rationale from the ERO in 1992 (ERO, 1992a: 41) for the Lough recommendation for redirecting the funding directly to schools was that educational outcomes would be best achieved by improving the quality of management in schools. This was in contrast with the Picot Report which envisaged a management consultancy role as an essential part of both the R&AA's role and improved educational outcomes.

The reviews conducted by the ERO were premised on accountability mechanisms, particularly financial accountability for public funds; that is, that the tax-payers' and Government funds were being spent 'wisely' by Boards of Trustees and that they were
complying with their contractual obligations to the Crown via their charters. It was outside the ERO's area of expertise to discuss the quality of management of schools except within prescribed guidelines where there was evidence of a significant non-compliance by Boards or school management.

Furthermore, the continued 'official' rationale for the emphasis on the standardisation of reviews through a centralised methodology and more tightly focused reviews was that this would allow the ERO staff to 'focus more on the school's core business - the educational attainment of students' (ERO, 1992a).

This rationale is not very convincing, the Today's Schools report renewed the focus of the educational reforms to the level of the individual school and on the ERO itself. The report's implementation and the ERO 'downsizing' that followed, was at one level a cost-cutting exercise. However, the concept of a centralised methodology allowed for a greater concentration of power at the National Office of the ERO and was a way of decreasing the local flavour. This can be interpreted as an attempt by the SSC to use the need to reduce staffing to circumvent the influence of educators and former Inspectorate staff that were then employed by the ERO. In this context Dale and Jesson (1993: 17 – 18) argue convincingly that this report, coming only six months after the initial reforms had been introduced, was an attempt by the SSC to recover ground considered to be lost through 'provider capture'. Dale and Jesson (1993) suggested that the Lough Report:

... had the intention and effect not only of bringing back the concerns of Treasury and especially the SSC to the centre of the education reforms, but also of (re-) embedding them more deeply in the new structures so bringing an end to the 'backsliding' that had occurred during the implementation process influenced by the portfolio culture and professional providers.

(Dale and Jesson, 1993: 19)

The Lough Report was essentially a vehicle in which the SSC was able to re-assert some influence over the educationists employed by ERO in the system, and to reduce costs in the Vote Education budget. As Gordon (1992c: 28) noted, the Treasury and the SSC had been effectively previously excluded from the implementation process; but the aftermath provided a different situation as they were able to significantly influence public policy. Dale and Jesson (1993) observed that although the Treasury had some influence, it was the SSC that was the principal influence in establishing the Lough Committee. This ground had to be recovered in order to relitigate the reforms which would then ensure that the
ERO would not become a repository of the old style professional but would instead provide grounds for managerial accountability (see also Thrupp & Smith, 1999).  

The short time-frame for the review and the lack of consultation followed a deliberate strategy to stifle interference from so-called 'vested interest' groups. These included the staff of the ERO itself, the Boards of Trustees, and the professional organisations of the teachers and principals - teacher unions. This strategy of decisive reform using a rapid pace of change was also a feature of the Fourth Labour Government (Douglas, 1989, cited in Peters, 1995; Kelsey, 1993).

As a result of Lough's recommendations, the personnel complement of the ERO was drastically reduced. The Lough panel wanted it reduced to half of the then current establishment of 320. However, after a rear-guard action from the unions and considerable lobbying from the CEO and senior management of the ERO [see below for the sequence of event] (Smith, 1994), the Government reduced it by one third to 226.

Gianotti's assessment of the Lough Report provided an interesting perspective. He noted, and thereby confirmed the influence of the SSC in the implementation process 'I can only give you my impressions of what happened with Lough'. He suggested that the SSC report written for Cabinet by Paul Carpinter in 1989, provided the ideological support the Lough Committee. Gianotti stated that '... the whole thing was bit of a mistake in many ways, that's my personal view. Now you will need to establish the facts of that, because I never saw that report, now that is significant!' (Gianotti, 1993).

Gianotti was informed at a very late stage in the proceedings that there was a committee, once it had already begun to meet. In fact, one oversight of the process was that in the initial stages, Dr Maris O'Rourke, the newly appointed Secretary of Education was not informed about the committee either. According to Gianotti, Phil Goff (the then Minister of Education), appointed O'Rourke to the committee at a rather late stage (Gianotti, 1993).

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15 During the course of this research the author found a copy of the draft document for the Lough Report which confirms aspects of Dale & Jesson's analysis. Interestingly, the initial title for the report was called Gaining Ground, however it was released as Today's Schools.

16 The reduction was not as severe as it may have been. Gianotti, in many forums has noted that one of the Lough review team had told him all that was required of ERO was 50 review staff (Gianotti, 1993; Butterworth & Butterworth, 1998; French, 2000).

17 Gianotti's perspective on the Lough Report was that it was a complete bureaucratic 'bungle' by the SSC and the Treasury who got their figures remarkably wrong. The Committee looked at a Ministry of Education 'cull', but found the bureaucrats had incorrect figures on the Ministry personnel, and needed a 'sacrificial lamb', this was provided in the form of the ERO downsizing.
This point is significant in that it provides some evidence of the control departments and their respective ministers clearly influencing policy and, as far as possible, removing power from the CEO's of the newly created educational agencies so that they, the CEO's might not have any influence over processes. Furthermore, this provides an example of the way in which these new agencies and their bureaucrats were framed as having and representing 'vested interests' (Grace, 1990a; Lauder, 1990; and Treasury, 1987). If accurate, the late addition (as suggested by Gianotti, 1993) of O'Rourke to the review committee provides some rationale, that initially it was to be more of a review of the Ministry of Education than of the ERO, and that once the committee had established that the new Ministry was not as over-staffed as had been assumed, it turned its attention on the ERO. Furthermore, the appointment to the committee by O'Rourke (as a patsy?) meant that the control departments and their ministers could not be accused of not having educational input into the process.

Further evidence of the influence of the input of the control departments and their respective ministers and the Cabinet Expenditure Review Committee (CERC) was provided by information received by the researcher from Marie Shroff (Secretary of the Cabinet), to at least 'test' the authenticity of Gianotti's recollections of events. A number of documents and cabinet papers (mainly the related CERC cabinet papers from late 1989) addressing the forerunner information to the appointment of the Lough Committee were supplied after an official information request (Shroff, 1994). In this documentation, copies of reports were supplied to the Prime Minister, the Minister of Finance, the Minister of State Services, and the Minister of Education. In attendance at some of the pre-review meeting were officials from the Treasury and SSC. In CERC Exp (89) M 29/5 which were the Minutes of the meeting about the Post Implementation Audit of the Reform of Educational Administration (CERC, 14 November 1989) it is noted that the review committee included two members from the private sector (one to act as chair) representatives of the Treasury and SSC and the CEO of the Ministry of Education.

It is clearly evident that the committee was stacked with control department officials, some private sector individuals, although the chair appointed was, not from the private sector, but was, in fact, a previous Secretary of the Treasury. Documentation was not supplied as to how long the process had been in operation prior to the series of meetings, but it would appear that the appointment of the CEO may have been a late addition, or alternatively that the Ministry Official was being set up to act as part of the 'hatchet team' to reduce the size, scope and operations of the 'other' educational agencies. What was interesting was the fact that in addition to the ministers responsible for the agencies, the CEO's of their
relevant departments received copies of the documentation and furthermore, several key senior bureaucrats in the Treasury and SSC (C. McKenzie and P. Carpinter)\(^{18}\) were also supplied with this documentation (CERC, EXP (89) M 29/5, November, 1989).

What is curious in one aspect of the documentation supplied, was that in the CERC EXP (89) 88 report (dated 6 October, 1989) it is observed that in the attached report (Carpinter, 30 October, 1989), that the Minister of the SSC comments on the implementation phase of the report and puts forward the SSC’s position paper on the appropriate policy direction. The attached paper from Carpinter was dated over three weeks after the paper was reported on in the official CERC Report. Although one of these dates might be incorrect, this observation highlights, nevertheless, the influence of the SSC on the process. It also attests to their capacity for being able to get the reforms reviewed/audited in a very short period after they were put in place. The new implementation of the reforms in education officially began on the 1\(^{st}\) of October, 1989, but depending on which documentation is used to highlight the strong SSC interest (CERC, EX (89) 88, 6 October, 1989; the Rodger/Carpinter Report, 30 October, 1989; or the CERC EXP (89) M 29/5, 14 November, 1989) the period was approximately a week to six weeks to enact a wide ranging relitigation of the reform process.

Furthermore, what is interesting is that in the appendices (Appendix A of the document), attached to the Rodger/Carpinter (1989) document, were the staffing numbers and organisational structures of the various educational agencies under review: it lists the total staffing of the Ministry of Education as 581 (221 in the regions); and the ERO as 354 with Corporate Services and Development plus the CEO and (his) secretary totalling 43 (thus 311 in the regional offices).

If Gianotti’s (1993) claims of bureaucratic ‘bungling’ are correct, the SSC report had over-estimated the numbers of Ministry of Education personnel and, therefore, were unable to reduce this organisation. Therefore, it might be argued that the expensive Ministerial review committee needed to justify its expense and position and required a new target. If the underlying aim was to address perceived levels of inefficiencies and over-staffing of the ERO, there appeared to be considerable dissatisfaction within the SSC and Treasury as

\(^{18}\) It would appear that Paul Carpinter (Assistant Commissioner) had been instrumental throughout this process (according to Gianotti, 1993) and that he had written the nine page report (Carpinter, 1989) on reviewing the education reforms for his Minister (Hon. Stan Rodger). It is argued that this was somewhat of a blueprint and the basis of some of the findings of the later released Lough Report (1990). What is also important is how seriously the SSC were determined to reverse the continued trend of the educational bureaucrats and the education fraternity ‘gaining ground’. It is noted that they appointed a very senior SSC manager to reverse the trend.
to its under-performance in its first few months of operationalisation. If indeed the intended target was the ERO, then having the CEO of the 'rival' education agency (the MoE) 'on board' would be useful in terms of limiting the ERO's further encroachment into the policy arena and would, perhaps, provide some vague educational credibility to the process.

In terms of informing the CRO of the ERO of what was occurring, it appears as though he was deliberately kept out of the 'policy loop'. Gianotti (1993) noted that the Minister (Phil Goff) informed him that the review was essentially a review of the Ministry, and that he did not need to be involved, but that the ERO would have the opportunity to make a submission at a later stage. Furthermore, he stated 'I took that on its face value' (ibid).

Canning (2001a: 3) provided a slightly different version of the establishment of the Lough Committee. He noted it was established in January 1990, by Goff who had taken over from David Lange as Minister of Education and Minister responsible for the ERO during 1989. Canning stated that:

He [Goff] informed Maurice Gianotti and members of ERO management of this impending review at a Christmas function in his office a week before Christmas 1989. The Lough Committee reported to Phil Goff in April 1990. The restructuring resulting from the report was carried out during 1990 and completed in November, at the time of the Election which saw the National Party returned to office.

(Canning, 2001a: 3-4)

Gianotti stated that:

...I was told by the Lough Committee when we met them that: all I needed to do the job was a person with an office in the back of a store in Greymouth for instance, and an answering service. And that office could deal with the West Coast.

(ibid)

In the view of the former CRO and senior management of ERO, the scenario above was neither 'possible, nor desirable' (Gianotti, 1993). The committee recommended a personnel complement of approximately 150 and according to Gianotti, the ERO was set up to have an establishment of 320 staff. The report was about to go public, when the management of ERO fought something of a 'rear-guard' action and it was agreed that ERO 'would be reduced to 220, rather than the 160, or the 150 or the 50 that Sexton advocated' (Gianotti, 1993).

The following information in Table 4.2 is reproduced from a letter written by Gianotti (1990) to all ERO staff on the 4th of May 1990 about the implications of the Lough Report.
Table 4.2 highlighted the contested struggle of the CEO and senior management of ERO to re-assert 'educational-managerial' influence over the direction in which the organisation would continue to develop. However, as has been previously identified, the SSC was clearly able to influence governmental policy resulting in a significant reduction in personnel and a concomitant reduction in funding. This is apparent because in April 1990, Cabinet agreed that: the ERO should be downsized to approximately 200 to take effect 31 December 1990; and that the recommendations of the report should be implemented (ERO, 1992a).

The contents of the information in the table highlight both the influence of the control departments over other state agencies and over Ministers too. It could be argued though, that the Lough Report was as much about ideology as it was about fiscal responsibility. However, with fiscal imperatives being important under neo-liberal governments, cutting back on public expenditure, coupled with the effects of NPM and making agencies responsible for their own operations was also a priority.

The actual Lough document was published after only a two month data gathering process. There was considerable discontent about its recommendations and implications – particularly and understandably from the ERO's staff (as noted in the interview with Gianotti, 1993), but also from educators and academic staff in the university sector. Dale and Jesson (1993: 18) argued that only a six month period after the Education Act of October 1989, was an insufficient time-frame for the reforms to be institutionalised to a stage which would permit the kind of evaluation called for in the terms of reference of this review. Furthermore, as they identified, some of the details of the reforms were not completed by the 1st of October 1989, in any case.

Codd (1990b) argued that *Today's Schools* brought a new focus to the educational reforms at the level of the individual school. In this document there was a significant shift from the *Picot* and *Tomorrow's Schools* perspectives of collaborative-partnership oriented decision-making, to one of a model of managerialism, where the institution is envisaged as a business, with the principal as CEO, and the trustees as a Board of Directors. In a later paper, Codd (1992) described the new model as representing the 'ascendancy of managerialism' (Codd, 1992: 6). Codd (1990b) asserted the new forms of organisational culture advocated in *Today's Schools* are imbued with the hierarchical-managerialist ideological agenda of the Treasury and the SSC.
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<td>1</td>
<td>Late February – Letter received from the Minister explaining terms of reference and Membership of the Committee.</td>
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<td>2</td>
<td>March – The CEO and Management Group of ERO met with the Committee and provided information on the organisation. ...</td>
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<td>4</td>
<td>Late March – Minister indicated a preliminary finding of the Committee that too many resources had been committed to accountability and not enough into school support.</td>
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<td>5</td>
<td>Early April – ... Gianotti received a draft in strict confidence from Don Cowie (Lough Committee member) suggesting a Principals' Task Force drawing on help from the Review Office and Ministry to support schools from May to October 1990.</td>
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<td>6</td>
<td>5 April – Gianotti met Messrs Lough and Carpinter and discussed further the ways Review Office staff might support schools during the remainder of 1990. ...</td>
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<td>8</td>
<td>12 April (Easter Thursday evening) – Gianotti received confidential and embargoed draft Lough Report from the Minister.</td>
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<td>9</td>
<td>18 April – Management Group met to discuss options and make counter proposals.</td>
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<td>10</td>
<td>19 April – Management Group representatives met the Minister and were told to meet the Lough Committee to try and resolve differences. ...</td>
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<td>12</td>
<td>23 April – Management Group representatives met the Committee and discussed disputed assumptions and figures. Agreed to exchange figures by 4:00 PM 24 April and to meet again at 8:00 am on 26 April.</td>
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<tr>
<td>13</td>
<td>24 April (evening) – Received copy of the final report and the Committee's figures. ...</td>
</tr>
<tr>
<td>15</td>
<td>26 April - 8.00 am – Gianotti met the Committee again to try to resolve differences. 9:00 am - Sought and obtained approval for participation in a meeting the Minister initiated with the Committee timed for 9:30 am that morning. Met with Minister and further disputed the committee's assumptions and figures. Learnt that the Minister intended to take the report to Cabinet on Monday 30 April. 11:00 am – Management Group met and briefed senior management staff in confidence – Minister having stated that staff could not be briefed until decisions were made by Cabinet. ...</td>
</tr>
<tr>
<td>17</td>
<td>30 April – Cabinet decisions.</td>
</tr>
<tr>
<td>18</td>
<td>1 May – Minister's decision to release report. ...</td>
</tr>
<tr>
<td>20</td>
<td>4 May – 9:00 am – briefing for all staff. 3:30 p.m. – release by Minister of report and decisions.</td>
</tr>
</tbody>
</table>

As can be seen in Table 4.2 there was an extremely tight timeframe in which Gianotti and other ERO senior management sought to effect the impeding changes and reduction of the organisation.

Furthermore, (Codd, 1990b: 20) identified, in line with the conclusions from Gordon (1992c) and Dale and Jesson (1993) that these:

... control agencies of government have been involved for some years in a concerted campaign to impose a managerial regime on all sectors of the state service including teachers and educational institutions.
Codd described the members of this committee as: 'high priests of the cult of managerialism' (Codd, 1990b: 21). Additionally, he recognised that the review was an entirely bureaucratic exercise. Moreover, the review was conducted in only two months (February and March, 1990) and had only token consultation with schools and no opportunity for submissions from education groups (Codd 1990b).

It can be argued that this short time-frame for the review and lack of consultation, was a deliberate strategy to stifle interference from so-called 'vested interest' groups such as the ERO themselves or the industrial organisations of teachers and principals. This strategy of decisive reform using a rapid pace of change was a key tool embraced by the Fourth Labour Government. Roger Douglas (who by then had been expelled from the Cabinet), had been the Finance Minister, and principal architect, along with Richard Prebble, of the state sector reforms and had introduced new forms of financial accounting. He had also adopted new public management and agency theories in this sector. As Peters (1995) observed, the rapidity with which the reforms were carried out was primarily due to the introduction of the neo-liberal ideology, in which the organising principles had already been operationalised and instituted earlier in the restructuring of the 'core' public sector.

Furthermore, Peters (1995) noted that Douglas, in a paper to the Mont Pelerin Society, listed a series of principles which underlay Labour's strategy for political reform, including the following three:

- Implement reforms by quantum leaps. Moving step by step lets vested interests mobilise. ...

- Speed is essential. It is impossible to move too fast. Delay will drag you down before you can achieve your success.

- Once you start the momentum rolling, never let it stop. Set your own goals and deadlines.


The Lough Report barely mentioned the word education and as Codd (1990b) noted, it is all about management. Furthermore, he observed:

It is indeed paradoxical that economists and managerialists, in their quest for efficiency, are capable of producing so much educational waste. I was struck, for example, by the way the Lough Committee speak so glibly about 'redirecting' funding from the Education Review Office to the schools – as though it were simply a matter of shifting funding resources from one column to another. They appear to have no conception of the human resources that are wasted in the process.

  (Codd, 1990b: 22 – 23)
The Committee had after all, just recommended that the staff complement be reduced to half its current establishment from 356 to 178. The Government however, reduced it by one third (to 220), as opposed to half, after considerable lobbying from the CEO and the Senior Management of ERO.

Ramsay observed that the ERO has been 'hard hit' by events subsequent to the initial reforms (Ramsay, 1993). As he identified, scarcely before it started, the ERO has been subjected to two external reviews. The first of these, (the Lough Committee), indicated that the task, which they viewed as being necessary, was much narrower than that envisaged by the Picot Committee. Ramsay (1993) fails to identify the second external review, however, and to researcher's knowledge, the only other review on the ERO was the one conducted by the Government in 1991 as part of the series of seven reviews of education agencies19. (Information on this review is outlined later in this section).

The Lough (1990) recommendations took the reforms further in the contractualist direction preferred by the Treasury and SSC. It also changed the nature of the school charters to make them one-way commitments requiring them to abide by government direction rather than the two-way relationship envisaged by the Picot Report (Ramsay, 1993).

What is most striking about the claims of the 'vested interests' of those in the education sector which permeate the report, is the irony of the ideological stance adopted by the control agencies in not seeing themselves as having any vested interests in the process (underpinned by the neo-liberal philosophy and operationalised in the state sector through NPM).

It can be seen in the critical literature on the Lough Report and its effects on the ERO that the organisation, was changed dramatically. It can be argued that as a result of downsizing, the organisation was now unable to deliver on the democratic philosophies espoused in the original Picot and Tomorrow's Schools (1988) documentation, and as outlined by its first CRO (Maurice Gianotti).

Given what will be advanced in part two of this chapter, that the next permanent Chief Review Officer (Dr Judith Aitken) was more closely aligned with the philosophies advanced by the neo-liberal regimes of the 1990s, and moreover, she appeared to be a

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19 The other agencies which were reviewed in this series were: New Zealand Qualifications Authority, Special Education Service, Early Childhood Development Unit, Quest Rapuara, Parent Advocacy Council and the Teachers Registration Board. As a result of these reviews, a number of these agencies were restructured while others were disbanded.
strong advocate of market and managerialist principles in education (Aitken, 1994; and her speeches as outlined in Chapter One; Thrupp, 1997; Robertson, et al., 1997a). Interestingly, but perhaps not surprisingly, Dr Judith Aitken's description of the Lough Report was significantly different to that of Gianotti's. In an interview when asked to respond to the question 'Why was the ERO downsized after the Lough Report 1990?', Dr Aitken replied in a professional, yet more distant and technicist manner, but was somewhat guarded in her approach, unlike in many of her public pronouncements. She responded in the following way:

... the Government asked how many inspectors have we got left over from the old Ministry that we can't do anything with? About 400, so why don't we have an establishment of 220? About how much is that going to come to? Well, I don't know, it feels like $x million. I mean, it was a totally wet-finger exercise, it really can't be described as scientific in the slightest way.

(Aitken, 1993)

It would appear from Aitken's perspective that the Lough Report (1990) was purely a bureaucratic exercise, with the efficiency and streamlining of the organisation serving as a rationale, whilst being of itself, merely a part of the overall restructuring processes that had become associated with modern public sector agencies.

It has been noted previously that the SSC and its stablemate the Treasury had been able to considerably influence educational policy in New Zealand since the time of the Fourth Labour Government. Given this, Dale and Jesson (1993) suggested that the SSC has come to have at least as great an influence on the operation of the education sector as the Ministry of Education. Outlined below are two of the control department's documents which clearly had an effect on the state sector, and which thereby attempted to inform, if not influence, policy in a certain direction.

The Lough Report also asserted the ideology of the corporate sector, managerialism, and NPM public sector policy that were reflected as Treasury perspectives and which were made clear again in Treasury's Briefing to the Incoming Government (1990), for example:

Quality, Responsive ness and choice
... could be improved by:

better procedures for evaluating school performance;

clearer definitions between Boards of Trustees and principals.

(Treasury, 1990: 133)
Thus the Treasury was advocating closer monitoring, reporting and accountability mechanisms in the education sector, and this clearly was the domain of the ERO.

Another significant SSC report concerning ERO's development during this period was their 1990, *Brief to the Minister of Education Appendix to the Main Report on Education - Compulsory Schooling Sector* (SSC, 1990). Some key points from this document relating to ERO were:

> ... The State Services Commission recommends that all the Today's Schools recommendations be implemented. ...

[ERO has] ... manifested a desire to provide high level policy advice. This is apparent in their annual contracts and ... self-generated special reviews. ... The expansion into policy by these agencies²⁰ underrubs the objective of separating functions for clear accountability and the raison d'être of the Ministry of Education. ... [and the SSC]

> ... considered the review methodologies to be inadequate ... [and] ... that ERO reviewers did not have reviewing skills. In fact there are very few people in the public sector who have skills and experience of reviewing the public service processes which now apply to education administration.

(SSC, 1990: 11-21)

The SSC document provides some interesting analysis of the Lough Report and the performance of the ERO to that point. The SSC clearly wanted and approved of what were the recommendations of the Lough Report (in which it played a significant role), in the downsizing of in terms of funding and consequently significant numbers of personnel. They were advocating for a tightly focused organisation and a clear and standardised national methodology. The final point is crucial theme in the battle over review processes in education were to be 'educational' or mainstreamed.

The second point is particularly revealing of the SSC's perspective. Whilst the provision of policy advice and of the performance of the Ministry of Education in terms of how policies were implemented in schools (were to be reviewed/commented on by the ERO) in both the Picot Report (1988, 6.4.1, p. 60) and Lange (1988, 3.2.1, p. 21) [see Table 4.1], clearly the SSC saw that this would cause an overlap/duplication of services in this area. The SSC were very much aligned with the accountability model of a single purpose agency, and if possible favoured serving one principal rather than multiplicity of principals or

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²⁰ ERO was only one of three agencies which had publicly indicated a desire to provide policy advice to the Minister of Education. The two others included: the Special Education Service and the Early Childhood Development Unit (SSC, 1990: 20). The SSC were clearly not impressed with these organisations having an input into policy development because this may lead to a duplication of functions with the Ministry, and alternatively it would mean the SSC would have to scrutinise these agencies in addition to overseeing Ministry policy.
accountability arrangements. Furthermore, the SSC no doubt could see that the agencies were beginning to compete and vie for the Minister’s attention.

It could be argued that there was no statutory role for the ERO in legislation in terms of its legislative basis or what it was expected to achieve. Whilst at one level it could be advanced that the ERO were merely attempting to interpret their mandate as established by *Tomorrow’s Schools* and enacted in the *State Sector Act 1988*, at another level they were also attempting to provide more influence in the sector to move from the ‘technical’ to the ‘political’ (Philips, 1998) in order to remain both fiscally and politically viable within a contested education realm. As was argued earlier there was no real legislative authority for the Office until 1993 and this will be expanded upon in part two of this chapter.

The ERO for its first year of operation had remarkable flexibility to develop and it interpreted its role in a policy vacuum to some extent (see Robertson, et al., 1997a, for how they, as an organisation extended this). There was no established blueprint for how the ERO to supposed to operate. What is also apparent is that whilst the pure model of the single focused agencies was advanced in purely theoretical terms, in reality there was considerable crossover between elements of each of the foci of central education agencies. This crossover led to sibling rivalries and turf battles, especially between the ERO and the Ministry of Education.

Given the perspective of the SSC and its powerful position to influence the Ministers of State and Finance, plus the victory it had won in ensuring that the Lough recommendations were almost fully implemented, it would appear from the evidence provided in academic critiques of the restructuring and subsequent developments, that the ERO was to have a tighter more focused role with a more overtly public sector approach.

What the analysis has shown of the impacts on the restructuring to the ERO in particular, and the reforms to the education sector more generally, is that there were competing forces and contestations occurring at multiple levels. This situation has been usefully described by Levin (2001: 71) as:

> Even where education departments are given a key role, policy agendas are rarely entirely controlled by the politician or the department responsible for education. They are often shaped by other parts of the government apparatus, both bureaucratic and political. The balance of interest in any policy field between the cabinet official and the department responsible, on the one hand and central agencies of government, on the other, is always a point of contention.
Furthermore, as Shaw (1999: 198) conjectured, the NPM encourages a conception of the relationship between Ministers and CEs that is somewhat ‘artificial’, and contends that:

It is simply a rhetorical fiction to suggest that Ministers do not involve themselves in the operational activities of their departments, and that senior public servants have no influence over the shaping of policy.

The analysis of the initial shaping of the ERO highlights the roles that both the civil servant and the Minister had when they attempted to move the organisation; but each sought to do so in different directions. It would appear that Gianotti was naive in attempting to continue to push for the ERO to adopt a position which encompassed Lange’s vision for reforms against the growing impact of managerialism in education. Alternatively, whilst the new Minister Phil Goff, resisted the full-scale down-sizing of the ERO as advanced by the Lough Report (1990), he did implement the beginnings of significant changes to the agency which were to determine its direction as a more accountable and responsive agency as underpinned by the NPM requirements.

With the change of Government in December 1990, the incoming National Party Minister of Education, Lockwood Smith, and the new Associate Minister of Education, Ruth Richardson, picked up many of these criticism and announced a Governmental Review committee to review the educational agencies as part of an efficiency, and fiscal reduction drive. The National Party had again campaigned on educational standards and modernising the curriculum to make it more focused (see Peters, 1995).

By November 1990, it was clear there would be a change of government. It would be a government that had given notice that it would implement changes. Gianotti resigned the day before the election as the ERO’s CRO. In an interview he said that he resigned because he wanted to avoid a ‘cause celebre’ in the media (Gianotti, 1993). Gianotti had informed the education sector that the philosophy and operations of the ERO ‘would not get into a “ticks and crosses” that kind of exercise. We would not be coming out and testing kids’ (Gianotti, 1993). However, Gianotti noted the intention the incoming Minister who had stated that the ERO ‘are going to ‘tick and cross’ and that you are going to test kids’. This left the CRO with a public servant’s dilemma of ‘principle’, which he described as:

And so I was faced with what Public Servants are sometimes faced with, a matter of principle. Was I prepared to turn around and say yes Minister, I will carry out your instructions? (you don’t have any choice in these matters), the CEO’s performance agreements are so tight, that you have to be of ‘one mind’ with your Minister. And so I was going to have to go around all those people say ... look I’m sorry I got it wrong last time, we are actually going to do it a different way, on the instructions of the Minister.
If I believed that, I could have done it, but I didn't believe it, there was just no way that I could do it. So when you are faced with that, you either ... get on with the job, and do it ... or you get out. There is no in between. So I got out.

(Gianotti, interview, 1993)

Gianotti’s belief in the ERO providing a model of professional responsibility was clearly at odds with an incoming government which had an altogether different agenda. Clearly, the Gianotti stance and his vision for the organisation under his stewardship was in conflict with the alternative philosophies being promoted by the National party whilst in opposition.\(^{21}\)

The Treasury’s 1990 *Brief to the Incoming Government* was very clear here that:

... the relationship between the Minister and Chief Executive is of prime importance. Good public administration requires an arms-length but well functioning relationship between Ministers and Chief Executives, including clear mutual expectations.

(Treasury, 1990: 87)

What this situation highlights are many to the tightly centrally controlled issues associated with the application of NPM, particularly agency theory in action (Boston, et al., 1996; Schick, 1996; Shaw, 1999 as outlined in Chapters One and Two).

A senior manager (Group Manager Southern) Val Fergusson became Acting CRO for 1991. Several ERO staff have asserted that during this time the Office was battling for its survival and that the new Ministers did not have confidence in the agency (see Fergusson, cited in French, 2000). The new Ministers\(^{22}\) required changes to the ERO organisation and operations to make them consistent with ideas first raised by Ruth Richardson when she was on the Scott Committee. These were ideas that were now well known as NPM. The ERO was required by the Minister’s purchase agreement to focus more upon student achievement and outcomes rather than school process. This purchase agreement refocused the ERO’s approach to review to the requirements of the Minister as the primary ‘client’,

\(^{21}\) Without wanting to question Gianotti’s motivation, or integrity – it would appear that he fell on the sword for the agency and assumed responsibility for the outcomes of the critiques leading to the restructuring/downsizing of the ERO in 1990. However, equally it is important to note that he left the CRO position to immediately take up a Senior Management position at the Head Office of the SSC.

It is a matter of much debate and speculation as to whether the CRO resigned or was forced into a position whereby he left before he was dismissed – such are the vagaries and vicissitudes of politics. The researcher suspects only a handful of people in New Zealand know the ‘truth’ of the matter – and in the course of this policy research no-one would reveal this information.

\(^{22}\) Richardson was now the Minister of Finance and the Associate Minister of Education.
rather than the needs of schools. (Codd, 1994a; Court, 1994; Smith, 1994; Thrupp & Smith, 1999; Fergusson & Smith, cited in French, 2000: 8).

Never-the-less changes continued. In 1991, the Office was subjected to a further review, one of seven reports commissioned by the government for the express purpose of evaluating the efficiency of various educational agencies. As was outlined in the introductory chapter, this review was convened by Penny Fenwick (Ministry of Education, and the MoE provided the secretariat) and the panel contained three other members one from the Treasury, the SSC and the ERO (whose representative was Mark Canning). In its Executive Summary it was noted:

1.2 It concludes that the outputs of general reviews and special reviews are appropriate Government purchases because Government must ensure the accountability of learning institutions for achieving the National Education Guidelines.

1.3 Two major options for alternative placement of the outputs or level of purchase are discussed – reducing the funding of general reviews by more selective sampling rather than reviewing all schools, or funding schools to purchase the reviews from an accredited review agency. ...

2.2 ... [One of the terms of reference was to] Specifically, the review was charged with recommending the outputs to be purchased by Government in the 1991/1992 financial year from the ERO and the level of funding to be devoted to each output.

(Fenwick Report, 1991: 1)

In reviewing the roles of the ERO, clearly more accountability was going to be required of the Office under the issues raised. There was a form of contestability advocated and tighter financial controls in line with the efficiency aspects of managerialist theory. The contestability aspect would add the dimension of competition (as premised in a market model by neo-liberal theory) and devolving funding to school’s management to purchase became another form of devolution of state responsibility which was in line with the removal of the state’s direct involvement in the process except for funding.

The report noted the ERO’s major functions were monitoring and review (ibid.: 2). The committee proposed that while regular review of institutions was important, the data collected in this way (when presented in a public report) ‘will represent a significant element on which decisions can be made by parents for their children’ (Fenwick, et al., 1991: 6). Hence public reports produced by the ERO on a school’s performance are expected to aid parents in deciding upon schools – thus assisting in school choice. The review committee also proposed alternative arrangements rather than consistently reviewing each institution in a cycle, for example:
3.5.13 An alternative would be to review by ‘exception’. Since resources are limited, priorities need to be set as to which institutions will be reviewed and how this could be done efficiently and effectively to achieve the same outcome. ...

3.5.15 ... Such changes [to the methodology] could include elements of sampling or targeting of reviews.


Again, these are aspects fiscal responsibility.

Under the title 'Future Projections' it was noted that:

... 4.1.3 ... The methodology is becoming a valuable Crown asset and in future development, maintenance and review of the national methodology might become a separate output purchased by Government. ...

4.2.4 ... the Government ... might fund the institutions themselves to purchase such a review from an accredited agency which applied the national review methodology. ...

4.2.3 A role for ERO would remain to:
- manage the national methodology
- accredit review agencies
- undertake reviews, and
- act as a reviewer of last resort for Government.

4.2.4 If the review decision is made to fund institutions to have the reviews conducted then it would be important to ensure that the accountability regime applied to all institutions.

(Fenwick Report, 1991: 8)

The possibilities outlined above have parallels with the UK whereby review teams under the OFSTED model tender for the reviews of schools and are accredited as review agencies (see Ferguson, et al., 2000; Learmonth, 2000; Smith, 1995, 1997b, 2000a; Thrupp, 1998). What was argued in this review was that it was the 'output' (the review methodology) that was important – not the reviewers, nor the office as it currently operated. The proposals in 4.2.3 if adopted would see a reduction in the size and scope of the agency, however it was still premised by, and couched in terms of the NPM version of accountability.

Amongst other proposals, the Fenwick Report (1991: 9 – 10) recommended:

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23 The OFSTED system operates in the following way: OFSTED receives tenders from 'accredited registered inspectors' and whom, it [OFSTED itself] then accredits. And they then, once they have been accredited by OFSTED, tender to OFSTED to carry out the/a review of this particular school, using the framework from the handbook of OFSTED. So it is very much a Government-driven activity, driven by OFSTED (Aitken interview, 1995).

24 This committee was chaired by Penny Fenwick of the Ministry of Education, and its members included Peter Greif from the Treasury, Karen Southon from the SSC and ERO representative Mark Canning (see Fenwick, 1991).
6 ... that the Government will investigate introducing contestability into the purchase of the outputs currently purchased from ERO with effect from the 1994/95 financial year.

10 ... that ERO should investigate and report to the Minister of Education on what cost-recovery activities it might engage in which contribute to Government’s education outcomes.

(Fenwick Report, 1991: 9 – 10)

The processes of NPM such as ‘... improving managerial accountability, ... the tighter ex ante specification of desired departmental outputs, and improved ex post reporting and monitoring of performance’ (Boston, et al., 1996: 28) are all evident in the review report. The review was designed to implement tighter controls over the ERO, whereby the Minister was accountable for outcomes, the CRO of the ERO for ‘outputs’ (Schick, 1996). It seems, however, that the reforms were focused too closely on achieving short-term gains in the guise of ‘outputs’ (Schick, 1996).

Whilst the recommendations of the review were investigated, the majority of the proposals were not adopted except where the ERO began to undertake cost-recovery activities. However, the direct recommendations were not operationalised for the Office and thus the report did not have any real readily identifiable impact in operational terms, but it did, however, result a tightening of the Office’s agenda and this lead to a closer focus on both outputs and outcomes for the ERO.

The report’s recommendations reflected the National Government’s increasing interest at that time with fiscal responsibility/stringency and seeking a reduction in spending in the state sector (Smith, 1994; Thrupp & Smith, 1999). The 1991 Budget (which Ruth Richardson called the ‘Mother of All Budgets’) notes the following of the Lough recommendations:

As a result of the decisions taken by the Government on ‘Today’s Schools’ ... ERO was substantially reduced in size. Those decisions, together with other efficiency savings, will reduce the funding to ERO by $6.766 million from the 1991 – 92 financial year.  

(Smith, 1991:40)

Gianotti pointed out ‘... subsequently they found themselves short of money, like everybody else. Their budget has been cut back five percent each year’ (Gianotti, 1993). In fact, what Gianotti was noting meant that the ERO, for example had experienced a significant cut in funding; specifically, the ERO Vote funding was decreased by $1.3 million (GST exclusive) for the 1991 year (ERO, 1997b: 8). For more information on ERO’s declining budget - see the preamble to this section.
Levin (2001: 155) in commenting on the New Zealand reforms noted ‘local schools were left with no official guidance as to what they were supposed to do’. This lead to considerable ‘inconsistencies in actions’ (a point also raised in Fiske & Ladd, 2000), and much of the literature from New Zealand researchers on the impact of the reforms attests to this (see Chapter Two). Furthermore, in attempting to implement contract and agency theory, the government tried to turn its Department of Education into a small policy unit while giving operating responsibility to other agencies such as the ERO (Levin, 2001; Gordon, 1995a; Wylie, 1995).

Levin (2001: 164) observes the problem of implementation was difficult because the:

Department of Education was being totally reshaped at the same time that schools were becoming independent (self-managing). Schools had always looked to the department for support and direction, but now that this support was not available since the department itself was in considerable confusion. It is hard provide technical assistance on a task that has nobody has done!

Thus, it is argued here that there was considerable confusion throughout the reform process for educators and bureaucrats alike. There was confusion as each group struggled to make sense of reforms to the education sector, and of the neo-liberal philosophies which underpinned it. There was a managerialist blueprint and they were expected to follow it; yet they did not understand it.

It was in this arena of confusion, and educational vacuum, that the control departments of the state were able to embed the closer monitoring and accountability regimes. The new Ministry of Education was a funder of the system, but no longer provided the advice structures as the Department had (see Codd, 1990a, Grace, 1990a; Gordon, 1992a). Furthermore, as Dale (1997) contends, that the restructuring of education under neo-liberal forms has led to a fundamental set of changes in the state-education relationship, from direct state bureaucratic control to a set of, what he terms ‘governance’ relationships. In such relationships, the former state activities of funding, provision, and regulation are turned over to other agencies (Dale, 1997).

The ERO too struggled to create a role for itself in the restructured educational state. Its brief was to review schools but not to provide advice as the former inspectorate had done. The 1989 – 1991 period were, therefore, turbulent and dramatic years for the Office, and it, as an agency that was expected to conduct reviews, was itself under constant review.
Brief Concluding Comments

As has been argued throughout this chapter that the ERO, since its beginnings was under considerable pressure to perform. It was expected, at once, to create a national methodology and to remain both politically and economically viable. Whilst it was established under the State Sector Act 1988, and was supposed to be operationalised through the policy provisions of Tomorrow's Schools (1988), the reality is that it took a long time to establish itself and its structures and functions (although under the NPM model it was at least initially given significant autonomy to develop itself organisationally). However, because of the problems associated with its establishment, the control agencies and its own Minister applied stronger accountability measures over the agency. They did this in order to make it perform more in line with the principles underpinning the new managerialist state which meant that they mainly focussed on 'outputs'.

It was argued, in line with Philips (1998), that there two major problems to solve for the organisation. These problems were:

- its terms of reference in relation to education (to review and report upon the performance of schools) – its ‘technical’ function; and
- its public image and credibility (these are the more ‘political’ imperatives).

The Office appeared to struggle to make an impression and made little impact with respect to solving either of these problems. Its educational impact was also minimal in that there were few actual reviews conducted in this early period. As was evidenced by the number of ministerial/governmental reviews which sought to shape and influence the formation and transformation of the ERO, there appears to be little evidence of the ERO having substantial credibility as a NPM organisation. Neither was it apparent that its political masters were satisfied with its performance.

This chapter does not attribute blame to an individual as it is the structure of the agency, rather than the individual heading it, that was most important in the structure versus agency debate. However in the next developmental phase of the ERO, the role of the individual was made to be important. This was clearly the case during the second phase of the ERO, and part two of this chapter is, therefore, concerned with the appointment of Judith Aitken.

In summary, it is apparent that themes of professional responsibility, assumed from the culture of the former Inspectorate, encapsulated the early type of model that Maurice Gianotti, the first CRO of the ERO sought to create. Gianotti took the concept of
professional responsibility that he had used during his own period of time with the Inspectorate; he drew on the ideas that both Beeby, and much later Renwick, had used. These involved Keynesian principles of responsibility to the profession of teaching/education – a sense of moral responsibility to the profession (see Codd, 1990a; Codd, 1994a).

Gianotti, however, appeared torn between the older modes of operation and a new model that he was incapable of philosophically accepting, or at least delivering upon. He appeared to be imbued with older notions of professionalism and was perhaps, therefore, trapped by notions of a former regime. It would seem, though, as the evidence in this chapter demonstrates, that Gianotti tried to create an amalgam of the old inspectorate principles and transplant them into a new organisation. But clearly, that new organisation demanded a radically different focus which was underpinned by a much more public sector and managerialist doctrine.

Indeed, it can be reasoned that the ERO, as it was initially conceptualised, was structurally incapable of becoming operationalised. This was so because it had dual responsibilities and dual tension fraught accountabilities; there was on the one hand, the need to cede control to the community via the Board of Trustees, and on the other hand, there was a requirement to seize control on behalf of the State. This dilemma was played out in the battles over the charter issues (see Codd and Gordon, 1991).

Moreover, in the early years of the Office, the control departments, inspired from NPM and monetarist principles (Lauder, 1990; Novlan, 1998), sought to impose new structural values on newly formed agencies. Hence the tensions within the policy documents, posed dilemmas for the ERO that Gianotti had wanted to create. Teachers and schools required constant monitoring – teachers were not to be trusted (vested interests arguments) – thus there were to be more regular reviews that were to occur every two years as recommended in both the Picot Report (1988) and Lange Report (1988). Furthermore, a possible reason for more regular reviewing for accountability purposes was that the implementation of BoT’s involved a new and totally untested system which had no real comparators internationally.

Despite these tensions, it would appear that the somewhat politically naive Gianotti attempted to ameliorate the tighter accountability controls in the face of mounting evidence that the organisation was in trouble, struggling as it was for political legitimacy. He was a product of his history and former influences. It could be claimed that he had a
large stake in maintaining the ERO as the vision he had initially helped to create not only through his role on the Picot et al. (1988) Taskforce but also as the inaugural CRO. Clearly, history will attest to his role in shaping the formative organisation culture and philosophy of the ERO along the lines of the rhetoric espoused in the *Tomorrow's Schools* (1988) policy document.

In spite of these lofty aspirations, however, a series of issues are raised here and these will be addressed throughout part two of this chapter and in chapters Six and Seven. In its first incantation, the question must be asked as to whether or not the R&AA/ERO was established and under-funded in a concerted effort to undermine the intentions of the philosophies of *Tomorrow's Schools*? Was the aim of the government and the control departments of the state to establish this organisation only then to let it falter and fail? Was the destiny of the ERO to be a short-term measure of compliance before the effects of the market could be more fully realised? As outlined in Smith (1994, 1995) and McKenzie, (1995) in a market model of education, parents would do the choosing and an organisation such as the ERO would not be needed at all. Or was the ERO, as the author has proposed elsewhere, merely an information broker that was required to provide data on a school's performance? (Smith, 1997b).
CHAPTER IV

ERO: FROM CONCEPTION TO MATURITY 1989 – 1996
INSPECTION TO AUDIT

... ERO’s impartiality, objectivity, and independence are vital to its ability to credibly perform its tasks. It must be able to demonstrate, and cite the necessary legislative authority for, its independence in providing assurances of performance.

(ERO, 1992b: 7)


This part of Chapter Four identifies and discusses changes to the organisation that happened through this period. As could be seen in part one, the ERO was a rapidly changing and evolving organisation, however, it was also one whose political viability was rapidly diminishing. It is argued that the ERO altered as a result of a change in Government in 1990 and also as a consequence of the appointment of the Office’s second permanent CRO, Dr Judith Aitken. The central arguments raised in this, the second part of this chapter are a discussion of the influence of the role of the CRO, and the more overt appropriation of the NPM strategies leading to the Office becoming, in the education arena, an exemplar organisation for the managerialist philosophy. Other issues traversed and analysed include: the new roles of legality and compliance; new output classes; the ERO’s powerful ensemble of control; the Office’s flawed methodology; the ERO as the new regulator of the system and, thus also, the political power of organisation; and finally, a brief assessment of the ERO’s performance as an organisation from 1992 – 1996.

In line with the government’s drive to reduce spending, the ERO’s funding continued to decline from around 1991 – 1996. The ERO Vote funding was decreased by $1.3 million (GST exclusive) for each of the 1991/1992, 1992/1993 and 1993/1994 financial years (ERO, 1997b: 8). There were further reductions of Crown revenue to the ERO of 1.5 per cent ($0.227 million) in the 1994/1995 and the 1995/1996 financial years (ibid.).

Wylie (1995: 156) has noted that ‘ERO was never funded at a level to allow it to monitor every New Zealand school’. This has had direct implications upon the way the Office has operated and the direction in which it has evolved. It was in the context of a reducing budget, and uncertainty as to the survival of the agency, that the agency became transformed by changing its outputs and becoming more entrepreneurial in line with the

\[1\] For the overall changes to ERO's funding in the past 12 – 13 years see the Preamble.
central tenets of NPM. A driving force behind many of these new challenges for the office was under the leadership of Dr Judith Aitken and these issues are addressed in this chapter.

**The Influence of Dr Judith Aitken from 1992 onwards**

Dr Judith Aitken,² previously CEO of the Ministry of Women’s Affairs, was appointed CRO of the ERO in November 1991 and took up the position in January 1992. She remained as permanent head of the ERO until late 2000. Dr Aitken possessed both educational credentials and a strong background in private and public sector management (Smith, 1994; French, 2000). Furthermore, she was much more ‘politically’ and ‘economically’ acceptable as a leader for the state’s educational watchdog agency and had the respect and credibility with the control departments of the state and their Ministers. The new CRO had been identified as promoting the ideology of NPM and appeared almost zealotory in the views she espoused about the opportunities provided by the model especially as she was able to apply it to the organisation she headed (see Thrupp, 1998).

Elements of neo-liberalism were operationalised into a simple model, and this chapter contextualises the ERO as a distinct NPM organisation – with audit as its goal. In the ERO, under Aitken’s leadership, reviewers were recast not as educationalists, but as auditors and professional evaluators, whereby that ideology became embedded in the ERO methodology and framework and in the practices of the tight organisation (Smith, 2000b). It was the ERO, the organisation and its structure, and its performance that are important in this discussion. Politics and identity certainly played a part in the process, as Dr Aitken as a skilled bureaucrat both followed the rules (although these were her interpretations of what the ERO was to be) and how she applied and extended the managerialist strategies into both the ERO, and how these impacted on those organisations that the ERO reviewed.

The quotation below, displays some insight into Aitken’s thinking which may provide a lens for explaining how the ERO was transformed under her leadership. The libertarian right argue that competition is a part of human nature. Aitken (1988) offers an unusually simplistic explanation of the competitive aspects of this theory, when she stated:

> ... it is based on essentially the view that individuals will seek to maximise their own self interest: ... individuals will seek to acquire and use resources in a way which

² She had formerly been employed as Corporate Relations Manager of Electricorp, and as a management advisory officer in the SSC (Ministry of Women’s Affairs Newsletter/Parui, September, 1988). Butterworth and Butterworth (1998: 196) note Aitken had been involved in public administration and strategic planning.
supports and improves their self-interest ... It is argued that it is more efficient to allow individuals to compete for resources than to determine in advance who should have what, and how much, because none is better placed than those individuals or those collective entities to define what is best for them.

(Aitken, 1988, cited in Bunkle, 1992: 74)

The issues raised in the quotation above can be critiqued in a number of ways. Firstly, the passage contains an internal contradiction: the concept of a collectivity is a paradoxical concept in a theory promoting rampant individualism. Secondly, as Bunkle (1992) observed, there is no pre-social human nature, human nature is a socially constructed concept. Finally, once again drawing on Bunkle’s analysis, perhaps the most distasteful aspect of the theory is that it commodifies all relationships. As Bunkle noted ‘[H]uman relations are seen as specialised forms of voluntary commercial transactions, conceptualised as a free exchange of goods and services’ (Bunkle, 1992: 75).

Having outlined in Chapter One some of the tenets of neo-liberal theory and how the principles of NPM were applied within the ERO as interpreted by Dr Aitken, it is appropriate to briefly revisit them here. The Treasury’s (1987: 151) prescription for education system was to ‘maximise information flows; maximise user choice both at the level of the school and of the family ... [and to] improve inspection and accountability’. One of the ways in which this has been done is the transforming of the ERO into an information provider for parents on the quality of schools through public reporting and in the promotion of choice and the educational market. In terms of ‘New Right’ theory, the neo-liberal element supports the marketisation of education, thereby increasing parental choice and consumer sovereignty, and, as a consequence, a reduction in state expenditure. By contrast, the neo-conservative element had an agenda of external evaluation, monitoring standards, and promoting the central concept of accountability, plus the adoption of a centrally determined National Curriculum (Smith, 1995). Ironically, the ERO has been identified through both of these strands. Furthermore, the ERO has actively promoted an international competitive ideology of creating strong links between education and the economy (ERO, 1994a & 1998b).

From the beginning of her appointment Dr Aitken pressed for the redesigning of the Office’s outputs in clearly quantifiable terms and she also pushed for improved reporting and monitoring networks for schools in order to comply with contractual obligations and legislation (ERO, 1992a). She explicitly used the underpinning theories of NPM as an organisational guide.
For example, Aitken (1997a: 10) notes ‘I have found helpful analytical opportunities in ... a cluster of the same theories as informed New Zealand’s initial economic reforms in 1984: agency theory, contestability theory and transaction cost analysis’. Aitken has actively applied agency theory in education sector by ‘... defining the education market in terms of agency theory - with the student as consumer (i.e. the principal) and all other parties as the agent of student in varying degrees of proximity to that student’ (Aitken, 1996: 2). For Dr Aitken, educational accountability is the same as any other form of accountability; it has no specific educational focus/uniqueness or specificity – providing support for Dale and Jesson’s (1993) mainstreaming thesis. For example, Aitken (1993) observed:

I think that it would mean the same in an educational context as it would in any other context, where there is some kind of transaction, and there is a principal – agent relationship. There needs to be some means whereby, whoever, whatever, and whatever form the agent takes, there needs to be some means whereby the line of accountability to the principal can be identified.

Clearly, therefore, educational relationships for the CRO of the ERO can be recast in terms of principal agency theory which is one of the raft of theories under the rubric NPM or managerialism. In applying these theories to education, Aitken (1997b: 85) notes:

In my view it is so much easier to cope with, work productively in, and manage a public sector organisation if one has tried to gain some knowledge of public choice theory, contestability and agency theory, transaction cost theory, and the fascinating (albeit controversial) raft of research that derives from these frameworks.

For Aitken, as Chief Review Officer, the benefits of this continuous monitoring equated to better performance in the public sector ‘... monitoring can and does have a beneficial effect on managers' behaviour and policy makers' decisions, and demonstrate that measurement and monitoring combine as powerful tools for public sector improvement’ (Aitken, 1998b: 10). In using this raft of NPM tools, the ERO has also applied them in its focus on its audits/reviews of schools.

In the educational literature, there are a number of references to the CRO’s support of neoliberal and NPM practices (McKenzie, 1997; Robertson, et al., 1997a; Smith, 2000b; Thrupp, 1998). For example, McKenzie (1997: 169) contends that Judith Aitken, as a powerful player in the current scene of educational administration, notes with approbation the social changes that have occurred since 1984 when the government’s economic policy exposed ‘all domestic and export-oriented industries fully to the competitive market’ (Aitken, 1994: 2). Furthermore, he notes:
Changes in school governance she avers must be consistent with this trend. That is, there must be a move away from the teacher-centred system that is ‘resistant to the concept of competition amongst schools for consumers and between students’ (p. 7) to a system where there is ‘overt competition between schools’ (p. 12) a direct route for parent opinion to impact on the local decision makers and the professional leaders of schools” (p. 13). ‘Competition, as we have seen, is often taken in this argument to be the natural state of affairs, that is part of the natural inclination of the human individual through which ‘progress’ occurs.

(McKenzie, 1997; 169)

Policy moves towards enhancing the power of parental choice through vouchers or a similar device can be relied on to exacerbate the above trends. McKenzie suggests that Aitken, for example, rejoices in the fact that New Zealand has eliminated school zoning, ‘parent/consumer choice [can now] affect the resourcing base and even the continued existence of a school’ (Aitken, 1994: 13, cited in McKenzie, 1997: 170). Not surprisingly Aitken holds also that regular reports on schools from ERO will ensure that ‘parent choice will be substantially better informed’ (p. 13), but elsewhere in the world critics are convinced that parental choice will be better aided by local knowledge and public ranked results in such things as league tables (McKenzie, 1997: 170).³

It is useful to summarise some of the major reasons for changes to the ERO over its history. Many of ERO’s transformations can be attributed to changes in Governmental policy, particularly a National Government with a single-minded desire to ‘balance the books’ and lower the fiscal debt by any means at their disposal. The Government has been imbued with the neo-liberal philosophy, with distinct market and managerialist strands, designed to improve efficiency, productivity and accountability at all cost (see Chapter Two and Part One of this chapter).

One of the efficiency strategies adopted by the Government was the Lough Report (1990) which was outlined earlier, and as was noted, this downsized the organisation dramatically. However, this outside review initiated by the SSC, can only partly explain the external factors affecting the organisation.

Competing Ideologies: a Clash of Leadership Values and Philosophies

The ideology and philosophy of the person heading the Government organisation has been a significant internal factor affecting the ethos of ERO. Gianotti and Aitken had very different and somewhat competing ideologies, each of which underpinned their roles in the leadership of the ERO.

³ Aspects of the marketisation strategies employed in education have been outlined in Chapter Two. In this chapter (and Chapter Six) some of these strategies that have been supported by the ERO are examined.
Gianotti's philosophy appeared to be more in line with that of the old Inspectorate. However, the new agency did not provide advice such as the inspectors had done in the past, and there was an increased emphasis on accountability. Furthermore, under this philosophy Gianotti employed trained professionals with educational expertise as reviewers.\(^4\) Conversely, Aitken's philosophy is more in line with the current ethos of the Government financial stringency, independence and efficiency. She has embraced the neoliberal philosophy and created an efficient and compliant workforce (Smith, 1994, 1997b, 2000b).

As Wally Penetito (1994) observes:

> With Judith Aitkin's arrival, it was in the first instance, a public servant who was taking it over, it was no longer an educationist. ... I think she knew she was surrounded by educationists and she set about, almost by herself, to surround the educationists, to reverse the way in which the circle was moving.

French (2000: 11) contends that the Treasury had confidence in Aitken's methods to change the ERO outputs. With the appointment of Dr Aitken, the National Government and the control agencies now had a new CRO who would lead the ERO in a more clearly managerial direction than that of Gianotti (Thrupp & Smith, 1999). The more diffuse organic organisation that had existed under Gianotti became, therefore, much more tightly directed and autocratic under Aitken.

Dr Aitken provided the office with stability. Penetito (1994) suggests that Aitken 'was able to provide a security about the office, it was no longer looked at as though it was going down the plug hole.' Post-Lough, there had even been rumours that the Minister of Education and the government had been considering abolishing the agency completely (Penetito, 1994; French, 2000).

Aitken brought an entirely different, more formal and legalistic approach to audit. The notion of audit had been overtly removed with a name change from the Review and Audit Agency, to the Education Review Office in 1989. However, audit for accountability became consciously re-embedded in the reviews undertaken under the new CRO. The generic reviews were replaced by specific audits. Dr Aitken herself contends the term 'audit' was deliberately provocative - it was intended to make people in the organisation (presumably both schools and the ERO staff) focus on what it was intended to do – that is - to focus on

\(^4\) The ethos of ERO under Aitken’s leadership is no longer that the reviewers write reports that provided useful suggestions for improvements, the emphasis is now firmly on regulation, compliance and 'objective' assessment of institutions (see Codd, 1990a; 1994a; Smith, 1994, 1995).
compliance' (Aitken, 1999 cited in French, 2000). Furthermore, the term audit, with all these negative connotations, provided a clear signal to the outside world that the ERO meant business (French, 2000: 14). It was the business of New Public Management and it was focused on outputs (see Schick, 1996 Chapter One).

Susan Hitchiner a former Treasury official, was hired as National Manager, Professional and Corporate Services. Hitchiner's area of specialisation was organisational outputs. Her task set involved identifying and refining the ERO's educational outputs (see French, 2000). The Minister's directive was for the ERO to become more specifically 'output' focused (see Codd, 1993b; Court, 1994; Smith, 1994; Butterworth & Butterworth, 1998; and French, 2000).

In other papers, the author has noted that 1990, due to the Lough Report, was arguably the most turbulent year for the Office (Smith, 1994, 1997b). Canning (2001a: 5) notes that:

> It was a turbulent year in the sense that it saw a major downsizing ... but there were others that saw just as much change which had as much, if not more, impact over the longer term. In particular this was the case in 1992 and 1993, with the arrival of Judith Aitken and Susan Hitchiner, and with the introduction of the new reviews and methodology. 1993 also saw a further large downsizing, making it a particularly traumatic year.

Canning refers here to the reduction of a further 35 ERO staff in 1993 (a decrease equating to approximately 15.5 per cent of the total ERO complement). What is more revealing in this quotation is the perceived impact of change as a result of a culmination of factors, mostly centreing upon initiatives undertaken by Dr Aitken.

Following the principles of NPM, Dr Aitken provided the ERO with a clear legislative framework and established a theoretical and practical basis for its operation. Aitken was well aware of potential conflicts of interest, and insisted that the ERO must be seen strictly as an auditing agency and should not attempt to do anything else:

> Yes, I think it has (changed) quite significantly in that the views that I have brought to the Office of the significance of the law, and the role of this Office in testing the adequacy of (and I mean the entire regulatory framework) not just the Act.

> Quite significantly, there is now very much more awareness of the basis for the provision for education and the nature of the understandings that are derived from law, regulation and policy.

(Aitken interview, 1993)
In this sense, the CRO was deliberately following the blueprint of NPM. The ERO was intended to be a single focus organisation dealing only in audit. Under the CRO's influence, the agency became an exemplar of NPM in action, successfully resisting calls from schools to provide advice and support.

This meant that from 1992 until 1996, the new tightly focused organisation promoted the concepts of legality and compliance. The reviewers assumed an almost quasi-judicial role in the education sector (Aitken, 1993; Butterworth & Butterworth, 1998). The new organisational ethos of the ERO was now centred on concepts of legality, regulation, and compliance (Smith, 1994).

Philips (1998: 224) uses Mintzberg (1983) to suggest that having a strong leader - particularly in the early stages of an organisation's existence - and an agreed mission, are vital components to the success of an organisation. For Mintzberg (p. 363) most young organisations have autocratic characteristics:

...the young organization – no matter what its size, market or ownership – tends to resemble autocracy simply because organizations usually need to rely on their leaders to get them going. At the outset their structures are inherently organic: Everything they experience is new and untested, standardized procedures have yet to be worked out, social relations are fluid. Only a centralized leadership based on personal control can knit all this together.


In a similar vein, Schick (1996), in his review of the wider New Zealand state reforms noted that:

... An effective manager makes a difference by shaping the organisation to his or her will. Strong managers are leaders who monitor the outside environment, identify changes in demands on the organisation and in the opportunities they face, and make appropriate adjustments in policies and operations. Managers put their stamp on the organisation by giving it a sense of purpose and direction and by creating a collective capacity that is greater than that of the individuals who work in it. These managers often confront an organisational culture which, if not challenged, can limit their effectiveness.

The New Zealand reforms are utterly dependent on robust, entrepreneurial, risk-taking managers. At every turn, the reforms are built on the expectation that empowered managers will take initiative in revamping operations, reallocating resources, and pointing the organisation in new directions.

(Schick, 1996:49)

Aitken fits this model of a robust entrepreneurial manager. Kingdon (1994, cited in Levin, 2001: 76) notes that policy entrepreneurs are ‘... found in the bureaucracy – people with a strong interest in particular ideas or approaches looking for opportunities to advance
these’. Aitken created a culture that was strongly driven to take the ERO along a track that followed a more explicitly managerial direction. The evaluation model now used tightly technicist methods, was strongly black and white and was shorn of any tentative notes (see Codd, 1993b; Codd, 1994a; Smith, 1994; Thrupp & Smith, 1999). In contrast to the earlier ERO documents, the ERO Statement of Intent 1992/93 (ERO, 1992b) was a ‘policy text that is strongly imbued with the ideology of economic rationalism’ (Codd 1993b: 13). Recurrent themes of compliance permeated the ERO’s work directly derived from NPM (Codd, 1993b; Smith, 1994; Thrupp & Smith, 1999). Gordon (1995: 60 – 61) stated that:

ERO has increasingly adopted a view of accountability in line with agency theory, and has recently extended its scope. ... The focus is with compliance both to national legislation and regulations and with the school’s own goals; keeping agents true to their stated aims.

The New Legality of the ERO: the Issue of Compliance

Aitken sought changes in legislation to strengthen and consolidate the powers of the Office (ERO, 1992a; 1992b; Aitken, 1993; Butterworth & Butterworth, 1998; Aitken cited in French, 2000). This was necessary to make the ERO totally independent of the influence of the Ministry of Education. Their stated need for the new legislation can be summarised as follows:

At present legislation relating to the operation of the Office sits within legislation administered by the Chief Executive, Ministry of Education. The proposed changes will also reflect the requirement that the auditor be independent of the subjects of an audit ... They will clarify that the power to initiate or carry out a review rests with the Chief Review Officer i.e. professional issues relating to the conduct of a review cannot be constrained by any other party.

(ERO, 1992b: 6)

The required legislation would ‘... achieve a clear distinction in law between the policy and regulatory functions of the Ministry of Education and the audit and review function of the Education Review Office’ (ERO, 1992a: 85). That legislation (passed as the 1993 amendment to the Education Act) provided significant power to the Chief Review Officer to:

Section 325: Carry out reviews either as directed by the Minister, or on her own initiative; ...

5 What was a Gramscian war of position between the Ministry of Education and the ERO became, in effect, a battle of personality with both the CEO MoE and CRO of the ERO portrayed in a teacher union cartoon as a ‘Queen bee’ fight.
Section 326: Designate any suitably qualified person (whether or not an employee of the CRO) a review officer; ...

Section 327: [Grant the CRO/ERO reviewers] Powers of entry and inspection ...
(New Zealand Statutes, 1993: 1087-1090)

By seeking the appropriate legal structure, the ERO was following Weber’s ideal for rational-legal authority. Weber’s legal-rational authority is described in the following way:

Within bureaucracy a command is held to be legitimate and authoritative if it has been issued from the correct office, under the appropriate regulations and according to the appropriate procedures.

(Abercrombie, Hill and Turner 1988: 136)

With this legislative change, the ERO was able to construct a particular view of itself; it wanted to be seen as the independent, impartial, and legitimate authority in education, and the following example demonstrates this:

... ERO's impartiality, objectivity, and independence are vital to its ability to credibly perform its tasks. It must be able to demonstrate, and cite the necessary legislative authority for, its independence in providing assurances of performance ... The Chief Review Officer's power to initiate investigations and evaluations must carry with it sufficient independence and authority to ensure that the Minister and the general public are confident that impartial and comprehensive audits are conducted.

(ERO, 1992b: 7)

From 1992 onward, the CRO was able to maintain that schools' were required to comply with the law which was what the ERO had the legal authority to monitor. This notion of accountability was one based on legal form rather than one based on any professional responsibility. This legal authority to demand compliance was in actual fact somewhat limited in a statutory sense. The ERO had no direct power of sanction. All that the ERO could do actually do was revisit and generate another report – a factor that was noted by the CRO:

We have no further statutory powers [over discretionary reviews] than we had at the beginning of the whole process, only the power to repeatedly go back on whatever basis I deem to be appropriate. [However] There's no limitation or prescription for the frequency for which a school is examined, nor for the manner in which I choose to report it. It is a very, very open power.

(Aitken, 1993)

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In an interview with the researcher in 1993, Dr Aitken referred to the legality of the ERO, the law itself, or the legislative authority of the ERO some eighteen times, and mentioned schools or boards' compliance eight times.
The sense of legal authority permeated the ERO documents from 1992 onwards (Codd, 1993b; 1994a; Court, 1994; Smith, 1994). While they did not have any direct sanctions, the CRO gained a clear coercive power over Boards of Trustees. The CRO had the power to recommend to the Secretary of Education and the Minister of Education that a school’s funding be withdrawn, that a democratically elected Board of Trustees be dismissed and that a commissioner be appointed in its place, or in more extreme cases, that institutions be closed. The Board of Trustees could possibly be dismissed for serious non-compliance with the law (usually for disharmony, mismanagement, incompetence, or lack of action, or any combination of these) on recommendations from the CRO. However, its coercive power lay in the power to report. The reports were public documents and the potential use of that reporting power created fear for schools that were evaluated.


[the OECD] ... took the view that “Simply making schools ‘accountable’ (whether to the State, parents, the community, or to others) is unlikely on its own to lead to improvements in standards of performance” (1996, p. 20), and that monitoring was only useful if set against a clear set of criteria and defined ways for schools to improve their performance.


It is argued in this chapter that the ERO from this time was making a concerted effort to shape criteria against which it could review and this was outlined in its publications and promulgated in information relating to new classes of output. However, ultimately as is argued in Chapter Six, there were no really explicit published criteria for the ERO review process for schools until 2000 (ERO, 2000b). Thus, it could be argued to some extent that schools were left in something of a policy vacuum in order to determine what the ERO was reviewing them against in this period.

New Output Classes*

The new ERO ‘output classes’ implemented by Aitken reflected this interpretation of accountability as NPM. The Minister purchased from the ERO because it was a body that would monitor the performance of schools using four output classes: assurance audits, effectiveness reviews, evaluations services and ministerial services (see ERO, 1992b). The new output classes were:

7 The details of the ERO’s specific review types were not listed in either of the two Corporate Plans (ERO, 1989; 1990a). It was not until the 1992/1993 Annual Report (1992c: 27 - 31) that these were noted. The ‘output’ classes were Output I: Reviews of Educational Institutions (both schools and the early childhood sector); Output II: Homeschooling Visits; Output Class III Independent Schools Reports and Output IV: Special Reviews.
Output Class I: Assurance Audits: This class of outputs contains audits of individual educational organisations which are constrained by legislative or regulatory requirements, to examine the extent of compliance with contract requirements including the quality of service delivery.

Output Class II: Effectiveness Reviews: This class of outputs contains direct reviews of educational institutions to evaluate the contribution made to student achievement, in terms of both standards and progress, by the quality of teaching services, management systems and practices of the institution.

Output Class III: Evaluation Services: This class of outputs comprises national impact evaluations of the effect of curriculum quality, management structures, systems in operation and other significant factors, on student achievement (in terms of both standards and progress) and the delivery of teaching services.

Output Class IV: Ministerial Services: these included services provided to the Minister responsible for ERO and a small component of policy development.

(ERO, 1992b: 9-16)²

The first two outputs Assurance Audits and Effectiveness Reviews, (AA & ER), accounted for approximately 85 per cent of the total costs in this period (see ERO, 1992b: 11 & 13). However the compliance model of accountability was most apparent in the Assurance Audit. The ERO expected that the general findings of each audit would provide the Minister with information necessary to be able to hold the governing/management body to account for the use of Crown resources, compliance with legislated or regulatory requirements, and the provision of specifically contracted services (ERO, 1992b: 9).

It is argued that this approach forced institutions to focus on short-term outputs (Schick, 1996), of responding to the ERO report, rather than looking at longer term outcomes.

The Office published quarterly, two sets of Overview Analyses (sub-class 3.3), which aggregated information from the AA and the ER reports. These data were considered able to provide the Minister with information about the relationships between educational achievement and the delivery of teaching services, and the general state of compliance with regulatory, policy and contractual requirements (ibid. 15). The AA Overview Analyses reports provided data on the number and percentage of schools which, had either met all their contractual obligations, or, who had serious problems thus requiring an ERO revisit in the form of a Discretionary Assurance Audit, (DAA). While the actual number and percentage of schools performing at both of ends of the compliance spectrum was actually small, it is interesting that the ERO chose to report on these issues as will be shown below.

² The impact and effects of these reviews is covered in more detail in the following Chapters. All four output classes also have a number of subclasses (see ERO, 1992b: 9-16). Two with particular interest here are sub-class 3.3 Overview Analyses (p. 15) and sub-class 1.2 Discretionary Assurance Audits (p. 9) – which are ERO follow-up reviews for ‘poor’ performance.
The First and Second Overview Analyses 1993/1994 revealed that of the 245 AA reports conducted on schools from 1 July – 30 September 1993, 14 (6%) met all compliance obligations while 12 (5%) required a DAA. There had been 17 DAA reports scheduled in the previous quarter (ERO, 1993b: 1-2). In the second report based upon 213 AA reports from 1 October to 31 December 1993, 3 schools (1.4%) met all their compliance obligations while 12 (6%) required a DAA (ERO, 1994b: 2). This showed that they were focusing on strict compliance with the law and that very few schools were able to wholly meet the legal or regulated criteria against which the ERO was measuring.

The accountability focus was made more explicit in the 1994 – 1995 period. The name of Output Class I was changed from Assurance Audits to Accountability Reporting (ERO, 1995a). This output was described ‘as reporting on the performance of individual institutions for accountability purposes’ (ERO, 1995a: 15) reflecting the ERO’s NPM conception of holding schools accountable through compliance.

The Discretionary Assurance Audits (DAA), or follow-up reviews, provide some interesting data in themselves. The ERO described these reports as occurring:

... after assurance audit reports which disclosed poor performance or areas of concern, which in the Chief Review Officer’s judgment, justify a follow-up investigation. Discretionary assurance audit reports will address the areas of non/poor performance.

(ERO, 1995a: 34-35)

Whilst the provision for some kind of follow-up reviews existed in both the Picot Report 1988: 60, section 6.4.7) and in Tomorrow’s Schools (1988: 21, section 2.3.5), these DAA reviews increased dramatically under Aitken. Until 1991 it is unclear as to whether this power of re-review had been adopted by the ERO as there were no data about it in the public reports. However, given that for the first two years of operation few actual reviews were conducted, and given also the philosophy underpinning the organisation under Gianotti, it would appear unlikely. While the Office reports that ‘less than 20 percent of all schools require follow-up action’ (ERO, 1997b: 8), the provision of DAAs has increased by 261 per cent, during the years 1992/93 – 1996/97.

For example, the first time the number of DAA reports was released, there were 47 Discretionary Reviews in 1992/93 (ERO, 1992c: 35) and this included a follow-up rate of just over 2.1 per cent. However in 1996/97 (ERO, 1997a: 39) there were 170 discretionaries with a follow-up rate of 15.8 per cent.

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9 This issue is elaborated upon in significantly more detail in Chapters Five and Six.
Yet it should be noted, that the ERO Annual Reports note the total number of DAA reports and do not provide a breakdown by early childhood centres and school sectors. The data presented are the combined totals for both sectors as a proportion of all the ERO Output IA reports for these years. However, what this actually meant was hard to ascertain. When the researcher asked several ERO personnel about the increase in DAA reports, they were unable to provide reasons or explanations. And further, in the ERO’s documents there was no explicit mention or acknowledgement of the increase of this type of review across time.

It is possible, of course, to suggest plausible reasons that explain the increases in DAA. They were part of a structured strategy. Given that the reviews were relatively new in the early period, the ERO may have been a little more lenient towards schools which were considered to be ‘under-performing’. However, by about the middle of the period, the ERO reported that there was a lowering of ‘tolerance of underperformance of schools and centres’ (ERO, 1995a: 14). By the end of the period, all schools would have been reviewed at least once and most twice (on the three-four year review cycle) and the ERO’s ‘tolerance of underperformance’ may have become reduced still further which is in line with its compliance focus for raising the performance of the sector.

Dr Aitken herself reported that the Office was being far more prudent now in their follow-up reports (Aitken, 1997). By the end of the period 1996 –1997, the ERO reported that ‘[T]he Office put substantial effort into follow-up reviews, encouraging ‘turn around’ in performance’ (ERO, 1997a: 8). The ‘turn around in performance’ could be interpreted as meaning that schools were learning to comply.

Another form of the ERO outputs requires further discussion. In 1994, the ERO began producing its (National) Education Evaluation Reports (NEERs). This was an opportunity for what Shaw (1999) has described as policy entrepreneurship (see Chapter One). These purported to be research reports in particular areas of policy that either the ERO or the Minister had decided needed to be investigated. However, they were often polemic and merely created an atmosphere of debate. By 1996/97 the Departmental Forecast Report (ERO, 1996d: 50 – 52) listed 27 completed publications for the 1994/94 – 1995/96 period with a further ten publications planned for the 1996/97 year with working titles.10 The themes of the reports for schools include governance, management practices, assessment,

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10 37 reports were listed under ten themes (ibid.). In reality, the Office published 33 (listed and accessible on the ERO website) NEERs during the period under review 1993/94 – 1996/97 (eight of which were published in 1997). Of these 33 publications, 27 related to schools and the remaining five to early childhood centres.
professional leadership, specific curriculum areas, and barriers to learning.\textsuperscript{11} In total the ERO produced 53\textsuperscript{12} reports between 1993 and 1997, with 62.2 per cent being NEERs.

In the 1994 – 1996 period, the ERO 25 produced NEERs and only 14 (56.0\%) had any form of references. Of these 14 mostly references or bibliographies were used but the majority of information contained within them is on the Acts/Regulations, NEGS & NAGS, and referred to ERO and MoE documentation. In addition, there was at times some research data from journals, books and other publications. In some instances there was the use of footnotes, beginning in 1997 with No. 7 Students at Risk: Barriers to Learning (ERO, 1997d). The NEERs are critiqued in greater detail in Chapters Five and Six.

Other Important Changes Under Dr Aitken’s Leadership

In contrast with the Inspectorate, the first reviewers to be were employed under Gianotti’s stewardship were viewed as possessing education qualifications, credibility and professional responsibility. Dr Aitken, however, wanted to break with this tradition and sought to make the ERO reviewers distant from those whom they reviewed (Aitken, 1993; Penetito, 1994; French, 2000). A significant change under Aitken’s leadership of the ERO from 1992 – 1993 onwards was the development of a corps of professional education evaluators. The ERO reviewers were recast as ‘generic’ education evaluators.\textsuperscript{13} A Code of Professional Conduct for reviewers was developed in 1993 and all Review Officers had to be designated and certified by the CRO (ERO, 1992a: 9). These changes reflected the Office’s philosophy (underpinned by the agency theory model) of detached, independent reviewers removed from the ‘vested interests’ of those they reviewed. In terms of their skills and knowledge, Dr Aitken publicly saw Review Officers as evaluators first and educators second (Aitken, 1999 cited in French, 2000: 15 & 24). This was a move to specifically distance the evaluation culture of the ERO from a professional education one.

Aitken’s vision was that within five to eight years, the ERO evaluators would have achieved international credibility, with their own systems, credentials and training


\textsuperscript{12} Of these 53 reports: 8 were 1993/1994; 12 in 1994/1995; 15 in 1995/1996; and 18 in 1996/1997 (see ERO Annual Reports for fuller descriptions).

\textsuperscript{13} Descriptions and rationales for these changes are covered in detail in Butterworth and Butterworth (1998) and French (2000)
Evaluation was thus being deliberately separated from education as both a discipline and professional career. A number of the ERO’s publications asserted that education evaluation was becoming an established profession, with its own theoretical base and range of specific skills (ERO, 1997a; ERO, 1997b; ERO, 1999b).

Raising the public profile of the ERO and the roles that it performed required the deliberate use of the media. This policy aimed to directly increase the public information about the performance of schools by the ERO (1993c: 7). A more ‘strategic stance’ on public relations issues was used to build a higher public profile for the findings of the Office (1993c: 28). Copies of its regular reports on schools were provided directly to local news media. This was ‘to improve public confidence and increase the reliability and quality information about schools’ (ERO, 1993b: 28). The high public profile of the Office, the increasing media interest and the use of its reports was noted in a number of its publications (ERO, 1995a: 19; 1996c: 23; 1997b: 7 & 23; 1997a: 30). This was obviously something of which they were proud. For Aitken, this was a conscious strategy for creating a market choice by providing information:

One of the effects of actively encouraging public interest in the reports, and assisting that, by releasing them ourselves ... I think that people are making comparisons, and then using those as basis for selecting, or adding to other information that they have.

So, we have now formalised that in an evaluative publishing programme, which will contribute to research; will contribute to policy; will contribute to advice to Ministers and hopefully clarify for the public at large, overall what’s happening. So, I think those are probably the most significant.

(Aitken interview, 1993)

As Aitken said (cited in French, 2000: 26) ‘[T]he news media were the first group to understand that everything we did was open to scrutiny. Teachers, teachers colleges, and the Ministry didn’t. But parents and the media did’. Dr Aitken’s leadership of the ERO received considerable editorial support from at least two major daily newspapers The Herald and The Press (see Smith, 1997b; Thrupp & Smith, 1999). Aitken also acknowledged the newspapers’ role in supporting the ERO, she saw it as the role of the fourth estate:

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14 According to Cochrane (cited in French, 2000: 15), Dr Aitken has been at the vanguard of the emerging profession of educational evaluation.

15 In terms of chronology, the 1999b report, plus the following data are outside the period under review. However, it has been claimed in recent ERO publications that ‘[T]he department is internationally recognised as a leader in education evaluation’ (ERO, 1998b: 31; ERO, 2000c: 35). Whilst these reports outline ERO hosting groups of international visitors – no other data are presented to substantiate this claim.

16 French (2000) provides an overview of this process with positive endorsement of Dr Aitken’s adroit influence in raising the Office profile to the public, her media experience and the increasing use of the media to promote the ERO from a number of ERO personnel.
Without the strong and consistent editorial opinion you and your colleagues have demonstrated over the past two or three years, I would have been unable to carry out one of the only three powers my Office has: the power to enter; the power to recommend; and the power to publish.

(Aitken, 1996)

The power to publish was important in the ERO's ensemble of control over schools. It harnessed conservative public opinion to create a market mechanism of accountability.

ERO's Powerful Ensembles of Control

O'Neill (1998: 212) argues that the ERO was able to assemble 'an intimidating, co-ordinated and panoptic technology of control in which each and every component is made subject to observation and approval by the Education Review Office'. It would appear from at least anecdotal evidence from discussions between the researcher and educationalists that this view of the office having considerable control appears to be reasonably widespread. However, as outlined earlier, the researcher did not specifically undertake research within schools to ascertain to what extent, if any, the ERO reports directly impacted upon schools and the practices of educators; nor did he investigate to what extent, if any, the influence of the ERO could be resisted.\(^{17}\) The ERO had created a situation in which schools and teachers internally absorbed the threat of public shaming through ERO into a self-surveilling disciplinary mechanism (Foucault, 1979).\(^{18}\)

ERO as a hegemonic organisation

The ERO had created itself as a powerful ideological organisation where just the threat of an impending ERO review with an implied potential public shaming, was enough to create a climate of trepidation for schools. Schools tried to adapt to the required compliance model and Wylie and others have shown a variety of ways in which schools attend to various aspects of self-surveillance in order to ERO-proof themselves (Wylie/NZPF, 1997; Robertson, et al., 1997a; Thrupp, 1997a; Smith, 1998). The self-monitoring school became the self–complying one, focused on meeting regulations. The Office's actual power was through making the reports publicly available, and by drawing the media's attention to various aspects of reports.

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\(^{17}\) There is however a literature base that now exists traversing this territory and research with practitioners as to the effects of the ERO on schools (see Gordon, 1994; Harrold, Hawkesworth, Mansell and Thrupp, 1999; Hawk and Hill et al., 1996, Hawk & Hill, 1990; Mitchell, 1992, Mitchell, McGee, Moltzen, & Oliver, 1993; Robertson et al., 1997; Wylie/NZPF, 1997; the Wylie studies, 1991, 1994., 1997, 1999; Yeoman, 1995).

\(^{18}\) Whilst in this research there is not direct empirical evidence to fully support the Foucauldian analysis as data was not collected directly from schools, there is some literature which does support this position (O'Neill, 1998; Robertson, et al., 1997; Smith, 1998; Thrupp, 1998 and Wylie/NZPF, 1997).
Yet it is important to reiterate again that the ERO does not have direct powers of sanction; it merely has the capacity to visit the institution and to make a report which contained recommendation/s. But it was able to revisit the school as often as it deemed necessary (Aitken, 1993b). Val Fergusson (the acting CRO, cited in French19, 2000: 8) noted 'the Discretionary Audit was our most powerful tool'. It is clear that the DAA was to act as a spur for the school to '... make progress on the recommendations and to keep them on the straight and narrow' (ibid.).

Dr Aitken explains that the ERO could merely revisit schools they deemed as under-performing (Aitken, 1993). Furthermore, she suggested that the ERO '... had no coercive power. If you have no coercive power, what are you going to do? Tell people! - It's the only tool we had' (Aitken, cited in French, 2000: 25). It would appear, therefore, that the CRO was down-playing its influence here; in reality, the CRO under the new legislation, had considerable power over schools in that she reported:

We have no further statutory powers than we had at the beginning of the whole process, only the power to repeatedly go back on whatever basis I deem to be appropriate. There's no limitation or prescription for the frequency for which a school is examined, nor for the manner in which I choose to report it. It is a very, very open power.

(Aitken, 1993)

As was identified earlier, the ERO has used this media power extensively to promulgate its version of accountability. The ERO's deliberate decision to publish its findings in a clearly accessible form provided its coercive power to 'name and shame' (Thrupp, 1998a). The result for the errant institutions was a 'trial by media' (Smith, 1997b; Thrupp, 1997a; Wylie/NZPF, 1997; Robertson, et al., 1997a; Thrupp & Smith, 1999). This power to publish meant the ERO was in a commanding position to influence the parents' perceptions of schools via the media reports constitutes an active form of 'market accountability' (Thrupp & Smith, 1999).

**ERO's Methodology**

The ERO as a managerialist agency perceived itself to be independent and objective and its practices of school review for educational evaluation were achievable through observable

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19 The French (2000) document is essentially a case study institutional history of the ERO's development of its evaluation methodology. It represents an insider's view of the process as primary sources of French's data came from ERO's documents, chronological database or interviews or personal communications with twelve current or former ERO personnel.
and measurable data. This idea is guided by scientific assumptions in which evaluations were reduced to measurable outputs. The outputs established for the Office by the Minister were able to be measured, assessed and evaluated in a clear and direct means. This model of technical rationality or instrumentalism separates facts from values and methods from purposes (see Coxon, Jenkins, Marshall & Massey, 1994: 13). Codd (1993b; 1994a) argues that the ERO’s approach to evaluation is ‘technocratic’ and based on an economic view of education. Codd too observes that the Office’s evaluations are:

based upon a positivist epistemology in which means and ends are separated and the task of the evaluator is to measure the relative effectiveness of various means for the attainment of specified achievement outcomes. It assumes a rigid dichotomy between facts and values, implying that measurement and observation can avoid the problems of value justification.

(Codd, 1994a: 50)

According to Strathern (1997, cited in Rassool & Morley, 1999, p. 3) with measurement, accountability and evaluation has come a new morality of attainment. A particular performance of schools, teachers and students has become a register of truth about effectiveness (ibid.). In this technical-rationalist framework, a teacher’s actions are judged as valuable only if they bring about what is perceived as education’s proper ends (Parker, 1997, cited in Rassool & Morley, 1999, p. 3). These ends are about performance, but performance in a sense created through the accountability frameworks of NPM, and how the ERO has adopted these strategies.

Writing from a USA perspective and long before either the ERO or OFSTED came into existence, Learmonth (2000: 14) reported that Eisner (1985) has great sympathy with the restlessness and sometimes hostility which teachers have towards an evaluation system they see as mechanical and top-down, for example Eisner (1985: 110) notes:

The pressure for accountability in terms of specific operational objectives and precise measurement of outcomes are pressures that many teachers dislike. Their distaste for these pressures is not due to professional laziness, recalcitrance, or stupidity, but due to an uneasy feeling that as rational as a means-ends concept of accountability appears to be, it doesn’t quite fit the educational facts with which they live and work. ... yet their uneasiness is often – not always but often – justified. Some objectives one cannot articulate, some goals one does not achieve by the end of the academic year, some insights are not measurable, some ends are not known until after the fact, some models of educational practice violate the visions of the learner in the classroom.

(Eisner, 1985 cited in Learmonth, 2000: 14)

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20 In doing so the ERO follow quantitative scientific methods and a form of positivist epistemology (see Codd, 1993b; 1994a). For a critique of scientific rationality in education see (Heshusius and Ballard, 1996).
This evaluation methodology is what Eisner (1985) described as scientific assumptions in which the term evaluation is reduced to measurement (1985: 14). Eisner argues that the fields that are most amenable to measurement are measured while those that are difficult to measure are neglected (ibid.).

In research undertaken by a group of educational researchers at the Waikato University, the early effects of the Tomorrow’s Schools implementation and the perceptions of principals, teachers and Boards of Trustees of the new processes and structures of education was evaluated. Interestingly, this early ‘independent’ research on the impact of the ERO reviews and methodology on schools was mixed in its perceptions of the ERO. Whilst most were generally positive to ambivalent, there were some negative issues raised, however, most respondents appeared to see the benefits in the new reviews (see Mitchell, 1992; Mitchell, McGee, Moltzen & Oliver, 1993). For example, it was reported that:

The review report and operation were adequate. The composition – 14 members – was suitable. The report, both oral and written, showed positive points but also highlighted a lack of in-depth information by the ERO team, some of whom were too quick to draw conclusions to questions they asked. Many had pre-conceived ideas, and so found the answers they wanted. Many made little allowance for or understood the special nature of (1) the school, (2) the community, and (3) the needs of the age group of the children. They were too slow to recognise successes. (Mitchell, 1992: 23)

Furthermore, it was reported that:

Of the five schools which had been reviewed by ERO, respondents from the two which had participated in trial reviews had mixed reactions to the process; in contrast, the three schools which had had later, full, reviews were generally positive. Clearly, ERO learned a good deal from their earlier experiences in reviewing schools.

... The major recommendations to emerge from the respondents from this group of schools were that ERO be sufficiently resourced to enable it to carry out comprehensive reviews and that close attention be given to the composition of review teams. (Mitchell, 1992: 25 - 26)

In its final monitoring report the Waikato researchers noted:

5.12.21 ERO’s pre July 1992 criteria ... were broadly accepted by respondents, although some had reservations as to how outcomes could be measured. (11: 8) ...

5.12.3 Place of Reviews
School reviews, involving ‘outside’ impartial evaluators with statutory authority, were generally perceived as being important to ensure accountability. (11: 7) ...

Schools which had been recently reviewed reported few differences of opinion between themselves and ERO and where there were differences, these seem to have
been amicably resolved. The two schools which had been involved in the trial reviews in 1990, however, reported some differences of opinion with the ERO teams. (11: 18)

5.12.3.7 Perceptions of ERO
ERO was perceived to have been prompt and efficient in conveying the results of reviews to their schools. (11: 9)

Reasons put forward by the small group of respondents who saw ERO as being not important or who were lukewarm in their support of the agency, focused on the alternative of schools being responsible for evaluating themselves. ... (11: 20-21)

Recommendations as to what changes they would like to see in ERO centred on ERO having sufficient resources to enable them to spend more time in the schools and to carry out more comprehensive and searching evaluations and reviews being carried out by personnel with experience in the school’s particular sector of education. ... Other recommendations included ERO taking on more of an advisory role and ERO having greater authority. (11.23)

(Mitchell, McGee, Moltzen & Oliver, 1993: 96 – 99)

Finally, the research team reported that ‘School reviews, involving 'outside' impartial evaluators with statutory authority, were generally perceived as being important to ensure accountability’ (Mitchell, et al., 1993: 108).

This early research on the reviews appeared to be at odds, with that reported in latter periods – where there was a changing perception towards the Office and its methodology, especially for schools located in lower socio-economic deciles (see Hawk & Hill, 1996; Lauder, Hughes, et al., 1994; and the NZCER review undertaken in 1996, Wylie, 1997b). Whilst most of the material provided as evidence of the critique of the way in which the ERO’s methodology was considered to be ‘flawed’ lies slightly outside of the timeframe considered in this chapter, it is pertinent to raise the issues here.

Wylie/NZPF (1997: 17) reported that many principals saw the ERO audits as 'superficial' ('flick and tick') 'artificial', and because of the now wide scope of legislative requirements, often as entering into the realm of 'trivia'. In short, the compliance of schools to short term outputs was increasingly being seen as trivia and trivial.

Strong concerns were being raised around this time in the education community about the ERO methodology. In a deliberate attempt to provide an alternative position, the PPTA commissioned a comprehensive and critical analysis of the ERO methodology, and its reporting processes (Robertson, et al., 1997a). Robertson et al. raised important questions about the validity and reliability of the Effectiveness Reviews (p. 55, 57). They concluded that the ERO procedures were both limited and methodologically weak (p. 65). Robertson,
et al. (1997a) questioned how the ERO reviewers in Assurance Audits could make consistent judgements on complex matters of compliance (p. 69) and concluded that ERO’s verification practices are cursory and not rigorous (p. 69). The researchers’ reported that their own case studies generally confirmed concerns about the limitations of the ERO’s approach to review. They suggested that a lack of depth and a limited scope of reviews combined with a weak methodology had led to real gaps between the findings of review reports and school realities (Robertson et al., 1997a: 186). Robertson, et al. (1997a) argued convincingly that what can be measured and ‘codified’ by the ERO in the review process, become the procedures through which the educational quality of the school was being determined (also see Robertson, 1999).

Other critiques in the literature raised concerns that the methodology was highly quantitative,21 lacking in depth, premised only upon measurable outcomes and not taking sufficient account of the SES context (e.g. Thrupp, 1997a; Wylie/NZPF, 1997; Robertson et al., 1997a; Austin et al., 1997a; Thrupp & Smith, 1999). Nash and Harker (1998: 152) argued that it is nearly an impossible task for schools to demonstrate to the ERO that they have added value to students’ performances. Furthermore, they suggested that monitoring by the ERO seems to require schools to demonstrate relative efficiency through added value in a way that cannot be done except in the core School Certificate subjects, and then only with difficulty (ibid).

In their discussion over the much vaunted NEERs, Robertson, et al. (1997b: 4-5; 1997a, 70 – 72) observed that the source evidence for each of the issues under evaluation was actually aggregated data drawn from the ERO's own review database. Yet this database was limited by the nature of the review process used to collect that data in schools in the first instance. Furthermore, the national evaluation reports typically did not draw on the wider and extensive research literature (p. 71) that addressed the subjects under consideration. These points were raised earlier in a content analysis of the NEERs carried out from 1994 - 1996.

The primary teachers union, New Zealand Educational Institute (NZEI) raised similar critiques of the NEERs. The methodology used by the ERO to obtain information for the evaluation studies they described as ‘questionable’ (NZEI, 1997a: 9). They too asserted that methodology ‘lacks the rigour and the checks and balances that research based studies use

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21 This quantitative methodology had even been criticised by the Austin Review panel who considered ERO gave undue precedence to quantitative data (Austin, et al., 1997a: 25; Willis & Bourke, 1998). Furthermore, one of their recommendations (Rec. 2) called for ERO to focus their attention on the processes for evaluating both the quantitative and qualitative achievements of schools and centres (Austin, et al., 1997a: 8).
to collect data ... the questions are not piloted ... the sample is drawn for the purpose of audit ... the reviewers do not have training on the collection of information’ (ibid.).

The most telling criticism made in the PPTA Review of the ERO (Robertson, et al., 1997a) was the way in which the ERO, through its reviews, created a low-trust environment through compliance and the codification and standardisation of school and teacher practice. Because the ERO had to limit the costs of auditing each school, the only way that the ERO could make the work of the school and the teacher visible, and ensure consistency in its own review practices, was to firstly codify its practice and then, secondly, standardise that practice across all schools (Robertson, et al., 1997a: 195). Furthermore, given that the ERO has limited resources (time, expertise, depth) to spend in each school, the production of ‘records’ augmented by limited observations in classrooms was taken as evidence of practices. School records and limited observations were thus regarded as providing sufficient indication that those practices existed in reality (Robertson, 1999: 129). In effect the ERO reinforced a set of codified practices on teachers across all sites. This enables the state to make comparisons across sites, but in such a way that it’s apparent impartiality contributes to the state’s legitimacy (Robertson et al., 1997a: 196; Robertson, 1999: 129).

All of these criticisms helped generate a backlash against the ERO in the schools that was later to have political consequences for the organisation. It was to remind the organisation that it was not totally independent, but that it existed in a political environment.

The ERO’s legal but artificially imposed distance from the education sector (to subscribe to the NPM model) and its legitimacy in law provided the evidence for its claims to transparency and objectivity. These positions are open to both interpretation and questioning. The Office claimed to have an ‘unwavering preference for transparency’ to ensure that reliable information about schools reaches the wider public (ERO, 1994a: 21). However, as Wylie (1995: 155) noted, this may indicate that the ERO’s priority is less the improvement of individual schools than the desire to inform or even shape public opinion and expectation of schools. This point is followed up in more detail in the next section.

The Office’s claims to the transparency in its own practices have been critiqued in the literature (Smythe, 1994; Smith, 1997a; Thrupp, 1997; Robertson et al., 1997a; Robertson, 1999). As Robertson et al. (1997a) contend, many schools were not clear about exactly what the ERO reviewers were looking for in their reviews; there were no explicit promulgated standards, and as Robertson (1999: 128) notes, the ERO’s procedural manuals are not originally public documents. Thrupp (1997a: 54) observed that the ERO’s procedural
manuals for reviews are difficult to obtain and had to be requested under the Official Information Act, although they were able to be purchased by schools. Moreover, as Smythe (1994, cited in Thrupp, ibid.) notes, at times the ERO attempted to cite commercial sensitivity as an excuse for not releasing details under the Act. Robertson et al. (1997a: 48) claim few outside of the ERO are aware of what the ERO reviewers were instructed to do, thereby severely questioning the Office’s transparency.\footnote{Robertson et al. (1997a: 48) point out in their review that the Office manuals – the procedural manuals which were supplied to them, were soon to be made obsolete; indeed they contend that this may be why they were released to them. It should be noted however, that from 1997 – 1998 onwards, the vast majority of all of the ERO’s documents were made available on their website.}

The independence and objectivity of the methodology of the Office is thus debatable. What educational researchers in the UK state about OfSTED is germane here: ‘[A]lthough school inspection is said to be ‘independent’, it is perhaps more appropriate ... to note its role as an arm of the state which has been created to ensure compliance’ (Ferguson, Earley, Fidler & Ouston, 2000: 5). Such analysis is applicable to the ERO. The CRO’s counterpart in the UK also questioned the objectivity of the inspection process as Ferguson et al. (2000: 144) recently report:

> As the chief inspector himself has recognised, ‘inspection is not and cannot be objective in a scientific way. It is, as I have said ... best described as an act of disciplined subjectivity’

(Guardian, 5 October, 1999, cited in Ferguson et al., 2000: 144)

Perhaps the ERO should consider this point when making the claims about the objectivity of their evaluation processes. However, the Office has evolved under the premise of being a single focus agency designed to provide accountability and an ‘agent’ for the Minister as ‘principal’ as agency theory demands. Its purpose is to hold schools to account for short-term accountability outputs (Schick, 1996) and not necessarily longer term outcomes – although these may result from reports if they affect the changes that the ERO suggests.

The issues/arguments above were the subject of considerable critique from the ERO in Canning’s (2001a) report, thus the researcher has quoted them at length:

> ... I really struggle with the discussion on page 132 [now 188], for a whole variety of reasons, not the least that it is wrong. Usually the only reason ERO withholds information is to protect the privacy of individuals. I have to say that mostly this is seldom. And it certainly does not apply to standard procedures. It is simply not true to say ERO’s procedural manuals are not public documents. Martin Thrupp received a copy of the procedures within days of his request, and hundreds of others have also obtained copies over the years.
All ERO’s information is public and we do our best to assist those who ask for it, no matter what. There are times when it is not easy to comply directly with requests. You have experienced this yourself when you have wanted information from ERO which is simply not held in the form you have requested it to be given. However, I like to think that we have done our best, and have pretty well satisfied most of what you have asked of us.

ERO regularly makes entire files available for scrutiny by boards and principals and by centre licensees and management. Judith Aitken often invited such inquiry when she addressed educational groups. It is simply not true to claim that few outside the organisation do not know about the review process, it is not for want of ERO making information, procedures, files or whatever, available for scrutiny.

Having got that off my chest, for such claims are in my view nonsense, and made, I suspect to further the claimants own personal agendas.

(Canning, 2001a: 4)

The researcher at this point does not intend to get into a detailed polemical debate on the issues raised because this would have the effect of making it personal, but would like to note a few responses. Canning (2001a) has to represent the stated objectives of the organisation he is an executive manager of. To do otherwise would be undermine the credibility and stated philosophy underpinning the ERO. Some of the issues he raised are also ‘technically’ correct (such as the procedural manuals being public documents). However, it is noted by both Thrupp (1997a) and Smyth (1997a) that these were initially only made available on a cost recovery basis to schools. At one level, this represents an application of the Office’s efficiency and entrepreneurialism (under the NPM model); however, it did not create an environment whereby schools were respectful of the ERO’s approach.

It is interesting to note that the issues raised by Canning (2001a) are directed at both the author and Martin Thrupp who have both individually and collectively been ardent and public critics of aspects of the ERO’s operations (Smith, 1994, 1997b, 2000a; Thrupp, 1997a, 1998, 1999 and Thrupp & Smith, 1999).

The majority of points raised by Canning in defence of the Office’s transparency could be sustained from their perspective. However, they are also open to interpretation and debate. It is as much a political and ideological position rather than one of practicalities and supposed neutrality. From this researcher’s personal perspective of researching the organisation over an extended period of time, it must be noted that Canning (2001a) is correct in that a large number of the requests by the author have been dealt with and usually in a timely fashion. Furthermore, the considerable amount of information which has been provided, and the time taken away from the manager’s usual role in order to reply to the plethora of requests must be acknowledged even though, incidentally, the ERO has always regarded such matters as being classified as Official Information Requests (Aitken, 1997).
These responses aside, it has been the experience of this researcher that because of the nature of the research ‘contract’ that was enforced between the author and the Office, this ‘contract’ enabled the ERO to maintain power as gatekeepers. Moreover, it is asserted that this has influenced aspects of the interactions and has shaped the nature of the information that was provided (see Introduction [Aitken, 1993a, 1994b; Salt, 1994a]; Smith, 1994, 1997a). This contract perhaps best exemplifies how they conduct their work, and is a further example of the contractualism/managerialism underpinning their operations. The researcher does not make the claim of gate-keeping lightly, and notes it has been the experience of other researchers at times in their interactions with the Office (Thrupp, 1997a; Robertson, et al., 1997a; Wylie, 1997).

Canning’s (2001a) claims about ‘personal agendas’ may well be true, especially from their perspective. However, this researcher would maintain that in the case of the academics listed above, their work is both ethical and robust, and that none of them would make claims to absolute ‘objectivity’ in research if only because such inquiry is an inherently political activity, especially in the policy field.

In the researcher’s defence, it must be said again that the aim of this thesis has been always to provide a critique of the changing structures and operations of the ERO, and he has attempted to provide a balanced perspective of outlining the ‘perceived’ strengths and weaknesses of this important and influential agency. This is most in evidence in the researcher’s more recent work (Smith, 1997b; Smith, 2000a; 2001a; 2002a and 2002b).23

The most important issue to be noted here though, is that from a qualitative research perspective, information should seldom be delivered as ‘fact’, all data from whatever source, needs to be critically analysed using a variety of methods, and moreover, all such data are inherently subjective. It is important, therefore, to recall that information provided by public organisations is tantamount to their recorded version of events and may consequently be subject to bias (see Introduction; Denzin, 1971; Merriam, 1998; Scott, 2000a; and Wellington, 2000).

23 The irony of this is this form/approach of analysis/reporting was how the R&AA/ERO was conceptualised in the Picot Report (1988), attempted to operationalised through Tomorrow’s Schools (1988), and has been advocated/recommended the latest two Ministerial reviews of the ERO (see Austin, et al, 1997; Rodger, et al, 2000).
ERO as the Exemplar of NPM in Education

This chapter argues that the ERO was clearly influenced by the NPM which underpinned the *State Sector Act*, 1988 (Smith, 1994). Under Aitken, the ERO successfully implemented the public sector management positions of both SSC and Treasury in the education sector.

As was explained in Chapter one, Boston et al. (1996: 26, 29) outlined the tenets of the New Zealand form of New Public Management. These included:

- a shift in emphasis from process accountability to accountability for results (e.g. a move away from input controls and bureaucratic procedures, rules, and standards to a greater reliance on quantifiable output (or outcome) measures and performance targets);
- the devolution of management control coupled with the development of improved reporting, monitoring, and accountability mechanisms;
- a stress on cost-cutting, efficiency, and cutback management.
- the recognition of the need to give greater attention to consumers of public services and, where possible and appropriate, to satisfy preferences.

Taking each one of these here, it is possible see that the ERO was instrumental in moving education towards these goals. The audit process was specifically developed to move the system from bureaucratic procedures to local control but with a greater reliance on output measures and monitoring performance. The public reporting process was designed to provide parents, as consumers of public services, with transparent information so that they would be better able to make an ‘informed choices’ over the quality of schooling they desired. The organisation has claimed itself to be an example of an efficient well-managed state entity with clear and transparent processes and procedures, for example:

ERO is recognised as a competent and well-managed department of State. It has an impeccable record in terms of professional probity and strict adherence to explicit ethical codes, operational protocols and evaluative procedures.

(Aitken 1998e: 12)

However, the price of efficiency under the NPM model is measured primarily in financial terms. Efficiency gains were made through a reduction in the Vote ERO of $4.4 million, or decreased funding of 22.6 per cent from 1992 – 1996. But it must not be overlooked that funding effects have concomitant flow-on in terms of the numbers of personnel the ERO

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24 The ERO as an ‘audit’ agency has operated its evaluation practices within the ‘evaluative state’ or the ‘audit society’ (Power, 1994; 1997) within the neo-liberal state.
employs. In the 1992 – 1996 period under review, there was a reduction in approximately a third of the staffing (31.4%) [see preamble].

Being responsive agents in the relationship to the government as principal, the ERO has been instrumental in terms of actively promoting governmental policy especially in relation to educational marketisation. In this sense the ERO has acted in a way that Bottery (2000: 150) has described in the UK as:

At the institution level, the market is seen by many policy-makers as possessing a number of useful functions. It generates competition between institutional providers, creating incentives for good performance and for successful innovation, as well as punishing those producers who under-perform; if the right structures are put in place, it can provide the kind of information which ‘consumers’ need in order to make adequate comparison between the ‘products’ on offer; finally, it locates praise and blame at the institutional level and thereby diverts political censure. As long, then as policy direction is firmly located at the centre, the market continues to be a favoured mechanism for institutional performance.

The ERO, therefore, actively promoted greater marketisation, competition, and parental choice policies in education (Smith, 1995; Robertson, et al., 1997a; Thrupp & Smith, 1999). The publication of the ERO reports on schools are a neo-liberal strategy to signal the quality of schools, thereby facilitating processes of parental choice and competition within educational quasi-markets (Smith, 1995, Thrupp, 1997a). However, the simplistic information derived from methodologically flawed reports on schools that was the basis of the parental choices over school quality and school choice (Thrupp & Smith 1999: 193). The public provision of these school inspection reports as a guide to parents in selecting schools enabled the ERO to promote themselves as the major information provider for this important stakeholder group. In this capacity the ERO has adopted a more neo-conservative style approach and acted in a governance role as a ‘guardian’ of standards for parents and, more importantly, for students (see Aitken, 1999 cited in French, 2000).

Throughout the 1992 – 1996 period, the Office maintained a legalistic position over schools to ensure compliance with their legal obligations and to improve educational achievements. It did this within a context of being significantly restructured and downsized with a declining budget. The ERO was successfully able to survive by reorganising and refining its outputs; by making them both more direct and more superficial. In one sense, the Office epitomises the concept of the new public management agency, exemplified by its small size (165 staff, the lowest number over the decade), and its lean and efficient structure (see Smith, 1994, 2000a). It adapted to the changes in Ministers
who variously required new outputs. But in the end, it has extended its role into other areas such as policy which is a matter that will be discussed in detail later.

**ERO as State Regulator?**

Offe (1996: 75 - 76) provides a theoretical argument to explore the changes occurring in the broader state sector during this period. He suggests that one of the interventionist characteristics of what he calls the politics of deregulation, is that it typically relies on policy initiatives in the fields of law, culture, and socialisation. Offe articulated that the project of deregulation is treated as a programme which had to be brought about politically, i.e. by active state intervention (ibid: 76). In addressing the state’s role in the process, he observed:

> [T]he task of the government is to develop a clear will to deregulation and to become aware of the leading role it must assume in the deregulation process. Work in the public sphere may be of the profoundest significance here.  
> (Soltwedel el al., p. 285 cited in Offe, 1996: 76)

What is interesting to note is that the establishment and operation of the Education Review Office ran counter to the deregulation occurring at other levels of the state (see Chapter One). Schools were being encouraged to see themselves as self-managing autonomous organisations but within a tightly defined central compliance regime that was in line with the application of NPM and new accountability measures. Aitken herself noted (1994: 8 cited in Robertson, et al., 1997a: 193):

> ... the decision to establish ERO, despite the obvious contradictions posed by moves to deregulate and remove a range of inspection and other ‘adjudging bodies’ in line with the tenets of new managerialism, arose from on the one hand a lack of confidence in the teaching profession to regulate its own activities, and on the other, in the BoTs to ‘apply the same standards and judgments espoused by the government’.

Whilst at one level it might be seen as a contradiction in the model of deregulation, as Offe’s analysis reveals, it was directly a form of state intervention. Given the compulsory nature of education, the full application of an education market was not possible; therefore, it was necessary to put in place an agency for accountability purposes in order to check for efficiency and monitor standards (see McKenzie, 1995; Smith, 1995).

The CRO recalled that upon her arrival to the ERO in 1992, that as an independent evaluation agency, ‘ERO was unique and [while] everything else was either market-oriented or consumer-driven’ (Aitken, cited in French, 2000: 22). This was to change. As
this thesis shows, under Dr Aitken’s leadership the ERO became both more supportive of market policies and also oriented to create parents as consumers (for more detail on this see Smith, 1997b; 2000a).

The ERO actually acts as both a regulatory and monitoring agency. From as early as 1992, the ERO reported that the purpose of the Office was to assure the Minister that the quality and compliance of self-managing entities (i.e. the schools) meets prescribed standards and performance criteria (ERO, 1992a: 6). However, their role was to review schools according to ‘standards’ established by the Ministry of Education in the National Administration Guidelines. But it was the ERO, and not the Ministry of Education, that assumed responsibility for interpreting Government expectations in relation to the NAGs (see also Willis & Bourke, 1998). The MoE was both the designer and administrator of the overall framework and guidelines associated with National Education Guidelines. Yet it was the ERO’s task to review against them. A number of the ERO’s documents noted that the ERO itself had not created the standards that it was required to measure against (ERO, 1993c; 2000b), a situation of some intense debate between the agencies. For example, in 1993 (Aitken cited in ERO, 1993c: 6) noted:

Demands that the Education Review Office define and promulgate both achievement and service standards have often been intense ... OFSTED ... not only inspects and reviews school management and student performance – it also defines and promulgates the quality expectations against which it reports. In New Zealand, the Education Review Office has chosen a different path.

And later still the comment was made again that:

It is important to note that ERO itself does not design or impose any policy, operational or quality standards or requirements, but focuses firmly on the overall framework and guidelines administered by the Ministry of Education for the pre-tertiary sector.

(ERO, 2000a: 56)

However, one of the Office’s early objectives in the 1991 - 1992 period was ‘(7) to ensure continued Review Office involvement, in co-operation with the Ministry of Education ... in work on the National Education Guidelines’ (ERO, 1991: 7). Furthermore, contrary to

25 The National Education Guidelines are comprised of the following documents: the National Administration Guidelines (NAGs), the National Education Goals (NEGS) and the National Curriculum Statements. The National Education Guidelines were initially established in 1990 and then were revised in 1993, 1996 and 1999.

26 It was not until mid 2000 (July) that the Office actually published their own set of evaluation criteria (which were based upon both MoE guidelines and ERO’s own reports) which they measure against in the Evaluation Criteria Report (ERO, 2000b).
the Office’s publicly stated contentions, an un-named senior ERO source\textsuperscript{27} revealed that the ERO was actually the power broker behind the National Administration Guidelines and that, in effect, it was the ERO that was responsible for the creation of the Guidelines.

The discussion above was also the subject of critical objections from the ERO Manager, Ministerial and Legal Services who stated:

At page 136 [now 195] you quote an unnamed source for the contention that the ERO was actually the power broker behind the NAGs and that ERO actually wrote the NAGs.

This statement is not accurate and I think you are on weak ground indeed to resort to the quoting of an ‘unnamed source’ to support your argument here. Not only is it too easy to refer to unnamed sources when developing an argument, suggesting you really haven’t any evidence for the argument anyway, but it is simply not true. I am able to say this with some confidence because I have been in the ERO since the beginning (indeed even earlier) and part of its management team all that time.

(Canning, 2001a: 4)

Several issues are raised in the response above: there is the twice disputing of the statement; the dismissal of research sources of information; and referral to the ERO as the ‘authority’ and thereby being able to make such pronouncements.

The author has chosen to respond in several ways. It has never been confirmed ‘on the record’ that the ERO wrote the NAGs, and it is unlikely that this will occur for several reasons. First and foremost, it exposes the Office to the charge of direct interference within a competitor’s domain, thereby highlighting how innovative, entrepreneurial the ERO are and exposing their ambitions and ideology as being the dominant educational agency as constructed under the NPM framework. But more importantly, it highlights how very tightly controlled the office personnel are by their own organisation (under their Codes of Conduct, and contracts). There are designated personnel who are able to make pronouncements on behalf of the organisation. This is usually the CRO, the Manager of Public Affairs or other relevant Executive Management staff. Other staff have to gain permission from senior ERO management before embarking on making public statements. Thus public information is filtered though the lens of the Corporate Office, or what the author has described elsewhere as the ERO ‘as a cult’ (Smith, 2000b).

Furthermore, there is evidence in this research that a specific condition of the ‘contract’ with the ERO was that the researcher had to provide a copy of the report, or at least those

\textsuperscript{27} This informant expressively denied the author revealing either their name or the date of the discussion.
portions based on material gleaned from office records or interviews, to the contact manager so that factual content can be confirmed (Salt, 1994a). Further, it was stipulated that this should occur before the report entered the public realm. Anecdotal evidence from discussions with various Office personnel has suggested that all the ERO staff are subjected to similar treatment when wanting to present material about the ERO at conferences, or in publications. In other words, it seems that their findings are also vetted. Furthermore, the researcher can recall that at one NZARE conference, an ERO presentation was withdrawn at the last moment because the author had not followed the required Corporate-imposed ‘research’ protocols.

Further evidence this type of surveillance by the ERO management is to be found in many of their documents in relation to the NEERs in which it is stated that they ‘be consistent with Office style; be refereed internally and externally for comment from referees approved by the Chief Review Officer; and when published meet the publishing standards approved by Chief Review Officer’ (ERO, 1996d: 47).  

Given this tight reign over its staff, it appears little wonder that personnel are reluctant to ‘speak on the record’ and equally, it is not surprising that they appear to be reticent at the possibility of being publicly named, thereby exposing themselves to some kind of internal or public censure.

In another paper (Smith, 2000b: 6), the researcher has noted that the current organisational culture of the ERO and its managerialist ethos centres on the concepts of regulation and compliance. A culture of corporate sector new contractualism is apparent and very much centrally driven. As early as 1994 internal audit noted ‘a conflict in ERO between those who consider their commitment is to education and those who are committed to functioning as an effective tool of government’ (KPMG Peat Marwick Report, 1994: 4). Furthermore, it was advanced that this is no longer the case and that the internal culture of the organisation as a whole and that of the corporate office of ERO in particular, has, based upon the flawed notions/values of independence and impartiality (Smith, 2000b: 6), tried somewhat successfully to engender an artificial distance between ERO reviewers and practitioners in schools and early childhood centres.

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28 Given that the researcher makes no claims to objectivity in this research and that at times quite overt political stances are assumed, the data on the NEER reviewing process are revealing in that referees must be approved by the CRO. Given the ideological positioning of the ERO, it is no surprise that none of the researcher’s closest academic colleagues, or those of my acquaintance who have been publicly critical of the Office, have been asked to act as a referee for these documents.
What is interesting, however, is that there is significant anecdotal evidence from both review officers (gleaned from conversations at conferences) and from educationalists alike. Their comments are tantamount to admitting that in some ways, the ERO personnel, at least in the regions, subvert Corporate-imposed directives by ‘unofficially’ providing advice and guidance to schools. They do so even though this remains statutorily outside their mandate and goes against their stated terms of reference to only review/audit and report.

The researcher, therefore, strongly adheres to the claim made by the unnamed source, despite it not being able to be ‘officially’ clarified or endorsed for a variety of ethical reasons. Furthermore, the author notes the place of unnamed sources as a legitimate ‘data’ source in research, for lots of reasons people chose to remain anonymous. And yet again, the point is made that the author is bound by professional ethics to protect the individual’s identity.

Whilst the researcher respects the ERO spokesperson’s perspective about the weight of evidence linked to ‘unnamed sources’, the comment must be made, with due respect, that in the course of this particular ‘dispute’ what is questionable is the way in which the ERO conceives the notion of what actually constitutes a fact.

It is also argued that whilst anecdotal evidence is just that, it is well established in qualitative research that anecdotes do provide useful and legitimate ‘data’. Hence, the observation that anecdotes are not formally research-based, and are not always empirically derived, does not diminish the validity of anecdotes. However, at the same time, it is acknowledged that researchers should be ‘cautious’ when using this approach and should view with some skepticism, the weight of evidence they accord to information gleaned from anecdotes.

On the point of the accuracy of the statement, the public may never know – it will, the author contends, remain the locked away in the keepers of corporate-only official information in the National Offices of the ERO, the Ministry of Education and their respective Minister’s and government.

The final point that is noted in the Canning (2001a) statement is the authority with which he presents the information. He does so both in terms of his lengthy career in the ERO, and more especially, in terms of his executive management status. He writes under the
title of Manager, Ministerial and Legal Services to add extra weight and legitimacy to support his point.

It could be argued that in this instance that Canning (2001a) resorts to Weber’s legal-rational approach, whereby ‘Within bureaucracy a command is held to be legitimate and authoritative if it has been issued from the correct office, under the appropriate regulations and according to the appropriate procedures’ (Abercrombie, Hill and Turner 1988: 136). These same analyses could be applied to other aspects of the discussion above.

To display that the researcher, by using a qualitative approach, is also a reflective-practitioner, it can be revealed that one of the greatest senses of anxiety in conducting this research was that experienced when signing a ‘contract’ as required (read as demanded) by the ERO. It was, in effect, possible that my ‘contested’ interpretations of the way the ERO conducts its business may become the subject of litigation – the power of the state directed at the sole researcher. As an aside, on one occasion in the course of this research, an (also unnamed) senior ERO officer – questioned the professional integrity of the author as a researcher, and informed the author that along with academic freedom came academic responsibility, and that the author had not exercised the latter. Furthermore, the researcher was subjected to intimidation, the threat of withdrawing consent and access to the required ERO data sources (breaking the contractual arrangement), and that these serious issues were going to be addressed with the researcher’s supervisors, the head of department and if necessary the Vice-Chancellor of the University. In the end – nothing came of this ‘critical incident’ in terms of the suggested actions above – the ERO officer never followed-up on these threats of action or sanctions.

The reaction was in response to a ‘leaked’ or alternatively ‘requested and supplied’ confidential document which was presented as a submission to the Ministerial Review Committee (Austin, et al., 1997). This document (Smith, 1997a) was supposedly provided in the strictest confidence to the members of the panel only. It was not to be made publicly available under the Official Information Act, and was withheld under Section 9 (2) (b) [according to information provided from Marion Hyland (on advice from SSC legal staff)]. However, in the strange small world of politics and education in Wellington, somehow the ERO managed to secure a copy of it resulting in the actions noted earlier.

What it did, however, highlight was the vulnerability of the researcher, and the sense of powerlessness against the state agency. Clearly, the researcher needed them as an invaluable data source, more than the organisation needed the potential bad ‘publicity’
that might ensue. This research was a case of researching up, and interviewing some of the policy elites (see Ball, 1990a; Gewirtz & Ozga, 1994; Ozga & Gewirtz, 1994). Furthermore, the researcher experienced similar reactions/responses to what Jesson (1992: 5-6) reported as:

... the intruding authority relation of the State, supported by Official Information Acts, the tradition of State secrecy, and the mystification of the bureaucracy that ‘behind them in Wellington lurk the political masters’


Whilst, the researcher obviously had a professed vested interest in maintaining as harmonious a relationship as possible – in order to receive more information, this critical situation actually moved the relationships between the ‘researcher and the researched’ to a different level. Clearly, the management of the ERO were aggrieved that the author chose to make a submission, without consulting them (for the obvious reason that it was sensitive information – and a rather critical evaluation of the organisation). In point of fact, the submission was actually solicited by the review team, as they had been advised that researcher had been conducting a study on the ERO over an extended period of time and wanted a ‘research-based’ perspective. Furthermore, the author was invited to meet with the panel and to make an oral submission in relation to the written one and he was subsequently questioned at length by the panel. This too was supposed to be kept confidential to the members of the review panel and not ever to enter the public realm.

How the ‘officially’ withheld submission came into ERO’s hands is an issue of speculation, but the author believes it was because of three factors, two of which were intimately related. The review submission process like all educational ‘consultations’ post-Picot had a very tight timeframe and the committee synthesised its findings rather quickly leading to some errors. One of the important ones was in the proof-reading of the final report. While the researcher sought to have no direct information from the submission released into the public realm as outlined earlier, this did not occur.

In fact, there are virtually some direct quotations taken from the Smith (1997a) submission, but it should be noted they were also taken out of context. Moreover, there appeared in the final report as appendices, a list of those written and oral submissions (Austin Report, 1997: 56 – 65). Such a practice is quite commonplace and these are protocols for preserving anonymity. Thus it was specifically indicated that written submission 120 was ‘anonymous – name withheld on request (p. 59).’
And this practice was appropriate providing that other data protected anonymity. This means that the report should not, for obvious reasons, include any data that could be linked to anonymous submissions – certainly there should not be any data that could link an anonymous informant to a submission by provided identifying details such as the submitter’s name(s); their organisation and their location. However, to the researcher’s astonishment in the oral submissions and public meetings, number 120 - anonymous – name withheld on request contained the location as being Christchurch (p. 64). It is surmised that it would have not been too difficult for the ERO to deduce the identity of this supposedly anonymous submission supplier from Christchurch. It is hard to know, however, whether this was a genuine oversight, or if something disingenuous was occurring.

Given the tone of the lengthy telephone discussion between the researcher and the ERO reviewer, it was clear that they had somehow managed to either secure a copy of the researcher’s submission or knew intimately about its contents. The researcher was informed that he had been making some ‘suspect’ contentions and allegations about the Office to the Ministerial review panel, and that the person in question and the panel chair had discussed the issue!

What this scenario highlighted was that the relationship between the review committee and the ERO may not have been as arms-length as had been suggested. Such proximity may have been due to the small size of the country and the political machinations of what happens in the bureaucracies in Wellington and the close-knit nature of bureaucrats and their political masters and the blurring that can happen between these divisions (see Boston, et al., 1996; Schick, 1996; and Shaw, 1999). It also highlights the nature of the New Zealand political landscape. In the end, as emphasised in Chapter Six, the review was not very searching and essentially rubber-stamped the ERO and its direction. It was, therefore, essentially a political legitimisation exercise (see Robertson, et al., 1997a; Smith, 1997b; Thrupp & Smith, 1999).

The level of civility exercised between some executive management of the ERO and the researcher appeared to wane. The author was tolerated. The relationship appeared to have somewhat deteriorated. In terms of applying the notion of a Gramscian ‘war of position’ it could be argued that the scores were even. The researcher had won an early battle (by subterfuge) in obtaining a large number of the ERO’s reports. However, the counter from the ERO was a stinging blow, that left the researcher assessing the seriousness of the ‘threats’ and ‘intimidation’ and the ultimate effects it would have upon
the study if the ERO withdrew its support completely. In the short term (another irony of the reforms and the processes which were an organisational guide for the Office) the ERO officer achieved a position of intimidation – leading to the researcher having hurried meetings with support people, supervisors, the HoD and later seeking legal advice from the Law School as to the nature of the ‘contract’ and whether it was likely to result in litigation.

In the long term, however, it cemented the author’s resolve to speak publicly, to use academic freedom to publish about this ‘publicly transparent’ organisation to expose some of its more politically invidious strategies. It is argued that education is highly political and that policy, and policy agencies are publicly accountable organisations (using scarce tax-payers’ funds). Therefore, they should be open to external academic scrutiny, (they should even encourage it), and their pronouncements on education need to be constantly contested in public forums.

The researcher has contended on many occasions that one of the biggest ironies of the Office is that ERO personnel pride themselves on their independence, impartiality, objectivity and publicity (see ERO, 1997a: 2), yet curiously, they have been reluctant to supply independent researchers with data to evaluate the Office’s performance. The author is amazed that an organisation that prizes accountability, transparency and public reporting of other organisations, has been so reticent to allow themselves to be scrutinised in a similar manner (Smith, 1997a, 1998, 2000a).

Some examples from this research which could be described as the ERO gate-keeping access are presented below and relate to the ERO’s much vaunted-highly methodology and prized database (Austin, et al., 1997; Fenwick, et al., 1991; French, 2000).

(i) On one occasion the researcher requested a list of the Assurance Audit and Effectiveness Review reports completed in 1994 and 1995. It was assumed this information would be on the central/institutional database and could be both easily and cheaply accessed and extracted. However, the researcher was informed that because there were some 3,000 reports produced during this period they could only provide this on a cost recovery basis (Canning, 1995). In this regard, it was interesting to note in a House of Representatives Report (1997: 145) of the Education and Science Committee (1997: 14) noted that a monthly list of confirmed reports is forwarded to both the Minister responsible for ERO and members of the Parliamentary Education and Science Select Committee. Whilst one would not expect that the ERO would accord the researcher as an external customer, the same
consideration as the Office's political masters (or purchaser/principal) – given that this information was already available it would not have been difficult to supply the researcher with this in information. Thus it could be argued that the ERO were attempting to shape the research, or alternatively they were being entrepreneurial in supply information in a cost-recovery basis.

(ii) Another example of similar treatment occurred in relation to a request for a list of all the Discretionary Assurance Audits (DAA's) (which have been undertaken on educational institutions since 1992), and the reasons for ERO undertaking these audits. Given the nature of the research, this data was important for reviewing the ERO's policies and practices, and again somewhat naively, the researcher believed this information would be readily available and extractable from their institutional database (of 14,000 individual reports produced since 1990, House of Representatives, 1997: 10). The author was informed that:

> while it was possible to provide this, it would take some time to produce as it would require collating monthly reports over the years concerned. The cost of such a procedure was estimated to be $200 - $300, based on some 5 - 6 hours work by ERO staff. ... In respect to the reasons for the DAA's, my request was declined under Section 18 of the Official Information Act, that 'the information requested cannot be made available without substantial collation or research'.

(Canning, 1995)

In relation to the points above, three issues are raised here:

(i) Either the ERO database was faulty, given that basic information cannot be extracted easily without considerable time, effort and expense. If the ERO do not keep separate files of the schools and early childhood centres which they deem to be of significant concern to warrant a follow-up report such as a DAA, then it could be argued that the organisation's actions could be seen as negligent.

(ii) It activates serious concerns about the robustness, validity and reliability of the ERO's database and their technical capabilities in database management.

(iii) Or alternatively, the organisation has deliberately withheld public information and used the Official Information Act as justification for doing so.\(^30\)

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\(^{29}\) Both the requests for the DAA material and the Assurance Audit and Effectiveness Review lists were made in the same correspondence to ERO Corporate Office personnel.

\(^{30}\) This point has been argued by Smythe (1997) and Thrupp (1997a; 1999).
Interestingly, in conversations with two separate ERO personnel in different geographical locations, the researcher asked if it would be difficult to extract specific information from the databases such as the number of recent DAA’s performed in specific areas. Both people answered that this was an easy matter and that they could provide such information on the spot, with minimal effort.

I would not be difficult to discern from this information that on some occasions the ERO were attempting to discourage the researcher from delving too deeply into their organisational ethos – and that they were being hindering in order to prevent exposure to outside and academic scrutiny. For an organisation that publicly claimed transparency – it would appear they had some things they wished to conceal. Thus, by controlling certain information – the ERO was able to put itself in the position of the ‘keeper of information’ and was able to withdraw information in the form of numerical data from their database to support particular policy positions they were advocating in the NEERs.

These points illustrate the control that the organisation was able to exert. Furthermore, as proposed earlier, by using information and widely disseminating it via the NEERs, the ERO was able to influence public perceptions, especially in relation to areas of parental choice and they were able to suggest that there was significant levels of under-performing schools in Aotearoa/New Zealand.

The examples and scenarios disclosed by the author of being on the receiving end of some of the ERO practices, have however, provided some, albeit limited, insight as to how schools, and teachers may have felt and the pressure that might be borne to bear upon them by the agency. Without trying to resort to the academic/practitioner debate, it can be argued that if an independent researcher or indeed a team of academic researchers (e.g. Robertson et al., 1997a) who possess significant academic freedom to report without fear or favour, can be treated and intimidated in such a fashion, then the impact on schools and educators must be at times devastating (Hawk, Hill et al., 1996; O’Neill, 1996; Thrupp, 1997a).

Following its promotion of raising standards, and in order to maintain its financial and political feasibility (and winning favours with its Minister) the ERO continued to be critical of the MoE’s lack of clearly auditable standards of quality. Laking et al. (1996: 34) report that the ERO Chief Review Officer asserted ‘[T]o date the Crown’s contract manager has not designed and promulgated explicit quality standards for service providers’.
Here was another example of the rivalry between the two organisations in the education sector with the Office seizing the opportunity to criticise the work of the MoE. As will be argued in more detail in Chapter Six, the ERO extended its sphere of influence into the MoE policy realm, and took over issues where it perceived that the MoE had abrogated aspects of its authority (see Smith, 1998; Thrupp & Smith, 1999).\(^\text{31}\)

The NEGs and NAGs clearly informed the ERO's role. However, the ERO also used these 'opportunistically' (which is an anathema in terms of agency theory and this needs to be countered). For example in the ERO Report (1997a: 45) it was reported that the Office proposes to use the National Education Goals to provide a structure for categorising future areas in which their own evaluation studies could be undertaken. Such statements about matters which were outside their strictly defined statutory authority had the affect of stimulating activity in those other agencies if only to cut ERO off at the pass.

The Political Power of the Agency

Legislation provided the Chief Review Officer of the ERO with considerable power to shape the ERO, to influence its Minister through the negotiation of its detailed outputs and to restructure itself (see Smith, 1997b; 1998, Robertson et al., 1997a: 16). Robertson et al. (1997a: 16) observed that it is remarkable for a state agency to have so much self-direction when it is answerable only to the government of the day, and not to Parliament (as is case of the Audit Office). Fiske and Ladd's (2000: 120) assessment was that the CRO (Dr Aitken) had a lot of flexibility to put her own stamp on the organisation, commenting that this 'is exactly what she has done' (ibid.).

The 'at-arms-length but well functioning relationship ... including clear mutual expectations' (Treasury, 1990: 87) between the Chief Executive and the Minister generally put the CRO in a more knowledgeable position as to what outputs could be required from the office in the performance agreement. The NPM position as adopted by the agency provided the opportunity for the ERO to act in ways which Shaw (1999) calls 'policy entrepreneurs or advocates'.

Dr Aitken was clearly not the Minister's puppet. In fact, she was a key player supporting the drive for educational standards, and made a number of highly publicised claims on

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\(^{31}\) Another source of tension between the agencies was through the ERO being critical and trying to embarrass the MoE for their response and inaction in addressing ERO's concerns and recommendations in the 1996 report *Improving Schooling in Mangere and Otara* (ERO, 1996a); see also the analyses of Thrupp, 1997a; Fiske & Ladd, 2000.
teacher incompetence in April of 1997. Furthermore, the personality of the agent took on an important role in the creation of the perception of the education system's underperformance through the agent's high visibility in the media.

**Agency Over Structure**

In a very small country such as New Zealand it is almost impossible not to attribute a great deal of agency to individuals in the agency-structure debate, particularly those who are particularly forthright, or, alternatively, charismatic. Yet whilst the structure of organisations does continue to exist beyond the departure of specific individuals, there is evidence here to suggest that both permanent heads of the ERO, Gianotti and Aitken had a direct influence on the organisation, in effect creating its institutional cultures in distinctly different ways.\(^{32}\) While Gianotti tried to develop a particular professional responsibility model for review, Aitken alternatively espoused and implemented a clear model of the ERO within a context of NPM/managerialist accountability. For most educationalists Dr Aitken represented not only the public persona of the ERO, but in fact was its singular central driving force.\(^{33}\) She set about creating an exemplar of NPM in action. It has, therefore, been contended throughout this chapter that the ERO, under the leadership of Judith Aitken, was one of the models of the new public service mandarins (Boston, et al., 1996) which Schick discusses. Schick (1996: 56) has suggested that effective public sector managers or chief executives:

... had a high profile and ... actively projected their department onto public attention. Arguably, the departments showing the most dramatic improvement have been led by chief executives who have welcomed the opportunity to uproot established practices and habits. Rather than taking the organisational culture as fixed and unalterable, they have sought to recreate the department on an entirely new basis.

Under Aitken's stewardship from 1992 through the 1996 period under review, she provided the Office with stability, won the support of like-minded NPM acolytes in the control departments and successfully set about raising the public profile of the Office. She also raised the profile of its role in reviewing schools and raising standards in line with the changing priorities of government. By putting in place new forms of review, the

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\(^{32}\) In this regard both Maurice Gianotti (1993) and Judith Aitken (1993b) intimated in interviews with the researcher that they put their personal stamp on the ERO and that their organisation culture reflected this (see also similar claims by these individuals in Butterworth & Butterworth, 1998, and French, 2000).

\(^{33}\) Given that Dr Aitken's nine year tenure as CRO ended in December 1999, it will be interesting to see if the new CRO is a 'change' manager also, but in a different direction. Karen Sewell acted as CRO in the intervening period before being formally appointed to the position in September 2001. Given that it is argued that the CRO has considerable agency to make changes, and given also the different political context in 2001 as opposed to 1989 – 2000, fundamental changes may be required especially now that NPM has essentially run its course within the public sphere – or has it? Material revealed in Chapters Six and Seven note changes that have occurred, but it is still not clear as to whether the NPM tenets still rule the bureaucracies.
Assurance Audits, which were short term compliance focused on accountability, and by getting tough on errant institutions, by highlighting schools which were under-performing, she provided the agency with NPM credibility – but not perhaps educational credibility. By creating Effectiveness Reviews which used value-added type of measures, supposedly showing what a difference the school could make to the child as client, she was clearly in tandem with the National Government’s push for standards and for changing the National Curriculum through increased state intervention in curriculum and assessment. Levin (2001: 47-48) maintains that the National Government’s educational changes included ‘an increased focus on compliance with government guidelines for charters and efforts to promote the consolidation or closing of small schools’ (the researcher has noted elsewhere that the ERO has played a role in these too, see Smith, 2000b).

As Locke (2001: 34) noted:

When the state, or some other powerful stakeholder, assumes the role of active participant in determining the shape, content and even detail of the curriculum and assessment policy, there is a risk of a conflict of interests with teachers and the prospect of professional erosion.

ERO was to play a role in attempting to shape assessment policy (see ERO, 1998g; Clark, 1998; Smith, 1998, 2000a, and this will be elaborated upon in Chapter Six). In a relatively high-trust environment of what Apple (1998) calls ‘licensed autonomy,’ a profession itself can be expected to assume the function of standards-setting and monitoring. In a low-trust environment of ‘regulated autonomy’ (Apple, 1998), one might see the state (through its agencies) setting professional standards for teachers, directing the monitoring processes according to Locke (2001: 37). Similar claims about ERO’s involvement in this process have been made by (Clark, 1998; Codd, 1999, 2002; O’Neill, 1998; Robertson, et al., 1997a; Robertson, 1999; Thrupp, 1998b; and Sullivan, 1999).

The ERO too has attempted to shape the public’s perception of teachers and teacher education agencies (for example its review of ‘teacher training’ through public pronouncements – ERO, 1999; Smith, 1997b; Thrupp & Smith, 1999). In this context Fraser, McGee and Thrupp (2001: 338 – 339) note the evaluation of school and teacher quality is mainly done through the ERO reviews, but that the ERO’s approach to school and teacher evaluation is itself highly problematic. Furthermore, these authors contend that with the educational effects of managerial accountability, the risk is that the ‘tail will wag the dog’ (Fraser, et al., 2001: 338).

All the strategies outlined in brief here have been nominated in order to show how the ERO has maintained managerialist control over the education sector from 1992 – 1996 and
they are elaborated upon in further detail in Chapter Six. One way in which the ERO has successfully exploited the opportunities of NPM is through becoming more of a policy entrepreneur (Kingdon, 1994, Philips, 1998, Shaw, 1999) and one of the ways it has done this is through attempting to shape the public’s perceptions.

**ERO’s application of appealing to the’ Will of the People’**

Ofre (1996: 90 - 91) suggests that state hegemony is maintained by how governments interpret the will of the people through the state’s institutions. The ERO, with Aitken as CRO, established itself as more than just a ‘technical’ single-focused agency. It was also used to inform and shape the will of the people, using the public sphere to appeal to parents while at the same time acting as standards guardian for ‘educational consumers’. In this way the Office was acting both politically and technically at the same time. Dr Aitken used the media extensively to raise not only the public profile of the Office (French, 2000) but also her own profile and she did so in order to maintain the political viability of the ERO. Within the strict terms of agency theory (as outlined in Chapters One and Two) the Minister was the principal and the ERO was the agent. Thus the role of the ERO was to monitor schools on behalf of the people’s representative: the Minister. However, because the ERO regarded the school as the educational ‘provider’ and the parent (via the student) as the ‘consumer’ or ‘client’ (in ERO market-speak), the child-as-consumer became a motivational slogan for the ERO. They were, therefore, acting on behalf of parents and consequently, the distinction between roles became blurred. French (2000: 23) identified that for the ERO personnel, their client was the child and its parents and, beyond them, the community at large. Furthermore, she noted, the ERO’s job was to report:

> To the child (through its parents) and to the wider community whether the child was getting the service he or she was legally entitled to. This consumer-based approach was to assume greater importance.

(French, 2000: 23)

In this sleight of hand the ERO has been, in effect, circumventing democracy. The statutory role of this agency as a public sector bureaucracy was to be an ‘impartial’, ‘apolitical’ organisation (ERO, 1992a: 7); it was to be a single focused. However, through the public pronouncements and media profile of the Office, the ERO made a direct appeal to parents to inform them while also maintaining a perception of teachers as a ‘vested’ interest group. Yet the ERO’s strength lay in the fact that in spite of being constituted as a single focus state agency, the CRO was able to use statutory independence to offer critiques not only of individual schools but of the entire education system itself (see Fiske and Ladd 2000: 259).
A Brief Assessment of the ERO's Efficacy from 1989 – 1996

There have clearly been mixed responses/measures supplied in this chapter in discussing the efficacy of the ERO in this period, depending upon how one measures efficacy, according to whom, and from what perspective. Adopting a neo-liberal perspective the agency was successful in adapting to a new environment and creating a niche, and thus they exemplified aspects of the reduced role of the state in education. From a neo-conservative perspective, it could be claimed that the Office were also a successful agency in terms of monitoring and attempting to raise standards. In terms of NPM/managerialism, the agency was very successful and entrepreneurial – extending its realm into policy and seemingly winning the majority of its border skirmishes with its perceived rival, the Ministry of Education.

It could be argued that it maintained its strong stand under the NPM model of only maintaining a review/audit and that it did not, and would not, at least in an official sense, provide individualised advice and guidance. Throughout this period, Dr Aitken (as CRO) made sure the organisation remained true to this convention despite the growing protests and opposition from the educational community that advice and guidance needed to be provided in some form akin to the manner in which the Inspectorate had provided such services.

From the perspective of its political masters, it was successful in that whilst it was constantly reviewed in its first full two years of operation, within the period under review, i.e. 1992 – 1996, there was no review committee appointed. In discussing the roles of the politicians and their civil servants Levin (2001: 70) noted:

... Civil servants ... are usually mainly interested in the long term welfare of their policy area. Civil servants may not only lack the understandings of the vicissitudes of politics, but may actually dislike many aspects of politics. Nonetheless, political direction usually ends up operating through the civil service, so the structures and culture of bureaucracy will almost always end up having an impact on the substance as well as the process of policy.

Only part of Levin's analysis is relevant to a discussion of the ERO. Whilst at one level in order to maintain their position of power and remain in existence – the ERO needed to move beyond the 'technical' and into the 'political' sphere (Philips, 1998). It would appear that the role of the ERO under Judith Aitken's leadership actually became more overtly political and that she was adept at reading the changing political terrain (Smith, 1997b).
Yet, there were critiques provided in the academic literature about its methodology, adherence to the NPM strategies and its audit and evaluation focus on short-term compliance outputs. It is to a brief evaluation of the ERO's performance in terms of its own outputs that is discussed here.

The Office has claimed to be 'recognised as a competent and well-managed department of State. It has an impeccable record in terms of professional probity and strict adherence to explicit ethical codes, operational protocols and evaluative procedures' (Aitken 1998e: 12). Furthermore, it is argued in (ERO (1992b: 7) that 'ERO's impartiality, objectivity, and independence are vital to its ability to credibly perform its tasks'. There have also been claims advanced of its national review methodology being robust. These non-critical contentions may withstand the polemic as advanced by the Office's own self-evaluations, but one area that it has performed consistently poorly in is in the area of its own timeliness criteria for completing the agreed number of its major outputs in its purchase agreement with its Minister. In this sense it can be argued that the Office has not performed as efficiently in practice as the model said it should in a theoretical sense.

It is a surprise that the Minister responsible for the Office has not publicly commented on the performance of this agency in these terms – as they are public documents with which the Minister and others are furnished annually. In every Annual Report since 1992 the ERO has under-performed as is highlighted in Table 4.3.

The following table, Table 4.3, shows the reports, which were delivered outside the internal time standards, set by the Office. It was noted that 'T]he Office places a high priority on timeliness and has set itself demanding targets' (ERO, 1992c). The ERO's major outputs in the Assurance Audits and the Effectiveness Reviews are listed in the table. However, it would appear from their own evidence that they were unable to meet these targets.

<table>
<thead>
<tr>
<th>Year</th>
<th>AA %</th>
<th>ER %</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992/93</td>
<td>7</td>
<td>4</td>
<td>ERO (1993c: 35; 37)</td>
</tr>
<tr>
<td>1993/94</td>
<td>12</td>
<td>21</td>
<td>ERO (1994a: 37; 39)</td>
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<td>1994/95</td>
<td>13</td>
<td>12</td>
<td>ERO (1995a 36; 39)</td>
</tr>
<tr>
<td>1996/97</td>
<td>11</td>
<td>8</td>
<td>ERO (1997b:40; 43)</td>
</tr>
<tr>
<td>Average</td>
<td>13.4</td>
<td>13.4</td>
<td>-</td>
</tr>
</tbody>
</table>

The range of timeliness deadlines not achieved by the ERO for Assurance Audits from 1992 – 1996 was: 7 – 24 per cent (with an average 13.4%). In the Effectiveness Reviews, the
range of timeliness deadlines not achieved by the ERO in the same period was: 4 – 22 per cent (averaging again 13.4%). Their best performance in this criteria was in the 1992/93 year and the worst the 1995/96 year, with nearly a quarter of the targets not being achieved.

There was a prviso in terms of timeliness that ERO stated ‘[I]n these cases time is a lower consideration relative to other aspects of quality ... [such as] factual accuracy, a full review of the supporting documentation’ (ERO, 1996c: 48).

What is perhaps most ironic in this situation, is that the Office has, in keeping with its stated trends of ‘consistency’, remained consistently under-performing in terms of the timeliness criteria throughout the period.34

Aspects of the Office’s under-performance can be simply explained by the following interpretations:

• A very small budget or declining budget was apparent from 1990 – 1996;

• A diminishing complement of personnel ensued as a result of the diminishing budget – thus there were insufficient staff to operate reviews in the way intended;

• Perhaps an over-estimation of its outputs occurred, one may presume in order to secure ‘reasonable’ funding for the subsequent year;

• An over-estimation of its perceived capabilities occurred – it might just be ‘inefficient’ in this area;

• The Office was forced into short-term compliance-based goals – based on ticking boxes which were neither meaningful nor educational for schools.

Concluding Comments for Parts One and Two

When the Office began its operations officially in 1989, it represented a ‘revised’ version of the former Inspectorate. In terms of its initial accountability and the ethos that underpinned the agency, the ERO still contained the remnants of the professional responsibility model and Gianotti, had attempted to keep these in place.

An unresolved issue in the chapter is the role that Gianotti played in the formation of the ERO became operationalised in practice. Was he as politically naive, as has been

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34 What is more disturbing however, is that this trend has kept occurring throughout the 1997 – 2001 period and the average level of ‘untimeliness’ in this period has been approximately 30 per cent (see Smith, 2000b, and fuller data as presented in Chapter Six).
suggested, in implementing his vision of the ERO as outlined in the Picot Report (1988) and *Tomorrow's Schools* (1988) with co-operative reviews and engendering a sense of collegiality with those being reviewed? Or alternatively, was it a deliberate strategy adopted by the foundling CRO to at least resist as far as possible, the new NPM reforms in the public sector?

The proposals for the ERO in the Picot Report (1988) were to carry on using the Inspectorial model, whilst Lange (1988) advocated a developmental role for the CRO in growing the new organisation. In its proposed initial seeding funding of $23.2 million (Hughes, 1994a, see preamble) and proposed organisation staffing of 356 (320 in reality) the agency had sufficient capital/resourcing and staffing in theory in its initial/implementation stages to probably do more substantial and education reviews and live out the spirit of Picot et al. (1988) and Lange (1988) and to deliver on Gianotti's dream of making the reviews a collaborative exercise (Gianotti, 1993). It took the new agency considerable time to adjust to the new political environment.

However, this was to dramatically change as a result of the Lough Report (1990) that substantially reduced staffing levels and funding. The combined effects of the Lough cut-backs and the new government with a different and more neo-liberal ethos shorn of overtly democratic values in education and committed to raising standards and highlighting under-performance, were to separate this dream and fragmented the conception of continuing the notion of 'the educational family' or of the reviewers having a responsibility to the profession.

The ERO focus and purpose were sharpened into a more managerialist direction through the change in Government in 1990, whereby tightly specified performance agreements for the CRO and the Ministerial purchase agreements focused clearly on 'outputs' and more importantly on the strengthening of a consistent national methodology in line with NPM.

The new permanent CRO (Dr Judith Aitken) began work in January 1992 and immediately implemented tighter accountability mechanisms, promoting the new revised outputs; she pushed for legislation which clarified the office's statutory authority and power. Furthermore, Aitken assisted in established the standardised methodology through utilising NPM methods and promoting the staff as educational auditors and professional evaluators with distance and objectivity from the profession – the reviews were about accountability for outputs.
Aitken provided a focus for the evolving organisation and made it viable both financially and importantly 'politically'. Compliance was the main focus from the 1992 - 1993 outputs onwards but still an issue even in the latter stages of the period under review. Aitken raised the public profile and the scope of the office, creating a deliberate management policy of releasing reports directly to the media. Under Dr Aitken's leadership the role of regulation, the law and compliance of schools became rationales of supreme importance. The power of the agency was strengthened in legislation and the office concentrated on those schools which were not complying with regulation and, therefore, were not providing the best service for their clients in the tightly prescribed NPM environment.

The accountability of schools to both the Minister and also to their communities through their charters, as well as their responsiveness to clients, was a priority for the office during this period. The creation of a separate cabal of 'independent' evaluators created a non-collegial relationship with schools and made the review officers 'distant' in line with the central tenets of NPM. This destroyed any perception that the ERO was merely the Inspectorate in disguise. The relationship between the Office and schools was clearly no longer the collegial professional one.

Wylie, in 1997, was the first of several authors to raise serious questions about the consistency of the organisation (Wylie/NZPF, 1997). In fact, it would appear that the Office could not measure up to its own imposed standards as the data showed that despite claims to robustness and efficiency, the Office were always behind in their principal outputs – by up to 24 per cent in some years.

The following chapter outlines the ERO's outputs and addresses the issue of the extent to which schools' were in compliance with regulations between 1996 – 1998. It achieves this by using data derived directly from the ERO documentation, and these data highlight the fact that the ERO, despite its own claims to efficiency and standardisation, was unable to maintain this facade – it could not live up to the expectations imposed upon it as a state agency nor to its own purported high standards.
CHAPTER V

THE ERO IN ACTION:
AN EXPLORATION OF ITS OUTPUTS AND EFFECTS

Someone had said early in the piece, “What ERO expects, the education system will rise to” that idea, which was not being delivered and developed at that time, appealed to me enormously.

(Aitken, cited in French, 2000: 10)

Overview

This chapter provides an analysis of the ERO’s various types of reports produced in its evaluations of schools in the two and a half year period from May/June 1996 to December 1998. The chapter is divided into three major parts. Part I outlines the rationale for collecting the ERO reports, the method of data collection, overviews the variables used and analysed in the study, discusses the establishment of the databases, and highlights some of the strengths and limitations of the datasets. Part II outlines specific findings of the research, compares and contrasts findings in relation to two of the ERO’s National Education Evaluation Reports Good Schools, Poor Schools (ERO, 1998a) and Small Primary Schools (ERO, 1999a), and provides a general discussion which highlights the similarities and differences of the datasets over time. These data are also contextualised with the researcher’s recent research on the ERO’s ‘treatment’ of high decile schools (Smith, 2001) and its position in relation to underperforming Te Kura Kaupapa Maori schools (Smith, 2002b). Part III examines other aspects of the performance of the ERO, such as the cost of its major outputs. Aspects of other ERO NEERs are assessed through a document analysis and drawing on others’ critiques in about these types of reports.

The major aim of this chapter is to provide empirical data to question the ERO’s claims underpinning its philosophy those of ‘impartiality’ and ‘consistency’. This chapter directly challenges these ERO conceptions, by using it own ‘valued’ ERO formed database of reports in order to highlight the organisation’s deficiencies.

It is argued, that if the organisation can not have consistency within its own methodology, then it is not as robust at it is claimed and what faith, therefore, can parents (as education

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1 This source was an interview with Judith Aitken, 14 April 1999 (French, 2000: 10). Furthermore, it was noted 'The someone was C. E. Beeby (1902-1997) a distinguished former Director-General of Education and one of the architects of the modern education system in New Zealand' (French, 2000: 10). French’s (2000) analysis seems to suggest that the system did rise to ERO’s expectations. However, evidence in this chapter and the following one shows that while this may have been true for certain types of schools, for example those located in urban areas with high SES deciles, this was not the case for small, rural and low deciles.
‘consumers’) educationists (who are directly affected by the outcomes of the review process) and the Minister and the Government (who purchase is outputs as principal) have in the organisation? Put bluntly, how useful is an agent of accountability that uses processes that are flawed, unreliable and not valid? This chapter is pivotal to this thesis; it reveals that the model promoted by the ERO was an aberration – the NPM model as applied by the ERO does not work – so the question that remains must ask what happens to schools as a result of the ERO’s inconsistency of application of the model?

The data contained within this chapter show that the ERO was hoisted by its own petard with regard to their denial that socio-economic status as a variable does not have a profound impact on schools – the ERO had repeatedly articulated that SES made little difference to performance. It was thus caught up by its own position of ‘fairness’ in advocating that there was a level playing field and all schools should, therefore, be the same. In fact, the reality was and remains the opposite of what they were articulating.

One of the most interesting observations in this chapter is to note the complete absence of comment about Chapter Five by the ERO management; there was absolutely no acknowledgement of the findings of the research by the ERO personnel in their response to the draft report. Mark Canning (2001a) makes no comments about the factual accuracy of the findings, he does not contest in any manner the researcher’s interpretation, nor does he question or contest the method used to gather the data, or even how the researcher initially acquired the ERO reports.

It is difficult to know how to interpret or evaluate Canning’s ‘silence’ on these issues. It is speculated that it would have been interesting, rewarding and revealing if the executive management of the ERO had contested the findings if only because this could have provided a prompt for an extended debate. Alternatively, does their quiescence on these issues signify an unacknowledged situation, whereby the Office has been ‘exposed’ as making unsustainable claims. Whatever the ERO’s position was on these findings – they were not about to make it public and that effectively prevented them from becoming exposed to further and closer scrutiny by academic and education communities.

In what might be grandly claimed to be a policy research coup – this researcher was clearly well placed to use the ERO’s own documents against them and no other researcher had been able to do that at this point in time. However, it is acknowledged that in her Wylie/NZPF (1997) report on the primary principals experiences of the ERO reviewed, Wylie had noted that there were ‘some inconsistencies reported between the ERO review
teams and between offices’ (Wylie/NZPF, 1997: 18). Furthermore, Wylie raised questions about the consistency of the reviews, and also ‘[I]f the consistencies are as widespread as this survey would suggest what reliability do the ERO reviews have?’ (ibid.: 19).

The Wylie commentary provided a stimulus for determining whether or not findings of the primary principals’ perceptions of the ERO could actually be corroborated in terms of the ERO’s own datasets. Without critiquing the Wylie data, no-one, to the researcher’s knowledge, had actually gained access to a large number the Office’s outputs in order to confirm these findings.

It was only after the two reviews of the ERO in 1997, (Austin, et al.; Robertson, et al.) that the potential significance and impact of having collected this large data-pool was fully realised.² In the interests of collegiality and also getting the reports out into the public realm, the author shared his tentative findings with the PPTA Review Team (Robertson, et al., 1997a). He did this to aid them in their ‘independent’ review of the ERO. Thus while elements of findings have been disseminated elsewhere, the present chapter provides information and findings of the whole datasets for the first time.

It is somewhat unusual in a findings chapter, particularly one that mostly contains quantitative statistical data, to present outlines of the findings in a general sense before actually providing the substantive findings of the research per se. However, the rationale for doing so is to highlight the issue of inconsistency at the outset and to put in place details of the ideological position assumed by the ERO and which it was unable to sustain. Furthermore, this whole Ph.D project was not a traditional research study. As outlined in the Introductory Chapter, it utilises a mixed-methods approach and draws upon a wide span of theoretical literature in order to provide a wide lens through which the researcher could illuminate and sharpen the understanding of the ERO as an organisation.

Information from Chapter Four had already highlighted an area whereby the ERO’s consistency in under-performance had been questioned (the timeliness criteria for completing in number of ‘contracted’ reviews/outputs on schedule).

² There was significant soul-searching and profound regret felt by this researcher but the fact remains that these research findings were not analysed and publicly discussed until 1999. By that time, the ERO reports were available electronically on the ERO website. The ERO began this practice in mid 1997 in the interest of releasing reports and publicly disseminating their findings on the performance of schools. This practice was informed by their espoused policy of transparency/accountability. In hindsight – this novice researcher should have ‘left the field’ earlier rather than attempt to get a very large sample of nearly 1,500 reports which had to be codified and put into a series of databases. If the ERO had put reports on-line earlier the research process would have become easier and the ensuing analyses more expedient.
A recurrent theme throughout the ERO’s documentation and in a number of the Chief Review Officer’s speeches is the positioning of ERO as an ‘independent’ auditor, or latterly, as an independent evaluation agency. Therefore, as an ‘independent’ agency it, the ERO, lays claim to being an impartial evaluator with standardised procedures that are informed by a methodology that is in line with its technicist, scientific and quantitative position. However, as this chapter shows, that was simply not the case.

From 1992 onwards it was maintained that ‘ERO’s impartiality, objectivity and independence are vital to its ability to credibly perform its tasks’ (ERO, 1992a: 7). By 2000, the following terms had been added to its repertoire: the ‘services’ the ERO provides are ‘impartial, ethical, reliable and fair’ (ERO, 2000a: 3). In other parts of the ERO’s documentation the themes of internal quality assurance and consistency of approach are claimed. A Consistency Project was developed and initiated by the ERO in 1992 to coincide with the beginning of the new outputs (the Assurance Audits and Effectiveness Reviews) and was used to monitor the use of standard procedures (French, 2000: 17). ERO’s claims with respect to compliance with standards of quality assurance and control systems (ERO, 1997b: 7) and to adhering to standard procedures and national consistency of its outputs, is also made in its documents (ERO, 2000c: 14).

The researcher began by taking an approach in which the ERO assumption, namely that as an organisation, it had as effective a methodology as they purported themselves to have throughout their documentation. This ERO position is presented by the ERO as ‘fact’, and therefore, is beyond question. However, this researcher’s contention is that all facts are ‘questionable’ in social science research, especially when such claims stem from an organisation that maintains ‘neutrality’ (as premised in their own documentation) and especially also when their approach is underpinned by a quasi-scientific technical-rational methodology that focuses on audit and short term compliance (see Chapter Four).

The very act of publicly reporting findings on schools became the ERO’s discursive instrument whose aim was designed to change ‘behaviours’ and schools’ practices in order to bring them into line. Thus, through audit and accountability, and through a focus on schools that were deemed to be under-performing, the practice of publicly ‘naming and shaming’ schools (Thrupp, 1998) was intended to an act as a spur that would force schools to make improvements (Wylie, 1995).

While it can be argued that the central tenets underlying the Tomorrow’s Schools (1988) were designed to make schools more publicly accountable and that these documents would be
publicly available, the strategies the ERO adopted were not neutral devices and neither was their deliberate ideologically motivated procedure of directly forwarding reports on schools to the media. Instead, this was a deliberate management policy 'to improve public confidence and increase the reliability and quality information about schools' (ERO, 1993b: 28).

However, this research provides evidence with which to question the ERO's very public notion of quality assurance and national consistency of reviewing and reporting. The aim of this chapter, therefore, is to illuminate problematic issues in the structure and performance of the ERO. The data highlight that the ERO, despite their public pronouncements, was, as an organisation, physically incapable of maintaining its espoused stance of objectivity and equally, they were unsuccessful in attempting to maintain a 'mystic of consistency'. This therefore, raises questions about their own validity – and undermines the credibility of the organisation. Furthermore, it is contended that this also provides space for political opposition to the ERO model of accountability.

As late as 1998 Judith Aitken (1998a) was making public pronouncements at international conferences claiming under the guise of being professional evaluators that:

In the Education Review Office the characteristics we have applied in applying internal performance measures to our own work are fourfold:

- reliability (i.e. that the measure produces the same results under comparable circumstances over time);
- validity (i.e. that the measure measures what it purports to measure);
- fairness (i.e. is perceived as fair or equitable by those whose performance is being measured; and
- utility (i.e. that it contributes demonstrably to the intended results;

We not only apply internally these to ourselves, but as the State's external evaluators for the New Zealand education system, we also expect schools and other educational service providers to assess their own students' performance using techniques which meet these four performance measurement tests.

... the education service provider must be willing and competent enough to consistently and scientifically monitor, record, measure and report, in both quantity and quality terms, the extent to which the services they supply meet the pre-assessed needs and expectations of the consumer (student).

(Aitken, 1998a: 5)

It can be noted here that for Dr Aitken, the focus on outputs, and the use of measurable and managerialist (scientific and objectivist) principles and strategies are paramount
although schools were not advised how this was to be achieved as this was outside the ERO's terms of reference.

Elsewhere the ERO states that it is an '... internationally recognised leader in education evaluation' (ERO, 1998b: 31). What is concerning about this statement is its boldness and the position of authority it assumes. Furthermore, given the lack of consistency in its processes as highlighted in this research, if the ERO is actually a leader in this field, then it follows that the inspection and evaluation systems employed by other countries may also need to be seriously monitored/reviewed, or indeed, overhauled.

As noted in Chapter Four, the notion of the ERO as a contributor/evaluator of education policy was advanced in both the Picot Report (1988) and the Lange Report (1988). Moreover, the ERO was seen as a policy entrepreneur (Kingdon, 1994; Shaw, 1999) and this was expected of new public sector agencies under the managerialist regimes (Boston, et al., 1996; Codd, 1990a). However, as has also been demonstrated, the ERO deliberately set about creating public perceptions of education in the civil sphere by appealing to the 'will of the people' (Offe, 1996). In doing so, the ERO sought to extend its realm more overtly into the policy sphere whilst encroaching on the roles and domain of the major education policy agency (the Ministry of Education). For example, in terms of public policy the Office has noted:

ERO's reports provide continual feedback on numerous areas of specific government interest. It is a key function for ERO to raise issues that may have broad national significance, and ERO is placing greater emphasis in individual reports on wider public policy issues. In some instances this information will be used directly as policy advice to the government. In other cases it will be reported explicitly for national evaluations.

(ERO, 2000c: 14)

It is argued in this thesis and elsewhere (Smith, 2000b) that because of the ERO's flawed methodology (Robertson, et al., 1997a; Thrupp & Smith, 1999) and because of its inconsistency in applying its own tightly prescribed evaluation procedures/criteria (ERO, 2000b), the information that it was presenting to its Minister and to the wider public was 'suspect', at the least and 'incorrect' at worst. It was this which created a perceived 'crisis' (Grace, 1990a) in educational standards. It would, however, be merely conjecture to suggest that this was ideologically motivated in order to be able to please both its neoliberal political overlords (as principals) and to raise the profile of the Office as the consumer protection agency for standards; and equally, it would be speculation to argue that the ERO could thereby maintain or actually increase its influence in the public sphere and also solve its problem of political and financial survival.
This overview provides a background to understanding how the office operated in order maintain its survival and to attempt to shape public opinion and its ways of doing so are discussed more fully in Chapter Six. However, in order understand how the ERO used its methodology, a brief discussion of their reporting outputs and their data collection methods, as well as a critical commentary about methodology and their use of a government database is required.

The ERO conducts it reviews of schools on average on a three to four year cycle (usually closer to three). In the review process background material is collected off-site and then evaluated. The review team goes to a school and collects its ‘data’ and writes a report (its methodology and critiques of it are outlined in detail in Chapters Four and Six). The ERO’s approach to educational evaluation are underpinned by the collection of observable and measurable data, and as Codd (1994a: 50) noted ‘the task of the evaluator is to measure the relative effectiveness of various means for the attainment of specified achievement outcomes’. Furthermore, Codd (1994a: 50) maintains this process ‘assumes a rigid dichotomy between facts and values, implying that measurement and observation can avoid the problems of value justification’.

In the UK context, as is in evidence in New Zealand also, schools and teachers are either good or bad, effective or failing (Ball, 1997 cited in Morley & Rassool, 1999, p. 3). Educational success, therefore, has been reduced to factors that can be measured and explanatory variables have been identified as organisational factors (Morley & Rassool, 1999). Furthermore, these authors contend that the current skew is towards the organisational, with a belief in the capacity of bureaucratic co-ordination to deliver predictable outcomes (Clarke & Newman, 1997, cited in Morley & Rassool, 1999, p. 3). As identified in Chapter Two by Apple (2001), the Clarke and Newman model provides something of a managerialist blueprint for the public sector.

Robertson, et al, (1997a) argued convincingly that the ERO, in conducting their review processes, emphasise what can be measured and ‘codified.’ Hence, the ERO have become captured by the procedures through which the educational quality of the school was being determined (also see Robertson, 1999). However, these authors argue that this codification is biased. Furthermore, because the ERO has to limit the costs of auditing each school, the only way that the ERO could make the work of the school and the teacher visible, and ensure ‘consistency ‘in its own review practices, was to codify its practice and then to standardise that practice across all schools (Robertson, et al., 1997a: 195). But as the data in
this chapter show, this codification practice was flawed, as were its claims to consistency and standardisation.

This critique of the ERO and its practices was important to this thesis because it provided this researcher with insights that led to a way in which to analyse the large pool of the ERO reports. However, when the time came for creating the databases that were used for this research, the author was mindful of the very pertinent critiques that had been leveled at the ERO and their use of databases. Irrespective of how, and on what basis, the data derived from material on a school's performance as measured/evaluated by the ERO were subsequently codified and analysed, the research process used in this study meant that these same data were subsequently sorted the into the researcher’s own pre-determined categories.

PART I – Background Information and Method

Rationale and Method of Data Collection
In order to fully investigate the ERO's practices and to establish whether or not there was national consistency between the ERO reviewers across districts, a variety of the ERO (Assurance Audits, Effectiveness Reviews, Discretionary Assurance Audits and Statutory) reports from each of ten districts were collected. In March 1996, after a request to the ERO Corporate Office for a list of the ERO reviews conducted on schools in the 1994 and 1995 years from their institutional database, it was noted that it was possible for the ERO to supply the requested data but that it would be time-consuming to collate monthly reports given that there were some 3,000 completed reports in these two years (Canning, 1996a). It was further noted that the ERO would only proceed on a cost-recovery basis, plus there would be a charge per copy to receive reports (ibid.). To conduct the study in this way would, therefore, have been too costly and not feasible given that a sample of a minimum of some several hundred reports would have been needed. An alternative would have been to get a random sample of reports directly from the ERO. However, there would be no way of knowing whether the reports were a random sample, given that they were chosen/selected by others from within the ERO.

An alternative strategy was employed, therefore, to access the ERO reports. A Member of Parliament requested copies of ERO reports – and they were subsequently forwarded on to the researcher. It was noted, however, that a complete set of the ERO reports was not received – there were fewer reports from some districts than had been produced, which poses a limitation on some conclusions.
Variables Chosen for Analysis in the Study
A major variable chosen for exploration and analysis included the socio-economic status of schools (SES). As the researcher has noted elsewhere (Smith, 1997b, 1998) the ERO, until relatively recently has adopted the position that SES factors have only a minor effect on the performance of pupils and schools (ERO, 1994a; 1996c; 1999c; Thrupp & Smith, 1999). In this regard, the then current ERO CRO, Dr Judith Aitken, continued to insist that ‘socio-economic determinants do not control the quality of education’ (cited in McLoughlin, 1999, p. 70).

School location was included as a variable since the ERO regards geographic location as an important barrier to learning (ERO, 1998b: 19). Whether the review was discretionary or not, and whether there were differences relating to the originating ERO Offices, the reports for state and independent schools, and relating to school size are also investigated.

Establishing the Databases
The 'data' were collected over a two and a half year period and entered into two databases, the first of which comprised pre-December 1997 information (before the ERO restructured its 'outputs'), and the second database comprised post-December 1997 until December 1998 data (full details of the categories used in each of the databases appear in Appendix III). The ERO adapted their 'outputs' in late 1997 by restructuring the Assurance Audits (AA) and Effectiveness Reviews (ER) types of reports into one new type of report called Accountability Reviews (AR), (ERO, 1997b: 9). The restructuring of these reports coincided with the Ministerial Review of ERO (Austin, et al., 1997a). Having two separate databases, one before the review and one directly after it, meant changes could be ascertained.

Database I contained four types of reports: Assurance Audits (AA); Discretionary Assurance Audits (DAA); Effectiveness Reviews (ER) and Statutory Reviews (Stat). By contrast Database II had three types of reports: Accountability Reviews (AR), Discretionary Accountability Reviews (DAR) and Statutory Reviews (Stat). The Statutory Reviews were essentially the same output in both databases. The follow-up DAR outputs were an approximation of the earlier DAA reports. The Accountability Reviews have been described as a new form of review, which reflect ERO's shift in focus, from compliance to the quality of school's performance (ERO, 1998e: 1). Accountability Reviews focus on the quality of performance and management of risks to the student and the Crown as opposed to the extent to which schools comply with the extensive range of policy and other regulatory requirements for public education (ERO, 1997b: 9). Furthermore, they are broad-based reviews, which address in detail (based upon an initial risk assessment), one
or more of the following review areas: governance; management; delivery of the curriculum and quality of student education (ERO, 1997a: 23).

In total, the databases contained 1,477 ERO reports on schools. The majority of these (n=1,386) were on State schools and the remainder (n=91) on schools in the Independent sector. Database I contained 955 entries and Database II contained 522. These data included: the type of report; the type of school; the school roll; the ERO Office conducting the review; the number of actions for compliance (requiring boards of trustees to meet legal obligations to the Crown such as legislation and regulations); the number of recommendations (for the boards of trustees to consider in order to improve the quality of education or future performance); whether the school had experienced a follow-up report or was to receive one in the next 6 -12 months.

*Socio-Economic Status/decile*

Although it was not included in the ERO reports, the decile of each institution was added to the database. Deciles involve assigning all schools in the country into ten even bands or categories (Decile 1 schools draw their pupils from the areas of greatest socio-economic ‘disadvantage’, and decile 10 from areas of most socio-economic ‘advantage’ (Minister of Education, 1996a; ERO, 1998a). In this study, for the purposes of categorisation by decile, deciles 1 – 3 are referred to as ‘low’ decile schools, deciles 4 – 7 as ‘medium’ decile schools and 8 – 10 as ‘high’ decile schools. Schools are provided with additional resourcing, where deciles 1 – 9 receive additional funding on a sliding scale with decile 1 receiving the highest levels of resourcing, and decile 10 none. The 1994 decile information initially was based upon the 1991 Census data, and updated after the 1996 Census (Ministry of Education, 1997a). The deciles for Independent Schools were assigned based on the MoE (1998b) categorisations (the first time these schools were classified was in 1998).

*Geographical Location of Schools*

Another field that was added to the databases, which did not appear on the majority of the ERO reports, was whether schools were located in rural areas or in urban areas. In each New Zealand Schools report since 1995, it has been noted that ‘a feature of the New Zealand school system is the relatively large number of schools per capita and the high concentration of schools in rural localities’. More than a third of all state schools in the New Zealand school system are in rural localities. These rural schools cater for around one in ten New Zealand students (Minister of Education, 1996b: 18-19).
For the purpose of this study, schools were assigned a rural location if they were in a remote area or in a very small township of 2,000 or less people. The population figure of 2,000 was used by Reid (1993) and it also approximates the point at which the Targeted Rural School Funding ceases. All other schools were categorised as urban, whether they were in minor urban towns or large cities. For example a small town in Westland, such as Hokitika, with a population of about 3,500 people would be categorised as urban; yet a surrounding farming settlement such as Kokatahi would be considered rural.

Size of School
A large number of small schools are located in rural areas (87% of the 468 primary schools with rolls under 50 are rural). Schools with very small rolls (25 or less) were of prime interest as preliminary findings suggested a high proportion of these schools were receiving follow-up reviews. For example, as early as 1994, the ERO had observed in the discretionary assurance audits performed in the 1993/1994 year, that more than 70 per cent were in rural schools (ERO, 1994a: 17). In this thesis ‘small’ schools were nominated as those having a roll from 26 – 50 and ‘very small’ schools as having a roll of less than 26 students. The very small category was one used in the ERO publication Small Primary Schools (ERO, 1999a) and other literature (see Governmental Review, 1991)3.

Using the Directory of New Zealand Schools and Tertiary Institutions (MoE, 1997b) schools were assigned in the following way: in 37 very small schools (with 15 pupils or less, 11 schools had a roll of 10 or less) the ERO had reported that it was a remote rural school. If the school was listed as having an R.D. (rural delivery) address in the MoE Directory, it was classified as rural (478 schools were categorised in this manner). All 88 Intermediate schools were classified as urban. All 19 Area Schools were classified as rural. All but one of the 13 Te Kura Kaupapa Maori schools were classified as urban. The schools in major metropolitan areas, in smaller cities and larger towns were classified as urban.

No Follow-up Reports.
All reports with seven or more areas of actions for compliance without receiving a follow-up review were tagged and kept aside for further analysis. The figure of seven was based upon doubling the average number of actions for compliance for all state schools in all types of reports, these were then compared to the average number of actions for compliance of those schools getting follow-up reports. It is noted, however, that a follow-

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up review is based upon the ‘seriousness’ of the non-compliance issues such as poor financial management or whether students are at risk ‘educationally, physically or emotionally’ (ERO, 1999b: 21) rather than the actual number of actions required to comply with regulations.

The Strengths and Limitations of the Datasets
As the dataset consisted of all those reviews sent by the ERO, it is not clear whether they are representative. They do represent (to the best of the researcher’s knowledge) the only large dataset of the ERO’s reports which exist outside of the agency. In July 1997 the Austin Review Committee - which reviewed the ERO, noted that ERO’s institutional database contained information upon ‘some 14,000 individual reports produced since 1990’ (Austin, et al., 1997b: 14), which indicates that approximately 2,000 are produced each year. Using the Austin et al. ratios, this database would equate to 10.5 per cent of all such reports. According to Canning (1997b) there were a total of 2,639 schools (2,513 state and 126 independent) in the country (see Table A.1: Appendix V). Of these, 1,386 schools were reviewed, being 51.7 per cent of state schools and 69.0 per cent of independent schools. This represents over half (52.6%) of the schools in the country.

It is difficult to accurately record the number of the ERO outputs in the period as the ERO Annual Reports only provide very limited information on the review types. The number of Assurance Audits or Accountability Reviews completed within each year is restricted to only two school types (primary and secondary schools). No data are presented on intermediates or composite/area schools. For this reason only comparative data on these two school types (primary and secondary) is outlined in this section. Only the total number of DAA reports delivered is noted by the ERO, not the number of each by sector, thus it is difficult to ascertain the number completed on schools compared to those completed on the early childhood sector. Further, in their 1997/1998 and 1998/1999 Annual Reports (ERO, 1998b; 1999b) the ERO no longer recorded the number of follow-up Discretionary Reports it completed. There was no ERO documentation, therefore, with which to compare the number of DAA reports in the thesis dataset from 1997, nor with the number of Discretionary Accountability Reviews conducted from 1998.

One of the strengths of the datasets is that a large number of each type of ERO ‘output’ was gathered, thus providing a good coverage of the four major review types. Overall, the databases contained nearly a third of all the ERO reports completed during the 1996 - 1998 period. Table 5.1 shows the proportions of each of the review types in the datasets
compared to the ERO’s number of reports completed in the data-collection period. The highest percentages of reports were Statutory Reviews and Effectiveness Reviews. The proportion of reports in the thesis databases in relation to the ERO’s ‘outputs’ over the period collected on state schools ranged between almost a quarter in the case of the total number of Accountability Review reports, through to over two fifths in the case of Effectiveness Reviews.

Table 5.1: The number of ERO review types 1995 – 1998 compared with the number of ERO reports in the thesis datasets 1996 – 1998.

<table>
<thead>
<tr>
<th>Review Type</th>
<th>Total No. of ERO Reports</th>
<th>No. Primary Reports</th>
<th>No. Sec Reports</th>
<th>Thesis Database</th>
<th>Primary</th>
<th>Secondary</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>Assurance Audits</td>
<td>1,111</td>
<td>1,018</td>
<td>93</td>
<td>341</td>
<td>31</td>
<td>306</td>
</tr>
<tr>
<td>Effectiveness Reviews</td>
<td>673</td>
<td>-</td>
<td>-</td>
<td>281</td>
<td>42</td>
<td>-</td>
</tr>
<tr>
<td>Statutory Reviews I</td>
<td>71</td>
<td>-</td>
<td>-</td>
<td>54</td>
<td>76</td>
<td>-</td>
</tr>
<tr>
<td>Accountability Rev’s</td>
<td>1,615</td>
<td>1,385</td>
<td>230</td>
<td>398</td>
<td>24</td>
<td>335</td>
</tr>
<tr>
<td>Statutory Rev’s II</td>
<td>95</td>
<td>-</td>
<td>-</td>
<td>37</td>
<td>39</td>
<td>-</td>
</tr>
</tbody>
</table>


The reports on state schools in the first database accounted for 34.8 per cent of the total ERO reviews during this period, and 24.1 per cent in the second database of the ERO’s Accountability Reviews. Overall, the proportion of state schools review reports contained in the thesis datasets equates to exactly 30 per cent of the ERO’s total outputs between 1995 – 1998. This figure slightly increases when the Statutory Review reports on independent schools are included. There was also a reasonable coverage of the four types of the ERO reports.

Reports by Location and School Size
There was good coverage of state schools in both rural and urban areas across both databases. The combined totals of primary, composite/area and secondary schools located in rural areas across both datasets came to 38.3 per cent. The percentage of primary schools located in rural areas was 42.8 per cent, while for rural secondary schools it was 10.4 per cent. A large number of composite/area schools (52.6%) were in rural areas. The majority (68.7%) of the composite schools in Database I were Area Schools hence the reason for the high percentage in the rural category. Intermediate, Special or Te Kura Kaupapa schools are not recorded in these statistics. However, when adding these school types, the percentage of schools located in rural areas decreases to 36.1 per cent. This compares to 39 to 41 per cent for primary, 44 to 55 per cent in composite and 8 per cent in secondary schools (MoE New Zealand Schools 1996 – 1998). (Note, the MoE figures consider
rural schools are located in population base of 1,000 whereas in this thesis, it is 2,000, and this may account for the slightly higher proportions of schools in rural areas in the thesis datasets.) The combined total of primary, composite schools (there were no rural secondary schools) located in rural areas was 12.3 per cent. There were 14.5 of primary schools and 12.8 of composite/area schools in the database

**Reports by SES Decile**

There was an over-representation of ‘low’ decile schools (38%) and an under representation of ‘high’ decile (25.3%; for both 30% was expected). There were a considerable number of reports collected from regions with high proportions of schools with ‘low’ deciles such as Northland (where 62% of schools are low decile), Gisborne (59%), the Bay of Plenty (51%), Hawkes Bay (44%), and Auckland (38%) (MoE, 1997b: 14). When comparing deciles 1 and 10 (as was done in the ERO, 1998a report) the trend was that there was a higher proportion of decile 1 schools at 13.4 per cent compared to decile 10 was 8.93 per cent

It is noted that independent schools are more likely than state schools to draw from higher socio-economic communities (MoE, 1997a: 13). Half (54.9%) of the schools in the independent sector were decile 8 – 10 schools, whilst only 2.1 per cent were SES 1 – 3. It is noted that a quarter of the independent schools in the datasets were not assigned a decile in the Ministry of Education’s publications (although based on the figures above - most would be considered to be in the higher deciles).

**School Reports by Nation-wide Coverage**

Although reports were received from all the ten ERO Offices, there was not an even distribution from each ERO office. This was not unexpected given that some offices have larger numbers of schools to review. In the reports from the state school sector, there was, however, an under-representation of reports from the South Island (7%) and an over-representation of reports from the Auckland office (29%). This does not correspond closely with the distribution of schools in the South Island but does for the Auckland region: approximately 30 per cent of schools in the South Island, and 20 per cent of schools in Auckland.

In the reports from the independent school sector, reports were received from each ERO Office except Dunedin. However, there are only three independent schools reviewed by this area office (Canning, 1997b: schedule, Table A.1 Appendix V). There were more reports from Auckland, which was to be expected given the larger number of independent
schools in this area (see Table A.1, Appendix V). There were also a large number of reports from the Christchurch and Wellington offices, however this larger number is probably because of the visits by the researcher to these offices in 1996 to collect data on Statutory and also DAA reports.

The ERO began placing its confirmed individual Accountability Review school reports on their website after 1 July 1997 (ERO, website, Reports Search, Online ERO Reports). In addition, a search of the website revealed there were 23 Discretionary Accountability Review reports and 12 Statutory Review reports that were not received. This equates to 31.5 per cent of the DAR's and 24.6 per cent of the Statutory reports during this fourteen month period. There were 229 AR reports not received for this thesis research, and this equates to over one third of the ERO AR reports completed during this period. This 'new' information from the ERO website was not incorporated into the database as too much critical information was missing from the web versions (summaries only were available).

Despite these potential limitations, the datasets were more than sufficient for the purpose of this thesis and its intended analysis. There was coverage of all types of ERO reviews, all types of schools, both rural and urban and also, schools from each of the deciles. Furthermore, there was coverage of the whole of the country by each ERO Office.

**PART II – The Findings**

The dependent variable in this study was the number of actions of compliance and the independent variables included: geographical location, socio-economic status (decile), ERO Office, state and independent schools, and school type. Analyses of variance and correlations were used to assess the statistical significance of these variables. In addition, separate data were noted on DAA/DAR reports, follow-up report data and instances of high levels of non-compliance by schools not receiving a follow-up report. For each independent variable, findings are presented in relation to the whole dataset (including all the reports on private schools) and then in relation to the datasets on just state schools (which made up approximately 94% of the databases). The statistical differences presented in the findings section are at the $p < 0.05$ level (that is, a one in 20 chance that a difference or relationship as large as that revealed could have arisen randomly in the sample).

Note: In these analyses the average number of actions for [to achieve] compliance with regulation/legislative requirements such as the NEGs/NAGs are listed (see comments pp. 221 and 223 - 224). Actually the numbers of actions are actually situations whereby school
management/BoTs has not complied with the appropriate regulations. In the findings the number actions for compliance/non-compliance are used interchangeably.

**Geographical Location**

The variable most consistently related to the number of actions for compliance was location. Table 5.2 shows that schools located in rural areas recorded twice as many actions than their urban counterparts ($F(1, 949) = 69.90, p < 0.05$ for first dataset; $F(1, 489) = 33.41, p < 0.05$ for second dataset).

<table>
<thead>
<tr>
<th></th>
<th>DBI - Jun 96 – Dec 97</th>
<th>DBI - Nov 97 – Dec 98</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Urban</td>
<td>Rural</td>
</tr>
<tr>
<td>Count</td>
<td>634</td>
<td>317</td>
</tr>
<tr>
<td>Mean</td>
<td>2.60</td>
<td>4.75</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>3.40</td>
<td>4.37</td>
</tr>
</tbody>
</table>

Similar trends were also revealed for state schools in both datasets, with rural schools having a higher average of actions for compliance of 2.15 in database I ($F(1, 895) = 63.24, p < 0.05$), and 1.73 in database II ($F(1, 452) = 25.01, p <0.05$). Rural schools experienced more DAA and DAR reports and a much higher proportions of follow-up reports than schools in urban areas. In the combined datasets, over 60 per cent of the 121 state schools which had received one or more DAA/DAR reports were located in rural areas. Approximately two thirds (64%) of the 193 schools getting either type of ERO follow-up report were located in rural areas.

**Socio-Economic Status/Decile**

Decile was also statistically significant. The average number of actions for compliance were greater in 'low' decile schools than those in 'high' schools overall, although the data revealed only slightly significant differences, or in some cases no statistically significant difference. Only the annovas/correlations which were performed on all report types (including independent schools) showed statistical significance both in databases I and II.

Table 5.3 shows that in both datasets, the mean actions for compliance were much higher in decile 1 schools than for decile 10 schools. The correlation between deciles and count was $-0.73$ for database I and $-0.65$ for database II (both $df=8, p < 0.05$) indicating that the lower the decile, the greater the probability of a greater number of actions for compliance.
Table 5.3: The average number of actions for compliance in all schools across deciles in Database I.

<table>
<thead>
<tr>
<th>SES Decile</th>
<th>Low Decile</th>
<th>Medium Decile</th>
<th>High Decile</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Count</td>
<td>145</td>
<td>116</td>
<td>106</td>
</tr>
<tr>
<td>Mean</td>
<td>4.52</td>
<td>3.50</td>
<td>3.74</td>
</tr>
<tr>
<td>Std Dev.</td>
<td>5.00</td>
<td>3.97</td>
<td>3.72</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>86</td>
<td>76</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td>2.77</td>
<td>3.19</td>
<td>3.21</td>
</tr>
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<td></td>
<td>3.33</td>
<td>3.99</td>
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</tr>
<tr>
<td></td>
<td>3.59</td>
<td>2.85</td>
<td>2.60</td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>72</td>
<td>85</td>
<td>88</td>
</tr>
<tr>
<td></td>
<td>3.56</td>
<td>2.45</td>
<td>2.02</td>
</tr>
<tr>
<td></td>
<td>2.80</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>10</td>
<td>NL</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 5.4: The average number of actions for compliance in all schools across deciles in Database II.

<table>
<thead>
<tr>
<th>SES Decile</th>
<th>Low Decile</th>
<th>Medium Decile</th>
<th>High Decile</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Count</td>
<td>55</td>
<td>58</td>
<td>56</td>
</tr>
<tr>
<td>Mean</td>
<td>4.69</td>
<td>3.53</td>
<td>3.92</td>
</tr>
<tr>
<td>Std Dev.</td>
<td>4.07</td>
<td>3.45</td>
<td>3.96</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>53</td>
<td>49</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td>2.98</td>
<td>3.08</td>
<td>2.86</td>
</tr>
<tr>
<td></td>
<td>3.06</td>
<td>2.92</td>
<td>2.57</td>
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<tr>
<td></td>
<td>3.29</td>
<td>2.47</td>
<td>2.88</td>
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<td>47</td>
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<td></td>
<td>2.89</td>
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<td>2.13</td>
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<td>3.29</td>
<td>2.47</td>
<td>2.88</td>
</tr>
<tr>
<td></td>
<td>1.06</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

There was a large proportion of schools in the ‘low’ decile range that had experienced DAA/DAR reports and also a large number that were getting follow-up reports after a ‘poor’ ERO review, in comparison with schools with ‘high’ deciles. For example, in the first database 17.7 per cent of state schools had experienced one or more DAA’s. Furthermore, 40 per cent of these schools were decile 1 and nearly two thirds (65.7%) were ‘low’ decile schools. In the second database 10.5 per cent of state schools had one or more DAR’s. Moreover, 35.2 per cent of these institutions were decile 1 and over 60 per cent (62.7%) were ‘low’ decile schools. In each database, only one decile 10 school had experienced a DAA/DAR (representing less than 2% of schools which had this type of report).

Over 12 per cent of schools had a follow-up review or DAA after the initial ‘regular’ review in the first database, with 28.4 per cent of these being decile 1 schools and 54.1 per cent ‘low’ deciles schools. In contrast only 2.7 per cent of schools receiving a follow-up review were decile 10. In the second database the percentage of schools getting a follow-up report increased to 17.3 per cent. Over a fifth of those schools getting a follow-up report in
database II were decile 1 schools (compared to 7.1% of decile 10 schools) and almost half (48.8%) were 'low' decile schools.

**Differences between ERO Offices**

Wylie/NZPF (1997: 18-19) reported there were inconsistencies in the ERO reviews across offices. She reported that the ERO offices most likely to carry out discretionary reviews were Auckland, Rotorua, Wanganui and Nelson. Wylie did not, however, report information that could be used for comparability to the data from the present study. Of the ten offices from which reports were received, the highest percentage of follow-up reports were from the Whangarei office (administered by Auckland). In relation to the offices that Wylie cited, the Auckland office had performed a DAA on a school based upon two actions of non-compliance. Furthermore two schools in the second database each had a follow-up DAR based upon one area of non-compliance by both the Wanganui and Nelson offices. It should be reiterated that the need for a follow-up report depends on the seriousness of action of non-compliance and not necessarily their numerical number. The average number of actions for compliance of schools receiving a follow-up report in Database I was nine and in Database II was eight. However, there was considerable variation with some offices performing follow-up reports on one action of non-compliance whereas in another office the minimum was nine actions.

There were also differences in the average number of actions for compliance by the ERO offices (see Table 5.5), with Wanganui consistently the highest over both datasets, followed closely by Whangarei. Conversely the Wellington office consistently had the lowest average number of actions for compliance across both datasets and the Rotorua office was the next lowest, again across both datasets. The analyses of variance on all schools (by ERO Offices and number of actions for compliance) were statistically significant in both datasets, as was the on state schools in Database I \( F(10, 941) = 9.516, p < 0.05 \).

The completion of *post hoc* analyses on Database I revealed there were significant differences in the averages between the Wellington and Wanganui offices (3.11) and the Wellington and Whangarei office (2.38).

This mean differences in actions for compliance between the Wellington and Wanganui offices were also evident in the second database \( F(7, 483) = 93.535, p < 0.05 \), although the Rotorua office also had a low mean compared to Wanganui in this dataset. Furthermore, *post hoc* analyses revealed differences between the means between the Wellington and
Wanganui offices (2.07) and the Wanganui and Rotorua offices (also 2.07), both at the \( p < 0.05 \) level.

Table 5.5: The average number of actions for compliance by all schools reviewed by ERO Offices.

<table>
<thead>
<tr>
<th></th>
<th>DB I – June 96 – Dec 97</th>
<th></th>
<th></th>
<th>DB II Nov 97 – Dec 98</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count</td>
<td>Mean</td>
<td>Std. Dev.</td>
<td>Count</td>
<td>Mean</td>
<td>Std. Dev.</td>
</tr>
<tr>
<td>Whangarei</td>
<td>97</td>
<td>4.18</td>
<td>3.73</td>
<td>25</td>
<td>4.44</td>
<td>3.95</td>
</tr>
<tr>
<td>Auckland</td>
<td>234</td>
<td>2.86</td>
<td>3.32</td>
<td>177</td>
<td>3.01</td>
<td>2.98</td>
</tr>
<tr>
<td>Hamilton</td>
<td>43</td>
<td>3.02</td>
<td>4.24</td>
<td>2</td>
<td>4.00</td>
<td>2.83</td>
</tr>
<tr>
<td>Rotorua</td>
<td>80</td>
<td>2.67</td>
<td>3.88</td>
<td>63</td>
<td>2.43</td>
<td>3.17</td>
</tr>
<tr>
<td>Napier</td>
<td>95</td>
<td>3.71</td>
<td>4.66</td>
<td>63</td>
<td>3.22</td>
<td>3.31</td>
</tr>
<tr>
<td>Wanganui</td>
<td>126</td>
<td>4.92</td>
<td>4.85</td>
<td>80</td>
<td>4.50</td>
<td>3.58</td>
</tr>
<tr>
<td>Wellington</td>
<td>171</td>
<td>1.81</td>
<td>2.23</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Nelson</td>
<td>13</td>
<td>5.08</td>
<td>3.07</td>
<td>18</td>
<td>3.56</td>
<td>3.90</td>
</tr>
<tr>
<td>Christchurch</td>
<td>67</td>
<td>3.51</td>
<td>3.37</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dunedin</td>
<td>24</td>
<td>4.99</td>
<td>3.17</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Possible reasons for these findings are that a large proportion of schools reviewed by the Wanganui office are located in rural areas (49.2%), while only 13.5 per cent of those reviewed by the Wellington office were in rural areas. The compounding effects of rural location and the size of the school may also have an effect. For example nearly half the schools in the regions reviewed by the Wanganui office (Taranaki, 48% and Manawatu/Wanganui 47%) have rolls under 100, while only 17.2 per cent of schools in the Wellington region have rolls less than 100 (MoE, 1998b: 64). A further compounding factor in the two full datasets was that there were many more independent schools reviewed by the Wellington office (21) compared with the Wanganui office (3). Given that the average actions for compliance was much lower in Statutory Review reports than those conducted on regular ERO reports on state schools, this may also have affected results.

Approximately 60 per cent of the schools reviewed by the ERO in the first database were located in rural areas. Furthermore, 47.5 per cent of the schools in Northland have rolls of less than 100 students (MoE, 1998b: 64) and this area also has the second highest proportion of ‘low’ decile schools in the country (MoE, 1999: 99). Schools in this region have been the subject of a special ERO cluster report of an area of ‘poorly’ performing schools (ERO, 1998f). However, other areas which have been targeted as having underperforming schools such as the East Coast (ERO, 1997c) which are serviced by the Napier office also had reasonably high means of 3.71 and 3.22 (in Database I and II, respectively)
and are rated as third highest in both datasets. These East Coast schools did not have different actions when compared to those from the Wellington office.

Type of School
There were significant differences between the mean actions for compliance and types of schools, for example both full primary schools and Te Kura Kaupapa Kura schools consistently recorded higher means of non-compliance compared to all other school types. The post hoc analyses, however, only revealed significant differences between both of these school types and contributing primary and secondary schools in the first database on all schools and also on state schools. This trend was not replicated in either of these analyses in Database II.

<table>
<thead>
<tr>
<th>School Type</th>
<th>Count</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Composite/Area</td>
<td>43</td>
<td>2.25</td>
<td>3.04</td>
</tr>
<tr>
<td>Contributing Primary</td>
<td>334</td>
<td>2.71</td>
<td>3.45</td>
</tr>
<tr>
<td>Full Primary</td>
<td>368</td>
<td>4.20</td>
<td>4.15</td>
</tr>
<tr>
<td>Intermediate</td>
<td>59</td>
<td>2.86</td>
<td>4.00</td>
</tr>
<tr>
<td>Secondary</td>
<td>120</td>
<td>2.45</td>
<td>3.21</td>
</tr>
<tr>
<td>Special</td>
<td>17</td>
<td>3.41</td>
<td>3.60</td>
</tr>
<tr>
<td>Te Kura Kaupapa Maori</td>
<td>11</td>
<td>7.63</td>
<td>7.17</td>
</tr>
</tbody>
</table>

There are several reasons to account for full primary schools recording high means of non-compliance than all other schools except TKKM, the principal factors being the compounding influences of small school size and location in rural areas (approximately 60%, see ERO, 1999a). As outlined above, small rural primary schools are often located in areas with large concentrations of ‘low’ SES schools such as Northland and the East Coast.

Differences between the Independent and State Schools
Table 5.7 shows that state schools recorded much higher mean actions for compliance than those of the independent sector ($F(1, 509) = 50.216, p < 0.05$ in dataset I; $F(1, 450) = 25.209, p < 0.05$. in dataset II). However, it is important to note that the ERO uses different criteria when reviewing independent schools. Independent schools do not have to deliver the national curriculum and are not bound by other provisions of the education legislation which state schools are required to comply with (Canning, 1999). Further, schools in the independent sector are much more homogenous with far fewer ‘low’ decile schools and much higher proportions of ‘high’ decile schools than their state counterparts. For
example, approximately 55 per cent of the independent schools in the datasets are ‘high’
deciles schools and only 2 per cent are in ‘low’ deciles (including no decile 1 schools).

<table>
<thead>
<tr>
<th></th>
<th>DB I Jun 96 – Dec 97</th>
<th>DB II Nov 97 – Dec 98</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assurance Audit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(State)</td>
<td>457</td>
<td>435</td>
</tr>
<tr>
<td>Statutory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Independent)</td>
<td>54</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accountability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Review</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(State)</td>
<td>3.32</td>
<td>3.25</td>
</tr>
<tr>
<td>Statutory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Independent)</td>
<td>0.62</td>
<td>0.98</td>
</tr>
<tr>
<td>Count</td>
<td>5.04</td>
<td>1.09</td>
</tr>
<tr>
<td>Mean</td>
<td>4.24</td>
<td>3.25</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>1.09</td>
<td>0.98</td>
</tr>
</tbody>
</table>

While 8.7 per cent of all state schools in the databases had experienced one or more
DAA/DAR reports, and nearly fifteen per cent of all state schools in the datasets had
received a follow-up report, by comparison no independent schools in the datasets had
experienced a DAA or received follow report. This is similar to Connelly’s (1999) claim
that approximately 15 per cent of schools get a re-visit by the ERO (typically within six
months) when they are concerned about a school’s performance. The figure of 14.6 per
cent in the dataset is also in line with the latest reported statistics from the ERO in which
they noted in 1996/1997 that ‘less than 20 per cent of all schools require follow-up action
by the Office’ (ERO, 1997b: 8). Canning revealed the ‘Office has not carried out either a
discretionary assurance audit or a discretionary accountability review on a private school’
(Canning, 1999).

It was reported in an ERO publication that the office ‘considers schools that have been
subject to at least one follow-up (discretionary) ERO review to be performing poorly’
(ERO, 1999c: 9). Connelly (1999: 9) in his study, ascribed the title of ‘failing schools’ to
institutions which have received an ERO discretionary report. Smelt (1998) attributed
school failure to demographic and contextual factors and noted that ‘[F]ailing schools
generally occur in the poorest communities’ (Smelt, 1998: 62). These claims can be checked
against the SES variables in the datasets of the proportions of schools in ‘low’ deciles who
have already had one or more DAA/DAR reports, those getting follow-up reports and
from specific analyses on the ERO output DAA and DAR reports. These findings are
outlined below.
**Follow-up and Discretionary Reports**

There was a much higher proportion of ‘low’ decile schools having one or more DAA/DAR reports than schools in other deciles. For example, of 121 schools which had a DAA/DAR, nearly two thirds (64.4%) were deciles 1–3. A similar trend was observed in schools receiving follow-up reports after a ‘poor’ regular review with over half (approximately 52%) of 193 schools getting these follow-up reports being in deciles 1–3.

Separate analyses were conducted for both types of Discretionary Review reports (DAA/DAR) in the databases to ascertain whether there were similar trends to those outlined earlier that there would be a higher proportion on ‘low’ decile schools and more on rural schools than on urban ones. The findings from the DAA/DAR reports displayed relatively similar patterns in that there were considerably more of both these types of reviews conducted on ‘low’ decile schools and schools in rural areas. Of the 119 schools which received DAA reports in database I, over half (51.2%), were decile 1-3, and the comparable percentage from the 50 DAR reports in database II was 58 per cent being from decile 1-3. Overall, there was an over-representation of decile 1 schools in the DAA/DAR statistics accounting for over a quarter (26.6%) of the datasets, while correspondingly, decile 10 schools accounted for just over one per cent of those schools in the DAA/DAR report type.

**School Size**

A contextual factor variable associated with school ‘failure’ identified by Connelly (1999: 8) was school size. He claimed that failing schools had an average of 102 students compared to 241 for non-failing schools. Using Connelly’s ‘failing’ school criteria, there were 50 primary schools which got a DAA or follow-up report in the datasets (32 full and 18 contributing primary schools). Both types of primary schools receiving follow-up reports were smaller and had fewer actions for compliance than those for non-‘failing’ schools as Table 5.8 highlights.

<table>
<thead>
<tr>
<th></th>
<th>‘Failing’ Schools</th>
<th>Non ‘Failing’ Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Full Primary</td>
<td>Contributing</td>
</tr>
<tr>
<td>Number</td>
<td>32</td>
<td>18</td>
</tr>
<tr>
<td>Average Size</td>
<td>102</td>
<td>183</td>
</tr>
<tr>
<td>Average A C</td>
<td>12</td>
<td>12</td>
</tr>
</tbody>
</table>

Both full and contributing non ‘failing’ primary schools had much larger rolls and a quarter of the average actions for compliance than those which got a follow-up report and
were considered ‘failing’ schools. This is similar to Connelly’s result that most ‘failing’ schools were rural with 75 per cent of full primary and 50 per cent of contributing primary schools being located in rural areas.

No Follow-up Reports
The mean number of actions for schools getting follow-up reports was nine and for schools not getting a follow-up report was also nine (in Database I). A similar pattern occurred in Database II with the average for those schools getting a follow-up being eight and the non follow-up also eight. In total, 121 (8.71%) of schools did not get a follow-up report despite high levels of non-compliance, although it is again noted that it is not the number of actions but the seriousness of the issues of non compliance which determined whether the school was to get a follow-up review. There was no uniform pattern to these variations in the non application of follow-ups: they occurred across both datasets; across all school types; in all locations (both rural and urban); across all ERO Offices and in most decile groups as well.

Discussion of Findings
The most statistically significant finding was that of school location, with rural schools having much higher levels of non-compliance with the NAGs. There are several possible explanations for this, their size, which was also a contributing factor, the fact that a number of smaller schools, particularly in the primary sector, have teaching principals, and it is possibly more difficult to recruit a board of trustees that is imbued with considerable management and financial experience – in contrast with their urban counterparts.

There was a high level of follow-up reports on schools in the rural sector also. The issue of the closure and amalgamation of small schools under the Education Development Initiatives, enacted by the National Government in the early 1990s and governmental policy to review schools in rural areas may have also been a contributing factor. This is not to suggest that the ERO was targeting these types of institutions, merely that it may have been a contributing factor.

The issue of the high degree of non-compliance for schools in lower SES decile areas provided a rich source of data in which to critique the ERO’s ideological stance on this issue (see Chapter Six for more detail). It was clear from the ERO data that there were significantly higher levels of ‘under performance’ in these institutions than those in higher ones, although it should be noted that mid decile schools also had high levels of non-
compliance. This lack of contextual analysis by ERO has been a very contentious issue. Furthermore, it can be seen in the data that there were considerable more follow-up reports conducted on the schools in low decile locations.

These data provide significant support to the number of researchers who had highlighted that the ERO did not account for context and that these schools were, therefore, being treated ‘unfairly’ by ERO for not taking into account vexing questions of socio-economic disadvantage – and laying the blame at the school level rather than wider structures (see Gordon, 1994; Hawk, Hill, et al., 1996; Lauder, Hughes, et al., 1999a; Robertson et al., 1997a; Smith, 1997b, 2001; and in particular the work of Thrupp, 1995, 1996, 1997a, 1999b). The most important outcomes of education are all greatly influenced by factors outside the school. Abundant research shows that social factors such as family background, the educational levels of parents education and even neighbourhood resources are very strongly related to students’ outcomes (Thrupp, 1999b). Schools alone cannot fully compensate for other aspects of society that may be working against desired outcomes (see Levin, 2001; Morley & Rassool, 1999; Slee, Tomlinson & Weiner, 1998; and Thrupp, 1999b).

It would appear that the ERO’s conception of ‘fairness’ is based upon a discredited notion that is fair to treat all schools in the same way even though this means disadvantaging those whose needs may be greatest. While it cannot be argued that there was a deliberate ERO management policy of targeting under-performing institutions in the lower socio-economic areas, there is evidence to suggest that these schools were the ones that were being re-visited more often, this leading to a public perception that these were ‘failing’ institutions, a view reinforced because of the publicity surrounding their ‘poor’ or ‘bad’ Education Review Office reviews (Hawk, Hill, et al., 1996; Thrupp, 1997a; Robertson, et al., 1997a).

It is reasonable to suggest that the majority of educational researchers in this country would argue that despite the rhetoric of the ERO, the educational market is not a level playing field. In fact the reverse is true – it is totally inequitable (Lauder, Hughes, et al., 1999a; Thrupp, 1999b; Wylie, 1999). However, the ERO had attempted to maintain the facade of the level playing field in spite of growing evidence from research literature (and also its own database was clearly showed that inequities were occurring). It continued, however, to maintain this stand on the principle that if it lowered its standard and adjusted the methodology to account for the context of SES, it would provide an excuse for these schools to under-perform and they would do so as if this was a deliberate strategy that lower SES schools were engaged in. If all schools were not, therefore, treated ‘alike’ by
using the same procedures and criteria, the ERO would be unable to account for standardisation or quality measurements – and this meant that they would be unable, in a managerialist sense, to hold schools to account.

There is a sufficient literature base which suggests that low decile schools do not operate on the same playing field as high decile schools and that issues of school mix, as Thrupp (1995, 1996, 1999b) convincingly argues, have a significant influence on school outcomes. Outcomes occur, therefore, not just because of the mix of the students, but also as a consequence of a school’s policy and curriculum and because of the additional burdens of ‘overload’ that lower SES decile schools suffer from.

Drawing on international research, and extensively from his own thesis, Thrupp (1999b: 6-8) argues that the withdrawal of the state from direct responsibility for educational provision in the name of ‘self-management’ or increased ‘autonomy’ has proceeded whilst government has retained control from a distance through ‘accountability’ and ‘target-setting’ (these points are highlighted in detail in Chapters One and Two). There is also the development of market competition between schools under the rubric of choice. Cutting across all of these reforms in a way that suggests that they will be very damaging for low-SES schools and their students, are important issues related to social class and school mix. Thrupp (1999b: 7) calls these the politics of polarization and blame. In describing this he describes the politics of polarization as meaning the increasing social class differentiation of school intakes as a result of parental choice in education, as well as the growing disparities in educational resources and educational quality which result from this within the context of school self-management. Evidence from a number of countries suggests that market-led 'choice' policies not only fail to counter existing levels of segregation between schools, but also have a polarizing effect on school intakes as middle class parents 'exit' schools with predominantly working class intakes whenever this becomes possible.

Furthermore Thrupp (1999b: 7) suggests, that:

To many E&I writers the growing gap between rich and poor schools is of no great moment because they believe that schools can still be effective, irrespective of their intake. But what if school effectiveness is linked to school mix? This suggests reduced levels of achievement in (increasingly) working class schools, and enhanced levels of achievement in (increasingly) middle class schools as a result of educational markets. ...

Another aspect of the polarization argument has to do with school autonomy or self-management. ... The problem here is that although self-management may work for schools in middle class settings, E&I researchers are likely to have under-estimated
the intense intake-related pressures which accrue to teachers and school leaders in working class settings and the effects of unequal resourcing and so assumed that these schools can do more than they really can. Despite claims of the existence of exemplary low-SES schools, the school mix thesis suggests that decentralization could be expected to be much less successful in low-SES settings because of insufficient time, energy and material resources to implement demands from central agendas or to undertake school improvements.

If the politics of polarisation have to do with the way in which between-school social class disparities in education are actually intensified by recent reforms, the politics of blame refer to the way in which these disparities are explained away by those who place their faith in market forces as a technical rather than social or political matter. The neo-liberal strand of the politics of blame links the popularity of schools to their performance rather than their intakes. Schools which 'lose' in educational markets are seen as those whose teachers and principals have not been able to improve enough to boost their reputation and hence the size of their student intakes. The running down and eventual failure of such schools can, therefore, be justified by neo-liberals as simply the price to be paid for a quality education system (Thrupp, 1999b: 8).

If the points about the market polarisation raised by Thrupp (1999a, 1999b) and others such as Lauder, Hughes, et al. (1999a, 1999b) are correct, and this researcher would support these conclusions, then the effect of an ERO review on a school in a lower decile area may have a more profound effect than those in high decile locations because reasons outlined earlier.

In this context, and drawing upon his Ph.D research, Thrupp (1999b: 145) notes:

The findings of the Wellington study illustrate how much greater the demands on staff are at low-SES schools like Tui College than at middle class schools. This means that, even when low-SES schools are able to gain some kind of market share, they will be unable to deliver similar academic programmes. Overall, it seems likely that most low-SES schools are not so much ineffective as overwhelmed.

Similar finding have been advanced by researchers investigating the Achievement Initiatives in Multi-cultural High Schools (AIMHI) project (Hawk, Hill, et al, 1996). They noted the extra demands and pressure of an ERO review made life for teachers and management in these schools increasingly difficult (see also Thrupp, 1997a).

It could be argued, therefore, that the intensification or overwhelming thesis of Thrupp (1996, 1999b) has been borne out by the findings of this study which show much higher levels of non-compliance by schools in low deciles, in contrast to those of high deciles, and much greater follow-up review rates. For example as shown in Table 5.9 (p. 243) the
average number of actions of non-compliance in decile 1 schools was nearly double the
decile 10 one, and a similar finding as displayed in Table 5.10 (p. 244) whereby the average
non-compliance rate of decile 10 schools is approximately sixty per cent lower than the
decile 1 schools. It could, therefore, be argued that schools in lower SES deciles are treated
‘unfairly’ by the review methodology and philosophy of the ERO.

What the data show is that the policy-overload which lower SES decile schools experience
in trying to meet the NAGs requirements and those other policy requirements imposed
upon them by the state and monitored by the ERO in terms of compliance demands, means
that they are, perhaps, in a worse position; their positions become overloaded and
untenable when they are required to attend to the short-term compliance measures of the
ERO whilst also suffering the effects of the market position – it is then that they cannot
always measure up to the ERO standards. This, then, leads to the spiral of decline
(Gordon, 1994; Lauder, Hughes, et al., 1994; Hughes, Lauder, et al., 1997) whereby they
lose students, staff, and eventually have to face a re-visit by the ERO within six months.
This further intensifies problmaticial issues.

This focus on short-term compliance to state output demands has been criticised by Schick
(1996; and Shaw, 1999). The accountability regime used by the ERO has arguably resulted
in a preoccupation with ‘compliance [as] the measure of success rather than the quality of
the outcomes being attained’ (Upton, 1999, cited in Shaw, 1999; 200). The ERO’s
methodology and focus on outputs is followed because they lend themselves more easily to
quantification and measurement than do qualitative outcomes (see Shaw, 1999) which may
not be as tangible.

Compliance with the ERO’s accountability demands is, therefore, even more important
for lower SES schools who are at risk in the market because the ‘bad’ publicity that can
accrue via extensive media coverage stemming from an adverse ERO review can have
devastating consequences (see Thrupp, 1997a, 1998; Robertson, et al., 1997a).

Whitty, Power and Halpin (1998: 113) have argued 'lack of contextualisation can lead to a
false optimism, exaggerating the extent to which local agency can challenge structural
inequalities'. In this context Thrupp (1999b) challenges the approach adopted by many
school effectiveness researchers, and also eschews the belief that such an approach, when
used by policy agencies such as the ERO, nurtures with conviction the myth that 'schools
can make a difference.' However, as Thrupp (1999b) argues, this message has been
thoroughly overplayed. Indeed, it is the capacity that agencies such as the ERO have to
assert that schools are failing, and to assert that school staff are responsible for the decline,
which provides the ERO with their ideological power as agents of accountability. Acknowledgement that the social and political context may create problems for schools would clearly 'muddy the waters' in a way which would make the work of these agencies much more difficult and this would also lead to greater resource demands on the state (Thrupp & Smith, 1999; Thrupp, 1999b).

The issue of the ERO methodological consistency being applied across regions, highlighted areas of variation which provides support for the findings of Wylie/NZPF (1997). As was shown in Table 5.5 the Nelson, Dunedin, Wanganui and Whangarei offices of the ERO had much higher means of non-compliance than those in Wellington, Rotorua and Auckland, with statistically significant differences existing between the Wellington office (with a very low mean) and Wanganui and Whangarei. These differences between the offices could be accounted for in terms of the larger number of small, and rural schools in the regions with high levels of non-compliance. However, it might also mean that there are some problematical issues in terms of the ERO methodology and how it is applied.

The type of school variable also highlighted some statistical differences with full primary schools of all the ‘mainstream’ schools having much higher number of actions for compliance than any other school type (Table 5.6). However, what is more revealing is the very high average levels of non-compliance with the regulations by the Te Kura Kaupapa Māori schools at approximately eight average actions. This group of schools has come under increasing scrutiny by the ERO since the mid 1990s and their high levels of underperformance has been highlighted in ERO documents, for example in ERO (1999b: 27):

In 1998/99 ERO focused its attention on the provision of education through the medium of Māori in reviews of 22 of the current 59 kura kaupapa Māori. ... Twelve were follow-up reviews where ERO had concerns about the capability of the board of trustees, the principal or the teaching staff to provide satisfactorily for the learning of their students. ... Major issues that emerged from the reviews of kura kaupapa Māori during the past year were a lack of understanding of the regulatory framework in which they are expected to operate, inadequate management and implementation strategies for the delivery of the curriculum. ... A high proportion of kura kaupapa are not satisfactorily meeting the requirements for implementing the performance management system.

(ERO, 1999b: 27)

French (2000: 33) reported that in 1996, ERO determined that 55 per cent of the kura they visited needed a follow-up visit ‘because we were not satisfied with the quality’, compared
with only 15 per cent of schools nationally. These figures are in line with those reported in 1999 (ERO, 1999b) whereby 54.5 per cent of the KKM reviewed by ERO required a follow-up review. For example, it is stated in French (2000: 34) that ‘[A]lthough by 1999 some kura had had as many as five or six reports in as many years, they have tried to turn themselves around’. In a somewhat ironic manner the ERO reported that:

... Kura kaupapa Māori are generally receptive to Education Review Office reports, and are willing to comply with regulations and implement recommendations. Somewhat ironically they welcome discretionary assurance audits as a further chance for dialogue and professional development

(ERO, 1996c: 22)

Cormack (1999 quoted in French, 2000: 330) noted that ‘... Kura lack teachers who are competent in immersion education, they lack managerial expertise, and they lack resources’. Potential reasons to account for the high levels of non compliance might be any one of the following factors, plus a combination of these and others.

• The resourcing issue;

• The fact that they still a relatively young medium in terms of history;

• Inadequacy of the ERO methodology to account for the special nature of these institutions and a different philosophical approach (see Rodger, et al., 2000; Smith, 2002b);

• The small size of most kura kaupapa Māori is in itself a barrier to the recruitment of experienced immersion teachers or principals (ERO, 1997b: 14).

These issues are dealt with at length elsewhere by the author along with recent ERO changes in this area (see Smith, 2002b). What was revealing in this research, though, in relation to the thesis data, was (Smith, 2002b: 13):

In total 79 schools were entered into a database using the Statview 4.02 programme. The vast majority were ‘low’ SES decile schools, thus deciles 1 - 3 (n=70, or 88.6%), whilst five (6.3%) were deciles 4 or 5, and the remaining four schools did not have deciles listed on either the ERO website or the MoE data.

Thus one of the compounding effects for TKKM schools is that they are predominantly low decile institutions and thus are subject to similar effects, although magnified by the cross cleavage of ethnicity to mainstream lower SES schools.

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4 There was no reference or footnote mentioned despite the quotation marks. However, the footnotes either side were attributed to the Ian Cormack interview.
In the KKM research, with a total database of 79, 19 schools (24.0%) had previously had a DAA/DAR report. Furthermore, 27.7 per cent of schools (n=15 of 54) had a follow-up review or DAR after the initial ‘regular’ Accountability Review in this data set (Smith, 2002b: 16). In addition, the range of actions for non-compliance was 1 – 22 in the KKM dataset and there were no KKM institutions with no actions for compliance (ibid.). The question to asked therefore is whether the KKM schools are less compliant as a form of resistance to Pakeha-dominated review methodologies which do not account for their special nature or if there are other reasons at play, and if so, what are they?

The researcher has chosen not to discuss/traverse the state versus independents schools levels of compliance because they are outlined above Table 5.7 (p. 233). However, one point needs to be aired and that is the high average actions for compliance in the Assurance Audit reports, compared with Accountability Reviews, although a case could be made that because the focus of these reports is on the issue of compliance with regulation, it is somewhat understandable.

The impact of school size (Table 5.8, p. 234) showed there were statistically significant differences in this variable and that it was usually smaller schools which were the subject of follow-up reviews by the ERO, especially those primary schools located in rural locations. The issues of the small school was addressed in one of the ERO’s NEER documents as was the issues of SES decile, and the next section provides a brief analysis of these documents.

A Comparison Between the Datasets and Two of ERO’s NEER’s

The themes covered by two of the ERO’s NEER’s were particularly relevant to the information in these datasets: Good Schools, Poor Schools (ERO, 1998a) which compared schools decile 1 and 10 schools, and Small Primary Schools (ERO, 1999a) which compared primary schools with rolls of less than 25, with those with rolls of less than 150, and against a ‘control’ group of 100 schools (ERO, 1999a: 11).

Good Schools, Poor Schools

In Good Schools, Poor Schools, the ERO examined and reported on the performance of ‘236 decile 1 and 231 decile 10 schools against a range of 26 indicators’ (ERO, 1998a: 7). The time span for the data collection period was not, however, listed in the methodology section of that document – but given that the ERO review schools on a cycle of three to four years, some of the reports may have been up to three years old. Furthermore, there was no information on the type of reports, whether they were regular AA, ER, or AR reports or
whether the follow-up reports such as DAA and DAR were included. All that was noted in the report was that the information had been collected from the most recent ERO report (ibid.).

The findings reported were that Decile 1 schools performed more strongly than decile 10 schools against one indicator – ‘positive educational provision for Maori students’ (ibid: 8). Decile 10 schools performed more strongly than decile 1 schools against a large number of indicators (14 indicators); and in a few areas, there was little difference between the performance of decile 1 and decile 10 schools (9 indicators). The most obvious point for comparison between the ERO report and the thesis datasets was the differences in the levels of compliance with legal requirements between decile 1 and 10 schools. The comparative percentages for these deciles were: Decile 1 schools: 24 per cent ‘inadequate’; 53 per cent ‘evident’ and 22 per cent ‘strongly evident’; and Decile 10 schools: 5 per cent ‘inadequate’; 60 per cent ‘evident’ and 35 per cent ‘strongly evident’ (ibid: 41).

There was no explicitly stated description of levels of compliance constituting the following terms used by the ERO (‘strongly evident’, ‘evident’ or ‘inadequate’) to highlight the differences in performance. Therefore, this makes it difficult to provide comparable data. These statistics reveal that in terms of ‘inadequate’ levels of compliance, nearly a quarter of decile 1 schools were non-compliant and only a twentieth of decile 10 schools were.

Findings from the thesis datasets did indicate similar trends to the ERO results. The anovas/correlations reported in this section were conducted on state schools only, not the full datasets including the independent schools (therefore, the number of reports and figures vary from Tables 5.3 and 5.4, p. 229). As was outlined earlier the independent schools are mostly clustered in ‘high’ deciles (see comments pp. 232 – 233), therefore without these type of Statutory Reports being incorporated has altered the ‘high’ decile 8 – 10 figures in Tables 5.9 and 5.10 (below and following page).

<table>
<thead>
<tr>
<th>SES Decile</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>145</td>
<td>115</td>
<td>105</td>
<td>71</td>
<td>78</td>
<td>72</td>
</tr>
<tr>
<td>Mean</td>
<td>4.52</td>
<td>3.52</td>
<td>3.78</td>
<td>3.57</td>
<td>2.60</td>
<td>2.30</td>
</tr>
<tr>
<td>Std Dev.</td>
<td>4.99</td>
<td>3.99</td>
<td>3.72</td>
<td>3.62</td>
<td>2.91</td>
<td>2.76</td>
</tr>
</tbody>
</table>
There was a significant difference between the number of actions for compliance between decile 1 (4.5) and decile 10 schools (2.3), $F (1, 215) = 12.217, p < 0.05$ in Database I as shown in Table 5.9.

Table 5.9 also shows important differences in the average number of actions for compliance across other deciles. For example, comparing decile 1 and decile 9 schools $F (1, 221) = 9.666, p < 0.05$. Furthermore, when comparing decile 10 schools against other ‘low’ deciles schools, there were also differences revealed for decile 2 and 3 schools. The values were: $F (1, 185) = 5.138$, and $F (1, 175) = 8.188$ (for deciles 2 and 3 respectively). Both were significant at the $p < 0.05$ level.

<table>
<thead>
<tr>
<th>SES Decile</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>55</td>
<td>58</td>
<td>56</td>
<td>43</td>
<td>21</td>
<td>38</td>
</tr>
<tr>
<td>Mean</td>
<td>4.69</td>
<td>3.53</td>
<td>3.92</td>
<td>3.04</td>
<td>3.14</td>
<td>2.81</td>
</tr>
<tr>
<td>Std Dev.</td>
<td>4.07</td>
<td>3.45</td>
<td>3.96</td>
<td>3.38</td>
<td>2.53</td>
<td>3.07</td>
</tr>
</tbody>
</table>

The main findings were also replicated in the second database $F (1, 91) = 5.773, p < 0.05$, with a mean for decile 1 of 4.7 and for decile 10 of 2.8 as shown in Table 5.10. However, the other trends were not replicated in second database except in the case of the comparison of decile 1 to decile 8, $F (1, 96) = 4.5, p < 0.03$.

The researcher undertook content analysis of the 43 page *Good Schools, Poor Schools* (ERO, 1998a) NEER and it was found that there was no references or bibliography at the end of the report. There were five footnotes to school effectiveness research (SER) data, two stemming from New Zealand studies (Harker & Nash, 1994 cited in ERO, 1998, p. 35; and Lauder & Hughes, 1990 cited in ERO, 1998, p. 35). The remaining three research references were SER research playing down the effects of SES (Teddlie, 1994 cited in ERO, 1998, p. 35; Coleman et al., 1966 cited in ERO, 1998, p. 35; and Goycochea, 1998 cited in ERO, 1998, p. 36). Thus it might be conjected that the ERO was looking for confirming evidence to support its claim that schools need to be treated fairly, and that they should be measured on the same criteria and that schools located in lower SES can make some difference.

The SER is a contested terrain as Rassool and Morley (1999), Slee et al. (1998) and Thrupp (1999b) have shown. Townsend (1998, p. 15) contends over the past twenty years, research
has clearly established that schools do make a difference, and that pupil achievement is not just a product of socio-economic background, even though this difference may be smaller (around 8-15 per cent of variation in pupil outcomes) than was first thought (Cuttance, 1985; Boasker & Scheerens, 1989; Daly, 1991, cited in Townsend, 1998).

There are a large number of studies which outline the difference a school can make in terms of student achievement, and these vary upon the range or percentage of difference. Mortimer (1997, p. 479) drawing upon his earlier co-authored studies (Thomas & Mortimer, 1988) contends that the difference of about ten per cent can be traced directly to the school. Alternatively, Stoll and Fink (1996) argue:

Currently, most studies have identified that between 8 and 14 per cent of the total variance in pupils’ achievement is attributable to the school. This does not sound like very much but it may turn out to be the crucial difference between success and failure. (p. 37)

In a later analysis, Stoll and Myers (1998) identify that school explains a relatively small percentage of the difference in pupils’ overall attainment 8 – 12 per cent (Reynolds, Sammons, Stoll, Barber & Hillman, 1996, cited in Stoll & Myers, 1998, p. 10). In terms of progress, the effect is larger (nearer 25 per cent, see Mortimer, Sammons, Stoll, Lewis & Ecob, 1988, ibid.).

Lauder, Jamieson and Wikeley (1998, p. 63) observe schools in different contexts will have different capabilities, potentials and limits. This is turn has a direct bearing on accountability, for schools cannot all be held accountable in the same way. However, as these authors contend:

... regulatory agencies like OFSTED ... and ERO ... clearly assume that schools in working-class areas should be considered to have the same capabilities as other schools. They must make this assumption since it is typically working-class schools that are identified as ‘failing’.

(Lauder, et al., 1998: 63)

As noted earlier in this chapter, Thrupp (1998b: 196) notes that OFSTED and ERO engage in the ‘politics of blame’ and adopt ‘shame and blame’ strategies against ‘ineffective’ schools by constructing school ‘failure’ as the clear responsibility of the schools themselves. Furthermore, this effect is significant in the fact that the ‘school effect’ is greater than that attributable to social and individual background according to Stoll and Myers (1998, p. 10). However, as Thrupp and Smith (1999) have noted, there is good evidence provided by
ERO's treatment of the social and political context of schooling that this may not be the case in the New Zealand context, for example:

There is considerable research evidence that school processes in low SES schools are dragged down by the effects of socio-economic and market contexts in ways that their staff can't easily address (Mortimore and Whitty 1997, Slee et al. 1998, Thrupp, 1999a, Thrupp 1999b). Yet ERO's ability as to hold that school staff are responsible for the success or decline of schools is also at stake here. Acknowledgment that the social and political context might create fundamental problems for schools would 'muddy the waters' making ERO's work much more difficult. As a result, refuting such contextual claims has been an important activity for ERO management with Aitken continuing to insist that “Socio-economic determinants do not control the quality of education” (Aitken, 1999 cited in McLoughlin, 1999: 70).

(Thrupp & Smith, 1999: 194)

Furthermore, these authors argue that 'it is also too easy for low SES schools and their staff to be scapegoated for wider societal problems. In our view ERO's stance on this issue has become more contradictory than ever' (Thrupp & Smith, 1999: 194). At the other end of the social spectrum, Aitken has also noted ERO's increasing interest in 'cruising' schools (McLoughlin, 1999, p. 70). These seem to be a likely future target for the ERO but again performance in such schools cannot be divorced from contextual considerations. Indeed, there is a sense in which all higher SES schools are likely to be 'cruising' because of the multiple advantages they enjoy over low socio-economic schools. Such advantages mean that the processes which support academic work are so much easier to carry out in high SES settings (Thrupp, 1999, cited in Thrupp & Smith, 1999).

It would appear from the findings of this Ph.D research, and from their own data, the ideological stance adopted by the ERO towards schools in lower SES deciles is unsustainable. Notably, it has been observed in the literature that there has been some recent movement on the ERO's position of this issue (see Thrupp & Smith, 1999; Smith, 2000a, 2000b), and these issues will be elaborated upon in Chapter Six.

A final comment needs to be made in relation to the title of the ERO's document – which it could be argued is deliberately provocative because the word 'poor' is ambiguous and could be interpreted in a number of ways. Clearly for the ERO, the 'good' schools are the successful ones, and these, as their data highlighted, are mostly concentrated in the decile 10 areas. While there is some minimal acknowledgement that some decile one schools are considered 'good' by the ERO, the weight of statistical evidence presented is that they are not. The term 'poor' in the title appears to be the ERO being clever in not explaining what their use of this term portrays; they leave that matter for the discerning reader to determine. However, there is some evidence to suggest that the sense in which they are
discussing the term is meant to be read as meaning decile 1 schools, thereby inferring SES ‘disadvantage’. However, given the weight of the statistical evidence that the ERO presented in this document, it could also be interpreted as the ERO’s value judgment of these schools being seen as ‘poorly’ performing institutions, and as such they are constructed as ‘failing schools’. Whatever the case, the ambiguity is unfortunate at best and mischievous at worst.

Small Primary Schools

In Small Primary Schools (1999a: 3) it was stated that ‘over half the state primary schools in New Zealand have fewer than 150 students. More than one in five of all primary schools has fewer than 50 students, and most of these very small schools are rural’.

Furthermore in relation to their methodology it was noted (p. 11):

The results that follow are drawn from analysis of 500 Education Review Office (ERO) reports on full or contributing state primary schools. Of these reports 400, completed between June 1996 and August 1998, were on small schools. A further 100 reports formed a control group for comparison. For analytical purposes the small schools sample was subdivided into four groups of one hundred schools in each of the following roll ranges: one to 25; 26 to 49; 50 to 99 and 100 to 149. The control group of 100 ERO reports completed between July 1997 and August 1998 was drawn from all state primary schools in New Zealand (excluding intermediates).

Definitions were supplied by the ERO (1999a: 12) for small schools (rolls under 150 students), smaller schools (rolls under 50 students), and very small schools (rolls of under 26). There was little information, however, about the control group, such as size or range of the school rolls and whether they were a random sample of schools. While information about the timescale of the data collection period was supplied, there were no details of what types of ERO reports these 500 schools had received (for example whether they were AA, ER, DAA, AR or DAR reports).

In relation to this report, the NZEI (1999: 7) asked the question ‘[I]s ERO matching one group of small schools against another? We don’t know.’ Furthermore, they questioned the ERO’s method, for example: ‘[T]hen again, is the sample of 400 schools weighted in favour of the less successful schools? That’s a statistical possibility even in a random sample because they are reviewed more frequently than successful schools’ (p. 9). The graphical representation of the findings (Appendix II: ERO, 1999a: 54 - 57) was rather confusing to follow in that there is a conflation of the averages for roll ranges 1 - 149 into a graphic compared to the control group and the roll range 1 - 25. It is not possible,
therefore, to determine the effects of the three other roll ranges as separate entities. Without the specific details of each of the four separate groups within the range of 1 – 149, it makes replication somewhat difficult.

As in their previous document (Good Schools, Poor Schools), the ERO adopted a similar stance in reporting the level of compliance with legal requirements in this report. The findings revealed the following (ERO, 1999a: 54): that within the Control Group: 65 per cent evident and 35 per cent inadequate; within the Roll Range 1 – 25: 40 per cent evident; 54 per cent inadequate and 6 per cent not reported; and within the Roll Range 1 – 149: 52.5 per cent evident; 40 per cent inadequate and 7.5 per cent not reported.

Once again, there was no explicitly stated description of what levels of compliance constituted and the terms used by the ERO of ‘evident’, or ‘inadequate’ were unhelpful. The highest levels of non-compliance were the very small schools, then small schools, and then the control group. The findings from the thesis datasets revealed similar trends to those reported by the ERO in that when the average means of actions for compliance were compared within the four categories of small schools used by the ERO, the very small schools had the highest means for non compliance and those from 100 – 149 were lower.

The compounding effects of rural location and small school size are also evident. In Database I, of those primary schools which had one or more DAA’s, 70.2 per cent had rolls under 150 students, and 40.4 per cent had rolls under 50. Of those primary schools which were to get a follow-up report, 74.4 per cent had rolls under 150 students, and 40.6 per cent had rolls under 50. In Database II, of those primary schools which had one or more DAR’s, 78.5 per cent had rolls under 150 students, and 38.0 per cent had rolls under 50. Of those primary schools that were to get a follow-up report, 72.2 per cent had rolls under 150 students, and 34.7 per cent had rolls under 50. It is not clear whether the differences are more related to school size, location, or decile (as it is very difficult to account for these multiplicity of factors).

A content analysis of the 59 page report revealed that again, there were neither references nor a bibliography at the end of the document. There were 10 footnotes in the document but these mainly referred to MoE statistics or reports. The two research references were from the business management literature and appeared near the end of the document and included (Drucker, 1995; and Heller, 1998 cited ERO, 1999a, p. 46). There was no educational research literature to support their claims and it could, therefore, be surmised that the ERO were again trying to influence public perceptions and public policy about, in
particular, rural primary schools. Furthermore, it can be speculated that this could potentially be aligned with the then Minister’s position of closing or amalgamating as many of these as possible under the Education Development Initiative programme for fiscally efficiency purposes.

In relation to whether the ERO ever followed by on targeting ‘cruising’ schools in high decile areas, the researcher undertook research in 2001 (Smith, 2001) to highlight the trends. It is argued in this paper, and also in Chapter Six, that the principal reason for the ERO focusing its attention in this area was politically motivated; there was sufficient evidence to suggest widespread dissatisfaction within the education community with the ERO and an equally widespread belief that the ERO was unfairly targeting low decile schools – and that they needed a new target! What follows is a brief summary of the findings of the Smith (2001) paper.

It was reported in 1999 that ‘[O]ne of the major issues to emerge from Education Review Office’s (ERO) inspection evidence is the problem of complacent and cruising schools’ (ERO, 1999b: 16). Furthermore, in 1999 it was noted that ‘[T]he ones we feel we’ve had the least effect ... is the coasting school, the cruising, complacent school’ (Aitken, 1999 quoted in McLoughlin, 1999: 70).

The paper explores the ERO’s website to ascertain whether the Office began to report greater numbers of follow-up reviews upon higher SES (decile) schools during the 1999 - 2001 years. The issue is raised whether the ERO targeted these types of schools for political reasons to take the heat out of their previous highly publicised ‘assaults’ on ‘low’ decile schools such as the 1996 report on Improving Schooling in Mangere and Otara (ERO, 1996a).

Smith (2001: 1) reported that ‘indeed there had been an increase in the number of high SES schools getting follow-up and DAR reports from 1999 – 2001. However, it is also cautioned that numbers of this type of review have increased dramatically across the range of deciles, and that therefore all SES deciles were affected by this trend’. Furthermore, this perceived change in direction/focus may have been initiated for any number of the following possibilities: the politically unpalatable perception that they had unfairly previously targeted low SES decile schools; equity/fairness concerns, to ‘treat all schools the same’; or alternatively in response to the challenge and issues raised by Stoll (1998). Stoll’s challenge to the bureaucrats at this conference may have embarrassed the ERO as joint hosts of this conference and prompted them to address this issue.
Comments attributed to Stoll (1998)\(^5\) are outlined below.

The general findings from the Smith (2001) were:

In total the Office listed reviews of some 701 decile 8 - 10 schools (although the Ministry of Education figures listed 746, MoE, 2000). Of these 701 schools, 219 (31.2 per cent) were outside the period utilised in this paper (thus they were reviewed before May 1999). The remaining 482 schools (the data) was entered into a database using the Statview 4.02 programme.

In general terms taking all the 746 decile 8 - 10 schools in the country, 101 schools (13.53\%) had experienced one or more DAA/DAR reports in the period 1992 - 2001. In total using the ERO data, there were 147 DAA/DAR conducted on decile 8 - 10 schools with most schools (62.3 per cent) getting only one DAA/DAR, while 38 schools had two or more reviews. What is a perhaps more revealing however, is that of these 147 reviews - nearly three quarters (73.4\%) were performed in the 1999 - 2001 period - showing a significant increase in the number of these schools getting this type of review.

Of these 79 schools getting DAR reports 1999 - 2001 (39.2\%) had previously experienced one or more DAA/DAR reports. Over 65 per cent of those getting DAR reports were located in rural areas. Approximately 16.5 per cent of schools were to receive a further follow-up review or DAR after the initial DAR.

There was a significant proportion of DAR reports undertaken by Area 5 office (Christchurch and Dunedin) with 46/79, representing some 58.2 per cent. The next highest was Area 3 (Napier and Wanganui) with 16.4 per cent. Given that the majority were conducted by Area 5 mainly in rural areas in Canterbury, Otago and Southland, the majority of DAR's were in the South Island (64.5\%) and almost reverse ratio of the overall number of reports.

The differences between the ERO offices continued in the 1999 - 2001 period. In the latest database (III) the schools reviewed by the Area 3 (Wellington office) recorded the lowest number of actions for compliance (2.2) and those by Area 5 (Dunedin office) consistently the highest (4.9). There was statistically significant \(F(4, 340) = 22.49, p < 0.05\). A post hoc analysis revealed there were significant differences between the Area 5 offices and all the other four (see Table 5.11).

\(^5\) In February 1998, the ERO and the Ministry of Education jointly hosted an Organisation for Economic Co-operation and Development (OECD) international conference on 'Combatting Failure at School'. At this Conference Professor Louise Stoll from the International School Effectiveness and Improvement Centre at the Institute of Education, University of London, criticised 'cruising' schools and professional evaluators within the education system. For example, Stoll (1998) was reported as observing:

Some seemingly successful schools are failing their students by resting on past glories, say educationists. They say these 'cruising schools' have been let off the hook by a focus on schools which are obviously failing. Speaking at an OECD education conference ... British-based Professor Louise Stoll said cruising schools had a 'camouflage' of success and were not generally picked up by external agencies, such as the Education Review Office.

Table 5.11: The average number of actions for compliance by ERO Area Offices

<table>
<thead>
<tr>
<th>Area Office</th>
<th>DB III: May 1999 – Nov 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
</tr>
<tr>
<td>Area 1: Auckland (and Northland)</td>
<td>86</td>
</tr>
<tr>
<td>Area 2: Hamilton and Rotorua</td>
<td>27</td>
</tr>
<tr>
<td>Area 3: Napier and Wanganui</td>
<td>46</td>
</tr>
<tr>
<td>Area 4: Wellington and Nelson</td>
<td>46</td>
</tr>
<tr>
<td>Area 5: Dunedin and Christchurch</td>
<td>140</td>
</tr>
</tbody>
</table>

This again shows evidence of the inconsistency of the ERO reporting processes and 'flawed' databases across regions.

Table 5.12: The numbers of 'high' decile schools which were DAA/DAR reviews

<table>
<thead>
<tr>
<th>Years</th>
<th>Dec 8 No.</th>
<th>Dec 8 %</th>
<th>Dec 9 No.</th>
<th>Dec 9 %</th>
<th>Dec 10 No.</th>
<th>Dec 10 %</th>
<th>Totals No.</th>
<th>Totals %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999 - 2001</td>
<td>33</td>
<td>41.7</td>
<td>25</td>
<td>31.6</td>
<td>21</td>
<td>26.5</td>
<td>79</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Of these 79 schools which got DAR reports, nearly 50 per cent (49.3%) were essentially conducted during the first year (May 1999 - June 2000) of the two and a half years of data span. This shows there were some increases in the number of schools getting these types of reviews.

Table 5.13: The average numbers actions for compliance for 'high' deciles from 1996 – 2001

<table>
<thead>
<tr>
<th>Dataset/Year</th>
<th>Dec 8 No.</th>
<th>Dec 8 Mean</th>
<th>Dec 9 No.</th>
<th>Dec 9 Mean</th>
<th>Dec 10 No.</th>
<th>Dec 10 Mean</th>
<th>Totals No.</th>
<th>Totals Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>I: 1996 - 1997</td>
<td>71</td>
<td>3.5</td>
<td>78</td>
<td>2.6</td>
<td>72</td>
<td>2.3</td>
<td>221</td>
<td>2.8</td>
</tr>
<tr>
<td>II: All 1998</td>
<td>43</td>
<td>3.0</td>
<td>21</td>
<td>3.1</td>
<td>38</td>
<td>2.8</td>
<td>102</td>
<td>2.9</td>
</tr>
<tr>
<td>III: 1999 - 2001</td>
<td>110</td>
<td>3.6</td>
<td>121</td>
<td>3.8</td>
<td>114</td>
<td>3.2</td>
<td>345</td>
<td>3.5</td>
</tr>
</tbody>
</table>

Overall, the general trends in Table 5.13 revealed that in most cases the higher the decile, the lower mean (except for decile 9 in 1998 and 1999 – 2001 being slightly higher than decile 8). The means from decile 8 were consistently higher than decile 10. Interestingly, over time, despite the fact that schools have been reviewed often at least twice, and in some cases more times in the six year period 1996 – 2001, and have experience with the ERO and its procedures, that over time the average number of actions has increased for the high deciles. Thus high decile schools are, in 2001, less compliant than they were in 1996, which the author notes is an interesting trend.

Smith (2001) concluded that:
As Thrupp (1999) reports cruising schools cannot be divorced from contextual considerations. Indeed there is a sense in which all higher SES schools are likely to be ‘cruising’ because the multiple advantages they enjoy over low socio-economic schools mean that the processes which support academic work are so much easier to carry out in high SES settings (Thrupp, 1999 cited in Thrupp & Smith, 1999: 196).

There are a multiplicity of reasons why the Office may have broadened its horizons beyond a focus on lower SES decile and rural schools. It may have been politically unpalatable from the post-1997 and post-2000 reviews of the Office to continue to focus on the issue of compliance. Moreover, perhaps the Office was attempting to counter-act the widespread and long-held perception amongst educationalists that the ERO focused too closely on schools located in low decile areas.

ERO policy, as current ERO executive management, appear reluctant to address the issue. Furthermore, ERO’s approach was not noted a formal sense in any of its documentation – except to highlight and raise the issue in its 1998/1999 Annual Report (ERO, 1999). There are however, arguments to be raised and findings from the latest database which point to a form of a more covert ‘unofficial’ follow-up upon errant schools of all SES deciles in 1999 – which became more apparent through documented evidence presented in 2000 with 26 per cent of the ERO’s schools reviews being DAR ‘outputs’ (ERO, 2000c).

However, two contentious inter-related questions remain from the challenges posed by the former Chief Review Officer (Dr Judith Aitken) in 1999. The first is, with the change in review focus, has the Office developed effective and sufficiently robust systems and evaluation tools to both identify and facilitate change in what they identify as ‘cruising’ schools? The second is concerned with the ERO’s increasing interest on cruising schools: what is the tangible evidence have they been able to affect sufficient and long-lasting change in this vexing area? These issues, I believe, are the enduring challenges which still remain unanswered at this point. It is incumbent upon the current ERO executive management and personnel to address these in the future.

(Smith, 2001: 18 – 21)

General Discussion of the Data

This chapter has provided statistical data based on the ERO’s institutional reports. Some of the issues raised in brief in this chapter will be analysed more extensively in following chapters, for example the changing context in which the ERO operates and a critical investigation of its practices and evaluation documentation.

There were differences between state and independent schools in the types of report that the ERO performs on each group, between schools in rural areas compared to those in urban locations. There were also differences across deciles (particularly deciles 1 and 10), across the ERO Offices, and between school types, with Te Kura Kaupapa Maori schools and full primary schools consistently getting higher mean actions for compliance and more follow-up reports than other types of schools. In relation to follow-up reports and the
proportions of DAA/DAR reports, there were higher ratios of follow-up reports on ‘low’
decile schools than ‘high’ ones, and higher ratios of follow-up reports on smaller primary
schools than larger ones (specifically on schools located in rural communities).

There were comparable proportions of the ERO’s main output types AA/ER and
Accountability Reports across both datasets (82 and 83%, respectively). In both datasets,
the proportion of primary schools, both state and independent, was equivalent at
approximately 74 per cent and 75 per cent, respectively. Furthermore, these percentages
are also comparable to those of the Ministry of Education figures of 77.3 per cent (MOE,
1999). School location was also comparable in that approximately 66 per cent of schools in
Dataset I was urban and approximately 64 per cent of schools in Dataset II was urban.
There were also significant differences in the number of actions for compliance between
schools at opposite ends of the decile spectrum.

The range of actions for non-compliance was greater in Dataset I than II (at 26 and 19,
respectively). Furthermore, there was a slight reduction in the proportion of schools who
had no actions for compliance across the datasets (approximately 30% in Database I and
approximately 22% in Databases II). It is possible that schools have become more familiar
with the ERO visits and have thus improved their ‘performance’ and are seemingly more
compliant with the regulations and legislation, or the ERO may have altered the way it
conducts its visits.

The major difference between datasets was the increase (2.75%) in the percentage of
schools which had experienced one or more discretionary audits and discretionary
reviews. The follow-up rate was 7.76 in I and 10.51 in II. It may be that the ERO is now
more stringently following up upon ‘under performing’ schools, as it was reported in 1997
that ‘[T]he Office put substantial effort into follow-up reviews, encouraging ‘turn around’
in performance’ (ERO, 1997b: 8). It is also noted that there is an increase of over 5 in
follow-up reports and reviews across the datasets. The follow-up rate was 12.09 in I and
17.31 in II.

There has been a decrease of nearly four per cent (3.91%) in the non follow-up of schools
with ‘high’ levels of non-compliance (using the definition of 7+). The non follow-up rate
was 10.09 in Database I and down to 6.18 in II. One possible reason for the lowering of this
rate again may be that the ERO is now more consistently applying more stringent
measures on schools that are errant. However, it may also be that having a very high rate
of ‘under’ or ‘poorly’ performing schools may be seen as being politically unacceptable.
‘Stakeholders’ or the Minister responsible for the Education Review Office (as the
purchaser on behalf of the Crown) of the ERO ‘outputs’ through the purchase agreement, may view the follow-up rate to be unacceptable and question the ERO’s position of essentially ‘failing’ so many schools.

In this context there has been widespread criticism of the ERO’s methodology (O’Neill, 1996; Thrupp, 1997a; Smythe, 1997a, 1997b; Robertson et al., 1997a; Thrupp & Smith, 1999). Furthermore, the ERO was the subject of two major reviews in 1997 (Austin et al, 1997, and PPTA/Robertson et al., 1997a; see Smith, 1997b, for analyses of these) and the current Minister responsible for the ERO, Trevor Mallard signalled during the early days of his tenure that it was be reviewed again in 2000 (Mallard, cited in Cassie, 1999c: 1).

PART III – An Analysis of the ERO’s Other Outputs

The following sections address the costs of the ERO reviews and assesses aspects of the ERO’s National Education Evaluation Reports.

Costs of ERO Reviews
In the ERO’s documentation it is noted that:

Cost information will be available during the year for each accountability review. Cost variations will reflect factors such as the geographical location of the institution, the nature and size of the student population, the performance of each institution and the institution’s ability to provide information.

(ERO, 1997a: 26)

Because the actual cost information on each institution (per unit) had not been reported in any of the ERO’s documentation, the researcher was interested in the actual costs by institution and whether there were variations depending on the type and size of the school. This interest had been precipitated and heightened by reading the UK literature on the OFSTED inspections which had clauses of value-for-money (or efficiency criteria as part of their reviews). A number of UK academics had questions about whether or not the OFSTED reviews provided value for money (Fitz-Gibbon, 1996; OFSTIN\(^6\), 1996; Wilcox and Gray, 1996). Both Fitz-Gibbon (1996) and Wilcox and Gray (1996) had suggested that the amount in the UK was £30,000 per school, although Wilcox and Gray noted this was for the secondary sector.

\(^6\) OFSTIN is a group of UK high profile academics and educationalists critical of OFSTED named OFSTIN (the Office for Standards in Inspection).
Another author Earley (1998) had noted the cost as £18,000. The information on costs from OFSTED makes for some interesting comparative analysis for future research. In addition, it would be useful to know the costs associated with the pre and post ERO review activities for schools in terms of person hours, and associated costs (which will also became an issue for future research and investigation, as the ERO claim that these tasks are not too onerous on schools – although the Wylie studies suggest the opposite [Wylie/NZPF, 1997; Wylie, 1997b, 1999b]).

The issue stimulating the author’s curiosity was also stimulated by one of the recommendations in the Robertson, et al. (1997a: 11) report which stated ‘rec. 4.2 that all review reports contain a statement of fiscal and organisational consequences of the review’. This researcher would go a step further than this and recommend that the cost of the review be listed on the report by the ERO, and, that this be a statutory requirement for fiscal responsibility purposes and also in order to make this information transparently available (in line with their own stated philosophy). Clearly, the inclusion of such data would aid researchers and other stakeholders and would enable them to compare the costs of different types of institutions.

In order to obtain this cost information, the researcher wrote to the ERO twice (two independent letters asking for slightly different categories of information). The letters, sent in May and June 1999, asked about the approximate average costs of assurance audits, effectiveness reviews, discretionary reviews, accountability reviews and discretionary

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2 Learmonth (2000: 154 - 155) recently noted the following costs associated with OFSTED inspections, which includes the actual costs of schools’ preparation:

The majority of head-teachers, teachers, governors, parents, LEA and national representatives interviewed and surveyed do not believe that OFSTED school inspection offers value for money.

The calculation of the costs of school inspection should include those incurred at schools, LEA and national level, and opportunity as well as direct and indirect costs.

The OFSTED costs for inspections for median size secondary schools are over £27,000; over £9,000 for primary and nursery schools; and over £19,000 for special schools. Contracted school inspection costs over £92 million with £28 million associated other costs.

The average additional cost to schools amount to a minimum of 1 – 3 per cent of the total school budget. Indirect costs, including opportunity costs are probably greater. Twenty per cent of additional teacher time is taken up with OFSTED related preparation in the three months before inspection.

LEAs spend £550 – 900 a school on pre-inspection assistance. They spend £900 – 1,450 on post-inspection work with primary and £1,450 to £1,810 on secondary schools.

The totals costs (excluding opportunity costs) for a median size primary school are £26,020 (4.5 per cent of the school budget) and £65,893 (3.2 per cent of the school budget) for a median size secondary school. Cost analyses should be applied on a regular basis to OFSTED.
accountability reviews in the following institutions, plus the range of costs for the smallest to the largest institutions in each category following:

(1) Early childhood institutions;

(2) State primary schools;

(3) State secondary schools;

(4) Statutory reports on independent primary schools;

(5) Statutory reports on independent secondary schools.

(6) I would like to know the approximate costs associated with the publication of a single Education Evaluation Report.

In the reply received from Canning (1999a), the data was provided in the form of tables which the researcher has reproduced below (although only for the primary and secondary state schools).

Table 5.14 Accountability Review Costs for State Primary and Secondary Schools in $

<table>
<thead>
<tr>
<th>Institution</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
<th>Average in Cat.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Sch</td>
<td>4,600</td>
<td>11,500</td>
<td>33,925</td>
<td>16,675</td>
</tr>
<tr>
<td>Secondary Sch</td>
<td>14,950</td>
<td>25,300</td>
<td>44,476</td>
<td>27,642</td>
</tr>
<tr>
<td>Average</td>
<td>7,288</td>
<td>13,575</td>
<td>25,438</td>
<td>15,283</td>
</tr>
</tbody>
</table>

The average cost of an A R on a state primary school is approximately only two thirds the cost (65.76%) of that of a secondary school, and the range of costs is between $4,600 for the cheapest through to $44,467 for the most expensive.

Table 5.15 Assurance Audit Costs for State Primary and Secondary Schools in $

<table>
<thead>
<tr>
<th>Institution</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
<th>Average in Cat.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Sch</td>
<td>3,404</td>
<td>8,511</td>
<td>25,107</td>
<td>12,340</td>
</tr>
<tr>
<td>Secondary Sch</td>
<td>10,747</td>
<td>18,187</td>
<td>31,971</td>
<td>20,285</td>
</tr>
<tr>
<td>Average</td>
<td>5,687</td>
<td>10,593</td>
<td>19,539</td>
<td>11,935</td>
</tr>
</tbody>
</table>

Table 5.16 Effectiveness Review Costs for State Primary and Secondary Schools in $

<table>
<thead>
<tr>
<th>Institution</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
<th>Average in Cat.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prim Sch</td>
<td>5,562</td>
<td>20,902</td>
<td>22,763</td>
<td>13,075</td>
</tr>
<tr>
<td>Sec Sch</td>
<td>8,652</td>
<td>27,328</td>
<td>52,015</td>
<td>29,331</td>
</tr>
<tr>
<td>Average</td>
<td>7,107</td>
<td>19,115</td>
<td>37,389</td>
<td>21,203</td>
</tr>
</tbody>
</table>
As can bee seen in Tables 5.15 and 5.16 the costs of effectiveness reviews was larger in all categories than for the assurance audits and that in one case the average cost in a secondary school was over $50,000 dollars. Furthermore, in most categories the E R reports were even more expensive than the A R type of reports which replaced them. They were an expensive ERO output class.

Table 5.17 Discretionary Assurance Audit Costs for State Primary and Secondary Schools in $

<table>
<thead>
<tr>
<th>Institution</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
<th>Average in Cat.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Sch</td>
<td>5,665</td>
<td>8,322</td>
<td>13,896</td>
<td>9,228</td>
</tr>
<tr>
<td>Secondary Sch</td>
<td>5,768</td>
<td>14,626</td>
<td>23,896</td>
<td>14,763</td>
</tr>
<tr>
<td>Average</td>
<td>5,716</td>
<td>11,474</td>
<td>18,797</td>
<td>11,995</td>
</tr>
</tbody>
</table>

As can be seen in Table 5.17 whilst the costs of doing follow-up ERO reviews is less expensive than a full regular review, it is still an expensive reporting process

Table 5.18 Discretionary Accountability Review Costs for State Primary and Secondary Schools in $

<table>
<thead>
<tr>
<th>Institution</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
<th>Average in Cat.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Sch</td>
<td>3,795</td>
<td>9,200</td>
<td>26,163</td>
<td>13,052</td>
</tr>
<tr>
<td>Secondary Sch</td>
<td>4,830</td>
<td>22,310</td>
<td>29,009</td>
<td>18,716</td>
</tr>
<tr>
<td>Average</td>
<td>4,312</td>
<td>15,755</td>
<td>27,856</td>
<td>15,884</td>
</tr>
</tbody>
</table>

In comparing the costs of DAAs and DARs (Tables 5.17 and 5.18) it should be noted that the costs of these reports, on average, has increased (except in the low category).

The above information about the cost of the ERO reviews is quite revealing; on average they are cheaper than their UK counterparts, however, the still represent a high cost to the state for completing reports on what is essentially a triennial cycle.

In Canning’s initial reply (Canning, 1999a, 26 June) it was noted:

Your first set of questions sought information on the approximate average costs of accountability reviews in ... state primary and secondary schools and statutory reports on primary and secondary schools, together with the range of costs for the smallest to the largest institution in each category. Bearing in mind that these costs are averaged, the actual costs for any one institution vary according to a range of circumstances.

What was more interesting however, was that Mark Canning had actually misinterpreted the letter sent for this information. The researcher wanted the average costs based upon
school size being small, medium or large, but what was actually supplied and presented above is the actual range of costs between the lowest and the highest rather than average data – thus for the researcher this was somewhat of a discovery in terms of getting the ERO to produce data which was not in the public realm. In an email (1999b, 2 July) Canning noted:

It does seem as though I have misinterpreted to some extent your original request and the information given me by our Finance Manager (apparently the figures are not averaged but lower and upper ends), so I will have to do some rethinking and get back to you with more information on sizes and costs and roll numbers. There won't be any additional charge, however.

When the new information arrived it was stated that (and it is quoted at length):

It appears that my choice of headings in the table in my letter of 23 June, the headings "small", "medium" and "large", may have been misleading, implying that the costs related to the size of institution. In fact, while this can be the case, those headings should have been "low" "medium" and "high", referring only to the cost of the review and not the institution size. ...

The average costs I have given you in my letter of 23 June remain valid on the basis of "low", "medium" and "high". They do not correlate to institution size with any precision, for many factors govern the time spent in an institution, analysing the information and preparing the report.

Size of school roll is not really meaningful for discretionary reviews in schools either. ... Each It is quite possible for a discretionary review at a very small primary school with a roll of say 25, to cost as much as a discretionary review at a larger primary school with a roll of say 100, depending on the range of issues that needed to be reviewed, and to what depth. The converse can also be true.

... Finally, to accountability reviews of schools, and the relationship of size to review cost.

Earlier in this letter I told you that low, medium, and high costs do not correlate to institution size with any precision, and referred to the factors influencing this. However, it is possible to give you a general idea, but with the caveat that the approximate figures that follow are only that, approximations.

I am not sure how meaningful or useful you will find them.

In the low cost band for primary schools the roll range is usually between 28 – 150, although there are examples in this band of schools with rolls as low as 10 and as high as 300.

In the medium cost band for primary schools the roll range is usually between 50 – 170, although there are examples in this band of schools with rolls as low as 10 and as high as 380.
In the high cost band for primary schools the roll range is usually between 280 – 470, although there are examples in this band of schools with rolls as low as 190 and as high as 600.

In the low cost band for secondary schools the roll range is usually between 200 – 550, although there are examples in this band of secondary schools with rolls as low as 80 and as high as 800.

In the medium cost band for secondary schools the roll range is usually between 350 – 800, although there are examples in this band of secondary schools with rolls as low as 250 and as high as 2000.

In the high cost band for secondary schools the roll range is usually between 900 – 1,500, although there are examples in this band of secondary schools with rolls as low as 700 and as high as 2000.

(Canning, 1999c, 18 September)

It is interesting to observe how the ERO constitute the size of schools and the bands they provide.

The main determinant of the cost of the reviews in the number of staff involved in the review process and the hourly calculations from the initial scooping until the end of the report writing as the researcher was informed by Frances Salt (Salt, 2001a, 2001b). When requesting information as to the average size of review teams and average times spent on-site during accountability reviews (in a letter late April, 2001), the researcher received the following reply:

Unfortunately the information you have requested is not available in the form you stipulate.

We do not collect time data on the on-site stage of the review separately from the other stages. This is because of ERO's concept of a review as beginning when we first contact the school or centre about the review and ending at the dispatch of the confirmed report.

I regret that I cannot be more helpful this time.

(Salt, 2001)

It should be noted that on the whole, the researcher has been very satisfied with the level of support and the amount of documentation, that had been received from the ERO over an extended period of time, but it should equally be stated that there have been a number of this type of letter with the words 'unfortunately the information you have requested is not available in the form you stipulate'. It is always difficult to know, therefore, whether to reword a request or ask what form the Office does collect/store its material so that this could be extracted easily and supplied without too much interruption or time-delay for either party. When receiving these replies, there was usually a proviso that they could
supply this information, but on a cost recovery basis. Alternatively, sometimes the researcher decided not to follow-up upon previous requests, or chose to wait to see whether or not the information would arrive as requested – but unprompted by a second reminder.

It was, therefore, with much delight that Salt (2001b, letter 14 May, 2001) sent a document which contained information on the review process and how it was costed. For example (quoted at length):

ERO accountability reviews of schools and ... based on the analysis for each institution of the risk to the education and safety of the children enrolled and to the Crown as owner (in the case of schools) and funder of the educational service.

Therefore the number of Review Officers participating in a review is likely to depend on the level of risk ascertained at various stages of a review including:

- the scoping
- the initial meeting with the board of trustees; and
- the investigation during the on-site stage at the school.

Area location and arrangements can also impact on numbers of reviewers and days spent the on-site stage. For example, one area manager taking into account travel and accommodation costs, may follow a practice of more staff, fewer days on-site per review, while another with a review of a local school may favour fewer staff for more on-site days.

However, we do operate a budgeting process that allocates average Review Officer hours to both accountability and discretionary reviews according to the roll size of the school for the purpose of forecasting output commitments. Information about this process might be of some assistance to you. ...

Our planning is all in Review Officer hours and not numbers of people. Area Managers budget on an average of 1400 hours per Review Officer for external outputs each year. Obviously they work many more hours than this but these are expended on such things as annual leave, sick (and other special) leave, training, and contribution to internal processes such as reviews of standard procedures. ...

For reviews planned for 2000/2001 the following average times were used.

<table>
<thead>
<tr>
<th>Primary School Reviews</th>
<th>Accountability Discretionary</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Hours)</td>
</tr>
<tr>
<td>Fewer than 100 students</td>
<td>83</td>
</tr>
<tr>
<td>100 to 299 students</td>
<td>110</td>
</tr>
<tr>
<td>300 to 499 students</td>
<td>131</td>
</tr>
<tr>
<td>500 to 699 students</td>
<td>148</td>
</tr>
<tr>
<td>More than 700 students</td>
<td>175</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Secondary School Reviews</th>
<th>Accountability Discretionary</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Hours)</td>
</tr>
<tr>
<td>Fewer than 300 students</td>
<td>183</td>
</tr>
<tr>
<td>300 to 599 students</td>
<td>262</td>
</tr>
<tr>
<td>600 to 899 students</td>
<td>292</td>
</tr>
<tr>
<td>900 to 1399 students</td>
<td>330</td>
</tr>
<tr>
<td>More than 1400 students</td>
<td>327</td>
</tr>
</tbody>
</table>
I stress that this is only an average number of hours per school and that Area Managers allocate the whole pool of hours available to them according to the identified risks and needs of particular reviews. ...

This means that an accountability review of a small primary school with fewer than 100 students, on average, can be expected to take about 83 hours of Review Officer time from the initiation of the review to the time that the report is confirmed.

At an average of an eight hour day, 83 hours equals approximately ten Review Officer days or three Review Officers for three days and one for one day. In the actual review of a school of this size it might actually be, for example, two Review Officers for four days and one for two days (or two for one day each).

That is, of course, assuming the review did not take 75 hours or 100 hours because of the particular circumstances at that school.

(Salt, 2001b)

Several important issues arise from this information above. Firstly, that there is quite a lot of delegation and discretion for the Area Managers to determine the length of time and composition of the review teams (within prescribed limits). The second point is based on the observation that whilst Salt infers that the time allocated to reviews is based principally on the reviewer hours, it is also determined by the size of the institution being reviewed. This point about school size, seems to be at odds with the information discussed by Canning earlier, saying that school size was not really a determinant in the review process. There appears to be a discrepancy in information or interpretation here.

What is of interest though, is that it would appear that the main determinant behind a review is not the frequency – as in the three yearly cycle but the Office’s perception and predetermination of what are regarded as institutions at risk. Thus, they are making value-judgments over certain types of schools and whether the students are at risk. Alternatively they are conjecturing that the state is at risk by funding an institution which the ERO has determined is not performing to standard. They may, therefore, recommend to the Secretary of Education or even the Minister, a strong form of sanction such as closure. This happens very rarely and only in the most serious of instances.

However in recent years, after multiple reviews of several institutions in the Auckland area with ‘bad’ ERO reports on average every six – eighteen months, at least two schools have been closed by the Minister of Education on the advice of the ERO (St Stephen’s College and Auckland Metropolitan College).
These passages from the ERO executive personnel provide valuable insight as to the inner workings and rationale behind their review processes and thus it is important to outline them at length here.

It is difficult to determine whether the ERO reviews of schools are a good investment of the Crown’s resources. However it should be noted that the office has performed slightly more (approximately eight per cent) of its main output the Accountability Reviews from 1997 – 2001 (see preamble). But as noted below, an area in which there has been significant growth in outputs, has been the area of follow-up reviews.

It would be disingenuous of the researcher to suggest that the ERO was increasing the number of schools getting DAA/DAR reports simply to keep the ERO in business, however, it is difficult to understand why, after nearly a decade of the ERO performing this type of follow-up report, that the performance of schools has actually dramatically deteriorated, requiring a follow-up rate of 26 per cent in 1999 – 2000 (ERO, 2000c). According to Learmonth (2000: 57) ‘inspection has always been seen as one way of raising standards in schools, and this has been a particular focus since the start of the new OFSTED arrangements in 1993’. The same could be said for the New Zealand situation with the way the ERO has acted especially since about 1992. However, New Zealand’s rate of follow especially in 1999 – 2000 is much higher (in this instance - double that of OFSTED in the UK), for example in ‘schools where the levels of weaknesses were unacceptable – which required in other words ‘special measures’ to ensure their improvement’ (Learmonth, 2000: 54). Another category of schools – ‘those which are providing an acceptable standard of education but have serious ‘weaknesses’ has recently been identified – in 1998 there were 3 per cent in the first category and about 10 per cent in the second’ (Woodhead, 1998 cited in Learmonth, 2000: 54). It should be noted, however, that the New Zealand system does not have a category of special measures, but that the ERO does at times recommend the appointment of a commissioner to run schools in difficulty.

Discussion of NEERs
Cost information on the size of the print-runs and cost per booklet on some examples of the NEERS has also been provided by Canning (1999b) in relation to questions asked by the researcher, for example:

In respect to the evaluation reports, the following were the print runs and unit costs for each of the six reports listed -

What Counts as Quality in Playcentres - 2,000 copies ($4.18)
The Capable Teacher - 8,000 copies ($1.45)

Working with Students with Special Abilities - 5,000 copies ($2.86)

Choosing a Secondary School - 8,000 copies ($1.53)

Good Schools, Poor Schools - 5,000 copies ($2.84)

Assessing Children's Curriculum Achievement - 8,000 copies ($1.56)

As can be seen in the information above, there are variations in the numbers of reports in the print-runs for different types of reports, and that there is also efficiencies to be made in producing more documents.

The main aim with these reports is to inform the wider public (as was noted in chapter Four) and to inform policy. It is argued by the ERO that these types of reports are intended to:

... provide continual feedback on numerous areas of specific government interest. It is a key function for ERO to raise issues that may have broad national significance, and ERO is placing greater emphasis in individual reports on wider public policy issues. In some instances this information will be used directly as policy advice to the government. In other cases it will be reported explicitly for national evaluations.

(ERO, 2000c: 14-15)

The NEERs have been well critiqued in the literature (see NZEI, 1996, 1997; Robertson et al, 1997a, and these will be elaborated upon in Chapter Six). Fiske and Ladd (2000: 194) make the following criticisms of the ERO NEERS:

The ERO distils what it has learned from its many school reviews about what makes for effective and ineffective schools [ERO, 1998]. Through this mechanism, the ERO shares information amongst schools, sending signals to schools and their boards about what makes an effective school. To date these reports have not been based on a sophisticated evaluation of what works or does not work but rather on what ERO reviewers have identified, given their particular perspective on school effectiveness.

In a general statement on these reports and a close analysis/review of one of these reports, The Capable Teacher (ERO, 1998h)\(^8\) O'Neill (1998: 201 - 202) stated:

However, even the most rudimentary analysis of key Education Evaluation Reports circulated between 1994 and 1998 reveals a persistent and consistent effort by ERO to forcibly define particular ways and parameters of public debate, political policy making and professional behaviour in schools for purposes which appear more ideological than educational in character. Far from providing balanced information,

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\(^8\) See also Clark (1998) for a philosophical critique of ERO's document. See also Codd (1998) and Thrupp (1998a) in the same issue.
these documents suggest that ERO’s published contributions to popular debate and the policy making process are designed both to secure ever closer control of teachers’ activities and, more recently to reposition ERO as the agency best equipped to quantify and monitor teachers’ work.

Arguably, as ERO seeks to redefine its role in practice, this has largely been accompanied by a subtle change in focus, language and argumentation adopted in the EER between 1995 and 1998. The earlier documents exhibit an overriding obsession with technicist and contractualist terminology; from 1997 onwards, I have the (untested) impression that the language softens, the argumentation becomes less confrontational, the literature sources a shade more ‘educational’ than ‘managerial’ in provenance and the covers more aesthetically appealing to an educational audience. There is also an attempt to present the reports as having a broader and more robust empirical base with a view of directly influencing conceptions of teaching and learning practice based on widespread consultation with education sector ‘stakeholders’. Recently, ERO’s very widely publicised interventions in the primary school assessment consultation process – and afterwards – are indicative of a state agency intent on shaping the development of educational policy, not merely reporting and evaluating its implementation.

O’Neill’s analysis lends weight to the arguments outlined in Chapter Four about the ERO’s attempts to influence the wider debate and fits in with the thesis adopted of informing the ‘will of the people’ (Offe, 1996). Whilst the majority O’Neill’s ‘impressions’, are correct, data collected for this thesis would suggest that the language adopted is still technicist and that the majority of the sparse literature that is used comes from both the world of business and from educational sources, but that the majority of it is actually self-referential or based on Ministry of Education statistics.

A content analysis conducted on the ERO NEER documents from 1994 – 2002 revealed the following (it should be noted that the 1994 – 1996) material has been briefly discussed in Chapter Four but element of that discussion are extended here.

From 1994 – 1996 the ERO produced 25 reports and only fourteen (56.0%) had any form of references. Of these fourteen, References or Bibliographies were mostly used but the information contained in the reports was mainly on the Acts/Regulations, NEGS & NAGS, and references to the ERO and MoE documentation. In addition, there was at times some research data from journals, books and other publications. In some instances there was use of footnotes, beginning in 1997 with No. 7 Students at Risk: Barriers to Learning.

Footnotes relating to research data started appearing more frequently in the 1997 – 2000 period. In these three years ERO produced 25 NEERs and of these, seventeen (68.0%), had footnotes, thus making them appear to be more scholarly publications. This may have been a result of criticisms from NZEI (1996, 1997) documents and also the PPTA Review
Robertson, et al., 1997a) which dismissed ERO NEERS as mostly non-researched documents.

Over the nine year period of investigation, only 31 of the 50 NEERs (62 per cent), contained reference material other than from their own aggregations based on their regular reviews of schools.

From 1996, ERO began compiling a series of reports on specific issues including cluster reports on schools in SES deprived areas. The three reports on: Mangere and Otara (ERO, 1996a); East Coast (ERO, 1997c) and Far North (ERO, 1998f) did not contain references or external research data.

Of the eight reports in 1999, three of interest were analysed, while the School Governance (ERO, 1999c) report contained references, two others, the Pre-Employment of Teachers (ERO, 1999e) and the Fully Funded Option (ERO, 1999f) did not.

In 2000, the ERO produced another five of these types of reports and its largest report to date In Time for Future: A Comparative Study of mathematics and Science Education (ERO, 2000e) contained a large number of footnotes, but mainly these were referrals to the various country reports from their Ministries. However, external references from other publications were noted.

In these documents, the ERO does not reference correctly and no pages numbers are noted even for direct quotations.

The three latest 2002 NEERs from the ERO have adopted a slightly different format. The first two (ERO, 2002a, 2002b) both produced in April, contain footnotes that are essentially self-referential and using considerable official material from previous ERO and Ministry of Education documents.⁹

What is interesting is that within the one NEER, from June 2002, Good Practices in Principals’ Appraisal (ERO, 2002c) the ERO officials producing these documents appear to be now following a more standardised convention of referencing. The references are in text and include page numbers, although instead of References, they are referred to as Bibliography in the main heading and the actual references are called readings (see ERO, 2002c).

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⁹ This is somewhat understandable given that they are updates on the ERO’s previous large scale study of these areas (see ERO, 2000e). The titles of these reports are Maths Now: Mathematics Education For Students in Years 1 to 8 (ERO, 2002a) and Science Now: Science Education For Students in Years 1 to 8 (ERO, 2002b).
Chapter V: The ERO In Action: An Exploration of its Outputs and Effects

It is argued that these more recent changes may have emerged as a consequence of the criticisms of the NEERs production outlined in the Rodger et al. (2000) Review of the ERO. This review was very critical of the ERO's research capabilities and recommended:

21. The ERO does not move into undertaking research itself but commissions people with the appropriate expertise to design and carry out national evaluation studies.
(Rodger, et al., 2000: 3)

Concluding Comments

These datasets represent a substantive proportion of the ERO's 'outputs' between June 1996 through to December 1998. It is acknowledged that they are not a random sample, nor perhaps totally representative of all areas in the country. They do, however, comprise all the reports acquired in the period under review (10% of ERO's institutional database). The sample is, therefore, a sufficiently large pool and is moreover, one that is robust enough to enable the researcher to make inferences. This proportion is probably higher given that the 14,000 reports noted in Austin et al. (1997a) contained information on both the early childhood and compulsory sector.

Following on from the themes developed from the Wylie/NZPF findings (1997: 18-19), the present analyses has indicated inconsistencies in the application of follow-up reports (both regular follow-ups and the more serious versions DAA/DAR's). Alternatively there was also variability/inconsistencies between offices in the application of not following up on some schools despite high levels of non-compliance.

Wylie (1997: 18-19) concluded 'that there was enough concern about consistency in the survey to indicate the need for more detailed analysis of the consistency of ERO reports, and if the inconsistencies are as widespread as the survey would suggest, what reliability do the ERO reviews have?' The findings from the datasets would seem to validate this claim of inconsistency and that there could potentially be a need for the ERO to address this issue, particularly in relation to considerably high numbers of actions for compliance for schools reviewed by the Wanganui and Whangarei offices in comparison with those reviewed by either the Wellington or Rotorua offices.

These issues give rise to questioning whether or not the ERO's well publicised internal quality control systems and standardised review procedures are sufficiently robust. Are they robust if these inconsistencies were still occurring in reports in late 1998 and to what extent, in completing its evaluations, does the ERO take note of 'sufficient' 'context' details of such as decile, geographical location or even the size of the institution? Further, have
the changes over time to the ERO’s ‘outputs’ resulted in organisational/procedural reconstructions in the way that it conducts its core business?

While the average actions of non-compliance were lower in the Accountability Reports (mean=3.32) than the ERO’s previous major output type Assurance Audits (mean=5.04) the focus of the reviews is somewhat different, and it is, therefore, difficult to directly compare them. The mean of the AR reviews is also lower than the means of both ERO outputs when subtracting the mean number of actions for compliance in the Effectiveness Reviews (mean=0.92) from the Assurance Audits (5.03) to get a mean of 4.11. The focus has moved from compliance with regulation to the ‘quality of service providers’ performance’ (ERO, 1998b: 25). However, there is still a focus on compliance with short term outcomes (Schick, 1996), and a much greater targeting of those institutions the office deems to be underperforming – the DAR and DAA reports purpose is to re-view in order to improve compliance and thereby performance.

Furthermore, as was shown in the Smith (2001) data on high SES schools, their performance has actually (supposedly) deteriorated and they are experiencing more follow-up reviews and much higher non-compliance with the regulations compared to the datasets in the 1996 – 1998 periods. If this is occurring in the high SES schools where performance is usually arguably better – what is this suggesting about those more vulnerable schools in lower SES deciles? Alternatively, what is this saying about the ERO’s agenda?

As well as a difference in ‘focus,’ the AR report type had only been introduced in late 1997 and the reports were only collected over a fourteen month period. That this was a ‘new’ report type needs to be borne in mind when comparing it to the previous outputs – there may have been some initial period of trialling. In this context, the ERO (1998e: 5) noted that ‘the 1998 school year will mark the first full year’s experience with accountability reviews, providing an opportunity for the office itself to evaluate the effectiveness of the changes and to make further changes that are needed.’ There has been no discussion of this issue in any of their subsequent Annual Review reports or other documentation. A possible reason to account for the differences is that schools are now more aware of the regulations which the ERO reviews against and are more familiar with the ERO’s procedures and systems and are, therefore, potentially better prepared for ERO visits.

These points aside, the datasets actually confirm that the ERO claims to consistency are at the least not working, and at their worst, fraudulent. Despite claims to the contrary by the ERO, there appears to be a lack of rigour and validity in the reports and the claim could be
reasonably made that the Office should change its methodologies, especially in order to account for contextual differences as recommended in the PPTA Report:

Rec. 4.1 that the ERO develop tailored review methodologies to reflect and record the achievements and shortcomings of different types of schools.  

(Robertson, et al., 1997a: 11)

This would indeed be a good place for the organisation to begin, especially as the detrimental market effects on schools situated in lower SES decile areas has forced many into a spiral of decline as Gordon, (1994) and Lauder et al. (1999b) have reported. Given the statistical differences and much higher levels of non-compliance, these data show that following Thrupp (1995, 1996, 1999b) and (Lauder, Hughes, et al., 1999a) the matter of context counts.

In light of the data presented in this chapter, a stronger case could be made to for thinking about new and different forms of ERO reviews on specific types of institutions, and especially demonstrably different ones, for example, TKKM schools. There could be therefore, a strong case for the ERO to look at new forms of accountability and for them to work towards adapting their present methodology and philosophy to account for institutions that do not measure up in terms of the present compliance based ERO perspectives.

These questions and issues will be addressed in the following chapters by critically analysing the ERO’s documents and relating these to current research literature. The following chapter, therefore, outlines the political pressure for changes to the ERO, and examines aspects of the Office’s restructuring from 1997 – 2000.
CHAPTER VI

POLITICAL PRESSURE FOR CHANGE:
THE ERO’s RESTRUCTURING 1997 - 2000

There’s a gang stalking south Auckland playgrounds. A ruthless, unfair, single-minded and tough gang. Unsuspecting principals and boards of trustees have found themselves beaten up and kicked while they’re down. This gang takes no prisoners and brooks no excuse. What’s more, it’s legally entitled to do what it does. It’s the Education Review Office - coming soon to a school near you.

(Metro Magazine, MacDonald, 1997: 58)

Overview

Chapter Six is divided into two parts which builds on the theme of the changing meaning of accountability. It notes shifts in the ERO’s policies and practices during the period 1997 - 2000. Although during most of this period the ERO’s accountability practices continued to be embedded in the concepts of managerialism, teacher dissatisfaction was gaining as was their political power to publicly highlight through their professional and industrial organisations the growing critique and more active forms of resistance to the Office. The anti-ERO sentiments were effected by the changing external political environment with a change of Minister and the political manoeuvring within the Coalition Agreement between the National Party and New Zealand First in the 1996 General Election. Although conditions for a shift in accountability practices were present by 2000, and some of the more controversial practices were beginning to change, there was still no return to professional collegial responsibility sought by teachers.¹

Part I begins with an analysis of the issue of ERO follow-up reports (DAAs/DARs) which links which the data contained in Chapter Five, and unpacks the rationale for the ERO maintaining that institutions who receive these reports can actually in majority of cases turn themselves around, and when they are re-reviewed the schools can re-enter the ERO’s regular cycle of reviews. This section also traces the number of generalised criticisms the ERO from various organisations which occurred throughout the ERO’s history (some cover the earlier periods from 1994 onwards). They had mainly been from the education sector. However, over 1996 and into 1997 external criticism increased. Criticisms emerged from independent commentators, the media, and all various ‘stakeholders’ of education: the educational unions (NZEI and NZPPTA), the School Trustees Association, principals’ professional organisations, Maori groups representing Te Kura Kaupapa Maori schools as
well as the academic community. One of the main areas of critique is of the lack of acknowledgement by the ERO of the SES context. These all fed into the political climate surrounding the ERO. Yet in spite of being a supposedly ‘apolitical’ state agency, ERO itself adopted a very active participation in the public sphere. Part I also addresses outlines the background to the reviews (which are examined at length in Part II). Part II provides an overview and analysis of the two reviews. This section addresses some of the ways in which the Office made changes during this period and ends with a critique of their efficacy from 1997 – 2000. The overview for this chapter covers both Parts I and II and the same approach is adopted for the concluding comments.

After the change of Government in 1996, two reviews on the efficacy of the organisation were simultaneously launched, the official Ministerial review; the 1997 Review of the ERO by Austin, Parata-Blane and Edwards (1997a), known as the Austin Report, and an alternative one commissioned by the secondary teachers union, the PPTA (Robertson, Thrupp, Dale, Vaughan & Jacka, 1997a), called here Robertson et al. (1997a)

This chapter outlines some of the critiques, particularly those relating to the ERO’s views on SES, and compliance. However, as the chapter emphasises the ERO is a dynamic organisation, which read the changing political milieu well and quickly adapted, modifying the image rather than the substance of some of its procedures. By the end of 2000 the ERO appeared to be differently focused, but its structures and functions remained the same.

PART I - THE BACKGROUND TO THE CHANGES

The ERO’s Follow-up Reports: DAA and DAR Developments

In the Preamble and Chapters Four and Five the issues of Discretionary Assurance Audits and Discretionary Accountability Reviews were raised, in particular because of the dramatic increase the number of this output type from 1992 – 2000/01. It was if the ERO management were using these more frequently in order to highlight the Office’s own efficiency and low tolerance for failure – and advocating for the promotion of standards and also to act as a spur to errant institutions to make them more compliant. The following quotations from the ERO personnel and the ERO documentation clearly illustrate this point. For example:

1 Space precludes more detailed discussion of all of these criticisms; however they are outlined at length in Smith (1997b) and summarised in Thrupp & Smith (1999).
[In 1994/95] 'there was a lowering of 'tolerance of underperformance of schools and centres' (ERO, 1995a: 14).

[In 1996/97] 'less than 20 per cent of all schools require follow-up action by the Office' (ERO, 1997b: 8).

[The ERO] 'considers schools that have been subject to at least one follow-up (discretionary) ERO review to be performing poorly' (ERO, 1999c: 9).

[These types of reviews] 'the Discretionary Audit was our most powerful tool' (Fergusson, 1999 cited in French, 2000: 8).

In most cases throughout the ERO’s documentation, the Office inferred that improvements had resulted in institutional performance due to external pressures such as the ERO review. While it would be merely conjecture to suggest that the ERO was deliberately targeting certain types of institutions, it could be deduced from the reading data in Chapter Five, that clearly some institutions were being reviewed far more frequently than others. The ERO in their *Annual Reports* (as discussed earlier in Chapter 4 Part II) never broke down the numbers of DAR/DAA reports by sector. However, in their 1999/2000 *Annual Report* (ERO, 2000c: 17 - 18) there was a new category ‘8 Discretionary reviews in the school sector’ which separated the information into primary and secondary schools and then extent to which ‘significant progress’ had been made to return to the regular review cycle. What is also revealing is that in while they had not done this in their past reports they had provided the Minister of Education (reported in the Annual Report: *New Zealand Schools*) with the total percentage of the BoT’s performance in schools requiring DAA/DAR reports on schools compared with the number of regular reviews and the number who made ‘significant progress’ and improvements enabling them to return to regular scheduling. This in formation is presented in Table 6.1 below.

Table 6.1: The number of school getting DAA/DAR reports and the number and percentage who were able to make ‘significant progress’ to return to regular ERO scheduling of reviews 1994 - 1998 & 2000

<table>
<thead>
<tr>
<th>Year</th>
<th>% of DAA/DAR Rpts vs Reg Rev</th>
<th>No. DAR Reports</th>
<th>No. Sign. Progress</th>
<th>% Improve Returning to Reg. Cycle</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>10</td>
<td>77</td>
<td>-</td>
<td>75</td>
<td>MOE (1996: 45)</td>
</tr>
<tr>
<td>1996</td>
<td>-</td>
<td>106</td>
<td>75</td>
<td>71</td>
<td>MOE (1997: 52)</td>
</tr>
<tr>
<td>1997</td>
<td>-</td>
<td>86</td>
<td>-</td>
<td>71</td>
<td>MOE (1998: 60)</td>
</tr>
</tbody>
</table>

As can see seen in Table 6.1 there was variability in what data was presented in the Minister’s documents supplied by the ERO or what the writers of the document put in
there. The trends from the table also are interesting in the ranges and variability of schools being able to attend to the compliance requirements as reported on by the ERO and them being deemed to have made significant progress in which in the ERO's judgement allows them to return to the regular three - four year review cycle. The percentage of schools being able to return to regular scheduling was 'low' in 1994 but improved through the 1995 – 1997 years when the ERO's main focus in the Assurance Audits was on compliance. However, it lowered by some 20 per cent in 1998. By the 1999/2000 years the percentage of schools increased again so that nearly two thirds were able to re-enter regular scheduling, yet these years also had the highest percentage of schools getting DAR reports.

The information in the table is significant for a number of reasons outlined below:

1. The variability in the percentage of schools' returning to the regular scheduling.

2. The ‘data’ is presented in a ‘positive light’, those ‘poorly’ performing schools being able to turn themselves around. (The one exception is the ERO, 2000c) report which notes the number unable to do so – where ‘unsatisfactory progress made’ or the schools which ‘did not make satisfactory improvement and will be reviewed again in six months’ (ERO, 2000c: 18).

3. That underlying notion of the ERO philosophy of re-reviewing schools in a short period of time acted as a spur for improvement – and can be attributed in part to their actions in performing the discretionary reviews.

4. That schools could indeed improve this dramatically within this time period which runs counter to the majority of data in the school improvement literature.

5. There is no data supplied as to how, or in what ways, the ERO makes its evaluation as to whether a school is able to return to the schedules.

6. Arguably the most important statistics missing are the number of schools for whatever reason (low SES decile for instance), that are unable to make significant progress only to have the ERO review them within six months – and continue this process until the institution does improve or is recommended for closure.

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2 The author has extracted the information as it was presented in these documents, thus it is faithful to the original sources – hence the reason for gaps in the information in some categories in the table.
7. The range of under-performing institutions was 75 per cent in 1994 and approximately 33.5 per cent in 1999/2000 (74/221, where 19 other schools were being monitored and might be re-reviewed depending on performance (ERO, 2000c: 18).

What happens to these institutions the ERO does to be ‘poorly’ performing or in Connelly’s (1999) terms ‘failing’? The ERO operated under a strict no follow-up assistance policy, and the Ministry of Education was still hands off, although by the mid 1990s had established the Schools Support Project. Where were these schools to go for assistance – being constantly reviewed by the ERO created bad publicity making the institutions more vulnerable in their market position. It could be advanced that the ERO was in the strong position of being able to inform the public (the will of the people) which were ‘good’ or ‘bad’, ‘failing’ or ‘excellent’ schools – based upon a flawed methodology and a policy of making all information publicly available – and directly supplying an irresponsible media with ammunition to create a perceived crisis in standards – which in turn only the ERO could comment upon. Or in their terms the follow-up DAA/DAR - re-review method was the tool which provided the spur for schools to promptly act to comply with regulations, focusing on the short term outputs (Schick, 1996) in order to avoid yet another ERO review.

However, as the data from Chapter Five (and the table above) clearly showed for many schools they were unable to meet the criteria, and these were mainly small rural primary schools or alternatively large urban secondary schools located in low SES decile areas which also had large proportions of Maori and Pasifika student populations. Furthermore, as research data from Hawk, Hill, et al. (1996); Gordon (1994); the Smithfield studies (Lauder, Hughes, et al. (1999a); Robertson, et al. (1997a); and Thrupp (1999b) all reported for many low SES decile schools they were simply unable to meet with the ERO’s demands – and this provides evidence for the over-load thesis in the educational market.

The ERO had flawed criteria for reviewing, and did not allow for context – and in most of its documentation was advocating that SES made little difference to outcome – they were in essence peddling fictitious information to the media and the wider public who they claimed to represent. Whilst there was anecdotal evidence to suggest there was a concerted campaign of targeting low SES decile schools by the ERO as these schools were seen to be problematic, by denying the SES and social realities that exist in these schools the ERO were in essence punishing them for factors beyond the school control (see Thrupp, 1997b; 1999b).
It would be difficult, unwise, perhaps even unsustainable from the findings of this research to claim there was a systematic process that the ERO were engaged in to highlight the inequalities in the market system, there was usually denial on their part that they were a part of the problem, not the solution. Because of the organisational philosophy of the agency, underpinned by its neo-liberal and neo-conservative strategies and application as operationalised through managerialism, in particular agency theory the Office was able to maintain its supposed ‘independence’ from those it reviewed. The Office’s processes and practices of review, whilst supposedly transparent, were actually not. The methodology contained biases, as the lens the through which they reviewed schools was one ‘standardised’ methodology so to be ‘fair’ and treat all schools the same. However, it is advanced here that this ERO lens was actually one of judging all schools against some kind of middle-class market respectability, and that be doing so they had a myopic view of schools and how they operated and how they judged the quality of the schools under review (see Smith, 2000b; Robertson, et al., 1997a; Thrupp, 1999b).

There is also a sense that the ERO were looking for efficiency gains in schools in line with the NPM philosophy, and that schools had to be held accountable for public funds and measured accordingly.

The criteria they were reviewing against was not as clear as the ERO publicly maintained – it was not the level playing field. Therefore under the market model the review processes as adopted by the ERO, were not as ‘impartial’ as implied, the ERO’s role within the state’s structures may have exacerbated and even ‘deliberately’ promoted marketisation (see Aitken, 1994; McKenzie, 1997; Robertson et al., 1997a; Thrupp, 1997b). As can be seen in the findings from Chapter Five many schools were simple unable to meet the ERO’s expectations for improvement.

The denial of the variable of SES as being part of a reason for schools’ underachievement has been a long-standing one in the ERO documentation (and this is dealt with in more detail in part two of this chapter). However, it is pertinent to put an example here to contextualises the next section. The effects of SES on schools’ performance is a much contested area of educational research, however the ERO to this point in time, firmly adopted a position whereby there was at best a lack of acknowledgement of the impact of ‘disadvantage’ and at worst an absolute denial of its impact. Arguably, the most blatant disregard for research findings and an overtly hostile in relation to SES factors by ERO is to be found in their *School Governance and Student Achievement* report in which it was noted:
Many educational researchers consider that home and social factors (for example the level of family income and support) are more influential than school factors in contributing to student achievement. Some have even concluded that the schooling is relatively unimportant in influencing achievement since the effect of school is miniscule compared to that of the rest of society.

However, on the basis of its field-based observations, ERO has developed the strong view that schools can and do make a difference to student achievement. In seeking to raise achievement levels, successful schools do not just focus on the factors they cannot control directly, but also adapt their efforts to accommodate the factors they cannot. The relative influence of factors within and outside schools in contributing to student achievement, and ways in which schools can combat the effect of home and social factors, are discussed in ERO’s publication Good Schools, Poor Schools (1998).

(ERO, 1999c: 6)

There is a sense of arrogance and anti-intellectualism in this statement – and a paternalism, that ERO as evaluation experts know best! Furthermore, there is an implicit dismissal of the significant research base of ‘contested’ international literature on this topic which articulates a contrary view.

In Smith (2000b) the researcher argued that the ERO have consistently under-estimated the time taken for schools with serious socio-economic ‘disadvantage’ to improve their schools after an ERO DAA/DAR report. In spite of the weight of evidence provided by the ERO in Table 6.1 it is argued that for some schools at least, it is impossible to turn themselves around in the way the ERO demanded (Thrupp & Smith, 1999; Thrupp, 1999b). It is argued that schools with significant ‘problems’ require a much longer time period.

In the case of two South Auckland schools, the CRO made the following remarks:

... it had taken far too long to turn Hillary and Tangaroa colleges around. ... Six to twelve months was sufficient time for any school to take serious remedial steps to address ERO concerns

(Aitken, 1999b cited in Rowe, 1999: 10)

The ERO has also been an advocate for closing schools\(^3\) which are consistently poorly performing in their (ERO's) assessment, for example they note:

In ERO’s view, the Government should consider closing schools which have a long standing history of poor performance, and which are unable to show any substantial improvements over a two year period following an adverse ERO review.

(ERO, 1998b: 21)

\(^3\) This policy has been used more extensively in the UK following OFSTED reviews (see Learmonth, 2000; Thrupp, 1998a, 1999b; Slee et al., 1998; Ferguson, et al., 2000).
The assessment of the time taken to remedy serious issues/problems in a school is seriously under-estimated at 6 - 12 months in the case of Hillary or Tangaroa or even two years as is advocated by ERO in their Annual Report. The research literature and evidence from the UK demonstrates the turn-around time for particularly 'failing' schools is longer than is advocated by the ERO (Gray & Wilcox, 1995; Wilcox & Gray, 1996).

Furthermore, even ERO's counterpart OFSTED allows two years in the serious case of 'failing' schools (Wilcox & Gray, 1996). In a discussion of this issue Ferguson (2000: 105) argued:

The time taken before a school is 'turned around' and is judged to be offering an acceptable standard of education varies. In 1999 it took 17 months on average for a school to be removed from the special measures register ... It is generally expected that schools will be removed from the register after two years although some have taken longer because of the complex nature of the problems to be resolved.

A realistic time-frame is required as Wilcox and Gray (1996: 131-132 ) noted:

The literature of school improvement and educational change would suggest that expectations of substantial implementation of inspection findings within short time scales will, for many schools, be overly optimistic. [Furthermore, they note] ... What a short-term post-inspection follow-up will yield is likely to be patchy and unconvincing. Across-the-board assumptions, therefore, about how long change takes are likely to be inappropriate; this will vary from school to school. We share the view that 'failing' schools should not hang around or, for that matter, be permitted to do so. Such limited evidence as we have available, however, suggests that really worthwhile changes (that is changes in schools' 'effectiveness' as institutions) will take years rather than months. Three or four years will probably be required for an 'ineffective' school to move into the pack and as long again for it to move ahead (see Gray et al. 1996b; and the follow-up study conducted by Louis and Miles 1992).

(Wilcox & Gray, 1996: 139).

This is an issue which the ERO may need to do some substantive research on (in collaboration with academic researchers) and not rely merely upon aggregations of their own data. Furthermore, as a long-term researcher of the Office - would be a useful position for the ERO and the government to seriously reconsider the recommendation made by Robertson et al., 1997a: 11 & 210) that '[T]hat ERO develop tailored review methodologies to reflect and record the achievements and shortcomings of different types of schools'.

Many of the points raised in this first specific section are relevant to the following which outlined the growing concerns about the efficacy of the ERO that were happening in this
period (and beforehand) – most criticisms of the ERO are not new, and some may have equally applied to the Inspectorate as well (see Smith, 1998).

The Mounting Criticisms of the ERO

The two important points of attack for critics of the methodology and philosophy of the ERO was their model of compliance – the ticks and crosses approach (Wylie/NZPF, 1997), and that they consistently under-estimated or even denied the effect of SES on achievement. These criticisms proved to be significant in the wider public sphere in a political environment that was publicly turning against ‘the market model’.

Constructions in the public sphere
Kelvin Smythe, the editor of Developmental Network Newsletter (a magazine for primary schools) was a particularly vociferous public critic of the ERO. In 1994, Smythe had publicly suggested the ERO should be disestablished (Smythe, 1994). Smythe railed against the ERO’s methodologies, their use of the media, and their publications (specifically the evaluation reports) as well as the overly technocratic approach of the agency (see Smythe, 1994; 1996; 1997a; 1997b). He continually raised concerns about the ERO not only in his own publication but also in a number of others. Yet Smythe was not alone.

The Education Media
Overall, the perception of the ERO in the education media was generally negative reflecting a union-fed campaign against the ERO. A content analysis of articles containing information on the ERO undertaken for this study used two widely read education weekly publications, The Education Weekly (also known as Edvac), and the New Zealand Education Review. This was done over a three year period from January 1995 to March 1998.

Between 30 January 1995 (Vol. 5, No. 200) to 16 March 1998 (Vol. 9, No. 330) The Education Weekly published 103 articles on the ERO. Of these, 43 (41.7%) articles contained negative comment or criticisms of the Office, 10 were positive while 50 were neutral.

4 Each time ERO was mentioned in an article the content was scanned for comment. If the article was merely factual and discussed for example the release of a new ERO document such as a National Education Evaluation publication it was counted as a neutral depiction. Furthermore, some of these articles contained comments from ERO staff members, especially those of the Senior Managers from Corporate Office elaborating upon what the document was about or its findings (for example, Dr Judith Aitken, CRO; Ms Francis Salt, Manager Evaluation Services; Ms Karen Sewell, National Manager General Reporting Services; Ms Jenny Clark, Manager Public Affairs and Marketing, or Mr Ian Cormack, National Manager Maori Reporting Services. Other examples in the neutral category were factual comments such as a specific school or centre would have a follow-up review as a result of a critical ERO review.
were based on responses from principals, early childhood centre managers, or board of trustees' members who were dissatisfied with an ERO review of their school. At the same time, comments by union and principals' organisations criticised the ERO for specific National Education Evaluation reports and for reporting negatively on issues for example in South Auckland schools (see ERO, 1996c). More general criticisms were levelled at the ERO for the policy of making review report results publicly available through the media.

The analysis of data from the *New Zealand Education Review* suggests a slightly different pattern. Analysis of comments on the ERO was conducted over a nearly two year period, from 5 May 1996 (Vol. 1, No. 1) to 18 March 1998 (Vol. 2, No. 42). There was a total of 170 articles containing information on the Office and its operation. Of these articles 43 (25.2%) contained criticisms or negative reports of the ERO and 9 (5.2%) provided positive comments about the Office. While the data in this publication presented more material on the ERO (with 118 articles, 69.4%) with nearly 70 per cent of the content being 'neutral' about the work of Office compared to nearly half (48.5%) in *The Education Weekly*.

A possible reason for the higher number of negative responses the *Eduvac* was this publication contains a large letters to the editor section, and such columns featured heavily in this analysis. However much of the designated 'neutral representations' in both publications originated from the ERO itself who was providing the educational media with a significant amount of information in the form of pre-written reports and press statements.

It is interesting that, around the beginning of this period the ERO began to use the media more widely as a publicity tool. As was noted in Chapter Four, there was a deliberate policy of releasing reports directly to the media – in the interests of transparency. This enabled the Office to maintain that they merely provided the 'factual' information on schools from their reviews and standardised methodologies and that was where their responsibility ended. How newspapers used this information, or sensationalised parts of the report (or took aspects out of context) was the editorial decision of these private sector enterprises. It was not the domain of the ERO, who provided information, but did not itself, serve as the conduit of extensive coverage.

Alternatively, if an article contained both negative and positive comments for example, as school was critical of an ERO review, and if ERO personnel responded it was counted as a neutral article. The same category applied if the ERO released a document and the sector unions had negatively responded to the document. However, if the tenets of the article contained more than 50 per cent negative comment by industrial organisations, specific educators/boards' of trustees from the school/centre or principals' professional organisations it was classified in the negative category.
Interestingly, around the beginning of this period the ERO released data they themselves hold on media reporting. This was contained in a Press Release and also conveyed on an Assignment programme on ERO on TV One, on 5 June 1997. The ERO release reported a total 441 in the numbers of press articles in daily papers throughout New Zealand on ERO Reports of Schools and Early Childhood Centres between May 1996 - April 1997. The results were: 'Positively Reported: 295; Negatively Reported: 76; and Neutrally Reported: 70'(ERO, 1997i, Public Affairs Unit, 21 May 1997).

ERO’s media data equates to 66.8 per cent positive, 15.9 per cent neutral, and 17.2 per cent negative accounts of schools’ performance based on the ERO reports. No information was provided on how these article were categorised. This information above was also supported by the Office in the following statement ‘[While newspaper appear to give prominence to Office reports on poor performance by schools … press articles, especially at the provincial level, also carry many ‘good news’ stories on schools … which are doing well’ (ERO, 1998b: 30)

The popular press
As well as the educational media, the popular press also featured articles criticising ERO. A New Zealand Herald article by Thrupp (1997) suggested that the ‘Education Review Office was in need of review itself as it rides roughshod over schools, ignoring realities’ (Thrupp, 1997: p. A13). An article in Metro entitled ‘Poor Performance’ discussed ERO’s effects on South Auckland schools (see MacDonald, 1997a, and the quotation in the opening section). MacDonald, having moved to the Listener also criticised ERO’s later report on Improving Schooling on the East Coast (ERO, 1997b). In an article entitled ‘Can do better - the ERO fails the East Coast’ MacDonald reported:

The findings became front page news: the Coast was in crisis, its children under-educated, its predominately Maori community apathetic and under privileged. ... Unfortunately this is now standard procedure for a negative ERO report; problem highlighted, media amplifies impression of imminent doom ...

(MacDonald, 1997b: 7).

Two years earlier in an editorial entitled ‘Tomorrow’s Failures’ in the Listener it was noted:

Dr Judith Aitken’s Education Review Office has been busy. Since last November, four South Auckland secondary schools have been threatened with the sacking of boards of trustees or outright closure. ... The principals have queried the accuracy of some details ... today, the beleaguered educators who staff Auckland’s "brown" schools see

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5 These were taken from articles supplied by ERO's clipping service. Identical articles in more than one newspaper have been counted only once.
the gap widening. ... Tomorrow’s Schools, rather than empowering these striving, sincere parents, has brought public humiliation. But the issues go far beyond the individual, to ones of structure and philosophy. ... The results, six years on, indicate that Ota’s schools are now further away from seeing “equality of results”. The reform’s focus on school management has failed to acknowledge that schools are part of, and influenced by, wider social structures.

(Wheeler, 1995: 7)

But again, it was not merely these sources that were raising aspects of debate about the role and function of the way the ERO was conducting its business. Educationalists who were on the receiving end of the Office’ tough treatment were also vocally raising their concerns.

*Teachers, principals, and other stakeholders*

The teachers’ unions publicly expressed their concerns about the ERO. While both primary and secondary sector unions had similar concerns about the Office, the PPTA was more overtly critical had a more overtly negative view of the ERO as an organisation (Smith, 1997b). By 1997, there was an obvious tension between PPTA and the ERO at the national level. As a direct challenge to the ERO function, the PPTA even considered placing a ‘ban’ on the ERO personnel in schools (PPTA, 1997a). They staged demonstrations outside the ERO area offices and its Corporate Office in 1997. The then PPTA President, Martin Cooney, noted that the ERO and the Government are not listening to us, so they launched the ‘EAR-O’ campaign with its simple message ‘please listen’ [to us] (PPTA, 1997b).

Although the NZEI, the primary teachers’ union opposed many of the ways, which the Office operated, it attempted to moderate the ERO’s approach through discussions and dialogue between the ERO senior management and NZEI national executive.

The NZEI raised questions of the organisation’s efficacy, and challenged the Office on a number of criteria (see Noble, 1996; NZEI, 1997a; Bainbridge, 1997 and Newman, 1997). The NZEI was quick to respond to the Chief Review Officer’s claim of teacher incompetence (NZEI, 1997b). The NZEI also suggested that the ERO showed a right-wing bias in its evaluation reports (‘ERO bias call’ Rivers, 1996: 4; NZEI, 1996).

Primary principals publicly broadcasted their concerns. Several articles published in the *New Zealand Principal* were highly critical of the ERO (see Bates, 1996, O’Neill, 1996; Lovegrove, 1996 & 1997). The concerns of the New Zealand Principals’ Federation (NZPF) were highlighted in two member surveys, first in 1993 (Yeoman, 1995) and again in 1996.

A more extensive second survey (of 602 principals) was then commissioned by the NZPF. This was analysed by Cathy Wylie of the New Zealand Council for Educational Research
(NZCER). Whilst, NZPF findings provided mixed results for the ERO, there were some critical and negative findings (NZPF/Wylie, 1997):

Only nine per cent of the principals thought their draft review report was completely accurate, (p. 13).

In relation to the usefulness of the final report to help improve the children's learning at school, over half (51 per cent) of principals thought it made very little contribution (p. 14).

It was noted that while most institutions did not do badly on their final reports, principals were ambivalent about the value of the ERO reviews (Wylie/NZPF, 1997: 15). The Wylie report also noted that inconsistencies appeared to exist between teams and between offices (ibid: 18-19). Wylie was also stated 'if the inconsistencies were as widespread as the survey suggested, then what reliability did the ERO reviews have?' (ibid).6

A survey of School Trustees Association members (from 1,130 boards) showed that most Boards (80 per cent) wanted the ERO to play a more supportive role (Wylie, 1997a: 7) with 39 per cent reported that the ERO reviews should not be released to the media (ibid.).

At the same time, some Maori groups were also calling for greater control over the process of educational review. In this context Cairns and Cleave (cited in Hotere, 1997: 3) called for a review of the ERO's strategies in isolated areas suggesting that reviews to be conducted within a Maori knowledge base particularly for the Tuhoe iwi.

Academic criticisms also emerged (Codd, 1994a; McKenzie, 1995; Smith, 1994, 1997a, 1997b; Thrupp, 1997a; and Thrupp & Smith, 1999). Codd (1994a: 50) argued that the ERO's approach to evaluation was technocratic and based mainly on an economic view of education. McKenzie (1995: 257) asserted that there had been an upsurge of complaints and doubts about the value of the Office, and suggested that the ERO's approach to evaluation represented an ironic return to previously failed practices from the distant past (ibid: 247).

The lack of any acknowledgement of the effect of socio-economic status (SES) in the ERO reports was to become an important issue. When Thrupp (1997a) critically reviewed the ERO's (1996b) report Improving Schooling in Mangere and Otara, he noted that the ERO did

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6 As the findings in the previous chapter revealed there were significant differences between the ERO offices. This provides evidence in which to question the ERO's very public notion of quality assurance and national consistency of reviewing and reporting. For example back in 1992 when the Assurance Audits and Effectiveness Reviews, ERO developed the Consistency Project to monitor the use of standard procedures (French, 2000: 17). ERO's claims to quality assurance and control systems (ERO, 1997b: 7) and to standard procedures and national consistency of its outputs is also made in its documents (ERO, 2000c: 14).
not take sufficient account of socio-economic status (SES) in their review methods. It is useful to outline Thrupp’s (1996, 1999b) critiques of the ERO in this context as it serves to highlight the ideological debate and support its position that schools can make a difference and that SES cannot be used as an excuse for failure. As highlighted in Chapter Five, the ERO (1996a) report *Improving Schooling in Mangere and Otara,* was the first of ERO’s cluster or area reports – and their findings were both controversial and sensationalised. The researcher quotes Thrupp at length here to show the extent to which the ERO denied the SES effects. Thrupp (1999b: 147 - 149) drawing on his earlier analysis (see Thrupp, 1996, 1997a) noted:

If ERO’s procedures and statements at the national level can be seen to emphasise the responsibility of schools for their own success or failure, its ideological work has been even more intensely played out at the local level where refuting the contextual claim has become an important activity. Reviewers are required by ERO to sell the message to staff in ‘failing’ low-SES schools that much higher quality practices are possible irrespective of context. This claim has met with considerable scepticism from those who struggle daily with the manifestations of poverty and prejudice. ERO’s response has been to enlist political support for its judgment that schools are failing rather than overwhelmed.

The debate surrounding an ERO report, *Improving Schooling in Mangere and Otara* (ERO 1996b), provides a good example. Mangere and Otara are two of New Zealand’s most entrenched areas of urban socio-economic disadvantage and white/middle class flight (Department of Statistics 1992; Corbett 1994). Ramsay et al (1981) found that, while some schools in these South Auckland suburbs did appear more effective than others, they nevertheless had low levels of student attainment and serious problems related to student turnover, truancy, pastoral needs, and teacher recruitment and morale when compared to schools in less disadvantaged areas. As elsewhere in New Zealand (Gordon 1997; Hughes et al. 1999), the politics of choice have led to intensified socio-economic flight from many schools into others with generally higher SES intakes and better reputations either within or beyond Mangere and Otara.

Yet consistent with the technicist approach to inspection noted above, ERO’s reports on Mangere and Otara schools have never discussed these problems. During the mid-1990s ERO reports became increasingly disparaging of local schools in a way which eventually generated considerable media headlines (*New Zealand Herald* 1996a). In response, some schools banded together to run newspaper advertisements to counter what they claimed was ERO’s ‘misinformation’ (*New Zealand Herald* 1996b). In addition, a lobby group made up mostly of local principals, the At-Risk Committee, argued that problems in the area were mostly those of social inequality. Difficulties caused by the indifferent performance of some local teachers and principals were seen by this group as the exception rather than the rule. Consequently it did not accept ERO’s assertion that the problems of schools in the area could be mostly addressed by improving management and staff performance. Instead it argued:

[Our Committee believes that] ERO’s work must be documented within a social context and that data on deciles and additional funding are pieces of baseline information... for the first page of [ERO] reports. (Dunphy 1996: 4)
ERO's announcement in 1996 that it was planning a 'wide-ranging review' of educational problems in the area reflected a continuing standoff between many local educators and ERO. An ERO-appointed inquiry group eventually produced a report which largely confirmed ERO's own interpretation of the situation. Yet the report (ERO 1996b) is flawed in several ways. To begin with, it contains little analysis of 'the problem'. The introduction moves directly to argue that the issue in Mangere and Otara schools is primarily one of poor performance. It provides the remarkable statistic that '42 per cent [of Mangere and Otara schools] are performing very poorly or are underperforming' (p. 3). This bald figure is apparently derived from an analysis of whether schools have had good or bad reviews and whether a follow-up review has been deemed necessary. However, nowhere is there any discussion of review methodology to support or qualify the claim. Instead the report simply states: 'Through external evaluation of all schools over the past seven years, ERO has gained an overview of relative school performance nationally' (p. 3). Yet this surely amounts to little more than a self-referential assertion that 'we have looked at lots of schools so we know what we are doing'.

The report also tries to argue that the problem is one of poor performance by dismissing the contextual claim. For instance, the work of Ramsay et al. (1981) is cited as showing longstanding 'educational disadvantage' in Mangere and Otara (p. 3). But this is only half the story - Ramsay's discussion linked many educational problems in the area to socio-economic factors. The introduction also claims that compensatory funding and advisory support given to schools in the area over recent decades to address 'ineffective schooling' (not the effects of poverty?) did not succeed, yet there is no attempt to demonstrate or explain this.

The report also attempts deliberately to dismiss SES as a cause of 'the problem':

It is commonly asserted that there is a strong link between school failure and the degree of disadvantage in a socio-economic setting. There are, however, some 20 per cent of the schools in these two districts that provide an effective education for their students. Their boards, principals and teachers have, with varying degrees of success, met the challenges of their students' backgrounds and concentrated on teaching and learning to the benefit of their students. (Education Review Office 1996b: 4)

Yet the claim that there are some low-SES schools in the area which show others up is also dubious. We (again) cannot be sure that these 20 per cent of schools really are more effective than the other 80 per cent because of ERO's weak methodology. Moreover, while some Mangere and Otara schools might perform a little better than others, it is most unlikely that they will be performing much better. As we saw in Chapter 2, the notion that there are exemplary schools in low-SES areas which perform considerably better than others was very popular in the first generation of American effective schools research. Yet it was not long before researchers were pointing out that the performance of students in exemplary ghetto schools was still a far cry from that of students in schools in middle class suburbs (Purkey and Smith 1983).

The Ministry of Education was asked to respond to ERO's Mangere and Otara report. Fortunately their response reflected a 'warmer' version of managerialism.

It noted the presence of 'contextual factors' which it defined as the communities within which the schools operate, including factors such as poor health, household crowding, single parent families, low income and high benefit dependency, high unemployment, low educational qualifications and high crime rates. (Ministry of Education 1997a: 1)
This response has formed the basis of a school improvement initiative for the area which looks set to provide some additional resources to Mangere and Otara schools rather than simply punishing them for not measuring up (Hotere 1998).

(Thrupp, 1999b: 147 - 149; Thrupp, 1997a; 152 - 157)

What is interesting in this context is that the research team who were responsible for the MoE initiative above and for affecting changes in these two suburbs in South Auckland have recently noted:

Since 1989 ERO reports have evolved through various formats, and in 1998 they became an accountability report with the stated purpose of assisting schools to improve the quality of education, with an emphasis on their own self-review programmes as required under the National Administration Guidelines (MoE, 1997). In 1996 the ERO went beyond its mandated function on reporting on individual schools, and began to report on wider structural problems within the education system. The first of these reports on the quality of schooling (ERO, 1996) in particular areas triggered the interventions that are the focus of this book.

(Timperley & Robinson, 2002: 38, emphasis added)

The comment by Timperley and Robinson (2002) adds support to the central argument of this thesis that the ERO has acted as a policy entrepreneur in order to increase its power in the political sphere (see Chapter One and Chapter Four) through attempting to shape the will of the people (Offe, 1996) and also change the public’s perceptions by making the New Zealand education system appear more in crisis than it may have been in reality. For a supposedly ‘technical’ agency, Dr Aitken was very adept at getting items on the political stage and raising the profile of the Office as an outcome. It would appear that any publicity for the Office – whether positive or negative was motivated by both political and fiscal survival, and wherever possible aimed at raising issues of concern within the Ministry of Education’s domain in order to politically embarrass the MoE’s ‘hand’s off’ approach to policy.

The ERO stated that:

The Office initiated a programme of cluster reports of schools in areas where services had been traditionally regarded as struggling, hard to staff, and under-resourced. The Government’s response to the first of these (Mangere and Otara, where, after the Office reported in August 1996, the Minister of Education directed a substantial new investment in the 1997 Budget) was an encouraging start for this new programme.

(ERO, 1997b: 8)

Under the title ‘ERO the conscience of the system’ Fiske and Ladd (2000: 124 - 125) reported:
Aitken has chosen to use the power and visibility of the ERO specifically to challenge national educational policies and to focus public attention on large structural problems encompassing groups of schools. Her method was to publish a series of high-profile reports on different aspects of the state educational system ... In doing so, the ERO sought to balance its narrow purpose of evaluating individual schools with the goal of addressing larger structural problems. As Aitken put it in a conversation with the authors, "It has been a struggle to get the ministry (of education) to understand that the school is not a great unit to focus on. Compare the successful firm. It has a lot of vertical and horizontal linkages to other firms."... Believing that the problems facing many of the schools were too large to be addressed by the schools alone, Aitken convinced her divided agency to make a public political statement that would embarrass the ministry into action.

Despite all the negative feedback as a resulting from the release of their 1996 report, the Office was able to claim it as a triumph in that a significant amount of finance, some $22 million was invested into the schools in these areas as a result of its intervention (Aitken, 1997 interview; French, 2000; and Fiske & Ladd, 2000). Again this indicates the NPM/managerialist incentives in shaping the actions of the new CEO's in the new agencies (Shaw, 1999) as they jostled for position for political favour from their Ministers.

As part of a MoE commissioned study of eight low SES schools (under the Achievement Initiatives in Multi-Cultural High Schools, AIMHI project) Hawk, Hill et al. (1996) argued that the ERO reviews themselves were having a negative impact. The participants' criticisms of the ERO according to Hawk, Hill et al. (1996: 104 - 105) were:

- The lack of consistency in reviewing and reporting over time;
- A concern at the validity of the review process ...
- A lack of understanding at the uniqueness of both decile one secondary schools and the AIMHI secondary schools in particular.

Yet these criticisms were not new. The literature had already outlined the lack of acknowledgement by the ERO of particularly how SES factors negatively impact upon often 'poor' schools that had been already outlined in the literature (Gordon, 1994; Lauder, Hughes, et al., 1994).

The Smithfield Report from 1997 critiqued the ERO's procedures by noting that:

... accountability and performance measures of the kind used by ERO are likely to significantly underestimate the impact of contextual factors and roll stability on school achievement.

(Hughes, Lauder, et al., 1997: 78)

These reports all underlined the need for the ERO to adapt its methodology for contextual
considerations (see Chapter Five). In response the agency became apparently entrenched in the position that all schools needed to be treated the same – otherwise SES decile would be used as an excuse for ‘poor’ performance. For example, the ERO claimed that ‘[t]he socio-economic status of schools, while an important factor, is not necessarily the most useful indicator of a good learning environment for young people’ (ERO, 1994a: 8).

By early 1997, the ERO was becoming the object of considerable publicity. The ERO itself noted that since the release of its report *Improving Schooling in Mangere and Otara* in September 1996, it had experienced a period of unprecedented public interest (ERO, 1997b: 23). Brother Pat Lynch, Chief Executive Officer of the Catholic Education Office, and a member of the ERO’s Advisory Council on Quality in Education (ACQE) suggested that ‘the ERO has drawn and continues to draw more public flak as it has gone about its work than almost any other Department of State’ (Lynch, 1997: 2). He added ‘The Office has more critics than supporters, although supporters keep their heads down!’ (ibid).

Wylie (1997b: 132) observed that ‘public expression of disquiet lies behind the current government review of ERO’, while Robertson, et al., 1997a: 17) make a similar claim with respect to PPTA, ‘it was perceived by PPTA that negative public and professional reactions to the work of ERO had reached a level, which could no longer be ignored’.

This general background of widespread concern about the ERO coupled with the conservative media editorial support7 (see Chapter Four) informed and shaped the political environment around the reviews in 1997. In this context Aitken (1996) noted ‘[W]ithout the strong and consistent editorial opinion you and your colleagues have demonstrated over the past two or three years, I would have been unable to carry out one of the only three powers my Office has: the power to enter; the power to recommend; and the power to publish’. However, it was not just the media who had supported the ERO’s tough stance on standards and education. The National Government had supported it and the ultra neo-liberal party ACT (Association of Consumers and Taxpayers) applauded the strong standards as applied by the Office (see zero tolerance for failure, Awatere-Huata, 1998; Prebble, 1999). For example Awatere-Huata (1998: 15) used a number of the ERO documents to highlight the ‘educational crisis’ with literacy, and curriculum management issues raised. Prebble (1999) used a similar approach and endorsed the work of the Office, drawing on the CRO claims of teacher incompetence and the ‘ERO finding’ that ‘[I]n 75

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7 ERO’s zero-tolerance for failure in schools approach was also getting powerful editorial support which should not be overlooked. For instance the *New Zealand Herald* described ERO as a ‘vital eye’ on school quality (*New Zealand Herald*, 1996), while The Press argued that ‘The ERO’s job ... is not to address social issues but to report on educational ones’ (*The Press*, 1996).
percent of schools there is no systematic approach to evaluating the progress of students and the effectiveness of teaching' (Prebble, 1999: 69-70).

Thus there was a high level of discontent from a number of groups, but the office also had its political supporters too.

The reviews themselves were triggered by two specific occurrences:

1. The role of by New Zealand First (NZF) in the 1996 General Election which resulted in the Austin Review and;

2. Dr Aitken's outspoken claims about teacher incompetence in April 1997 resulted in the PPTA Review (Robertson, et al., 1997a; see also Thrupp & Smith, 1999)\(^8\).

**Political Pressure for Change – the 1997 Reviews**

It can be argued that by 1997 the considerable political discontent with the overtly managerial compliance model promoted by the ERO precipitated action. A review of the ERO could be seen as a legitimization exercise, it would appease the critics (Smith 1997b). At the same time also it can be contended that the ERO, while a state agency, had become almost too successful in highlighting the inadequacies of the *Tomorrow's Schools* reforms and the market model. These were matters that the state as a whole did not have the capacity to address. The ERO had been advocating as an agency for standards and claimed be tough on errant institutions and following up on schools it considered to be underperforming. These were however, as shown in the data in this research that these schools were mostly small in size, located in rural areas, or those concentrated in lower SES decile urban areas (see findings Chapter 5). It showed up the flaws and inequities in the market model, and highlighted the abrogation of the Ministry of Education not providing follow-up support. The ERO's 'hit and run' review practices and philosophy were premised in NPM structures with the state agencies as single focuses entities, meant it had no mandate to assist. Furthermore, this was one area in that Aitken was completely inflexible on. The ERO's role was solely as an educational auditor/evaluator.

The managerial focus of the ERO's audits tended to cause schools to focus on short term compliance and instant solutions (in line with the public sector critiques more generally as articulated by Schick, 1996, see Chapter One). The ERO's failure to recognise the deeply

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\(^8\) The background to these reviews and the findings are presented in significant detail in Smith (1997b).
embedded implications of SES for schooling, had the effect of attributing the sole cause of school failure to teachers and schools, who were in turn accountable to the state via the ERO. This therefore gave significant power to the state’s educational agent of accountability (see Smith, 1998).

Over this same period the ERO had undertaken a large number of follow-up reviews, focusing particularly, on small rural primary schools, and the schools in lower SES decile areas. These reviews highlighted what was occurring in low decile schools, particularly those with large proportions of Maori and Pacific Island students. The ERO publicly identified schools it deemed to be ‘at risk’ or ‘failing’ (see Thrupp, 1997a; 1998a, see Chapter Five).

The Ministry of Education up to this time was operating a ‘hands off’ policy supporting self-management unless a school had been identified as being in severe difficulties9. Fundamentally, the ERO was highlighting major flaws in the education sector. In effect, the ERO was embarrassing the Ministry of Education into taking action. This highlighted the rivalry between the agencies and also by illuminating these aspects of schools’ ‘failure’ the ERO became a source of potential embarrassment to its Minister. Whilst the Minister may not have wanted the agency completely silenced, as it was taking the political heat away from a focus on the politicians. There was a sense that in the public pronouncements of the CRO, that the Office was becoming increasingly ‘unbounded’ and extending its roles outside its domain, was increasingly unpopular, and at the least needed a minor form of reigning in. In one sense the ERO was the epitome of the modern public service agency as the agent doing the ‘dirty’ work on behalf of the Minster. It was indeed responsive to the needs of the National administration and perhaps to a lesser extent to the wider public as ‘consumers’. However, it was as outlined earlier in this chapter becoming increasingly unpopular with the powerful education lobby – particularly the PPTA.

Furthermore, despite the rhetoric of agency theory, and as outlined in earlier chapters, even under the NPM model the Minister’s and CEO’s responsibilities can be blurred (Schick, 1996; Shaw, 1999). It could be argued that the ERO because of its high public profile and entrepreneurial zeal, it was acting somewhat ‘opportunistically’, although with the tacit support of its Minister. This opportunism ran counter to the theory which underpinned its philosophy.

9 In March 1994 the Schools Support project was established by the Ministry of Education to provide assistance to schools with ‘severe’ difficulties.
The political turbulence of the late 1996 period culminated with the first MMP government. The political deadlock was broken with the formation of a coalition government of the National Party and New Zealand First. In this New Zealand First's policy was clearly not supportive of the ERO. The New Zealand First education spokesperson, Brian Donnelly, previously an intermediate Principal, was openly critical of the Office. Donnelly had campaigned on a policy platform of reviewing and perhaps even closing the Office (see Smith (1997b)). While the ERO might have had the ideological support for its policies from the Minister of Education and National administration, this was clearly not the case with at this point. As one of the commentators stated in the *New Zealand Education Review*:

Rumours abound about that the Education Review Office may disappear under a coalition government involving New Zealand First. ... [Donnelly] ... has said in the past he is uncomfortable about ERO, and the party's draft education policy ... included abolishing the Office. The final version stated that NZ First would review the Office.

(Matheson, 1996a: 2)

In the event, Donnelly himself became the Minister responsible for the ERO\(^{10}\). In January 1997, Donnelly as the Associate Minister of Education and Minister Responsible for the Education Review Office, had a more tempered stance. The Office was no longer to be abolished whereby the new position stated:

The review of the Education Review Office is likely to refocus the auditors on students' learning rather than schools administrative systems, ... ERO is likely to stay in place. It's not a witch-hunt against ERO. It's asking what monitoring function will achieve the best for schools

(Donnelly, 1997 cited in Matheson, 1997: 3)

The panel members and terms of reference for the Ministerial review were announced in May 1997. The chair, Margaret Austin, was a former Labour politician who had helped to bring in the original *Tomorrow's Schools* reforms (Smith, 1997b; Thrupp & Smith, 1999).

For anyone looking for fundamental change, the terms of reference for the review were a matter of concern (Smith, 1997b; Smythe, 1997b; Thrupp & Smith, 1999). Initially while the terms of reference were relatively open (Donnelly, 1997), in less than a month, the control departments had intervened and clauses were added which stressed that the ERO must

\(^{10}\) For the first time in the ERO's history that the portfolio was held separately from the Minister of Education. Structurally this had always been possible under the law, yet it had never been acted upon. Until then all other Ministers of Education from 1989 to 1996 had also been the Minister responsible for the ERO (see Smith, 1997b). In a sense, it could be argued that by having a separate Minister, and not the more single and hence 'influential' Minister of Education, the ERO's power may have been curtailed.
remain in existence as a independent government agency and that the recommendations must be 'fiscally neutral' (*The Press*, 1997; Smith, 1997b).

Smythe's (1997b) scathing assessment of Donnelly's proposed review of ERO rated it as very poor, '…Donnelly said he was to do to the review office what the review office did to schools. That schools could be so lucky. 1 out of 10' (Smythe, 1997b: 2).

Assured of its survival, the ERO welcomed the Ministerial review, describing the terms of reference as 'wide' (ERO 1997b: 9). In contrast, the PPTA saw shortcomings with the independence and scope of the Ministerial review ‘[W]e don't trust the coalition Government's review and will be putting forward a proposal … for an independent, public review of ERO and its methodology’ (Cooney, 1997: 2). The PPTA review was brought about by Aitken's public claims about teacher incompetence (Cooney and Cross, interview, 1997) and these are briefly addressed here (as they display the CRO populist approach in appealing to the public and as being seen to be tough on teachers).

On 3 June 1997, Dr Aitken reported to the Education and Science Committee (E&SC) that:

> There were some very good teachers and there is a large number of reasonably competent teachers … and there is a large number of incompetent teachers who should not continue to be employed at schools.

(Aitken, quoted by Lane, the *Evening Post*, 4 April 1997a)

*The Press* the next day reported the comments attributed to Dr Aitken as calling for a large number of unfit and incompetent teachers to be sacked (Aitken, cited in Crean, *The Press*, 5 April 1997). In this report it was also claimed that an ERO spokeswoman yesterday confirmed Aitken had made the claims but said the Office was refusing all media comment. This it would seem at serious odds of its overt policy of media attention, public accountability and transparency. Approximately a week later, Dr Aitken again reported to the E&SC and the following appeared in *The Press* about this procedure:

> Dr Aitken said her statements on teacher quality were based on information and appraisals carried out by schools as well as reviewers' observations. … When challenged to put figures on how many teachers were good, bad or indifferent, Dr Aitken said she did not have such statistics. Teachers were not individually assessed. … "I have 10,000 reports standing behind my comment, it is not a hunch."

(Aitken, 1997, *The Press*, 12 April, 1997)\textsuperscript{11}

\textsuperscript{11} It was reported in this article that more than one in ten schools reviewed last year had bad teachers and bad management, the ERO stated. Furthermore it was noted:
In this response Aitken is referring to the statutory authority of the agency (as the legal authority, Weber’s legal-rational argument) and also inferring the robustness and validity of its database on schools’ reports. However, as was outlined in the literature (Wylie/NZPF, 1997) and the statistical data in this research (Chapter Five) which showed that the databases were flawed and that there was not the level of consistency that the Office had always claimed as ‘fact’.

These criticisms were quickly countered by both teacher unions as being ‘a slur on all teachers’ (see Simpson, President of NZEI’s Principal Council, The Press, 5 April 1997). Furthermore, both unions accused CRO of making ‘unsubstantiated, irresponsible and unacceptable assertions’ (ibid.). They outlined their concerns also in their respective publications (see NZEI, 1997d; PPTA, 1997b & 1997c).

It would appear that stemming from this incident, the Evening Post (28 April) reported that Parliament’s Education and Science Select Committee had recommended ‘a government review into how many incompetent teachers are working in classrooms’ (Lane, 1997b). Lane noted:

We recommend to the government that it conducts a review to establish the size and extent of any incompetency and address this issue, the committee’s report on the Education Review Office said.

(Lane, 1997b)12

Was this the forerunner to the Government Green Paper on Teacher Education? What was the ERO’s influence here? This report Quality Teachers for Quality Learning: A Review of Teacher Education was released in October 1997 (see the aspects of complicity by the CRO of the ERO to the Austin panel in the ERO Submission to this ERO review, whereby Aitken, suggests that the Review panel should have an influence in this teacher review also – this is addressed later in this chapter).

ERO Assessment Services National Manager Frances Salt said of the 116 schools reviewed last year, 13 per cent had poor curriculum delivery and poor less planning, coupled with teacher assessment systems that were ‘not in place or not working’.

Similar material was reported on the same day in the Evening Post 12 April, 1997 (see Lane, 1997b).

In this instance the level of teacher incompetence being alluded to was about 10 per cent though this was not stated. The NZEI reported later that the claims were based on 13% of 116 schools or that ERO’s claim of incompetence was based on 0.5% of schools (see NZEI, 1997c, Media Release 11 April 1997).

12 The Report of the Education and Science Committee (RESC, 1997) in their annual report was not too critical of ERO, but it did raise some interesting issues in relation to the role, and activities of ERO. The RESC recommended to the government that ‘it institute a more formal structured follow-up procedure for all adverse reviews’ (ibid: 4). It also noted in relation to the frequency of reviews that ‘[they were] ... not entirely certain that the office has not yet found the ideal frequency’ (1997: 4, see Smith, 19997a, 1997b).
Over the latter half of 1997, both an official government review and a major teacher union-sponsored review were occurring simultaneously. The two reviews have been discussed in detail elsewhere (Smith, 1997b; Smith & Thrupp, 1999), but it is the main differences between their approaches, findings, recommendations, and outcomes which are important to note here.

The Panel was to be made up of Margaret Austin, a former Labour and United Party politician (who had been the Shadow Minister of Education/Opposition spokesperson on Education) Wayne Edwards, a Massey education academic specialising in school improvement matters, and Apryll Parrata Blane, a Maori educational consultant, formerly principal of Ngata College in Ruatoria (see Thrupp & Smith, 1999). The terms of reference for the review were based upon the Government’s strategic priorities/objectives in education and training (these are outlined in the Strategic Context portion of ERO, 1997a: 3). The following was stated:

**PURPOSE OF THE REVIEW**

The purpose of this review is to recommend ways of increasing the effectiveness of the Education Review Office’s contribution to improving the quality of education outcomes for students in schools and early childhood centres.

**The review panel will:**

1. Examine the nature and scope of the authority of the Education Review Office and assess the degree to which such authority impacts on and contributes to improvement in the quality of educational outcomes.

2. Assess the methodology and frequency of the Education Review Office’s current external evaluation services, and how these can be more effectively contribute to improvement in the delivery of education at school and early childhood centres.

3. Recommend any procedural or legislative changes that optimise the educational benefits and maximise the effectiveness of the current usage of the Education Review Office’s resources.

4. Examine current methodology for evaluating the impact of policy and delivery of other state education agencies on educational outcomes for students, and consider how this information should be fed back into the policy process.

**In addressing these terms of reference, the Review Panel will consider:**

a) the appropriate balance between self reviews and external evaluation in schools and early childhood centres;

b) the functional relationship of external evaluation with other agencies in the education sector relevant to schools and early childhood centres;
c) the adequacy of current processes to develop common understandings between agencies for policy formation, policy implementation and advice, and the Education Review Office as to what is considered satisfactory performance from schools and early childhood centres.

d) the constructiveness of current processes to communicate evaluation findings.


These terms of reference were released at the same time as the Media Release announcing the review. However, when the public call for submissions was made in the media (mostly via newspapers) the following clauses had been added:

The assumptions upon which the review is to be based are:

- the Education Review Office remains in existence as a independent Government agency;
- the objective of the review is to maximise the effectiveness of the office; and
- the review panel will be requested to keep the recommendations fiscally neutral.


It would appear that less than a month later the ‘control’ departments of the State had taken steps to keep the process cost-efficient (the State Service Commission had also acted in a Secretariat capacity for the process, see Smith, 1997b).

The ERO itself appeared to welcome the Government Review. It described the terms of reference as ‘wide.’ (ERO 1997a) and stated that:

The Office will assist with the servicing of the review, and, depending on what recommendations are made, is likely to be assigned responsibility for implementing any recommendations accepted by the Government.

(ERO, 1997a: 43)

As the agency under review it was acting here both in a responsible manner, but also it could be argued opportunistically too, to display themselves in the best possible light, for both political and fiscal reasons. The actual reviews will be outlined in details in part two (the rationale being that there is quite significant detail which would make the present chapter too large).

**Brief Concluding Comments**

This part of the chapter has outlined the Office’s strategy of following up on what are regarded as ‘failing’ or underperforming institutions. It was inferred that the ERO’s
strategies and motivations for conducting these reports is political and ideological and not based upon valid data – and certainly not valid research (see critiques of the ERO’s NEERs in Chapter Five). The organisation was supposed to be a technical agency – but through widening its scope, and arguably creating more work for itself in the process the agency was able to ensure its financial viability. Furthermore, its tough stance on under-performing schools had the tacit support of the Government and definitely the support of some of the more neo-conservative and neo-liberal parties that made up a Coalition Government in 1996 (with the National Party as the major player, New Zealand First as the junior partner and the support when it needed it from ACT).

This part of the chapter outlined a number of critiques of the Office, from a large number of groups on different aspects of the Office’s philosophy, practices and performance. It also traversed the political posturing and changing political landscape which led to the appointment of an official Ministerial Review of the ERO and one which was funded by the NZPPTA - because they had little confidence in the ‘other’ review panel and believed little structural change to the ERO would result from the Ministerial Review.

Much of this chapter has foreshadowed issues which will be elaborated upon in more details in Part II which discusses and evaluates the two review of the ERO undertaken in 1997 (much of which has been written about by the research elsewhere, see Smith, 1997b).
CHAPTER VI

POLITICAL PRESSURE FOR CHANGE:
THE ERO’s RESTRUCTURING 1997 - 2000

‘Whenever I am in a school, or meeting principals, deputy principals, and associate principals, I always make a determined (but polite) effort to ask about the periodicals and journals to which they and their staff have access – and actually read. This is usually a very short conversation’.

(Aitken, 1997b: 85)

PART TWO – THE REVIEWS 1997

The Reviews

The Ministerial Review (the Austin Group)
The Government Review is profiled in Table 6.2. The table presents an overview of the whole document. As can be seen in Table 6.2 the report was structured into five parts, with parts 1 - 4 addressing the four terms of reference. The first provided the legislative context in which ERO operates and its ‘clients’ are discussed. The second section outlines ERO’s methodology and explores the types of reviews ERO. Section three outlines the methodology and the research the team undertook to evaluate ERO’s efficacy and perceptions by practitioners. Part four is a discussion of the findings, while the final section provides a summary and the recommendations of the review team.

A variety of research methods were employed in the review, these included:

1. Literature searches of: published books and articles on School Effectiveness, Evaluation and Improvement research, various OECD reports; newspaper articles, and material on public sector restructuring.

2. Documentary analyses of ERO's publications including ‘annual reports, handbooks which inform the review process and reviews of the office itself’ (1997: 13).

3. Written submissions: invitations were placed in urban and provincial newspapers and in the New Zealand Education Gazette. The major stakeholders were invited to make submissions and were offered the opportunity to appear before the panel and make oral submissions. In addition, others were invited by the panel to make oral submissions (ibid: 15). The submissions were based upon a series of questions/issues arising from the panel's Issues Paper (see Austin, et al. 1997b).

1 The number of responses and a breakdown of those groups making submissions will be outlined later in this paper.
Table 6.2: Profile: Government Review of Education External Evaluation Services

| Title: Achieving Excellence: A Review of the Education External Evaluation Services² |
| Authors: Austin, M., Edwards, W., & Parata-Blane, A |
| Date Published: 12 November 1997 |
| Date Released: 4 December 1997 |
| Cost: Approximately $150,000 |
| Length: 91 pages |
| Number of References: 36 |
| Number of Recommendations: 54 |
| Executive Summary/Recommendations: 6 pages |
| Contents: The Report is structured in five major parts with Parts 1 - 4 addressing the four terms of reference, while Part 5 is an Appendix. |

**Introduction:** Background information: the appointment of the panel; the process of the review; the research and discussion (pp. 12 - 14).

**Term of Reference One:** (pp. 15 - 21) A. The Nature and Scope of ERO's Authority legislation: compliance; clients; the parent community & recommendations. B ERO's Impact on Improving Educational Outcomes Critical Friends, ERO's Contribution to improving quality educational outcomes & recommendations.

**Term of Reference Two** (pp. 22 - 37) A. Methodology & Frequency of ERO's External Evaluations Services • ERO's Review Types: discussion; directions; teachers observations; SES of schools; effective schools compensating for society. B. Components of the Review Process • Documentation: meetings; interviews; visits; timing, length and frequency & Recommendations. C. Contributing to Improvement & Delivery of Education • Reporting: Dispute resolution; parents as consumers/client; school context; value added education; publication; advice and guidance; Schools Support Project & recommendations.

**Term of Reference Three** (pp. 38 - 48) • Procedural or Legislative Changes to Optimise Educational Benefits • Education and Public Finance Act; strategic plans & performance indicators; qualities of good educational place; criteria for review; critical factors; self review; school improvement; small and rural schools; Maori education; home schooling; special education; ERO's Corporate Office & recommendations.

**Term of Reference Four:** (pp. 49 - 55) • Methodology for Evaluating the Impact of Policy and delivery of Service of Other Education Agencies • Improving Communication; policy development; achievement; emerging issues; issues of concern & recommendations. • Delivering Accountability & preserving autonomy. • Bibliography (pp. 54 - 55).


4. A series of public meetings held in 15 urban centres throughout the country in which ‘people were given an opportunity to comment personally on their review experiences’ (Austin, et al, 1997a: 15). These meetings were attended by Boards of Trustees, Centre Managers and Principals. In seven of the locations, two or more meeting were held.

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Amongst other things, the Government Review found that:

1. ERO was an evaluation and audit agent which values its independence and integrity, a view that has widespread favour and support. Therefore, it would be inappropriate for the Education Review Office to have an advice and guidance function, or to be involved in enforcement. The Panel instead commented on the need for a hierarchy of advice and guidance responses involving, for example, the Ministry of Education, the Advisory Services including consultancies, an 0800 Help Desk, and the Internet. ...

3. It was of vital importance of the ERO communicating its evaluation strategy and practices (ibid: 6).

4. The effective implementation of self-review in schools and centres is in its infancy at present and will require developmental support (ibid).

5. ERO's intention to move to Accountability Reviews was welcome. The Board Declaration should continue to be used for compliance purposes, to allow ERO to focus on the real business of educational effectiveness and outcomes (ibid: 7).

6. 'National Evaluation Reports are generally held in high regard, considered informative and helpful in describing best practice ... [and that] ... These reports must continue' (ibid).

7. Concerns had been expressed about Maori Education and the Education of Maori (ibid: 7).

8. Negative attitudes to students with disabilities persist in some New Zealand schools (ibid).

9. The policy of all confirmed reports being public documents which are available to the media should be continued (ibid: 7).

There were 54 recommendations that were listed under the corresponding four terms of reference in (1997a: 8 - 11). Some of the key recommendations were: ...

1. That the composition of review teams reflect the interests of the institution being reviewed (p. 8). ...

3. That consideration be given to seconding external reviewers (e.g. principals or deputy-principals) on a regular basis for specialist input rather than where a shortage occurs (ibid.)

4. That the Board Declaration be used by the Education Review Office to provide assurance that Boards of Trustees are meeting their legal obligations; along with spot audit during on-site visits being used to ensure such compliance exists (ibid.). ...

5. That ERO prepare and publish a manual for schools providing details of the protocols which will guide the Accountability Reviews. [and that ERO] ... implement a communications strategy to ensure understanding of the criteria against which performance is being evaluated (p. 8). ...

6. ... That the frequency of review for schools be retained at 3 - 4 years, with more frequent reviews where warranted by the indicators and with less frequent reviews being conducted where educational effectiveness has been assured (ibid: pp. 8 - 9). ...
7. That, once the unconfirmed report is received, commented on and points of dispute negotiated, then a period of three months should elapse during which the school or centre would develop, implement and report on its action plan in response to the recommendations for action which are in the review report. These actions would be incorporated in the confirmed report which would then become a document in the public domain. (p. 9)

8. That the Chief Review Officer has responsibility to ensure that a dispute resolution process is in place ... [this] process should involve negotiation between the parties, involve ... the Regional Manager, ... and, where unresolved, the National Manager Reporting Services would examine the evidence and make a judgement. ... [and that] ... all disputes which require intervention from the National Reporting Manager would be reported to the Advisory Council on Quality in Education of the ERO (ibid.). ...

9. That the ERO proceed with its intention to produce a parent friendly summary of its review findings for schools to send to all families with children at the school or centre (p. 9). ...

10. That the policy of releasing the results of reviews to the schools, centres and the media be continued. [And] That schools and centres should develop strategies for media management (ibid.). ...

11. That, as a normal part of its reporting procedure, ERO include a section outlining sources of advice and guidance available in the district and from which schools and centres would be able to choose the most appropriate sources. [and] ... That protocols be developed in each ERO region with local advisory services to facilitate easy access to advice, guidance and support for schools and centres. (pp. 9 - 10). ...

12. That schools and centres be required to include a three year strategic plan for the delivery of the National Administration Guidelines and an annual statement of performance indicators in their Charters against which they would report annually (p. 10). ...

13. That any increase in funding for the Education Review Office should be allocated to the appointment of additional qualified reviewers (p. 11). ...

14. That protocols be developed between ERO, the Ministry of Education and Te Puni Kokiri that will establish relationships, functions and involvement in policy development which will survive changes in personnel and operate effectively on a continuing basis (ibid.).

The ERO was commended in the Austin Report for its ‘significant achievements’ (p. 50). Furthermore, it was noted that ‘over the last seven years respect for ERO has grown. The Office is acknowledged as an independent evaluator with integrity and with a staff of committed people (ibid.)

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3 In this instance it is suggested that ERO act as in a brokering capacity to institutions, by providing information about sources of advice such as: Advisory Services at Colleges of Education; the Early Childhood Development Unit; consultants in the field of management, governance, curriculum, evaluation and assessment, finance, property and personnel (Austin, et al., 1997a: 35).
As a long term researcher of the ERO, and given the levels of dissatisfaction outlined earlier in this chapter the author would question the evidence for these claims. These points could have been almost lifted from ERO’s own documentation, especially its vision statement for example, the ERO seeks to be ‘an authoritative source of high quality information for the Minister ... a well informed adviser, a recognised authority (ERO, 1996d: 35). Or alternatively, the Office seeks to encourage and support:

Continuous improvement in the quality and efficiency of decentralised systems of education management and service delivery. The Office also seeks to be an organisation: which is an attractive employer for people with sound experience in education and evaluation ... which employs exemplary management and employment practice.

(ERO, 1996d: 36)

In summary then, the Government Review resulted from literature reviews and also documentary analyses of ERO’s publications (although somewhat uncritically the researcher would maintain). There was a dependence upon written and oral material gleaned from the series of questions/issues arising from the panel’s issues paper (see Austin, et al. 1997b). The public meetings were held in 15 urban centres throughout the country in which ‘people were given an opportunity to comment personally on their review experiences’ (Austin, et al, 1997: 15). The government review cost $150,000 and resulted in a 91 page report which had many more recommendations (54) than the PPTA review report but was insubstantial in terms of supporting analysis and references to previous research findings (see Thrupp & Smith, 1999).

The PPTA Review (Robertson, et al., 1997a)
As can be seen in Table 6.3 the report was structured into five parts, with the first providing an overview of the model of the ERO as a public sector organisation set against the international context of evaluation agencies. The second section outlines the types of reviews it undertakes and provides data on their national evaluation reports. Section three outlines the methodology and the research the team undertook to evaluate ERO’s efficacy and perceptions by practitioners. Part four is a discussion of the findings, while the final section provides a summary and the recommendations of the research team.

Note: In the following section in the text analysing the PPTA Review (1997) undertaken by Robertson, Thrupp, Dale, Vaughan and Jacka (1997a) is referred to as the PPTA (1997) for the purpose of brevity, however it is listed elsewhere throughout this research as Robertson et al. (1997a).
Table 6.3: Profile: PPTA Review of ERO

Title: A Review of ERO: Final Report to the PPTA
Authors: Robertson, S., Thrupp, M., Dale, R., Vaughan, K., & Jacka, S.
Date Published: 24 October 1997.
Date Released: 14 November 1997
Cost: Approximately $15,000*
Length: 219 pages;
Number of References: 102
Number of Recommendations: 21.
Executive Summary of Research Findings/Recommendations: 11 pages.

Contents: The Report is structured in five major parts.

Introduction: Background information; the brief; outlining the contents of the report.

Part One: Mapping the Landscape: (pp. 21 - 42)
• Locating ERO as a Public Sector Organisation.
• ERO Model in an International Context.
• School Effectiveness and School Improvement [Research]
• All Schools Are Not the Same

Part Two: ERO’s Conception of Schools and School Review: (pp. 48 - 69)
• ERO’s Audit and Review Procedures
• The National Education Evaluation Reports

Part Three: ERO’s Practices and their Impact: (pp. 73 - 177)
• Six Case Studies (which explore a different issue in order to shed light on the complexity of the effect of ERO reviews on schools). Five are in-depth studies of individual schools, the other examines a regional area and reviews ERO’s 1996 Report Improving Schooling in Mangere and Otaara.
• Schools Views of ERO Practices: A Survey [The results are outlined]
• An analysis of ERO and the Media.

Part Four: Reviewing ERO - Discussion. (pp. 178 - 184)

Part Five: Summary and Recommendations. Also references (pp. 200 - 210; 211 - 218)

* This cost included the research plus the cost of advertising for the tender.

As indicated by Table 6.3, a variety of methods were employed in distinct phases of the PPTA review but there was some overlap. Methods used included:

1. Literature searches and reviews of: previous reviews of ERO; newspaper reports of individual schools and ERO’s reports on them; public sector restructuring; school effectiveness and school improvement research; educational markets research; and comparative organisations internationally to ERO e.g. OFSTED in England and Wales.

2. Documentary analyses of ERO’s publications including: procedural manuals for effectiveness reviews and assurance audits; and the National Evaluation Reports, in order to examine ERO’s conception of schools (PPTA, 1997a: 18). This method was used to highlight the strengths or limitations of their review methodologies specifically, and more generally of the organisation.

3. Six case studies providing an in-depth analysis of ERO practices and how these impact upon schools. The methods used in this section involved documentary analyses and extensive interviews with school management and personnel (mainly
principals, but also deputy principals and teachers) and also some members of the board of trustees.

4. A postal survey aimed at establishing schools' experiences and reactions to their ERO reviews (ibid: 158). The survey targeted primary and secondary principals and teacher representatives on the board of trustees. The survey contained 19 questions: the first four required very specific information (a tick in a box, a number, or one to a few words; six required written answers (three - five lines were assigned for comment); a further question had a 1 - 4 scale (with an additional section for further comment); and the remaining eight a version of the likert scale with a 1 - 5 scale.

5. Documentary analyses of media reports on schools. It was based on a survey of news-articles in seven New Zealand national and metropolitan newspapers between January 1994 and June 1997. Some 120 different schools were identified in the media during this period (PPTA, 1997a: 177).

The key findings of the review were as follows

1. There seems to be no accessible mechanism for contesting ERO reviews or lodging complaints about ERO processes or outputs (p. 6).

2. In terms of the review of the procedural manual for Effectiveness Reviews (ER's) and Assurance Audits (AA's) it was suggested that the ER's are primarily concerned with school self-assessment or review rather than effectiveness per se, and that they are focused on compliance with (managerial and administrative) procedures rather than educational processes and outcomes ... [and] the evidence used by ERO as a basis for making judgments ignores the likely impact of external factors, has an implicit middle class bias ... [and the ] ... the guidelines for use of achievement information are simplistic. [Additionally in terms of AA's] ... it is difficult for reviewers to make consistent and valid judgments on matters of compliance/non compliance and that reviewer judgments are unlikely to be rigorous (pp. 7 - 8).

3. In relation to the production of National Education Evaluation Reports it was noted that the source evidence for each of the issues under evaluation is aggregated data drawn from ERO's own review database. However, this data-base is limited by the review process used to collect that data in schools in the first instance. [and] ... the national evaluation reports typically do not draw on a wider and extensive research literature (p. 8).

4. There were 20 listed findings from the case studies which suggested that ERO review processes were highly problematic; some of these included reporting in some instances, inaccurately, and for the most part, irrelevantly to the specific cultural needs of a school/area; ... suggest[ing] that reviewers enter schools with preconceptions ... [and that they] ... are centred on a 'low-trust' model which deliberately disregards an embedded ethic of professional responsibility; ... rely on records of practice and fleeting glimpses of classroom teaching that provide few clues to what goes on in classrooms; ... rely on reviewers who do not have the respect of teachers because they lack specialist subject or sectoral knowledge, or have been away from the classroom for some period; ... [and] ... feed a negative view of the teaching profession through media reporting; (pp. 8 - 9).
5. Eleven findings were noted in the survey aspect of the research⁴, some of these were that:

Most respondents were satisfied with pre-visit information schools received from ERO (60 percent of respondents were 'largely' or 'completely satisfied');

Many respondents were 'largely' or 'completely satisfied' with ERO officer practice in the school but with teachers less satisfied than principals ... ; (Overall 70% noted this figure, with 75% of the responses from principals, and 64% from teacher representatives on the BoT);

There were mixed views about whether ERO staff has sufficient expertise to undertake reviews ... (30% of secondary schools considered that, at best, some of the ERO staff had sufficient expertise);

Primary schools are much more satisfied with the accuracy of their reports than secondary schools ... (just over half of the secondary schools are more than reasonably satisfied on this point, and 14% are at best not very satisfied);

One of the best aspects of review for most schools is that it acts as a positive reinforcement to them ... (57% primary and 49% secondary noted this point);

The worst aspects of review were most often seen as inaccuracy and an inappropriate focus (almost 30% of secondary schools suggested this, and almost 20% of primary schools).

6. In relation to the analysis of media reporting it was suggested that "the costs outweigh the claimed benefits" (1997b: 10). There were four points noted on media reporting (ibid: 10 - 11):

... tends to be fragmentary and 'crisis-oriented', to 'take an angle' and have a particular (commercial) definition of 'newsworthy';

Failing schools, many of which are low decile schools, are likely to move into a spiral of even further decline following negative publicity;

It raises the apprehension levels in schools to be reviewed and creates an atmosphere of 'fear of failure' rather than 'demonstration of success';

Collectively these features create a public image of ERO as a 'negative' agency and a compliance mentality in schools. These contribute to a perception of schooling in crisis and an erosion of professional confidence in ERO. (pp. 10 - 11)

7. Of the 120 different schools identified in the analysis period between January 1994 and June 1997 30 (25 percent) schools received sustained negative media publicity

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⁴ It was noted in Robertson et al/PPTA (1997a: 159) that the survey sample of schools was selected randomly from the Ministry of Education's Directory of New Zealand Schools as at 4 April 1997. Two separate random samples were drawn: a sample of 75 secondary schools (20%) of the population, and a sample of 112 primary schools (5%) of the total number. It was stated that for "space reasons we have not gone into the representativeness of the sample here" (ibid.). This information appeared in Robertson et al/PPTA (1997c). This report suggest that there was a representative sample of schools: that overall 63 (56%) of primary schools completed and returned the survey, the comparable secondary figure was 47 (62%). In relation to the numbers of staff representatives on BoT's and principals completing and returning the survey data, the figures are: Primary - principals 60 (54%) staff 41 (37%); Secondary - principals 44 (59%) staff 27 (36%). [Table 5, 1997c: 26].
after receiving bad ERO reports. Of these 30 schools, 84 percent occupy the lowest third of decile rankings in New Zealand (1997a: 178). Furthermore, it was noted that of the 52 schools which received negative coverage (from a series of news reports to one-off reports), 20 had leadership changes either just prior to or as a result of the ERO review (p. 179).

8. In relation to news reports which were feature stories of positive ERO reviews no actual numbers of schools were listed. However, these positive reviews also tended to focus on low decile ranking schools, with nearly half being in this category. The good feature coverage by decile ranking (Figure 20, p. 181) showed 32 percent of these stories related to decile 1 schools, and a further 17 percent to decile 2 schools.

There are a total of 21 recommendations in the report. Some of the main ones noted were:

1. That the role, function and membership of the Advisory Committee for Quality in Education be reviewed in order to clarify and strengthen it. Membership of the Committee should be made up of the key stakeholders in education policy, provision, governance and audit. ... We also recommend that it either include or co-opt persons with expertise in the area school improvement. (pp. 14 - 15);

2. That ERO’s attestation function be achieved through a programme based on risk analysis. This should comprises two components: ‘attestation audits’ of a random selection of schools; and the identification of particular types of schools which appear to be at greater risk of non-compliance. ... The possibility of discretionary review in the case of demonstrable and acknowledged non-compliance should be retained. (p. 15);

3. That ERO funds research into the development of the concept of ‘added value’ in schools and its operation in review procedures. [and] that this activity be funded through a transfer of resources/change of input category from the NEERs (p. 16); ...

4. That ERO and the MoE consider setting up a joint Office of School Effectiveness (p. 17); ...

5. That two thirds of reviewers be recruited from experienced and practising teachers on three-year secondments (p. 18); ...

6. That any media release of review reports be agreed between ERO and the school concerned: neither should unjustifiably withhold consent. [and] Any dispute over this matter should be decided by the ACQE (pp. 20 - 21).

7. That an agreed summary of ERO reports on a school be sent to parents of all students in the school (p. 21); ...

8. That ERO develop tailored review methodologies to reflect and record the achievements and shortcomings of different types of schools. (p. 23); and

9. That all review reports contain a statement of fiscal and organisational consequences of the review (ibid.).

Overall then the review was critical of ERO’s current approach to evaluation especially releasing reports to the media. It provided details of alternative models of evaluation, or alternatively softening of ERO’s approach. There was a broad range of methodologies,
including literature on: public sector restructuring; educational markets; school effectiveness and improvement; comparative organisations such as OFSTED, and reviews of previous research on ERO. There were critical analyses of ERO's documentation and publications, particularly its National Education Evaluation Reports (NEER's). The case studies were used to provide an in-depth analysis of the ERO customs and their impact on schools and data from a postal survey explored schools' experiences and reactions to their ERO reviews. Finally, there were documentary analyses of media reports. This review cost the PPTA some $15,000. The resulting 219 page report contained substantial analysis and 21 recommendations (see Thrupp & Smith, 1999).

Some Comparisons Between the Reviews
There were some clearly similarities between the PPTA review and the Government review. Both were critical of the role of ERO in various respects and both noted changes which were necessary to ERO. Neither recommended an increase in the size of the ERO's departmental budget or increasing the number of ERO personnel. Both suggested creating a type of review in which the compliance with regulations was not the primary focus and that there should be a move towards more 'effectiveness' type reviews. These could use a combination of self-review and the Board Declaration. Both also suggested better consistency in terms of reviewers with appropriate knowledge for the area being reviewed are required. In addition, both suggested seconding external reviewers such as practising teachers, deputy-principals and principals to ERO and suggested that a summary of ERO report review findings be sent to parents.

Yet, it is perhaps not surprising that the reviews had more differences than similarities. While they occurred in rapid succession, each was undertaken for a particular 'client', each was essentially 'commissioned' research with its own series of internal dynamics financial and time constraints and 'independently/impartially' reporting the results of 'other' experiences. The cost of the reviews differed widely - with the Government Review budget ten times that of the PPTA one. The size of the reports and their overall findings in relation to the recommended changes to ERO were also obvious variations. Furthermore, each review had different starting points, different terms of reference, some differences in the methodologies used, different research teams, and in some instances differing results, or at least interpretations of similar data or research. Some of the key differences are considered in more detail below.

The Austin Panel reported that the ERO is an evaluation and audit agent, which 'values its independence and integrity, a view that has widespread favour and support' (Austin, et al,
1997a: 7). On what basis did they reach this conclusion? It is obvious from the Office's documentation as outlined in Chapter Four, that this is the ideology that the Office promotes for itself. However, noted at the beginning of this chapter – the critiques from a wide variety of groups have meant that the second part of that statement would be highly contested.

Furthermore, it was stated that the 'National Evaluation Reports are generally held in high regard' (Austin, et al., 1997a: 7 - 8). This again would be debatable, material presented in this chapter and also Chapters Four and Five show contrary evidence to this.

An analysis of the ERO's procedural manuals for both effectiveness reviews and assurance audits and suggested that:

ERs are ... are focused on compliance with (managerial and administrative) procedures rather than educational processes and outcomes ... [and] the evidence used by ERO as a basis for making judgements ignores the likely impact of external factors, has an implicit middle class bias ... [Additionally in terms of AAs] ... it is difficult for reviewers to make consistent and valid judgements on matters of compliance/non compliance and that reviewer judgments are unlikely to be rigorous

(ibid: 7 - 8)

The ER's also tended to make schools focus on the short term compliance aspects as the model demanded (Schick, 1996; Shaw, 1996) – this focus on outcomes was because they could be easily codified and thereby measured using the ERO methodology.

In relation to the production of NEERs the Robertson, et al. (1997a) had a totally different perspective to that of the Austin Panel, for example is was noted that:

... the source evidence for each of the issues under evaluation is aggregated data drawn from ERO's own review database. However, this database is limited by the review process used to collect that data in schools in the first instance. [and] ... the national evaluation reports typically do not draw on a wider and extensive research literature.

(ibid: 8)

These differences reflect the differing starting points of those carrying out the reviews and their sponsors. Clearly, the team of academics undertaking the PPTA review regarded it as a research exercise, with the accompanying compulsion to provide the evidence and analysis underpinning its arguments and to link extensively into the existing research literature. The PPTA were in turn happy with this approach because of the credibility it would lend. The Austin review, on the other hand, was an exercise in democratic
consultation, or at least being seen to 'consult' (Austin, et al., 1997a, pp. 64 - 65). In the style of most government reports post-1984, there is no similar effort to provide much justification for arguments. Legitimacy presumably was to stem from the claim of having consulted widely, rather than any from process analysis (Smith, 1997b; Thrupp & Smith, 1999). Austin, et al. (1997b: 64 - 65) had 24 meetings in sixteen locations, as well as 260 written submissions and 46 oral submissions.

The major difference between the reviews, was that in contrast to the Ministerial Review, the PPTA report (Robertson et al., 1997a) stressed market and social class-related constraints on the possibility of school improvement in low SES settings. In most respects it was very critical of the ERO's practices. However, it also analysed the nature of the ERO as a public sector organisation and the way the contractual relationship to the Minister leads to the ERO's low trust focus on compliance and the codification and standardisation of school and teacher practice (see also Robertson, 1999).

In contrast to the PPTA review, the Ministerial review (Austin, et al., 1997a) was much less analytical and more sanitised. It omitted any discussion of the background to the reviews or of literature critical of the ERO. Austin was also supportive of the notion of schools improving 'against the odds'. Furthermore, Austin endorsed the ERO's intention to move to its new Accountability Reviews (Austin, et al., 1997a: 7), thus bypassing the problems the PPTA report noted about the ERO's existing methodologies and their impact on those in schools (Robertson, et al., 1997a). Austin essentially argued that the ERO was mostly on the right track but had a public relations problem. Perhaps in most obvious contradiction/departure from the findings of the PPTA review was that Austin argued for the value of the NEERS on grounds that public perception was that these reports were held in high regard (Austin, et al., 1997a: 7; Smith, 1997b; Thrupp & Smith, 1999: 191).

How impartial/independent were the panels? The members of the PPTA research team had a background of research and writing in the sociology and politics of education, much of it critical of markets and managerialism in education. Some had also already done work which was critical of ERO itself (e.g. Thrupp, 1997a). On the other hand, the Government Review was hardly made up of 'neutral' individuals either. The chair, Margaret Austin had been part of the Labour Government which established the Tomorrow's Schools reforms. Apyll Parata-Blane, former principal of Ngata College in Ruatoria, had previously supported ERO's approach as part of the external reference group of the Mangere and
Otara project. Wayne Edwards of Massey University also had a history of contract research with a less than 'critical' perspective on market and managerial such as bulk-funding (see Thrupp & Smith, 1999). Smythe was concerned about the three members selected for the review, for example '[L]ike me, I suspect you will be disappointed with ... the members selected for the review panel' (Smythe, 1997b: 2).

However, in the age of hand-picked members for review panels, and in choosing people who were going to follow protocol rather than question the restricted terms of reference including the fiscal-neutrality clause, the Coalition Government had secured itself a solid and uncritical panel. This author contends whilst the panel did a reasonable job in consulting and in the writing of the report – that it for all intents and purposes delivered a fait accompli. The panel was not going to alter structures too markedly. The ERO were too powerful and too successful in terms of the NPM structures in maintaining managerial compliance. They had a reasonable relationship with the then Minister of Education, Wyatt Creech, and that their own Minister Brian Donnelly had been severely curtailed as a minority partner in the Coalition Government. As the author has argued elsewhere, the review was merely a legitimation exercise (Smith, 1997b).

However, it was in the recommendations of the two reports came somewhat closer and therefore more congruous. The PPTA review team, aware there was little chance of fundamental change, suggested measures to make the ERO operate more democratically and to ameliorate its worst effects (see Robertson, et al., 1997a). They recommended that a media release of the review reports be agreed between the ERO and schools, with any dispute decided by the ERO’s Advisory Committee for Quality in Education [ACQE] (Robertson, et al., 1997a: 11). The Austin team’s recommendations were, however, more far-reaching than their initial support for the ERO appears to justify. It sought measures which would allow schools three months to address problems before reports were released to the media (Austin, et al., 1997a: 9). Both reviews suggested:

1. A move towards using a combination of self-review and a declaration;
2. Using reviewers with appropriate knowledge for the area being reviewed;
3. More secondments to the ERO from practicing teachers; and
4. That a summary of the ERO report findings be sent to parents.

5 The new type of ERO output was implemented in late 1997. They are described as ‘... broad-based reviews addressing in detail, as determined by an initial risk assessment, one or more of the following areas: governance, management, delivery of the curriculum and quality of student education’ (ERO, 1997a: 23).
Notably, neither review recommended an increase in the size of the ERO’s departmental budget or increasing the number of the ERO personnel (Smith, 1997b). In this respect the Austin Panel were constrained by the terms of reference. However, it is unknown why the PPTA Review team did not make this a recommendation. One possible reason might have been both the researchers and the PPTA’s political awareness that under the fiscally stringent Coalition Government, this was not a realistic option, and if they wanted their report to be seen to be rigorous, and not politically or ideologically motivated, and to be taken both seriously by the government and to have some impact of how the ERO might potentially be changed it was not considered feasible. [See also the analyses of Smith, 1997b; Thrupp & Smith, 1999].

The Response to the Reviews
There were very different official responses to the two reviews. The ERO and the Minister welcomed the findings of the Austin review, claiming that it was a clear endorsement of the role the ERO performed (Singh, 1997a). In addition, Dr Aitken was reported as saying ‘... the Austin report was positive for ERO because the office had already begun to move in the direction of many of its recommendations’ (Aitken, 1997, cited in Gerritsen, 1997: 2).

It is possible to infer from this that the ERO as an organisation was politically adept (see Smith, 1997b, Smith, 2000a, 2000b). It had not been idly awaiting the outcome of the review. In the interim, the ERO had restructured (‘re configured’) its organisational structure and was seeking to improve/increase ‘client’ satisfaction, through a survey of stakeholders’ needs (ERO, 1997a: 44; Smith, 1997b). They had already developed a new output class, accountability reviews, which they were began to trial before the outcome of the review (Smith, 1997b)⁶. This accountability review used a risk analysis approach in order it was claimed to ‘identify performance parameters and determine likely areas of risk’ (ERO, 1997b: 18-19).

As a result of these moves, Donnelly was able to comment ‘... the implications of some of the recommendations would need to be examined, but about half the recommendations had already been complied with or would be complied with soon’ (Donnelly, 1997b, cited in Gerritsen, 1997: 2). Dr Aitken (1997, cited in Singh, 1997a: 2) was quoted as saying:

There is much in the report that commend the work of ERO’s staff over the years ... The report makes many valuable suggestions, some endorsing current developments,

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⁶ In this context French (2000: 29) argued that the Minster almost immediately agreed to reduce the number of output classes to three from four and to change the nature of the output from report to review. These matters were considered to be too urgent to wait for the review to take place according to French (ibid).
another on which we had already begun work in consultation with the education sector.

ERO then, was already changing direction, perhaps to pre-empt some of the issues likely to be raised in the Government Review. However, one of the recommendations which was immediately rejected by the ERO was the concept of a 'critical friend' approach (see Stoll and Fink, 1996 cited in Austin, et al., 1997: 19). In this context Dr Aitken was reported as saying 'the critical friend approach':

... presented a paradox and dilemma to ERO. ... ERO approached schools as a critical and independent evaluator and the critical friend approach could reduce the learning experience of the organisations under review. [Furthermore she noted] ... internationally external evaluators that acted as critical friends generally had a wing that could provide on-going advice and support, but ERO did not.

(Aitken, 1997 cited in Gerritsen, 1997: 2)

On this point the CRO was totally immovable, and somehow must have convinced her Minister and the Government that this would result in two outcomes, neither of which they may have wanted to traverse. Firstly, it would have involved a substantial increase in the ERO's funding and personnel, and also considerable professional development or contracting in a appropriate staff with social improvement knowledge – in order to provide the form of advice and guidance needed. Secondly, it would run counter to the NPM and agency theory model which the CRO had so successfully integrated into the structure, organisational philosophy and operations of the ERO. As highlighted earlier (in Chapter Four) it was a highly ideological agency, which in education best exemplified an almost pure working model of the managerialist restructured state (supporting both strands of the new right, the neo-conservative through its high expectations of standards both of itself and those it reviewed, and neo-liberal in the sense that it was small, focused and efficient).

What would also have to change was the pure philosophy of the single purpose agencies. Given how scathing Dr Aitken had been in terms of the previous Inspectorate (see Chapter Four and the comments on the mixed guidance and grading function, especially the Scott report, Chapter Three) and its dual functions and mixed accountabilities she clearly did not want a return to this type of model and saw it as inappropriate for the current ERO. In this it was purely and ideological position the Office had adopted – there were a number of international systems who successfully operated this dual model including OFSTED in the UK (see Smith, 2000a). In terms of its managerialist position, the Office wanted to remain purely an audit/evaluation agency – and felt it could move in other directions and did not see the value in formally advising schools how to better comply with the regulations – this
was not part of their terms of reference, and Dr Aitken made it perfectly clear it would not happen if she could avoid it – or unless it was imposed on them.

The advisory role that the Inspectorate had played – and appeared so valued in the past (see Chapter Three) was missing from the single focused ERO. This was in spite long standing criticisms from many educational sector groups that this support was needed. This advisory service fell into the policy vacuum between the Ministry of Education and the ERO. Neither appeared capable, nor interested in addressing the concerns of educationalists (by this time, especially by the ERO still cast as vested interests). This policy vacuum was partially addressed by the Schools Support Project team but many schools needed long-term assistance and more funding in order to address inequality issue in under-performance.

In this sense perhaps again, the CRO was being entrepreneurial. Whilst not creating a new role for itself it had comfortably established systems. It was efficient and viable, and it could carry on successfully creating new opportunities for itself in the wider public sphere. The ERO could deploy its influence in the civil society to manufacture a perceived ‘crisis in educational standards’ and thereby undermine its competitor agency the MoE whenever the opportunity arose. The ERO were indeed policy opportunists and used their widely distributed NEER reports to raise issues, highlight agendas often of their own concerns, and then offer pre-packaged solutions to these problems.

In relation to the financial costs involved in implementing the Austin recommendations, the CRO was reported to have said ‘... any change in practice, behaviour, recruitment, training, or procedure would require money’ (ibid.). This comment was made in an article entitled ‘Report on ERO oversteps brief’ (Gerritsen, 1997).

It can be argued that the ERO was reading the changing political terrain, and so had already addressed some of the perceived concerns raised in the Austin review. However, because of the small size and the nature of New Zealand politics and portfolio cultures, it is probable that the content of the report would have been easy to determine. (The first draft was presented to the Minister in mid October 1997 according to French, 2000). The report was published in November, but not publicly released until the 4th of December 1997.

It is clear that the contributions made by the ERO themselves to the Austin review were significant. Just what was the level of influence it may have had? They wrote a 14 page
submission (Aitken, 1997) and supplied considerable ERO documentation to the panel. In its Submission (ERO, 1997e) the following issues were raised in the summary (they are quoted at length):

The ERO reviews schools against the requirements set out in charters (including the national Education Goals) and schools’ expectation of students. (p. 1); ...

The ERO has identified key performance indicators but does not prescribe the quality standards to be achieved by schools. (p. 4); ...

4. Consideration should be given to a purchase model of for pre-employment teaching training which gives the Crown more control over the quality of training. (p. 5).

5. There are links between the Review of the External Evaluation System and the Review of Teacher Education. It might be appropriate for the Review Panel to have formal input to the Review of Teacher Education. (p. 5).

6. The ERO contributes to policy through direct policy advisory services and the production of national evaluation reports. Better value could be gained from these services and reports for national and institutional resource allocation and decision making. (p. 5).

7. In evaluating the impact of other state agencies on educational outcomes for students, the ERO generally examines the impact of specific policies rather than the performance of other agencies as an end in itself. (p. 5). ... Since the ERO evaluates schools in terms of their own actual contractual undertakings, the office does not devise its own performance indicators or measures of school effectiveness in reviewing school performance. (p. 6).

... For some years now the Office has adopted a policy of releasing the results of its reviews to all stakeholders, including the news media. (p. 7).

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7 The ‘package’ of information including the ERO submission was supplied to the researcher by Canning (2001b) after requesting it from Frances Salt in a letter (16 February, 2001). In the original correspondence from Canning (2001c) it was stated ‘The Austin Committee did not invite, and ERO did not make, a submission to that Committee in 1997’. When the researcher read this he was highly sceptical as the CRO had advised in an interview in 1997 (Aitken, 1997) that the ERO had made a submission, and that she would send a copy – although it never did arrive! Furthermore, in the Austin Report (1997: 12) the panel noted they were ‘particularly appreciative of the open, frank and forthright manner in which the CRO of the ERO ... responded to requests for information and meetings. The assistance and support offered by staff from these agencies was appreciated’. In addition, ‘written submission no. 206 and oral submission no. 206, listed Judith Aitken, CRO Wellington’ (Austin, et al., 1997a: 62, 65). Therefore, I knew at least the CRO had written a submission probably on behalf of the Office. In email correspondence in February this information was pointed out to Mark Canning. In the letter 1 March, 2001, Mr Canning wrote and stated ‘... with reference to your request for a copy of Dr Aitken’s submission to the Austin Committee, I now attach a copy of that submission together with the briefing papers sent to that Committee by ERO (Canning, 2001b). Was this another example of the Office trying to withhold information from the researcher?

8 In a letter dated 28 July, 1997 to the panel chair (Margaret Austin) the CRO had the ERO Submission as an attachment. It was stated in Aitken’s letter that ‘I should appreciate the opportunity, along with my senior managers, to appear before the members of the Review Panel in support of this submission’.
The question is sometimes raised as to whether or not the ERO should or does provide advice to schools and other educational institutions. Advice provided by any professional adviser is intended to inform decision making. In exactly the same way reports published by the Office are intended to inform the decision making of a range of stakeholders, for example Ministers, trustees, principals and parents. To that extent advice and evaluation are synonymous. (p. 8).

The response of state agencies should ensure that school boards which are not performing well receive appropriate guidance, sanctions and incentives to assist them in improving their performance, while schools that are well equipped to meet these existing obligations do not have their flexibility curtailed. (p. 9).

Although the ERO does not have a direct role in enforcing its recommendations, as a result of its reviews of schools it may be able to point more directly to areas where more guidance, resources or other changes are needed. (p. 9).

The ERO is able to contribute to policy development through providing information derived from reviews and through investigations of policy areas of specific interest to Ministers. The office contributes most effectively where there are appropriate two-way mechanisms and relationships which allow:

- the Office to be informed of policy priorities/areas of interest, which can be investigated in reviews; and

- other agencies to take the ERO findings and comments into account in policy development. (p. 11)

... The ability for the Crown to request information from the Office on specific issues is a mechanism that could be further developed.

In reporting on the performance of other state agencies, a balance needs to be struck between the ERO’s various roles. On the one hand, the Office’s credibility with schools would be enhanced if it were seen to have a watchdog role in respect of the system as a whole, with responsibility for reporting not only on the performance of schools but also of other agencies. On the other hand the Office is a public service department and is required to work together with other agencies in order to contribute to the collective interest of the Government. (p. 12).

The extent to which the Office is currently able to influence policy is illustrated by three examples. These example provide an indication of ways in which information derived from the ERO’s findings could be used in the policy process in the future.

*Example 1 – Schooling in Mangere and Otara*
*Example 2 - Performance Management Systems in Schools*
*Example 3 – Training of Boards of Trustees (pp. 12-13)*

In October 1996 the ERO offered to provide the names of some 100 to 150 schools that would benefit from individually targeted training. ... The Minister’s view was that not only poorly performing boards should receive training, although the focus should be on them. (p. 14).

What is interesting in the ERO’s response is how their brazen attempt to influence the panel, by becoming more involved in the review of teacher education. They were attempting to convince the panel that they had sound structures in place already – but that
they were also entrepreneurial and ready to adjust rapidly to any required changes, some of which they had already pre-empted and were beginning to implement.

The ERO on two occasions had to reply in writing to questions raised by the Austin panel, example and their responses included:

**Q1** Is the issue of providing advice to schools (following an ERO report) on the agenda of the ERO?

The report is deemed to provide a bots ... with advice in the form of evaluative comment and, where applicable, actions required, or recommendations. (p. 1). The Office has not at this stage considered moving from a position of providing evaluations that are independent. (p. 1). ...

**Q3** In making value judgments about the quality of education, what criteria does ERO use?

When forming judgments about the quality of education the following criteria are used to test the quality of the judgment:

- validity and reliability of the evidential base;
- legitimacy (including consideration of fairness);
- functionality (including consideration of usefulness). (p. 2).

**Q4.** Are there review officers or auditors who liaise or work with schools?

These questions assume that external evaluation should necessarily entail ongoing 'working with' clients. This is not ERO's view.

(Middlemiss, 1997a)

It can be seen from the ERO's responses its entrenched philosophy of independence, and it is interesting that the panel made comment in their report that this was valued not only by the ERO but by others too. It is also clear from these three responses – that the ERO were trying to attempt to avoid/resist as much as possible any suggestion that they provide any form of advice role – especially an on-going one. In line with the their terms of reference and underpinning philosophy of managerialism they were attempting to remain true to the principles and practices of the theories which created them – or at least as the CRO had interpreted and operationalised them in the Office's structure. Again they also resort to the soundness of the philosophy/methodology of their scientific methods of evaluation.

In response to the second set of questions, their somewhat entrenched philosophy is again revealed, for example:

**Q7** How many reports have there been where no action has been for required on compliance audits?
14 schools from 477 reviews had no actions required. (p. 2). ...

Q12 How many complaints have been received, by region, regarding unfair or unjust ERO reports?

Since the beginning of the year one official complaint about an unfair report has been received by the CRO. ... The National Manager Reporting Services has received one complaint.

These two complaints were from different regions.  

(Middlemiss, 1997b)

The data above reveals that at this point in time, mid 1997 the Office was still firmly entrenched in its short-term compliance mentality, much as it had been doing with its Quarterly Overview Analyses back in 1992 - 1994 (see Chapter Four). It was reported that only 14/477 schools had no actions for compliance, [which is less than three per cent of the number of schools it reviewed – and also reasonably consistent with the findings from Chapter Five]. What is also highlighted from the response to question 12 was that as Robertson, et al. (1997a) had reported, it was difficult to make a complaint about the ERO as its procedures were unclear. Furthermore, in doing so the school had to challenge the power of the state’s watchdog agency.

In the package of information from the ERO, it was reported that the panel and the ERO executive met a for one and a half hours on 22 September, 1997 at the SSC. And, that the ERO provided the panel with the following documents/information in the package sent with a letter from Mark Canning (Canning, 2001c):

1. SSC: List of Documents: ERO Review Panel: 42 documents, mainly Manuals of Standard Procedures, and NEERs;

2. Two letters from Judith Aitken, one on ‘Issues relating to extension to or modification of ERO’s current legal powers’ (24 September, 1997); ‘Handbooks of Contractual Obligations and Undertakings: Schools/Early Childhood Centres (29 September, 1997);

3. Six ERO produced documents, including: Review of the Education External Evaluation System: Discussion points for meeting between the ERO and the Review panel (23 September 1997); Review Officer Sources of Recruitment; Review Officer Competencies; ERO: Reviewers Conference, June 1997; Accountability Framework for Schools; and Evaluation Readings.

The Austin Report (1997a: 13) commented under the title ‘Research’ it was noted ‘[T]he panel has been fortunate in having access to ERO documents (including annual reports, handbooks which inform the review process and reviews of the office itself)’. Did the
panel really regard the data/documentation they received from the ERO as being ‘research-based’?

Also the incident the researcher had outlined earlier (in Chapter Four) about the discussion between the review panel chair and the ERO revealed there might have been more involvement – than was publicly discussed or written about in the report. How much did the ERO staff and documentation inform the panel and influence their findings?

The Robertson et al. team (1997a: 17) in the PPTA review, published in late October and released on the 14th of November, also inferred that the ERO had a role in shaping the Austin review.

In contrast to the reaction to the Austin review, there was little official response to the PPTA report, despite the PPTA calling for a further, independent evaluation of the two reviews (Singh, 1997b). The (by then) acting Minister responsible for the ERO (Wyatt Creech) emphasised its incorporation in the Ministerial review: ‘[T]he panel considered the PPTA’s submission along with many others’ (Creech, 1997 cited in Singh, 1997c: 2). As the PPTA review did not have official status there was no formal obligation to respond (Smith, 1997b). Robertson and colleagues had a cordial relationship with the Ministerial review team and were regularly sending draft reports to them. The PPTA review team’s work also constituted the only comprehensive research on the Office available to the Ministerial review team, so some engagement might have been reasonable to assume (Thrupp & Smith, 1999: 193). Furthermore, they noted ‘[G]iven this indifference to the evidence put before it, it is very difficult not to come to the conclusion that the Ministerial review was primarily a ‘legitimation exercise.’ (Smith, 1997b; Thrupp & Smith, 1999: 193)\textsuperscript{10}

Whilst the ERO adapted to the changes recommended by Austin et al. essentially very little substantively actually changed either structurally or philosophically over the next three years. The problems continued (Thrupp & Smith, 1999: 193) and throughout this thesis there is evidence that the ERO, as an increasingly powerful agency, exhibited a remarkable ability to adapt and extend influence.

\textsuperscript{9} Brian Donnelly, stepped down as Associate Minister with the resignation of New Zealand First from the Coalition government.

\textsuperscript{10} The report might not have been newsworthy at the time, or alternatively journalists and educators may have known that the report would essentially be an endorsement of the Office and its activities. In this context French (2000: 32) reported when the Austin report was released to the media only one journalist turned up. Furthermore, it was noted ‘if anyone had hoped that the office was in for a drubbing, they were sadly disappointed’.
Following the review, the ERO did not just remain as the agent of educational accountability (which was how it was established, and what it should have been in terms of agency theory). The organisation explicitly acted in the interests of its Minister, and also increasingly took on a public role through its use of the news media.

Throughout 1998 and 1999 the Office maintained conservative media support. In 1999, Aitken was recently named ‘New Zealander of the Year’ by the National Business Review and recent media accounts have usually portrayed the ERO as little less than the saviour of the New Zealand education system (Thrupp & Smith 1999: 193). Davey (1999: 100) concludes an article appropriately entitled ‘ERO worship’ with the plea ‘May the dragon [ERO] have the teeth to gobble them [teachers] up’. A similarly uncritical account by McLoughlin (1999: 96) in North and South magazine begins ‘The ERO is virtually all that stands against the push for mediocrity in state schools...’

The ERO Chimera

The management of the ERO appeared to be very media savvy and clever at reading public and education sector reactions to the politicised context in which they operated. Continual shifts were made in the appearance of the organisation, and the names of its processes, but these were essentially cosmetic changes to the ERO operations. However, the ERO sees change as important ‘[O]rganisations that are successful cannot be static. They must be open and responsive to the needs and challenges of the environment in which they operate’ (ERO, 1997a: 41).

This statement can be interpreted as meaning that change is important for dynamic organisations, and that the ERO wanted to be seen to adapting to new contexts in education. An alternative more cynical interpretation is that the ERO changes appearance rapidly both in order to thwart significant criticism, or that the external political pressures for change become too great. This is what is argued in 1997 leading to the Austin Review.

Throughout the 1998 lead-up to the general election, both the Labour Leader of the Opposition, Rt Hon. Helen Clark and Education Spokesperson Hon. Trevor Mallard campaigned on reviewing the Office yet again (Clark, 1999; McLoughlin, 1999). There

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11 ‘An extensive ERO public relations system faxed comment continually to almost every magazine and newspaper editor’ (Finlay Macdonald, Listener Editor pers. comm).

12 A number of the themes raised here are covered in far more detail elsewhere (see Smith, 2000a; 2000b; 2000c).
were some election-year proposals to rein it in by merging it with the Ministry of Education (McLoughlin, 1999). After the election in December 1999, the Labour Minister of Education (Trevor Mallard) announced in a review of the ERO covering its work practices, and whether it was the best approach to monitoring education quality (Mallard, 1999 cited in Cassie, 1999: 1).

However, by about mid 1999, the CRO of the ERO had already been reading the changing political terrain. What might have been palatable to politicians in a National Government with its policies of increasing competition and marketisation of education, was not the policy of a Labour Party. The Labour Party in election year was offering to ameliorate the worst excesses of the education market, to abolish bulk funding, reintroduce zones and a host of other changes in education. The Labour Party, and their potential coalition partner the Alliance, were strongly aligned with educationists.

Consequently, by the election the ERO had begun to make some changes. This is provides further evidence of the ERO shifting the terrain yet again. Many of its previous posturing and cajoling of teachers and teacher educators would only have been politically supported by right-leaning governments.

There had been considerable frustration in the education sector (especially within the education unions) that only cosmetic changes to the ERO and occurred as a result of the $150,000 Austin Review (Smith, 1998 and Thrupp & Smith, 1999).

As noted earlier, a number of New Zealand educational researchers argued that the ERO has chosen to ignore the contextual effects of SES factors upon a school’s performance (Hawk, Hill, et al., 1996; Thrupp, 1997a; Hughes, Lauder et al., 1997; Robertson, et al., 1997a; Hawk & Hill, 1999 and Thrupp & Smith, 1999). And thereby placed the full burden and credit for student achievement on schools and teachers. Low SES deciles schools were responsible for achievement of low SES students. The ERO had consistently claimed that ‘[t]he socio-economic status of schools, while an important factor, is not necessarily the most useful indicator of a good learning environment for young people’ (ERO, 1994a: 8, see also ERO, 1999c outlined earlier).

In noting the ERO’s concern with schools being the agent for making a difference, Thrupp and Smith (1999: 194) have suggested that this was because:
ERO's ability as to hold that school staff are responsible for the success or decline of schools is also at stake here. Acknowledgment that the social and political context might create fundamental problems for schools would 'muddy the waters' making ERO's work much more difficult. As a result, refuting such contextual claims has been an important activity for ERO management with Aitken continuing to insist that 'Socio-economic determinants do not control the quality of education' (Aitken, 1999 cited in McLoughlin, 1999: 70). Moreover, although there has been much more emphasis in some of ERO's more recent regional and NEER reports on the problems faced by low socioeconomic schools, to date these reports have always continued to conclude that such issues need not, and must not, be allowed to have an impact on schools (ERO, 1997c, 1998b, 1998c). But it is also too easy for low SES schools and their staff to be scapegoated for wider societal problems.

In the run up to the 1999 election, a different set of comments emerged. In the ERO's Annual Report 1998/1999 (ERO, 1999b:16) shifted attention to high SES decile schools, again capitalising on the responsibility they had placed on teachers and schools. This time however, the high decile schools were castigated the 'complacent' and cruising'. It is possible that the ERO targeted these types of schools, for political reasons to take the heat out of their attack on low decile schools (see the findings of the Smith, 2001 research in Chapter Five). Up until this point, the SES influence was not of concern to ERO's common-culture, however, by 1999 the Office was finally changing its position.

**ERO's Slowly Changing Stance – Acknowledging SES**

In 1999 the ERO began including schools' SES decile ratings on the review report. When asked about the timing and motivation for this procedural change, an ERO senior manager (Canning, 2000) stated:

> Decile ratings have been included in school accountability reports since August 1999. This was a procedural change, very largely presentational, responding to external representations and observations that the ERO did not appear to reflect the socio-economic environment of the school in its accountability review reporting.

> In fact this was the case, but as the perception was otherwise, a specific reference to the decile rating in the front of the written report was seen as an obvious way for the Office to acknowledge its awareness of the context within which the school operated. (Canning, 2000)

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13 At the other end of the social spectrum, Aitken has also noted ERO's increasing interest in 'cruising' schools (McLoughlin, 1999, p. 70). These seem a future target for ERO but again cannot be divorced from contextual considerations. Indeed there is a sense in which all higher SES schools are likely to be 'cruising' because the multiple advantages they enjoy over low socio-economic schools mean that the processes which support academic work are so much easier to carry out in high SES settings (Thrupp, 1999, all cited in Thrupp & Smith, 1999: 196).

14 While not directly disputing the accuracy of when this change actually occurred the researcher (a very frequent visitor to the ERO website) had only observed the placing of decile ratings on the ERO reports from around November/December 1999.
There had also been some changes to the ERO methodology by this time. French (2000: 46 - 47) stated that:

Aitken notes that the Office has recently made substantial changes to its own core methodology for Accountability Reviews. 'We have identified clearly where we do need to have prescriptive evaluative criteria – classroom observations, the assessment systems being used by teachers, and comparative performance over time, and at the time of writing was introducing a new system for reporting on the comparative performance of like schools – that is, schools that are broadly similar in type, size, and location. From the beginning of the 2000/01 financial year Review Officers will have a typology enabling them to compare and report on the performance of schools in like situations – schools type, size, socio-economic context, reporting history. Reports will be also raise public policy issues, such as the quality of the national curriculum.

These points are reiterated in ERO (2000a: 18 & ERO, 2000c: 14). The matters raised by Aitken thus represent a rationale for the ERO’s shifting position over a number of issues – SES context, treating all schools the same, an acknowledgement of their own evaluative criteria, and the inclusion of more data from teachers. At one level, this implies the ERO was addressing some fundamental criticisms. It could be seen as a breakthrough in an acknowledgement of the work of teachers as professionals (as opposed to an ‘incompetent’ vested interest group as the ERO had previously implied). However, what also happened was a further intensification of teachers’ workload through schools having to prepare detailed data for an ERO inspection.

The intensification of work thesis was outlined in Chapter Five in relation to the extra work of in particular small schools and lower SES decile schools in the preparation and recovery of the ERO visit and reporting. A claim could be made based on anecdotal evidence that this has occurred, but there is no empirical data in this thesis to substantiate the claim (though the researcher would note that research-based projects such as (Hawk, Hill, et al., 1996; Lauder, Hughes et al, 1999a; Lauder, Hughes & Watson, 1999; Robertson, et al., 1997a; Thrupp, 1999b; and Wylie, 1999) have supported this view. There is also a large pool of literature on the preparation and anxiety effects of OFSTED reports in the UK (see Smith, 1998; Thrupp, 1998a). On this point however, Canning (2001a: 5) has challenged these points in the following way:

In Chapter 6 on page 180 [now 319], you make the statement that ‘what also happened was a further intensification of teacher’s workload through schools having to prepare detailed data for an ERO inspection.’ Again this is not accurate.

I am unsure of your source of information for this statement, but in actual fact in any one year the most information that ERO will ask a school to generate is two documents – the first an annual declaration, with about 20 questions and taking probably no more that [sic] 15 – 20 minutes for the principal to complete; and the
second, preceding a review i.e. at most once every 3 - 4 years, a self-review document for the principal and board chairperson to complete. This is hardly adding to a teachers [sic] workload through schools having to prepare for an ERO inspection!

ERO will expect schools to have documentation, but this is not documentation required by ERO, rather it is documentation required through the NEGs and NAGs and other legal obligations of the Minister or the Ministry, it is incorrect to suggest that ‘the intensification of teachers’ workload lies at the door of the ERO.

In responding to the Canning (2001a) critique there are several issues to be aired. The first is that he may indeed be technically correct. The two formal aspects of documentation required by the ERO are not onerous tasks in themselves. However, it would be naive to suggest that this is all schools have to do in preparation for an ERO review. Not inspection, as Canning notes – Dr Aitken would be horrified to hear this word in the context from within the ‘cult’ of the ERO (see Smith, 2000b). Even in the collation of getting together all the documentation to provide for the ERO re-visit would take some time to do correctly.

Whilst the researcher will defer to Mr Canning as possessing more expertise and knowledge of the organisation he has been a part of since before it official conception. However, published research (from the UK on OFSTED see Learmonth, 2000 in Chapter Five and from New Zealand, Wylie, 1997b, 1999b) demonstrably reflects the opposite from what Canning (is suggesting). Furthermore, the intensification of teachers’ work thesis due to self-managing schools has been well traversed in the educational literature in the UK, USA, Canada, Australia and New Zealand. It might be that in a very small, but powerful and ideological organisation such as the ERO is not aware of the effects it has on those reviewed, or that the ERO management do not read educational literature but only that from the NPM literature bases (see Aitken, 1997a; 1997b).

This issue for this researcher remains highly questionable and contestable. However, this too may be a potential area for some follow-up research in terms of finding out the real costs involved in an ERO review, from beginning to end – much in the same way as Learmonth (2000) reported in the UK. To be a real qualitative researcher, to get my hands dirty, to go to schools gain the ‘inside truth’ from practitioners about their experiences in preparing for an ERO review will require further research in this area, (this will be part of an on-going project, see Smith, 2002a).

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15 Furthermore, the indirect costs of the reviewing/auditing on schools are not acknowledged, these include the financial costs of pre and post inspection (Fitz-Gibbon, 1996; Gray & Wilcox, 1995; Learmonth, 2000; Wilcox & Gray, 1996; Trowman, 1997; Woods & Jeffrey, 1998). In addition, both Thrupp (1997a, 1998a) and Robertson et al. (1997a), discuss the costs of ‘ERO-proofing’ which have both financial and human resource cost components.
These changes to the ERO's methodology can be seen as an acknowledgement by the ERO of the need for more evaluation criteria (ERO, 2000b). However, as was noted in Chapter Four, the Office had denied that it ever reviewed against its own prescribed criteria, implying instead that it reviewed against the schools' own charters and the Ministry of Education's Guidelines. In 2000, we were advised that the ERO had finally identified the evaluation criteria which review officers were to use during their reviews to form judgments about the quality of education services being provided by schools (ERO, 2000b: 1). However, we were also cautioned that:

The evaluation criteria are not a checklist, they inform evaluative opinion. They derive from published Ministry of Education guidelines, ERO's education evaluation reports, ERO's own findings about good practice and consultation with education sector groups.

(ERO, 2000b: 1)

These points acknowledge that the criteria of the review were derived from the ERO. Also revealing in this document were the comments about financial management. From the inception of the ERO and from Picot reforms (1988 onwards), the financial accountability of schools was always considered important. This was clearly stated in the ERO's first Corporate Plan (ERO, 1989: 3, see Chapter Four). However, by 2000, ERO's documentation provided new explicitly noted-criteria that were linked to fiscal responsibility. They in turn, were linked to the Fiscal Responsibility Act 1994:

The total revenue for each school in each year since the previous ERO accountability review will be identified and stated in the final report. Total revenue includes the sum of all Crown funding (specified as the operating grant, salaries, special fund allocations, etc). A key issue to be addressed in each review is 'does this school provide the owner (the Crown) and the purchaser (the Minister of Education) with value for money'?

(ERO, 2000b: 8)

This 'value for money' clause brings it closer to the OFSTED inspection system and more clearly in the evaluation and audit society (Power, 1994, 1997 Chapter Two and the new accountability arrangements under NPM, see Boston et al., 1996). Jesson (2000b) argued the ERO uses a criterion-referenced model for the accountability process; assessing various aspects of schools against an ideal-type of ERO-developed set of criteria. Furthermore, she noted that the ERO had distilled its own standard or benchmarks of school effectiveness and professional capability from a range of sources with the underlying accountability criteria being fiscal responsibility.
Follow-up Reviews and Assistance to Schools.

One of the most often criticisms raised in relation to the ERO’s practices over the decade has been the ‘hit and run’ mentality of the ERO. While their statutory role was to report on schools, it was not also statutorily required to offer follow-up assistance and advice. Interestingly, the ERO has recently softened this approach agreeing to provide post-review assistance to schools in need\(^\text{16}\). A recent ERO report highlighted follow-up reviews noted that:

... ERO’s experience suggests that, in the school sector, one way to break this cycle of chronic failure is to offer an immediate follow-up workshop to help the school to understand and respond to ERO’s findings, and to plan and implement appropriate action to address the problems identified.

During 2000/01 ERO will pilot follow-up assistance to schools where an accountability review signals the need for a discretionary review. This assistance will be provided by one or two members of a small, specially-trained team of experienced reviewers who will go to the school immediately after the accountability review report has been confirmed and offer a one to two day workshop.

The purpose of the workshop would be to take the board, principal and staff through ERO’s findings and help the school develop its own recovery plan.

(ERO, 2000a: 12)

While this initiative sounds positive in theory, as yet it is still in a developmental phase. However, some issues arise here. Firstly, are the ERO the appropriate people to provide this function; would this not compromise their highly valued impartiality and independence? Secondly, and closely related, this process runs counter to the NPM and managerialist models that underpin the organisational philosophy and culture of the agency. Thirdly, the suggestion assumes that the current ERO personnel have the skills and abilities to undertake these roles. Fourthly, this provides yet another opportunity for the ERO to compete directly with the Ministry of Education for funding and influence, to embarrass the MoE’s for inaction and inability to bring about school improvement\(^\text{17}\).

So, while at one level this initiative represents a positive development, this is not a really a long-term solution to a larger structural problem of ‘under-performing’ schools in a market model of education. Once again whilst it might be premised in the language of improvement, it could also be argued that this is still part of the short term outputs

\(^{16}\) Smith (2000a; 2000c) provides a more detailed critique of this proposed initiative and outlines some of the financial considerations.

\(^{17}\) See Fiske & Ladd’s (2000) analysis for more detail. Furthermore, these authors’ note (2000: 259) that the political pressure applied by the ERO is particularly interesting because it is a state agency that chose to use its statutory independence to offer critiques not only of individual schools but of the system itself. See also (Smith, 2000a; Smith & Clinton (2001)).
derived from the NPM model and resulting from it (see Boston, et al., 1996; Schick, 1996; Shaw, 1999). Finally, as the researcher has argued elsewhere (Smith, 2000c), the ERO are still under-funded and under-staffed and now they suggesting taking on another yet role which they may not be able to perform competently. Is this not then another example of them extending their influence into other areas?

The ERO, throughout its thirteen years of existence, have become a powerful institution and consequently a significant force in determining the direction of New Zealand educational policy. In this context Codd (1998: 153) has described the ERO as a dominant control agency within the education system. Furthermore, Robertson et al. (1997a: 16) maintain it is remarkable for any state agency to have so much self-direction when it is answerable only to the government of the day, and not to Parliament as a whole.

It has been argued in this chapter, (and elsewhere – see Smith, 2000a; 2000b; 2000c; 2001; 2002a) that the ERO continued to assume responsibilities for activities that lay outside if its brief. In this context, Meyer (2000) recently observed the following in respect of the ERO seeking to influence teacher education:

Well perhaps ERO is in the midst of an identity crisis, I believe ERO is shifting ground dangerously and is treading into areas for which they may not be as well qualified ... areas for which they probably lack preparation and in areas in which I doubt they have the statutory responsibility.

ERO did not possess tertiary sector knowledge, experience, or expertise. They are not researchers and lack the depth to undertake such endeavours (see Smith, 2000b). Whilst it is difficult to know whether the ERO has had much impact in terms of teacher education, in the Smith (2000b) the author advanced that essentially the ERO’s report (ERO, 1999e) on this area was largely ignored. However, it is also argued that the organisation did attempt to shape public policy in this area and in their Submission to the Austin et al. Review panel (1997). It was noted that the ERO advised on the area of pre-employment teacher training that:

... Although the Office is not responsible for evaluating tertiary institutions, it has a close interest in the teacher training since the quality of teachers is a key ingredient in determining the overall performance of schools. ... Under this model the Crown would, in effect pay for the provision of trained students whose successful graduation depended on their meeting of specified quality and performance requirements. The development of clearly expressed core competencies and performance standards which could be specified in purchase contracts would be a key factor in this model. ... issues will be addressed in the Government’s Green Paper on Teacher Education due for release in September 1997. Given the overlap
between the areas of work, it might be appropriate for the Review panel to have formal input to the Review of Teacher Education.

(ERO, 1997d: 10)

Several issues are raised in relation to this comment, firstly the ERO are clearly promoting a particular view of teachers as technicists (see Clark, 1998; O’Neill, 1998) and promoting a certain policy proposal for the Office to have more direct input into the area of teacher education as advanced in (ERO, 1999e, see Smith, 2000c). What is more revealing however is suggesting that their Ministerial Review Panel should be involved in this process also. There is some very clearly ideological messages being transmitted here.

The ERO’s influence has been enlarged, through their encroachment into activities which were previously the preserve of Ministry of Education. Chapter Four advanced that in some sense the Ministry of Education had abrogated some aspects of its policy provision, such as the NEGs and NAGs and that the ERO had extended its role in helping to both shape, regulate and monitor these standards. However, the National Minister of Education (Hon. Nick Smith) during the latter part of National’s government, saw the ERO as the central agency and so the ERO was able to extend its sphere of influence into a policy role. Smith described the ERO ‘as the single most successful agency to have come out of the 1988-89 reforms’ and [the agency] ‘he looks to most for advice about tough questions on educational excellence’ (Smith, 1999 cited in McLoughlin, 1999: 70). This is truly a sad indictment of the major education agency, the Ministry of Education, for whom he was also the responsible Minister.

It is clear that the ERO had strong philosophical links with the previous Ministers of Education (in particular both the Drs Smith) under the National Government administration (see Smith, 2000a; 2000b). The Office provided significant policy advice, a role for which they have no statutory authority. An example has been the ERO’s issue of measurable assessment in primary schools (see Smith, 1998; Lee & Lee, 1998; and O’Neill, 1998). Since 1997 - 1998, the ERO has been actively promoting educational policies such as national testing and measurable assessment standards in primary schools (ERO, 1998b: 17-18; ERO, 1998c: 42-43; and ERO, 1998g), as the following example highlights:

Education Review Office reviews of schools report on the quality of management practices, teaching and assessment, but schools do not have any national assessment data to provide evidence of student progress and achievement in terms of national standards. The Office therefore does not have any measure of the achievement of students in terms and [sic] of the national curriculum. This is especially the case with students from Years 1 to 10.

(ERO, 1998c: 43)
The ERO revealed it has ‘been working with the Ministry of Education to develop proposals for national testing in primary schools following the Government’s Green Paper *Assessment for Success in Primary Schools*’ (ERO, 1998b: 18). This issue of measurable assessment and national testing has been the subject of four ERO NEER reports (from 1995 – 1999) on aspects of assessment in including a model for assessment in its 1998 document called *Assessing Children’s Curriculum Achievement* (ERO, 1998g). This push for measurable information on student achievement was linked by the ERO to the schools’ accountability to the Crown on one hand while being accountable to the parents as consumers of education on the other. What we have is an idea that the ERO holds a dual conception of accountability, to the state directly through the Minister and to parents as well as the voice of the consumer, for example:

Information about student achievement in schools is urgently needed in order to demonstrate the contribution that schools are making to learning. This information could then be taken into account by ERO in reporting on the quality of education provided by schools, and would help to enhance school’s accountability to the Government and to their communities.

(ERO, 1998b: 16)

The ERO thus have placed the needs of students and parents as individual consumers as paramount to the system and have established themselves as their information provider. This is an interesting positioning of the old professional – client argument. French (2000: 23) identifies that the ERO saw its client as being the child and its parents, and beyond them, the community at large. Furthermore, she notes, the ERO decided that its job was to report ‘to the child (through its parents) and to the wider community whether the child was getting the service he or she was legally entitled to. This consumer-based approach was to assume greater importance’ (ibid.). In this sense, the ERO appealed to parents both directly and ideologically to support its own position (Wylie, 1995: 155). The following example provides support for Wylie’s contention:

Parents ... have no way of knowing how well their children are achieving in comparison with children in their own school or other schools throughout the country.

(ERO, 1998b: 17)

The ERO, as the voice of the education market thus promoted competition between students, classes, and schools in order to drive up standards (see Robertson et al., 1997a; Thrupp & Smith, 1999).
Increasing information to parents

One of the important ways the ERO has acted actively as an information-broker for parents is through the public release of their reports to the media. These have been available from the ERO Offices and made through the Internet on the ERO’s website. In the ERO (1998b: 32) report it was noted that ‘[W]ith impartial evidence as to institutional performance ... parents and others responsible for young people can exercise more informed choice’. This is a clearly loaded and ideological contention – how impartial is the ERO really? Under their purchase agreement and contract with their Minister they have tightly controlled outputs. Furthermore, as aspects of this research have shown their own consistency in reporting has been exposed as not working. Thus there are serious questions of validity and reliability – what kinds of skewed information are parents really receiving? As has been documented throughout this research the ERO NEERs are designed for a multiplicity of audiences but with one aim in mind to shape public perceptions of the issues they are raising. For example, in terms of policy Ozga (2000: 114) eloquently and sagely observes that education policy needs to be understood within:

... its political, social and economic contexts, so that they also require study because of the ways in which they shape education policy. ... We are also required, I believe, to explore the effects of prevailing ideologies on education policy.

It is clear for this research and the literature upon which it draws, that the ERO are a highly adept agency both in the technical and in the political spheres. The messages transmitted in their documentation at times are overtly ideological, and others more subtle in their preferred policy approaches, thus care must be taken when analysing them (see Denzin, 1971; Merriam, 1998; and Wellington, 2000).

The issue of parental choice here relates to providing parents with data about schools so they can make informed choices as to where to send their child to school. French (2000: 28) reported that perhaps as a consequence of their use by the media, parents have grasped the significance of access to the ERO’s reports ‘in the early years a few dozen copies were requested each year, growing to a steady trickle of hundreds, then thousands’ (ibid.). It was noted in the ERO’s documentation that in 1998/99 ‘ERO offices responded to 17,000 requests from the public for individual school or centre reports. ... There were approximately 10,000 visits per month to the ERO website during the year’ (ERO, 1999b: 39). In contrast, French (2000: 28-29) observed that:

In 1999, members of the public requested nearly 20,000 school and early childhood centre reports (compared with only 10,000 in calendar 1998). Reports published since
1997 have been available on the ERO website, and it is no longer possible to monitor the growth in demand.

However, she also noted that there is anecdotal evidence that parents are using reports to help them make decisions about which school to choose for their child (ibid: 29). In this regard the ERO has been relatively successful in informing parents about institutions, and also in perhaps influencing their perceptions about schools.

So, whilst the ERO throughout the period has been seen as providing a service for parents and for attempting to raise educational standards, and for changing in particular ways, many of the fundamental concerns from educators outlined in the beginning of this chapter remained unaddressed in 2000.

The agency had adapted its policies since the Austin et al. (1997a) review, but not sufficiently to say that that there had been any structural or even philosophical change. What did become clear however, was that in the last year of her stewardship of the ERO, the former CRO was at least tinkering with change which was more acceptable to her new political masters.

The former Minister of Education Nick Smith noted:

> I urge parents to participate in the review and fight against the scrapping of ERO. ... Mr Mallard should get on with raising standards and ensuring excellence in our education system, not putting the ERO on the chopping block because his teacher union friends don’t like what it sometimes says.


In opposition Labour had campaigned on reviewing the ERO, and discussed it again once it became part of a Coalition Government. However, this appeared to become less of a priority at least in its public pronouncements on education. It was not until late June 2000 that the review was given a higher profile outside of educational media (it was mentioned in December 1999 in the NZER). By July 2000 neither the terms of reference for the review, nor the review panel had been announced at that stage. However, the announcement of the costing and priorities were not published in the mainstream media until August when the Evening Post (2000: 16) announced under the headline ‘ERO to face its own review’ that:

The Education Review Office’s (ERO) stand-alone status might be under threat with the announcement of a $400,000 review. Education Minister Trevor Mallard told Parliament’s education and science select committee the review – an election promise – would look at ERO’s place in the education sector.
The review team was announced in a *Government Press Release* (2000) on the 30th August 2000. However, even by December 2000 (Smith, 2000a) noted whilst the commissioned report was due to ready for the Minister of Education (the purchaser/principal) by the end of the year, there have been no public pronouncements by either the chairperson of the review team (Stan Rodger), nor the Minister about the report’s contents. The report was published in late December 2000 but not publicly released until the 14th of February 2001\(^8\). The issues raised provided evidence that there was still a level of dissatisfaction in the way the ERO operated and a need to rein it in some way. It is doubtful that the latest Ministerial review of the ERO will address the methodological concerns raised in earlier reviews.

**Assessment of the ERO Across the Period**

Educational academics and practitioners have for years postulated that the ERO was not consistent in its approach to reviews. There has been considerable anecdotal evidence, but less research based evidence. However, this thesis drawing on the Office’s own data provides sufficient evidence to demonstrate that that these educationalists’ views were correct. The ERO methodology and database is biased, faulty and in need of a complete overhaul.

The ERO claim to be experts in evaluation and in fact world leaders and pioneers in the field of educational evaluation. As the researcher has highlighted elsewhere, the Office in the *Pre-Employment Training for School Teachers* (ERO, 1999e) (one of its large evaluation reports) actually violated a number of the internationally recognised programme evaluation standards ‘Program Evaluation Standards’ produced by the Joint Committee on Standards for Education Evaluation (Sanders, 1994, see Smith, 2000c). These include the following:

- In 1981 and 1994 the Program Evaluation were published and recognised by the major Educational, Psychological, and Evaluation communities as “the” standards to help ensure useful, feasible, ethical and sound evaluation of educational programs, projects, and materials. The Standards identified seven Utility, three Feasibility, eight Propriety, and twelve Accuracy Standards.

\(^{18}\)Whilst the findings of the latest review of ERO (see Rodger et al., 2000) are in the public realm it is beyond the scope of this thesis to comment upon them here. The researcher has written two papers on the background to the reviews (Smith, 2000a; Smith, 2000d) and also a brief critique of the findings (see Smith & Clinton, 2001).
• Feasibility Standards recognise that evaluations usually are conducted in a natural, as opposed to laboratory, setting and consume valuable resources.

• Propriety Standards reflect the fact that evaluations affect many people in a variety of ways.

• Accuracy Standards determine whether an evaluation has produced sound information.

In a review of teacher education field (Clinton, 1999) claimed that:

It would appear when these Standards are applied to the Teacher Education Review, currently being conducted by ERO, a number are clearly violated. For example,

U1: Stakeholder Identification
Persons involved in or affected by the evaluation should be identified, so that their needs can be addressed (p.25).

U6: Report Timeliness and Dissemination
Significant interim findings and evaluation reports should be disseminated to intended users, so that they can be used in a timely manner. (p. 53).

U7: Evaluation Impact
Evaluations should be planned, conducted, and reported in ways that encourage follow-through by stakeholders, so that the likelihood that the evaluation will be used is increased. (p. 59).

F1 Practical Procedures
The evaluation procedures should be practical, to keep disruption to a minimum while needed information is obtained. (p. 65).

F2 Political Viability
The evaluation should be planned and conducted with anticipation of the different positions of various interest groups, so that their cooperation may be obtained, and so that possible attempts by any of these groups to curtail evaluation operations or to bias or misapply the results can be averted or counteracted. (p.71).

While the Clinton (1999) paper addressed three of the Utility Standards and two of the Feasibility Standards, the analysis by the author (Smith, 2000c) extends this by utilising three of the standards Clinton noted and applying new information in the light of the lapse of time between these two analyses. Furthermore, Smith (2000b) included a further seven of the 30 standards to apply to the ERO review. To some extent the ERO did match some of the professional standards applied to evaluation. However, there were aspects of the standards which were at best compromised, and at worst flagrantly violated (Smith, 2000b: 23). Given that this ‘supposedly leading’ educational evaluation agency violated the international standards on something as important as a $300,000 review of teacher education this seriously undermines both its professional credibility – and from an
academic point of view is reprehensible and should make us made to be more accountable for such fundamental errors.

On the issue of timeliness raised in Chapter Four and revisited here in the 1997 – 2000 period, as was flagged in that chapter, the ERO has actually been becoming worse at meeting its own self-imposed targets. Unconfirmed (near final) reports are sent to the school for confirmation of accuracy and comment. The timeliness criterion requires this to be done within 20 (15 in 1999/00) working days of the end of the last week on site. The Office experienced difficulty in meeting this criterion of the standard procedures for approximately 22% of accountability reviews (ERO, website). What does this say about its consistency, efficiency and efficacy? Again these are raised here as serious concerns regarding the performance of a public agency which claims to have such robust systems, all but beyond critique.

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<th>Year</th>
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<td>1996/97</td>
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Of the ERO Accountability Reports from 1997 – 2001, the Office had not met its timeliness criteria, in 14 – 43 per cent (average 29.2%). Of cases, 1992 – 2001, thus during the period under review in this research, the ERO actually increased the number of uncompleted reports, and over doubled its inefficiencies using these criteria.

Under the title ‘Schools as Agents of the State: Assumptions’ (Fiske and Ladd, 2000: 131-132) noted the following:

At least four assumptions or strongly held views appear to underlie the way the government has been implementing the decentralized management of the country’s school system and defining the relationship between the center and local schools. While one of them was explicitly part of the original conception of Tomorrow’s Schools, the others became more explicit as the reforms took shape under the guidance of a politically conservative government. The first assumption is that schools can get along without the government-provided advice and support systems that were available in the former system. The second is the government’s belief that good school management and governance are the key to educational success. Third is the view that public information is a powerful and effective policy lever. Fourth, and perhaps most important, is the view that the government has no responsibility to
provide special support for struggling schools. In response to intense public pressure, the government is now rethinking the validity of this last view.

This quotation epitomises a lot of what has occurred to the education system since the *Tomorrow's Schools* (1988) reforms were introduced. In the 1992 – 2001 period there has been a waxing and waning of the effects of the market on the New Zealand educational landscape. But the ERO has not been the benign, impartial evaluation agency that it has purported to be. In fact it has actively played a role in each of the four issues raised by Fiske and Ladd (2000). Firstly, from at least 1992 onwards adopted the managerialist doctrine imposed upon it by the NPM reforms to the public sector, and then it has skillfully crafted the aspects of parts of the theory that Dr Aitken, as CRO has applied and deliberate stayed true to part of its terms of reference to solely be an audit and evaluation agency not an advice or guidance one.

Secondly, as the state’s agent of accountability in education it has focused on legislation and holding schools accountable to the standards as determined by the NEGs and NAGs and schools’ charters and stridently followed-up on those that do not met the required standards. It has made the school the focus of blame when things do not go as planned, rather than usually looking to wider systemic issues (see Thrupp, 1998a). Thirdly, it has through various mechanisms, in particular through its use of the media, been a policy entrepreneur and extended it realm beyond its statutory authority into other areas of policy in order to serve two purposes: to remain in existence, both politically and financially; and to extend its sphere into the political and public sphere in order to inform, but also to directly shape the will of the people (Offe, 1996). Finally, the ERO was not responsible under the NPM model to support schools merely to report upon them. However, as the findings from Chapter Five showed actually focused most closely on the schools that were underperforming, and these happened to been in low SES decile areas in urban locations, or alternatively in rural areas.

One final issue needs to be raised before concluding this chapter and that is the profound impact of Judith Aitken in shaping the ERO 1992 – 2000. Bottery (2000: 213) reasons:

As regards to the effects of managerialism ... education is increasingly informed and directed by the policies of the state and the mechanisms of the market, and they are underpinned by this discourse. ... The process of managerialism is a subtle one; by living and practicing this discourse, the danger is that one comes to identify with it.

The author contends that Dr Aitken was a product of the system of managerialism in the restructuring of the public sector. She was not a victim of it, but a convert. Increasingly
throughout the 1990s a leading advocate for the potential of this raft theories as she construed and applied them to the Office (see Aitken speeches, Chapter One). However, alternatively the accountability mechanisms both she and particularly the Minister, Lockwood Smith, imposed on the office in order to maintain its viability in especially in 1992, the tight structures she developed at the Corporate level, and surveilled at the regional level the ERO, became something akin to a cult (Smith, 2000b) and the staff began the processes of inculcation and indoctrination though the processes described by Bottery (2000).

Judith Aitken, whilst not as overtly controversial in her public pronouncements as Chris Woodhead (the Chief Inspector of OFSTED) has been, has nevertheless made some rather inflammatory statements in her speeches, in the NEERS and also in the ERO Annual Reports and Departmental Forecast Reports. I am not suggesting that Thrupp is completely wrong in his comments, but I would however adapt them somewhat, in the experience of this research, the author has found the former Chief Review Office highly contentious (particularly under National) and as well as under the last two Labour-led coalition Governments, too. Aitken clearly demonstrates that there is a clear agenda of organisational survival and growth rather than activities driven by mission. She is derisive of teaching staff ability and quality and uncritically promoted NPM approaches in education. These positions are exemplified in her words below:

The agenda
The CRO wishes kept the frequency of ERO reviews of schools at three years, which means there are a regular cycle. Whilst Ferguson, Earley, Fidler and Ouston (2000: 4) reported in 1992 when they began that the OFSTED reviews were to be undertaken on a four years cycle, this process has been extended to a six yearly cycle in 1996, with some differentiated or ‘light touch’ of reviews from March 1999.

Alternatively, in both the Picot Report (1988) and Lange (1988) the frequency of reviews was to be on a two year cycle, however, due to the restructuring of the ERO as a result of the Lough Report (1990) the standard frequency was for a three to four year cycle preferably three. In 2001 they are funded on a three year cycle. This partly shows a trend of more regular monitoring in the NZ context than the UK context. Is this because of the size of NZ and the cabal of professional educational evaluators and their efficiency regime?

Thrupp (2001: 308) argues however that ‘[W]hile the head of ERO, Judith Aitken, and the head of Ofsted, Chris Woodhead, have both publicly identified with the neo-liberal critics of education, Aitken’s public statements have been much less contentious, especially since the 1997 reviews’.
Or is it due to the long-standing neo-liberal inspired distrust of the professional to self monitor? Or, alternatively, is this shift a combination of both? In terms of frequency of review the ERO review schedule is half that of the time span of the UK. As was shown in Chapter Five the follow-up rate in NZ in terms of doing DAR reviews is twice that of the UK. Does mean we have tighter accountability frameworks of that our schools are underperforming at a higher rate than the UK? Alternatively, are the ERO office creating work for themselves or re the standards they use to judge performance too high?

In terms of accountability, Fullan (1991: 91) argues for elements of both pressure and support. However, as Thrupp (1999b: 168) asserts ‘one of Fullan’s most frequently cited suggestions is the need for governments both to support and to put pressure on schools this is probably a useful idea but one which is sometimes misused to justify tougher accountability measures’.

In terms of accountability linked with frequency, the ERO has reasonably recently noted a relationship between:

... the review frequency and adverse school performance that places it at risk. This indicates that the greater the time that elapses between ERO reviews of a school, the great the probability that the ERO will find unsatisfactory performance that requires a return to the school to carry out a discretionary review.

(ERO, 2000c: 25)

At first sight this would seem to be logical and fairly innocuous claim to make, however further analysis revealed this was not the case. The analysis was dodgy and it was about ERO being entrepreneurial and wanting to influence the frequency of reviews. Kevin Bunker the General Secretary of the PPTA noted in a fax to the PPTA executive that stated:

Some of you have seen newspaper reports wherein, Judith Aitken ... quoted as saying: “Where a school had not been reviewed for four or more years, there was a greater probability – almost 40 % - that the next review would find serious under performance and chronic risk to students.”

Astonished by the claim, we wrote to the Review Office seeking copies of the data used to reach this conclusion.

The response, which is a summary of the data relied on does nothing to reduce the astonishment. Basically she is trying to say it is valid to compare one block of figures in her table with another to justify her conclusion. The “almost 40%” is the 37.93% figure in the 4-5 block. Or if you add the 3 and 29 and the 1 and 11 from the 4-5 years and the 5 or more years blocks together, the percentage arithmetic produces the 37.5% “under performance she mentions in her letter.
The problem is that, while the arithmetic is accurate, you can't conclude as she has on the basis of a rapidly reducing sample; i.e. from 293 in the 3 to 4 years group to 29 in the next group (a sample which is 90%) smaller, then to 3 in the next group (a sample which is 99% smaller!). Further, even if one could use the data to reach a valid conclusion as she wishes, she is wrong in claiming a greater proportion of "almost 40%" or the more arithmetically accurate 37.5% figure in her letter. The figures are either 66% "greater" than the 3-4 years group or 83.55% "greater" if one combines the 2-3 years and 3-4 years together. These figures are equally absurd.

The is another saying which can be adapted here: She who uses statistics uses them much as a drunk uses a lamppost; more for support than illumination.

(Bunker, 2000a)

In a letter to Judith Aitken, Bunker asked for clarification on the issues:

The Association is interested in the research basis for your recently reported claim that "where a school had not been reviewed for four or more years, there was a greater probability - almost 40% - that the next review would find serious under performance and chronic risk to students." ... I am requesting copies of all the data that ERO has used to reach this conclusion so that we may make our own assessment of its accuracy and validity. ...

We assume that the material upon which the claim is made is publicly available but we are prepared, if necessary, to seek the information under the Official Information Act, or via a parliamentary question.

(Bunker, 2000b)

In the reply he received from Aitken (Aitken, 2000 cited in Bunker, 2000a) the rationale was provided:

... The analysis focused on the reporting history of schools reviewed in 1999. ... Accountability Reviews in 1999 are broken down into categories depending on the length of time since the last review. Seriously underperformance and risk to students are indicated if a review report signals a review. ... Results of the likelihood of a school requiring a discretionary review increases with time elapsed since the previous ERO review. When this time exceeds 4 years, the likelihood of the reviewed school exhibiting underperformance reaches 37.5%. The overall percentage of accountability reviews signally underperformance in 1999 is 23%.

Table 6.5: The number and frequency of ERO AR reviews in 1999 leading to a DAR

<table>
<thead>
<tr>
<th>Time since previous A R</th>
<th>No. of AR</th>
<th>No. of these A R recommending a DAR</th>
<th>% of 1999 A R leading to a DAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 or more years</td>
<td>3</td>
<td>1</td>
<td>33.33%</td>
</tr>
<tr>
<td>4 to 5 year</td>
<td>29</td>
<td>11</td>
<td>37.93%</td>
</tr>
<tr>
<td>3 to 4 years</td>
<td>293</td>
<td>66</td>
<td>22.53%</td>
</tr>
<tr>
<td>2 to 3 years</td>
<td>260</td>
<td>47</td>
<td>18.08%</td>
</tr>
</tbody>
</table>

As can be seen in Table 6.5, Bunker's (2000a) analysis is absolutely correct. Aitken shows no conception of the theories of statistical significance and sample size. The ERO reporting can be critiqued on statistical validity grounds as Bunker has done. Statistics can be easily
misused in reporting. One needs to know the context of the data and the sample sizes. A classic case would be a plane crash incident in which it was reported that there was a 50 per cent survival rate (the reader would need to know the size of the aircraft to determine the extent of loss of life) as this would be significantly different from a Boeing 747 (Jumbo Jet) to a double-seater Cessna.

Despite the misleading reporting in the actual statistics by Aitken, there is also a flaw in the logic of the argument. Time factors are attributed to causality, based merely on repetition. She attributes causality to the effect of reviews on school performance but fails to account for a complex range of intervening factors which could more plausibly account for changes in performance outcomes.

There appears to be an element of self-interest occurring here. It is presumed that the ERO's presence and the frequency of their visits supports change in the organisation being reviewed. But to continue regular review thus maintain the status quo, or indeed try to increase the frequency of reviews, would keep the organisation in business and create a case for budgetary increases. Thus in a sense it provides another example of the ERO's management political and financial savvyness.

The way in which the ERO was allowed to function was almost as if it were an unbounded agency under National. It was well supported in its endeavours and given areas of responsibility outside its terms of reference and statutory authority. The ERO's technical educational terms of reference were transcended to ensure its own survival. There was an attempt to shape public opinion, to dominate in the educational competition arena with the Ministry of Education.

It could be argued from the beginning that in providing the Office an oversight role in policy was a deliberate act of competition and a form of audit and control over the Ministry. This belies some of the NPM theories of single focus agencies. One of the principles of the models is that 'potentially conflicting responsibilities should, wherever possible, be placed in separate institutions' (Boston, et al., 1996: 4). However, this is also in contrast/conflict with another of the principles which was 'wherever possible ... the purchasing of policy advice, should be made contestable ... and should be determined by the purchaser's (i.e. minister's) requirements (Boston, et al., 1996: 5).
Attitudes about educators

Aitken (1997a) under the heading ‘Access to and use of research by professional staff’ claimed, and it is quoted at length to highlight the vociferousness of her argument and continued cajoling of teachers as a profession:

(a) Those who don’t
Those who appear to read very little other than purely internally generated material and basic information from official sources such as the Ministry.

(b) Those who might have, once upon a time
Those who have read more or less widely in specifically educational research when they attended training college (which may have been 20 years or more years ago) but now claim to read very little, and only rarely claim to subscribe to research periodicals or journals.

(c) Those who probably do
Those who in the past 5 – 8 years have started or completed a postgraduate course of study, typically in educational administration ... and have used research as part of their studies (and it is worth mentioning that the dominant research interests and preferences of the academic staff are usually easily identified in the opinions of their adult students).

Those who in the past 5 - 8 years have taken postgraduate university courses outside the immediate education range, especially in management, public policy, organisational development, and other areas of social science, and have used research from disciplines other than the faculties/schools of education.

Finding and using the literature
Whenever I am in a school, or meeting principals, deputy principals, and associate principals, I always make a determined (but polite) effort to ask about the periodicals and journals to which they and their staff have access – and actually read. This is usually a very short conversation.

Attending conferences and knowing about the gurus
Perhaps the most obvious sustained exception to this is the longstanding and commendable practice of unions and associations ... to include researchers and educational experts in their annual or regional conferences.

Principals and teachers, both those who attend and those who take little part in such professional associations, may mine their old intellectual/educational capital of undergraduate research (and can sometimes recite the names of popular local researchers – Nash, Snook, Codd, Crooks, Elley, Grace, Alton-Lee and McDonald whose work gives comfort and respectability to many in the profession, even if they haven’t personally done any of the hard reading required to come to grips with the thinking and analyses of such researchers. ... and most present as profoundly sensitive to the view that there are politically and professionally correct camps of research and researchers, banners under which it is safe to stand, ditches it is socially and professionally fatal to fall into.

But attempts to discuss indepth, debate, collectively analyse, write about in published journals such research are rare; even more rare are the public debates which risk debunking what often looks like cant or poorly researched rhetoric.
Chapter VI: Political Pressure for Change: The ERO's Restructuring 1997 – 2000

The 'I forgot to read Mein Kampf and Treasury's 1984 Economic Management' syndrome.

Perhaps most disappointing of all for Review Officers is to attempt to identify, understand, and evaluate the theoretical bases for professional educators' behaviour and action and the openness of these challenging and perhaps unfamiliar logics from other disciplines, the knowledge and use made by principals and teachers of an eclectic range of theoretical frameworks to explain and analyse such matters as:

- different organisational structures;
- the impact of different modes of human service delivery;
- the impact of entry or exit control; ...
- hard question like the definition of inputs, outputs and outcomes in relation to a human service like education. ... These issues are far from purely academic or merely theoretical. They are the daily stuff of schooling.

The structure of the modern public sector, the structure and workings of the post-1989 education sector, the pressures on it, the barriers faced by students and teachers, the incentives and sanctions that are applied, still seem foreign to many employed in the education services. ... I am talking about those who remain locked in the past, and have few research-based tools and few eclectic theoretical perspectives to help in dealing with the present and preparing for an unknown future.

So one issue for ERO is how can high-quality research, informed by an eclectic range of theoretical disciplines from the social science and other fields as well, be harnessed to generate sustained intellectual curiosity, scholarship, and sceptical mental energy in the one profession that should be provide the intellectual leadership of our community?

(Aitken, 1997c 82-85)

NPM and its application in education

In a later paper in what was arguably perhaps a swan-song performance, Dr Aitken made the following claims about the benefits of the NPM on education and similar claims derided teachers as professionals – and indeed heroes and leaders, for example (the quotation is reproduced at length):

The move to endorse and tolerate New Public Management (NPM) by citizens has not been because they were duped or stupid or not noticing. One should not be so condescending or dismissive of so many citizens throughout the world. ... Unelected officials and civil servants employed on tenure had had too much covert power for too long. ... By the early 1980s the reducing tolerance of citizens, as well as the record of incompetent economic and social administration, demanded reform of this system.

So in that sort of dynamic global context I do not attribute the limited and even indifferent quality of educational leadership to the New Public Management.

On the other hand, I certainly agree with those who argue that both in retrospect and during the years since 1984, much of the intellectual and conceptual energy of the education sector was sucked up by that most popular group activity: structural change, and its nearest relatives:
management rearrangements; re-engineering; organisational re-grouping; industrial turmoil; administrative adjustment; reshuffling old and often implicit treaties; revising comfortable conventions, understandings and contracts; and realigning innumerable previously well-established alliances between sector and lobby groups and central agencies and amongst those groups themselves.

All these activities have at least three common characteristics: they are mechanistic not cybernetic; they are structural not systemic; and they involve adults.

Children and young people were not involved, and are not central to, structural, governmental or administrative changes. And it shows.

The deficiencies of the past remain unaddressed in many schools.

The problems of poor teaching and low quality professional leadership are as entrenched as they were for years before 1989.

Neither the recent past nor New Public Management can be held accountable, nor can they take full credit for the existing pains and marvellous achievements of the present or the stimulating challenges of the future.

Shying away from intellectual challenge and leadership of thought

I look back over the 10 year old track of what is astonishingly still called by many Tomorrow’s Schools, and I struggle to find heroes and influential educational leaders.

I can barely make out, even dimly, the intellectual movers, shakers and new architects of ideas, strategies and theory that one might expect to find in a professional community that at least in terms of its own international rhetoric has been primarily concerned about the intellect and the mind.

It is hard to discern in the last decade of the century – or indeed, much of the period before that – the challenge of informed, deeply-read, impartial and controversial debate over innate understandings and learned experiences, open, undogmatic and scholarly debates over ideas and how these are best stimulated or controlled, the clash of widely-informed theory, solidly tested by reliable research and experiment, discussions and professional colloquia about the difference between humans’ ability to comprehend and interpret their own immediate and dreamt-of worlds.

On the other hand, one does find: substantial reliance on essentially industrial agencies to carry the policy arguments, to speak for and on behalf of a well-clone body of teachers and school principals; much posturing and theatrical position-taking over administrative and organisational issues rather than substantive consideration of matters of essential individual and collective significance in the activity of teaching; a frightening and almost complete lack of depth, solid and sustained professional education ...

Many of our schools are centres of complacency. Many of their professional employees are easily satisfied with the quality of their own work and unjustifiably tolerant of low levels of intellectual gain by their students.

Afraid of more complex heroes, more spiritually demanding models, more overtly uplifting and idealistic visions, the New Zealand school has itself often relied on,
emulated, recommended and praised other proponents and instruments of social and political control, notably professional sport.

So many teachers and their school principals seem afraid to test and stretch their own professional competence.

The alleged inability – or at best extreme difficulty - faced by schools attempting to modify the socio-economic influences on their pupils, is the commonest and most popular claim of university and other academic researchers in New Zealand.

Despite the substantial, reliable (although to many unpalatable) evidence assembled by agencies like OFSTED and ERO, the protective academic mantle has for many years justified the deficiencies of formal schooling endured annually by thousands upon thousands of young people.

The recurrent themes in these two paper highlight Aitken’s sustained intellectual interest in trends of NPM theories, and critique of educationalists and academics – which are essentially self-serving dinosaurs, stuck in the previous era – not being able to see the benefits in the restructuring of state education. They are still cast as vested interests. In both passages there are attacks on academics as being stuck in the past and making claims about SES disadvantage – based on ideology rather than fact. What is interesting is the array of ideological assumptions put forward, uncontested by Aitken herself.

Concluding Comments to Parts One and Two

This chapter has outlined a number of concerns about the way the ERO has changed in the period from 1996/97 through until late 2000. The year 1997 was significant for the Office and it was the subject of two reviews with different agendas and also different outcomes. The Ministerial review of the ERO (Austin et al., 1997a) essentially provided an endorsement for the way the office conducted its business and thereby had very little impact. Whilst the office restructured its outputs and reconfigured its office, there was very little structural change. That is not to say that the agency was idle. In fact it was busy both slightly before and after the review by more stringently targeting under-performing institutions.

It has been argued that there was not much in the way of significant changes to the Office, although there was some increase of staffing and funding for specific projects did occur. However, the ERO with its significant power to publish, regulate, and use the media to its advantage was able to continue to raise its profile to a point where the National government’s Minister of Education (Nick Smith) was able to favour it over other educational agencies. For example, in August 1999, Smith noted of the ERO:
I think the ERO have been frank and tough players within the post 1989 education sector. ... I believe that to some degree, the ERO has been a stronger advocate for standards and excellence than the Ministry has been ...

(Smith, 1999 cited in Fitchet and Lane, 1999: 26)

As his favoured education agency, he had appointed the Office to undertake a review of pre-service teacher education (ERO, 1999g; Smith, 2000b). Through this and other projects, the ERO was able to exert considerable influence over the education sector throughout this time and determine aspects of educational policy in the process which were beyond its statutory role.

During the period there were also two changes of coalition government. Both led directly to reviews of the agency. It was argued the Office was able to carefully negotiate the changes, pre-empt some and adapt where necessary. However, in what was perhaps one of the most damning criticisms of the ERO, Robertson, et al. (1997b: 11) advanced that by 1997:

... The main conclusion we draw from our report is that this model has achieved most of what it is capable of achieving and that for the Office to continue to ensure that the taxpayer gets value from its work, significant changes in its structure and operations would be necessary.

On the basis of the extensive research contained in this review these conclusions were well considered. However, as noted previously, there was in essence, very little substantive or structural change resulting from the recommendations from the Austin Review (1997a). The same could be claimed of the Office by 2000. Under new political overseers elected in 1999, and despite its modifications through the decade, but more specifically in the 1997 – 2000 years, the ERO appeared no longer viable or politically acceptable (in its current form). In using accountability processes which were still essentially embedded in NPM practices (developed and implemented in the early 1990s), the ERO may no longer be seen as politically viable in the changing political context and with the Labour-led coalition government’s partial advancement of Third Wayism (see also Jesson, 2001; Sutherland, Peters & Jesson, 2001).

The new accountability review outputs were premised in a move away from purely audit and compliance role and according to French (2000: 30) ‘... rely on self-review to cover compliance’. However, as was revealed analysing the ERO data in Chapter Five, the level of non-compliance for the two types of review outputs (assurance audits and accountability reviews) was not demonstratively different between the years 1996 - 1998. Furthermore, the number of schools getting follow-up and discretionary audits was
actually increasing thorough this period, not decreasing. This indicates that either that more schools were ‘under-performing’, and that self-review was not working for a significant minority of institutions. Or alternatively, the ERO was continuing to vigilantly pursue institutions that were not performing according to what has now been revealed the Office’s own set of Evaluation Criteria (ERO, 2000b), (interestingly not published until 2000). Thus, for nearly a decade despite a limited amount of documentation supplied to schools about the ‘standards’ and regulations, the Office was evaluating/reviewing against. For many schools there was widespread concern about an absence of knowing what the ERO was actually looking for in its reviews (see Robertson, et al., 1997a).

By the end of the decade a combination of factors led to the appointment of a panel to yet again review the Office. These factors included: the outspoken CRO’s contract reaching over the maximum two terms allowed for CEO’s of state agencies under the State Sector Act; a new government looking for new solutions in education (and intimating a possible initiative for example, the subsuming of the ERO into the Ministry of Education). And, some mixed reactions from the education sector as to the level of support and efficacy of the ERO (see Smith, 2000d; Thrupp & Smith, 1999; Harrold, Hawkesworth, Mansell & Thrupp, 1999) to continue in the way it had over the decade – some substantive change was required. Therefore, it will be interesting to note changes that may emerge from the recommendations of the latest review.

One final point to raise here was that by the end of 2000, Dr Aitken’s tenure as CRO had expired. Karen Sewell, (the National Manager Reporting Services) was appointed acting CRO (and then permanently appointed to the post in 2001). In the structure versus agency debate, the personality of the actors sometimes becomes important. For many educationists Judith Aitken was the ‘ERO’, and had a remarkable ability to put her own personal stamp upon the structure of the organisation, and more widely on the education and wider state sector. The ERO’s current organisational form has remained beyond her departure, but it is difficult not to speculate that the new CRO may need to be an alternative ‘change manager’ if she is create a new corporate climate and organisational philosophy for the state’s agent of accountability in education. On her departure, Dr Aitken received many accolades even from those who did not approve of the Office philosophy, or direction. ‘Dr Aitken was not the first head of the office responsible for quality control of schools, but it is a measure of her impact that probably every teacher knows her name – while few would remember the name of the first, Maurice Gianotti’ (Calder, 2000).
The final chapter provides the conclusion to this thesis, and raises some issues for changes to the ERO and poses some challenges to education policy.
CHAPTER VII

LOOKING AHEAD:
IMPLICATIONS FOR REVIEW, FOR EDUCATION POLICY
AND CONCLUSION

The Office needs to embrace the concept of “ontological equity”, that is, that worldviews other than its own have validity.  
(Rodger et al., 2000: 31)

The key problematic throughout this thesis has been how the Education Review Office has both embodied and addressed within the state the tensions the between economy and democracy. A central theme has been the tracing of the shift in meaning of the notion of accountability as it has been applied by the ERO, to the point where a particular specific version of accountability has become embedded in the education sector.

The central purpose of this thesis was to locate the changing structures of the state’s agent of accountability over time and to show how the theory of NPM both underpinned its processes. It showed that the organisation especially under Judith Aitken’s leadership, actually adopted the model and adapted aspects of the theory to extend an agenda into the wider public realm.

There are four parts to this conclusion. The first outlines some of the changes proposed by the Rodger Report (2000) (although these are only briefly noted, as these are considered in more detail in Smith, 2002a). The second section outlines the major arguments from the thesis chapters. The third examines the usefulness of the theories used in this thesis and appraises their contribution to work in this area. The fourth and final part raises issues for further research.

... ERO is making progress in developing a system to monitor its inputs, processes, and outputs.  
(ERO, 2002d: 2)

The issues raised in the ERO’s own recent documentation highlight that is it on a continual journey of change, yet it is still embracing the language and policies of its flawed NPM and managerialist - inspired background. As can been seen in its most recent report, a return to the Statement of Intent (ERO, 2002d) types of documents which were abandoned in the mid 1990s in favour of the Departmental Forecast Report (DFR) format. There is continued use of such language as might be important to those in the bureaucracy and their political
masters, still clinging to the remnants of the mid 1980s – late 1990s dreams of continued reformation, and tighter accountability and fiscal regimes. But given the direction the ERO is hoping to embark upon, the language seems to be starkly out of place. Or is it?

What indeed, should be read into the proposed changes for the ERO from the latest Ministerial Review (Rodgers, et al., 2000)? The quotation above is looking at process issues which are an integral part in any evolving organisation. Is the Office, really reflecting upon its practices and making changes accordingly? The terms ‘outputs’ has connotations with an underlying focus aspects that are measurable. If the ERO are describing its own activities in these terms, then what will change in relation to what is expected of schools?

Maybe we educationalist and academics still have ivory tower hopes and aspirations of a promised organisation. Do we want still the unrealised dreams of the Picot Report (1988) and Tomorrow’s Schools (1988)? Perhaps we long for the co-operative endeavour, working with schools to bring about positive change, the genuine collaboration and the co-operation of an external local principal as a fully fledged member of a review team. As the author of an historical and contemporary analysis of an agency in transition am I expecting too much from an organisation with such a tumultuous background and the most reviewed education agency in its short thirteen year history?

The new public management changes have certainly resulted in some very difficult problems for the agency. The two most challenging being the role of the Minister as ‘purchaser’ of the ‘outputs’, and the community and parents in the public sphere as the ‘consumers’ in the market.

To begin the author acknowledges the strong commitment and dedication of a small cabal of staff with an enormous, if not impossible job to do. It is to the credit of the 165 staff that this organisation functions at all, given its low financial capital vote from the government ($17.75 million) and the small team of staff to undertake reviews of schools and the early childhood sector as on a triennial basis. It should also be acknowledged that the work of what are essentially the educational auditors/police force are not in an enviable position and that it is a career that not too many educationalists would aspire to – going over to the dark side!


This 67 page review was underpinned by a commitment that the reviews should adopt an improvement rather than compliance strategy (p. 1). That advice must be provided to
schools following a review, and that the ERO staff should be culturally aware and the services they provide culturally appropriate (p. 1).

The report had 27 recommendations, including the following:

The primary purpose of the ERO is to encourage educational learning in schools (Rec. 3., p. 2). However, as noted in Rec. 5. (p. 2) ‘[T]he focus of reviews is on educational improvement, although the Office maintains its compliance functions’. In this the review panel were trying to use the (Fullan, 1991) pressure and support model. However it should be noted whilst the aims are laudable how far will it move schools from a compliance on outputs? which is the central premise and critique that Schick (1996) poses regarding the inevitable pre-occupation with short term outcomes.

The major recommendation to stem from the Rodger Report has been the implementation of a new ‘assess and assist’ model in which ‘assistance will be provided through pre-review visits, progress visits and workshops’ (Rec. 6., Rodger, et al., 2000: 2). Such advice is to be of a short-term nature (Rec. 11., Rodger, et al., 2002: 2). Another important recommendation is that ‘review teams include ‘a full member a professional or governance representative external to the school ... chosen by the school ... community’ (Rec. 13., Rodger, et al., 200: 3). This is potentially a useful strategy that is consistent with the original reform documents (Picot, et al., 1988) and Lange (1988) which recommended a variant of this process, although that practice was never adopted by the ERO. Whilst there is no published data-based explanation for this, the researcher suspects it was due to financial considerations (see Chapter Four).

Another recommendation outlined earlier in this thesis was that ‘the ERO does not move into undertaking research itself but commissions people with appropriate expertise to design and carry out national evaluation studies’.

In light of the considerable criticisms raised of the NEERs throughout this research this would seem entirely appropriate as it would appear that the authors of these reports have no conception of the basic logic of statistical data analysis techniques (see critiques in Chapters Four, Five and Six). Furthermore, the referencing conventions are somewhat rudimentary and often there are no actual research data to support the contentions made in the NEERs.
The ERO had been attempting to improve the outcomes for Maori students/consumers in particular in the Te Kura Kaupapa Maori schools for a number of years, as evidenced in perspectives expressed in their Annual Report documents (ERO, 1996c; 1997b; 1998b; 1999b, see also Smith, 2002b). What is more, it had became an important strategic priority of the Labour-Alliance Coalition Government (1999 - 2002) variously called ‘closing the gaps’ and ‘capacity building’ with Maori. It was a matter of addressing the social equity concerns and governmental priorities (ERO, 2001a). In being responsive to this government priority, the state agency (the ERO) via its Minister acknowledged that ‘ERO will continue to develop its methodology for the evaluation of the education of Maori ...’ (ERO. 2001a; 7). Interestingly, Rodger et al., (2000: 3, Rec. 17.) had recommended that the ERO ‘strengthens and improves its capability in relation to kaupapa Maori’.

The Office has attempted to do this through its membership on a Ministerial Working Party made up of:

... representatives from the ERO, the Ministry of Education, and Te Runanganui o Nga Kura Kaupapa Maori has reported to the Minister of Education on a specific methodology for the review of kura kaupapa maori schools in accordance with the principles of Te Aho Matua. ... the methodology incorporates evaluation criteria based on the principles of te Aho Matua. A representative of Te Runanganui o Nga Kura Kaupapa Maori will be part of each review team and will also be included in any follow-up workshops held with the kura after completion of reviews.

(ERO, 2001a; 7 - 8)

This new development could be seen to be a responsible agent, servicing it minister and the government as principal in NPM terms, or alternatively as being genuinely responsive to Maori and tailoring their standard review methodology to incorporate Maori kaupapa, and involving the stakeholders in the process (for a review of ERO’s ‘treatment of TKKM schools see Smith, 2002b).

It will be interesting to chronicle the on-going developments of the ERO in as a result of the recommendations from the Rodger, et al. (2000) report (see Smith, 2002a). This will be an on-going project.

Part II: Summary of Major Arguments
In Chapter One the work of Offe (1984) and Dale (1989) was used to show how the tensions between the imperatives of economy and democracy was played out through the apparatuses of the state generally and particularly during the reforms in New Zealand education. The ERO was a key apparatus here in that it functioned as an agency to regulate schools.
There was also the useful information of the how the neo-liberal theories in the state came to dominate the politics of education drawing on Lauder's (1990) analysis. As a result of the NPM reforms in the central state drawing principally on agency theory, (Boston, et al., 1996) it was shown how Dr Aitken interpreted this raft of managerialist theories and integrated them into the operations of the ERO. On one level, the ERO took it upon itself to extend the scope of its influence beyond its statutory authority into areas that saw the Office taking an active role in terms of a market accountability. This was at odds with the traditions of the impartial 'apolitical' state bureaucracy. However, the ERO's explicit policy as stated by the CRO was to use the institutions of civil society (namely the media) to appeal to parents. This meant that it was successfully circumventing the established institutions of democracy in many respects. Because the ERO saw itself as the guardian of standards for the 'educational consumers' as shown in Chapter Four, what it was actually doing in Offé's (1996) terms was appealing to 'the will of the people'. Constitutionally it could not do this.

Despite an appearance of informing consumer interests, the ERO was engaged in actively creating the impression of a crisis of educational standards by following-up on schools that it (the ERO) determined to be underperforming. Moreover, as Chapter Four shows the Office used its own reports, with their notion of what constituted 'good teaching' and 'management'. The ERO also used its relationship with the media to frame teachers as a 'vested interest' group generally and more specifically, to suggest that the crisis was caused by high levels of teacher incompetency. The ERO suggested that such incompetency was common-place.

In this way, the ERO promoted the concept of 'consumer sovereignty' with a particular version of accountability that reified market accountability and redefined the notion of professional accountability to fall in line with this. Although the ERO appeared to be dealing with democratic imperatives, it was in fact in real terms addressing only economic ones, and only those economic imperatives of a particular variety: those predicated on the need for marketisation in education.

The ERO's redefinition of the conception of professional standards (not the older notions of professional responsibility as used by the inspectors, and attempted to reintroduce into ERO by Gianotti) into a marketised one stemmed from its establishment as an explicitly independent evaluative organisation set up through a neo-liberal focus only on the technical and managerial. However, this research has argued that whilst its terms of reference were essentially technical in nature (Philips, 1998) the ERO was actually
operating at the level of politics and acting in line with aspects of managerialist theory as policy entrepreneurs (Kingdon, 1994; Shaw, 1999).

As was argued in Chapter Two, the neo-liberal reforms in education created a new form of educational structure, inserting forms of governance into schools to order make them more responsive to the needs of industry. One of the central tenets of neo-liberal theory and managerial practice was the particular use of the concept of accountability. Accountability in this sense however was the narrow fiscal definition. The reform of the public sector along New Public Management lines thus was applied to education in a drive for efficiency through holding schools accountable. In education, the notion of accountability became premised on audit, evaluation, and regulatory control. This in turn was based upon holding organisations to account for their performance or behaviour. In schools this translated into the ERO's 'low trust model' of accountability (Codd, 1994a, 2002; Robertson et al., 1997a; Thrupp, 1999b).

When the ERO was first established, its original single focus was supposed to be audit and short term compliance issues in holding schools to account (Schick, 1996). That focus included some conception of professional accountability which continued from that of its precursor organisation the Department of Education’s Inspectorate. This early role was quickly superseded following the 1990 Lough Report which cut both funding and staffing to the Office dramatically. In the view of the State Services Commission, a central control agency in this instance, the ERO needed to be reoriented away from possible continued provider capture and the influence of the education profession. Their concern was that the ERO would continue the bureaucratic and idiosyncratic tendencies of the Inspectorate, particularly around inspection methodology (and close relations with the profession). The earlier conception of accountability over five periods in history had been explored in Chapter Three, which argued that in times of economic recession, the issue of financial accountability became more apparent. From the 1970s onwards, a number of Government Commissions or Review Committees had been concerned over the conflicting roles of the Inspectorate, particularly in relation to it providing both advisory and grading services. Calls for accountability processes in education to be more transparent peaked in a highpoint in 1986 with the Scott Report. The earlier close relationship with the officials in the education sector and their teaching colleagues meant that the Inspectorate was thought to be lacking objective assessments vis a vis both the new accountability measures which were imposed from the 1989 reforms onwards. It was considered by the 'education family' as it was known then, to be serving both the Department of Education, as the State
bureaucracy, as well as serving the educational community, through its responsibility to be both professional advisors and ‘critical friends’ to teachers (Smith, 1998).

The specific combination of the Lough Report and the election of the National Government in 1990 with its explicit fiscal accountability agenda, created the conditions for a tighter focus for the ERO. The new Minister of Education, Dr. Lockwood Smith, wanted new ‘outputs’ designed to focus upon student achievement and outcomes. The Minister, rather than the schools’ BoTs, became the primary client of the Office (Codd, 1994a). With the appointment of Dr. Judith Aitken as CRO in early 1992, the ERO took on a much more managerial direction as a more legalistic and compliance-based organisation promoting a notion of accountability as holding schools to account. The ERO began applying a variety of technicist methods to its evaluation processes and employ evaluators who did not necessarily also have to be educators. Dr Aitken recommended a change of legislation that would see the ERO’s authority increased to allow wide powers of entry and inspection, and for the CRO, the power to designate any suitably qualified person as a review officer. These powers and the subsequent legislative base gave the ERO a new legitimacy which resulted in a compliance culture being created both within the ERO and over schools.

This new focus on compliance and standardisation led the ERO to standardising its own practices and methodology across its district offices. The standardisation of practice and methodology became an acclaimed ideological standpoint throughout Aitken’s nine-year term of leadership in the Office. The ERO reviewed schools against their standardised methodology which explicitly treated all the schools the same regardless of differences in SES/decile, school size, and location (Robertson et al., 1997a; Thrupp & Smith, 1999). Standardisation in these terms thus signified the ERO’s ideological position as impartial, objective and independent evaluators. This rational approach thus promoted ERO as the ‘voice of reason’.

The ERO was caught out by its own objectivist standpoint. The Office was set up to enforce the standards created by the Ministry of Education, but in reality however, there was very little to measure against. There were no actual standards only guidelines (the NEGs and NAGs). For almost a decade it could be advanced that schools were in a vacuum, not specifically knowing the standards the Office was reviewing against. Therefore, in order to validate this rational system, in the end the ERO finally created and published their own standards in 2000 (ERO, 2000b).
Despite the ERO's claims to the standardisation of their own practices, the ERO's allusion to standardisation was an illusion, or more bluntly, a fallacy. The findings presented in Chapter Five (using the ERO's own documentation) revealed significant variations in a number of areas.

Chapter Five exposed major differences in the levels of compliance between rural and urban schools and between schools in lower SES deciles than higher ones. There were also differences in compliance between school types. An overarching finding was that there was some level of inequity in the current system resulting from the differential impact of the ERO's reviewing system on schools, in terms of geographical location, rural and small schools. This data empirically supports aspects of Wylie/NZPF's study (1997). This study reported that principals perceived variation across ERO offices, with some offices having much higher averages of non-compliance than others. This thesis thus signals differential treatment of schools by the ERO Offices in different locations.

The data in Chapter Five also supported aspects of the ERO's own reports such as Good Schools, Poor Schools (1998a) and Small Primary Schools (1999a). These reports suggested that there were higher levels of non-compliance in rural areas and also lower SES decile schools, and a significantly higher average number of actions for non-compliance than high SES schools. These were issues the ERO themselves were beginning to address.

In terms of SES decile, of those schools which had experienced one or more Discretionary Assurance Audits or Discretionary Accountability Reviews, approximately 40 per cent were in decile one and two-thirds in low deciles (deciles 1 - 3). The percentages of schools getting a follow-up report was thus much higher for low decile schools. Nearly 65 per cent of those schools were subject to one of these reviews.

The findings also demonstrated that large numbers of schools were not wholly compliant with regulations. Only 30 per cent in dataset I, and 22 per cent in dataset II were totally compliant. It can be argued that the government-mandated policy of self-assessment (self-review) is in fact not working for the majority of schools. Furthermore, if the ERO were scheduling the timing of reviews based upon self-review criteria as they implied they were, then it would appear that such a selection strategy itself was flawed.

One of the Office's claims throughout the decade was that there has been significant improvement in the level of compliance with regulation. The implication was that the ERO
was responsible for this. However, the evidence in the datasets across two and a half years presented here in this study does not reveal any significant differences or changes in the average number of actions for compliance. Moreover, given that the ERO had actually created a new output class (Accountability Reviews) in late 1997, there appeared to be very little difference in the level of compliance after the implementation of this new output. This was notwithstanding the fact that this new output class had a wider focus than solely on the previous narrow focus on compliance of the Assurance Audits. Again these were designed for short terms goals and outputs (Schick, 1996).

Johnson (1999, cited in Learmonth, 2000: 62) makes some impassioned arguments about the OFSTED’s treatment of school in lower SES decile areas, he claims:

That teachers in what he calls ‘schools for the underclass’ ... have impossible tasks which are aggravated by the OFSTED system. ... OFSTED as an organisation established for political purposes ... It plays absolutely no part in improving school performance, because its role is to inspect rather than to advise. Its much vaunted database is a fraud. It should be abolished in its present form, but of course that would be too much of a political totem. ... [The government] must end what amounts to victimisation of underclass schools. It must institute support for these schools and the communities they serve, rather than castigating them for failing to achieve impossible targets.

Similar claims to this have been made in the New Zealand context (see Gordon, 1994; Hawk, Hill, et al., 1996; Lauder, Hughes, et al., 1999b; Robertson, et al, 1997a; and Thrupp, 1999b). ERO’s denial of SES and support for the educational market exacerbated the problems for schools in lower SES deciles. Chapter Five, also suggests that the ERO’s much acclaimed database and consistency of process are also fraudulent. This gives rise to a claim that the ERO needs to adopt new strategies to take into account more contextual information for especially lower SES decile schools, those in rural communities and in particular for TKKM schools.

It should be noted that in Chapter Six some of these issues are being addressed by the ERO, however, what the long term effects of these changes will be unknown for some time. What is argued for however, is that the ERO are genuine in their commitment to recognise that schools in low socio-economic deciles do need extra support, and that in reviewing these institutions that a strong case is to be made for greater contextualisation and for different methodologies, and mechanisms for improvement are required of the ERO.

Chapter Five showed that the ERO’s claims for consistency were flawed, thereby leaving it open to serious questions about the validity and reliability of their findings. If they could
get their own house in order, how could they publicly comment of the performance of other educational institutions? Furthermore, the mounting concern about the ERO’s lack of consistency, critiques of its performance and validity of its methodology led to be exposed to political question about its worth as an organisation – and whether it could continue in the same manner.

The thesis data does not allow us to make any causal claims about some schools increasing levels of non-compliance. It is likely to be attributable to combination of factors, but the ERO data are not adequate to determine whether those differences in compliance are more related to school size, location, or decile.

Politically, there had been mounting criticism of the practices and policies of the ERO from a number of organisations throughout the decade. The year 1997 was significant for the ERO in that it was subject to two reviews, one which was a Ministerial Committee Review (the Austin Review) and the other which was an ‘independent’ review commissioned by the Post-Primary Teachers’ Association (Robertson, et al., 1997a). It was argued in Chapter Six that the ERO had adapted aspects of its practices and changed its review forms and that this may have been pre-emptive response to the Austin Review. However, the Austin Review made no recommendations for substantive structural change and as a consequence very little about the organisation actually changed. It was advanced that the Austin Review was merely a legitimation exercise designed to appease the discontented within the education sector.

During 1997 - 1999 period the ERO had the ‘ear’ of Hon. Nick Smith as Minister of Education and he favoured them over, and against the Ministry of Education. This political advantage provided the ERO with a platform from which to extend their influence into policy development. However, according to New Public Management principles of Tomorrow’s Schools this was the sole responsibility of the Ministry of Education.

The National Government was voted out of office in 1999. The incoming Labour-led coalition government had already signalled during the election campaign that they were unhappy with the Office in its then current form. They indicated that a Labour government would immediately commission another review of the Office. This led to the appointment of another Ministerial Review Committee in 2000 which released their report in early 2001. Aspects of the findings and recommendations have been briefly traversed here – but addressed in greater detail in on-going research in this areas (see Smith, 2002a).
Part III: The Potential Significance of the Thesis

This thesis draws on interview data with key ERO informants, stakeholders, as well as academics. Other researchers have questioned the ERO’s consistency of review approaches (Wylie/NZPF, 1997; Robertson, et al., 1997a), however, this thesis provides overwhelming empirical evidence about that consistency drawing on approximately 1,500 ERO reports. This represented approximately 30 per cent of ERO’s outputs from part way through 1995 but more specifically throughout 1996 – 1998. Analyses and critique of the ERO on its own terms in relation to the Office’s claims to consistency and validity, is thus based on a very robust sample. In addition, more recent statistical data has also been included on the follow-up rates for schools located in high SES decile areas (Smith, 2001), as well as the number of DAA/DAR reports on the KKM schools and reasons for their underperformance (Smith, 2002b).

This thesis has chronicled the development of an increasingly important state agency through a decade of reform. During this time the ERO had become an important conduit for promoting aspects of New Right marketisation policies, and exemplified several characteristics of an NPM-inspired organisation. Furthermore, it was able to exert considerable influence to shape the public’s opinion of aspects of education, through the continued power of the Office to publicise matters through the media. Through the mid to late 1990s the Office claimed significant authority to make public pronouncements about many aspects of education, including those outside its designated realm.

This positioning of the ERO in the state is consistent with a macro theoretical perspective based on insights provided by Offe (1984; 1996) and Dale (1989) coupled with neo-liberal and NPM theories to account for the changes at the level of the state. However, it was advanced that under the new NPM structures, the role of the ‘agent’ in this case the CRO, becomes increasingly important. Furthermore, the thesis argued that the personality of agents is important. The argument is the success of the ERO ‘pervasive ideological hegemony’ was due largely to the particular agent establishing the culture and not simply supporting the state structure.

Using Offe’s (1984) theories, and their application in education made explicit by Dale (1989), it was argued that the ERO are caught within the central contradictions of the state. The state attempts to resolve democratic imperatives on the one hand and economic ones on the other. What stops this contradiction from fracturing are the state apparatuses, like the ERO. What this thesis showed is that the Office was not an impartial entity. Instead it has extended its role beyond the administrative sphere and at the same time had not
fulfilled its own criteria of standardisation. In other words, it can be noted that in a very
real sense the ERO itself has been neither an accountable, nor a transparent organisation of
the state. It was acting as a political body – not a technical one, its legitimacy is thus
questionable. However, using the coercive powers of the state the ERO had been
successful in imposing a ‘standardised’ methodology for reviewing schools. This was in
spite of the fact revealed in this study that its own quality control and assurance systems
were not in order, in fact far from it.

As a contribution to theorising the role of this state organisation, it is argued that the
Education Review Office represents a new form and re-embedding of regulation in the
state sector. The ERO was the re-regulation agency. While the New Public Management
model required some mechanism to hold professional educators to account, this re-
regulation was fundamentally paradoxical. The establishment of the Office ran counter to
the deregulation occurring in most other aspects of the state sector. The central
educational agencies of the state were in effect placed in competition with each other to bid
for resources and the Minister’s attention in terms of providing policy advice. In the case
of the ERO it extended its legitimate terms of reference and scrutiny mandate in order to
solve its problem of survival. The consequence of this competition was the partial and
limited attempt to inform and thereby shape public opinion both of the public towards it
being a legitimate provider of market information on schools for parents and consumers
and also to attempt to win areas that the Ministry of Education had abrogated thus acting
in an entrepreneurial way. This inter-competition between the agencies give support to
Dale’s analyses of the state (Dale, 1989, 1997).

It was noted in Chapter One and throughout the thesis about the ‘turf-wars of attrition’
between the two agencies. The establishment of these supposedly new NPM-inspired
single-focus agencies was outlined, however they were also set-up to provide policy-
advice in competition with one another in terms of furnishing the Minister with advice.
Thereby, the ERO actively assumed a role in this and engaged whenever possible in
seeking to embarrass the Ministry of Education into action or acting as policy-
entrepreneurs outside their domain in order to remain both politically and financially
viable.

Following Offe (1996), it was argued that the Office circumvented democracy and went
outside its traditional bureaucratic, legal and statutory authority by appealing directly to
the civil society sphere. In doing so the ERO acted as a powerful ideological political
agency trying to inform the will of the people. This was accomplished through powerful
alliances with the media and taking on a role as the information broker and guardian of parental interests. In attempting to raise the issues of school failure and undermine the credibility of the education profession was it not creating a perceived crisis? The ERO had not electoral mandate to undertake this task. Allowing the ERO to assume this role may well have been a very convenient state of affairs for the Government. However it remains a large constitutional question for democracy which has not been addressed by the state, the Government, or more importantly perhaps, the people.

How is it that the ERO has been so successful in applying its definition of accountability to the exclusion of other definitions? How is it that the ERO has been managed to conduct its surveillance in a way that would appear to suggest (at least in anecdotal terms) that had led to schools internalising it to the point where meeting the ERO’s objectives appears to be the same as delivering quality education? It is the focus of the ERO as an agent of managerial accountability that is the heart of the issue here – because it was able to force schools into following the NPM line of focusing on short term outputs (Schick, 1996; Shaw, 1999). These questions cut to the heart of the tension between democracy and economy contained within the state. To date, the ERO has been allowed to define the concept of accountability and apply it to schools in a way that makes it difficult for others to question the ERO’s own accountability to the state. However, this thesis goes some way toward doing that and showing that what holds the state together is an illusion of coherent and objective state apparatuses.

As this illusion is dissolving, we may begin to see some kind of reincarnation of professional standards in accountability. The ERO model may be running out of steam. The evidence in this thesis has shown that schools as a whole may not be able to self-sustain well, particularly without support. This is an indictment of the New Public Management model. Are we entering into a new phase whereby schools are both supported and also reviewed upon? With the recommendations of the Rodger et al. (2000) review model premised in assess and assist are we seeing the beginnings of a return to valuing the professional responsibility model? (Schick, 1996; Codd, 1994a). Furthermore, although the process is in an embryonic stage – a case may be mounted that we are beginning to come full circle inspection with a modern day variant (still in a compliance/outputs model though) of a return to the services offered by the inspectorate (for criticisms of this approach see Smith & Clinton, 1999).

What the data also showed was the central tensions of agency theory, in that the principal was not able to control the behaviour of the opportunistic agent the ERO, and it was given
a considerably loose rein to influence other areas of educational policy. This study of the ERO also showed that the agency could be described as an exemplar agency of the NPM model – with all its faults and foibles.

Another important issue to raise is that whilst the NPM and in particular agency theory works well at the theoretical level in practice it is much harder to keep the roles of Ministers and CEO's as separate as the model/theory would suggest. There was evidence in this thesis to show significant overlaps (see Boston, et al., 1996; Schick, 1996; Shaw, 1999). In this context Schick (1996) criticised 'management-by-checklist' approach which:

... unduly narrows managerial perspective and responsibility. Some managers seem to take the view that if it is not on the list, it is not their responsibility. ... But the most valuable asset that chief executives bring to their relationship with Ministers is not compliance but judgment and leadership.

(Schick, 1996: 85)

Schick's major criticisms of the new accountability regime was the loss of a sense of professional ethic and responsibility by CE's. Shaw (1999) argued there was significant blurring of boundaries between the politicians and bureaucrats in New Zealand, for example, Shaw maintains that there is a conception of the relationship between Ministers and CEs that is somewhat 'artificial', and contends that:

It is simply a rhetorical fiction to suggest that Ministers do not involve themselves in the operational activities of their departments, and that senior public servants have no influence over the shaping of policy. ...

Equally, the activities of officials rarely approximate with disinterested neutrality. In fact, the New Zealand experience would suggest that senior officials are more inclined to act as 'policy entrepreneurs or advocates' than as 'neutral, disinterested policy advisers who supply policy advice by setting out the pros and cons of a range of options.'


Part IV: Suggestions for Further Research
Research into this interesting and evolving organisation should be ongoing. As it was shown using Ofse (1984), the contradictions of state remain in an unresolved but dynamic condition. The role of key players could be further explored as they have not been examined in depth. The importance of the 'personality' matters in terms of the structure/agency debate, appears to be strong (see Mintzberg, 1984), and could be a matter for further investigation. Any future reincarnations of the ERO will need to address the full involvement of the education sector to ensure that teachers are involved in policy development. Efforts should also be made to broaden the discourses within which
teachers are operating. The educational context needs to be understood sufficiently widely in order to make policy become relevant to educative, rather than technical goals. Furthermore to guard against technical goals continuing as the central driver of accountability, all teachers will need to reclaim a broader definition of professional accountability.

Other researchers may wish to further explore this theme of educative accountability: what else does this mean? Does accountability necessarily have to mean the strict 'objectivist' audit or evaluation standpoint and the sense in which NPM demands of it? Should it take other forms such as a sense of professional accountability or accountability to a democratic process? And further what is 'special' about education which means it should not be subsumed into this economic and technicist realm? Alternatively, how could the decade of 'mainstreaming' (Dale & Jesson, 1993) of education in this way be reversed?

In a sense the ERO is at a cross-roads. Is there a possible 'third way' or middle ground for the work that it conducts? Is there a space between the quasi-objectivist present standpoint or is there an inevitable return to what was regarded as a more professional 'contextualist' (Codd, 1994a) model? Has the present type of ERO evaluation run its course so that it might be possible for emergence of a more collegial and democratic process of peer review as McKenzie (1995) advocated? In essence the major question is what is the ERO's central purpose and who is it evaluating for?

What has been articulated through this thesis is that because of the Tomorrow's Schools reforms, schools do have more autonomy and are self-managing. Despite the rhetoric of more participatory democracy in schools advocated by Tomorrow's Schools some aspects have not materialised. Kogan (1988) advanced, the concept of accountability under 'consumerist' control can take two forms. One uses the concept of the market, the other could being a form of participatory democracy or genuine partnership. Similar claims were advanced in Chapter Three using Hambleton's (1996) model for extending voice and citizenship through democracy. The governments from 1990 – 1999 have used the market form and the ERO was the agency which used its power within the market to both inform and enforce.

There is little doubt that the ERO has been a significant educational force throughout the 1990s. Changes are still required if this organisation is to provide more than a service to highlight the deficiencies in the current system in order to fully realise the possibilities of
Tomorrow’s Schools. This final section provides some suggestions for further research and some suggestions for change which arguably need to be based upon such research:

1. That any changes to the ERO’s role be carefully considered and widely debated – the Office may not be able to perform both an audit and advisory role.

2. That any changes to the ERO’s role be accompanied by increased funding and personnel.

3. That the Office spend more time in institutions when reviewing them.

4. That the Government investigate why over a quarter of New Zealand schools required a follow-up report by the ERO in the 1999-2000 year.

In relation to the issues raised above the following are noted. The funding issue outlined in this thesis alludes to the fact that the ERO are both under-funded and under-resourced. The Office has an impossible task to perform (with only approximately 100 reviewers) to evaluate all schools and early childhood centres on a three-four year cycle with this limited funding and personnel. The ERO are getting behind in their own ‘timeliness criteria’ in their core activity of reviewing schools by sometimes up to 30 per cent (Smith, 2000a: 25). Increasing the length of time in schools during reviews would address some of the constant criticisms of the ERO review process their on-site visits are too short to gain a real understanding of the dynamics of a school or that they spend too little time observing lessons (see Wylie/NZPF, 1997; Robertson, et al., 1997a).

Were the ERO set up to be a short-term agency, or one established to fail? It would appear from the data presented in Chapters Two and Four of this thesis, that both of these issues were provide possibilities – as it was initially conceived. While the later was unlikely given the Crown’s investment in the agency, there former would appear to be more plausible. The new Minister of Education, Lockwood Smith, in 1990 was looking for dramatic organisational improvement – or possible closure. However, the combination of the new type of outputs, which was just what the Dr ordered, and the change in CRO, which took it very rapidly a more managerialist direction – made the agency both politically and fiscally viable.

Avenues for my own further research

An interesting area of evaluation now that the ERO is placing the schools’ SES decile directly on the report was to investigate whether the Office had pursued mid-high decile schools it had regarded as ‘cruising’ (ERO, 1999b) and whether there had been an increase
in the number of these schools getting follow-up reports. It was found in Chapter Five, that this was indeed occurring.

Another area for further research would be to evaluate the findings of the latest Ministerial Review of the ERO (Rodger, et al, 2000). The recommendations and implementation of aspects of the Rodger review will provide the focus for some on-going research in this area (this has already began, Smith, 2002a).

In order to broaden this research more fully and also to provide a contemporary analysis to the Wylie/NZPF (1997) and Robertson, et al. (1997a) findings the following possibility is raised. Actually doing work in schools would provide valuable data for practitioners to note any changes under the review methodology and to ascertain their levels of support and commitment to the philosophy underpinning the change in methodology to bring about change. Through this research it could also be established to what extent the schools have been able to negotiate and/or resist the impact of the ERO review process.

The lack of data from educators/practitioners could be described as a methodological weakness of this thesis. A rationale for not collecting this material was that the studies by Wylie (1997, 1999) and Robertson et al. (1997a) already existed and helped in terms of literature and explanations. It is acknowledged that although that collecting this data myself may have strengthened the project and added a new dimension to illuminate both theory and policy in this area. It has also strengthened the researcher’s resolve to incorporate more rich data, in the future utilising qualitative methods, rather than a large unwieldy dataset and database with purely quantitative data and statistics and the main form of findings.

Concluding Comments

Winkley (1985, cited in Sandbrook, 1996: 1) pointed out there that there was ‘no evident relation between the inspectorial visits and the excellence of schools’ (p. 11). He also wrote that ‘nobody has ever explored, and certainly not in any systematic way, either the limits or the alternatives to inspection’ (p. 221). This thesis has attempted to investigate the processes of school review in New Zealand in a different light – and the aim is for this to be not an end – but a beginning to collegially exploring different avenue for looking at school review in New Zealand in order to generate theory and practice in this fascinating area.
As Sandbrook (1996: 2) noted ‘[T]here is an ideology within the political arena which expects inspection to make an impact. Expectations do exist for inspection to be a mechanism for quality control, quality assurance and accountability’. These issues certainly have resonance been the present study – and the ERO do make claims that they have raised educational standards.

The ERO remains a resilient organisation and over the past decade it has displayed a remarkable ability to change and reconfigure itself in a cosmetic way. The Office avoided addressing the more vexing issues of the Austin Review. As such, as Thrupp & Smith (1999) noted many of the serious concerns raised still remain unaddressed.

It has been well over a decade since the Tomorrow’s Schools reforms, we now have a more mature and focused Office, one which claims to consult widely with education sector organisations (ERO, 2000c). This consultation should extend to action as well. In the second year of the millennium, it is time to significantly change the philosophy and ethos of this organisation, to reject its managerialist shackles, to stop viewing teachers as having ‘provider capture’ and ‘vested interests’ and to work in collaboration to jointly raise educational standards and improve the position of all schools.

Until there are profound changes which will mean the ERO no longer engenders a climate of fear, merely mild anxiety when reviewing schools will the situation potentially improve for all schools. It is only through democratic processes, through more collaborative endeavours and working with, and alongside, institutions as opposed to imposing a top down accountability regime based upon a ‘low-trust’ philosophy towards the teaching profession, will the ERO be able to achieve its mission statement and also make a quantitative difference to raising the learning outcomes of the nation’s students.

The ERO itself has noted recently ‘ERO evaluation has two main purposes – educational improvement and accountability’ (ERO, 2002d: 6). It is interesting in the way that the Office has ordered these dual imperatives – by placing improvement first. Is this signalling its new focus from 2002 onwards, or is it merely the way the document has been structured? It has be advanced through this thesis that the ERO’s principal role from 1992 until very recently was firmly in the accountability sphere. It is envisaged that while accountability will still play an important part of the functioning of the Office, that a focus on improvement would make a much awaited development for the education system and those which operate within it.
It is the researcher's sincere hope that the recommendations of Rodger et al. (2000) review panel have provided some innovative and constructive ways to challenge and to change the current modus operandi of the ERO. Furthermore, that the Minister of Education and the Government must seriously consider the options and implement the necessary changes swiftly – this appears to be occurring but will require time to embed. Structurally, the agency has not changed significantly, but some its practices appear to be altering. The new CRO whilst having worked in the Office for some time, under a clearly NPM ideology and philosophy is being cautious about changing the culture too quickly. There is anecdotal evidence to suggest there is much more 'genuine' consultation occurring with the educational sector – and this may be a move in the right direction. Yet, the new review processes are still being trialled, and anecdotal evidence from practitioners suggests that there are issues still to be ironed out – and that in reality the new reviews do not seem too dissimilar from the old ones, because the ERO methodology is essentially the same.

In reviewing the reviewers over an extended period of time, the author has also changed his more entrenched stance on the Office and the way it has operated in the past – but there is still suspicions about how real change will occur in the long-term. Does Aotearoa/New Zealand still require such an educational agent of accountability? Views on this and the ERO itself, are still polarised within the field of education. Do sufficiently robust self-review systems operate in a manner that the role the ERO currently plays mean it will become a less influential agency in the future? These are questions for further research and investigation.

Quis custodiet ipsos custodes? Who will guard the guardians themselves? The theory would suggest, the Minister responsible for the Office, the State Services Commissioner as the employer of the CRO, and the wider community. There has been much monitoring of this agency from a number of quarters since it began, and it has experienced a turbulent history. The ERO has been the most reviewed educational agency since the 1989 reforms. There is still the author would contend however, a place for independent research-based (Thrupp & Smith, 1999) reporting on the organisation from practitioners and academics – as the agency is a publicly funded organisation. The ERO is entering a new period in its development and this researcher suggests as an organisation, the ERO will remain a fascinating subject of analysis to research and write about for many years to come.
ACKNOWLEDGEMENTS

This thesis was only possible through the support, graciousness and contributions of a large number of people, and for their efforts, I am both deeply and eternally grateful.

Firstly, I acknowledge the financial support I received whilst I was on a Doctoral Scholarship at the University.

I wish to thank my colleagues at both the School of Education at UNITEC, and the Department of Education at the University of Canterbury for their support, and for generous ongoing advice and assistance. I acknowledge the Educational Management Teaching Team for their encouragement, for the time they made available to me to complete this thesis, for taking on additional teaching, administration and supervision loads which allowed me time to do this. To my colleagues in ‘the team’: Professor Carol Cardno, Associate Professor Tanya Fitzgerald, Alison Smith, and in particular, to Dr Jens Hansen; your ongoing support and assistance humbled me. Jens, your treatment of me as a peer, mentor and ‘critical’ friend has been invaluable. You provided an appropriate balance of personal and professional encouragement and academic rigour, making me justify my assertions, thereby lifting both the quality of my work and my spirits when at times I was waning.

In addition, I wish to acknowledge the stimulating and useful discussions on the ERO with colleagues Dr Janet Clinton (now at the University of Auckland) and Dr Jennie Billot. I also sincerely appreciate the support and help received from my colleague Jenny Merton, and I hope to return the favour upon her submission of her Ph.D degree through Deakin University. To Dr Ruth Schick who provided sage advice, support and comfort food – I will miss you – but wish you well in the new job. I cannot name all other colleagues here (as space precludes outlining everyone and their roles) but it is interesting to note, for those who know me well and know also the way I normally write, that one of the most important lessons learned from this thesis was the craft of writing concisely. This point aside, I wish to acknowledge and thank my colleagues/friends for their helpful advice, lunch dates and for checking up on me when I was ‘buried’ in the office. In particular, thanks to Mary, Miriama, Lynda, Joe, Jane and Ray.

UNITEC as an institution offers Adjunct Professorships to distinguished visiting scholars. Over the past two years I have had the pleasure of interacting and debating educational issues about the new right and its encroachment in education with Professor Michael
Apple (University of Wisconsin-Madison, USA), educational management issues and OFSTED inspections with Dr Helen Gunter (University of Birmingham, UK), and with Professor Michael Scriven (Claremont Graduate University, USA) on the impact of evaluation with a particular focus of the ERO drawing extensively on his theoretical work to inform their evaluation methodologies. These interactions provided opportunities to define my own positions on these themes and taught me how this research can be contextualised to events occurring throughout the Anglo-phone countries and across national borders.

Special acknowledgements are extended to the library and technical staff in the Education Department at the University of Canterbury, to Katherine Baird, Joan Earl and Roger Corbet who were helpful in providing data and assistance, throughout my time at Canterbury.

It is especially difficult to know where to begin in extending my most heartfelt thanks to my succession of supervisors (the supervisory team) over this long process. My gratitude is extended to my original supervisor, Dr Liz Gordon who encouraged, mentored and provided wise counsel. Without you Liz, I would never have embarked upon this journey, and I thank you sincerely. To my other University of Canterbury supervisors, Dr John Freeman-Moir, Mr David Hughes, and Dr Steve Jordon (now returned to Magill University in Canada), I thank you for your help, advice and support over a long period; it was appreciated.

During the latter period of my candidature, my ‘associate’ supervisor became Dr Joce Jesson from the Auckland College of Education. Joce was supportive, unstintingly helpful, displayed remarkable patience and was a lifeline. She provided an appropriate balance of pressure and support (a la, Fullan, 1991) which led to refocusing aspects of this thesis and focusing on the prize at the end. Her faith in me and her constant grounding, informed me that the thesis was not about perfection, or a life’s work, merely a conduit for ideas. Her support and often unheeded advice and debate made for a more rich and colourful thesis on what might otherwise have been a turgid topic. She made me realise the project was valuable, that I had some important issues to raise, and indeed that this was a thesis that was do-able. Furthermore, she chided me for not being explicit enough, and provided me with personal wisdom, political sagacity and theoretical insights – she encouraged me to be brave and ‘tell the story’.
Her grounding made me realise that as the author I was merely the portal for ideas we both wanted to see in the public realm – an exposé of the ideological agency, its structure and performance as determined both by politics and finance. Her contribution sharpened my thinking and allowed me to complete this research.

My thanks are also extended to Professor John Hattie from the School of Education at the University of Auckland who acted as both as a mentor and a critical friend during the last months of this thesis.

In addition to my supervisors and colleagues I also acknowledge the generosity, support mentorship and friendship I have received from two School of Education staff at Waikato University, to Dr Deborah Fraser and Dr Martin Thrupp (now at the Centre for Public Policy Research, King’s College, London). I praise Deborah for always being positive, enquiring and encouraging, and Martin for his political courage which saw him raise important educational issues in public and for commenting on aspects of my work; he inspired and encouraged me to get the data that was out there.

Whilst the following might seem out of place, or even inappropriate in the acknowledgements, I am using my agency here as the author to do what I want to do, anyway. For those of you know the history and politics surrounding my thesis, like so many others before me I have been required to go through the academic ‘trial by fire’ of the examination and defence process. I want to acknowledge that rather than being ‘burnt’ by this process, I owe a great debt to my examiners for requesting re-writes to parts of this thesis.

The theoretical and methodological debates that occurred through these avenues, and the advice, insights and suggestions about literature made by my examiners, has most definitely sharpened my thinking, created a better structure and a more rounded piece of research. It has moved it beyond the descriptive and polemic – from the journalistic style I often adopted for readability purposes to a work that I think is more substantial. The time allowed for reflection, reorganisation, and revisiting theories has made this work more politicised, more focused, and yet pleasingly, to me, more eclectic and readable.

It is now a story as much as a bounded academic piece of writing.

I still contend however, that it is always going to be a challenging task to make the topic of accountability stimulating – it is always going to be especially hard to prevent a topic of
this nature excite as opposed to encouraging the eyes of others to glaze over. Moreover, whilst the ERO as an organisation has been controversial to research and record, it has often been difficult to make the topic of the ERO a seductive one to both write about in a manner that others can read without resorting to cynicism.

I sincerely thank my supportive friends/colleagues in the Education Department at the University of Canterbury. In particular, Dr Shirley Hulston and Ms Marg Bradford provided lively discussions, exchanges of ideas, and unstinting support and assistance throughout the time I have known them. Your patience and generosity and belief in my abilities assisted me through the many troughs. I am overwhelmed by the encouragement and support you both provided; I will always view the two of you as my 'unofficial' supervisors. To you both I owe significant debts of gratitude.

Sincerest thanks also go to my friends, all formerly from the University of Canterbury. I give thanks to Dr Debra Wilson (now at Whitireia Polytechnic), Dr Phillip Schluter (now the University of Queensland) Charlie Manning (at the Environment Court), and Rob Ware – your support and encouragement was always valued and appreciated. To Phil, Charlie and Rob the physical exertions of the running were a great counter-weight to the mental exercises.

The continued assistance and support from another friend and another former Ph.D student, Karen Vaughan, from the School of Education at the University of Auckland (now Dr Karen Vaughan at the New Zealand Council for Educational Research) was also immensely valued and truly welcomed. Your insights and considerable knowledge of theory plus the in-depth study of aspects of the ERO's activities in one school provided an important steer.

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I also acknowledge and thank the valuable contributions of all the people I have interviewed for this thesis (their 'data' have proven to be most valuable).

Last, but definitely not least, I am especially grateful to Corporate Office personnel of the Education Review Office for continually providing me with 'public' documents and their
ongoing support of my thesis over an extended period of time. In particular, I wish to acknowledge Dr Judith Aitken (former CRO), Ms Karen Sewell (current CRO), Ms Jenny Clark and in particular, Ms Frances Salt and Mr Mark Canning for their many and varied contributions, dialogue and above all, their plethora of correspondence. Whilst I may not have always agreed with the ERO 'official' interpretations the interactions on the whole were invaluable. Without much of this data there would be no thesis!

Undertaking study is a burden not only for the individual student but also impacts upon friends and family. To my parents, Max and Helen – I owe a great deal of gratitude for their unstinting emotional support and love. Your patience and support enabled me to see this project through to fruition. You remain my inspiration and my ultimate guides in life. To my sister Belinda and her partner Ian, and their wonderful children, thanks for the help and for all the laughter. I am grateful and indebted for the understanding and reassurance that I received from you all.

To my former flatmates: thanks for being understanding, supportive and for doing my share of those extra chores on many occasions. In particular, I want to thank my long-term former flatmate and friend Ian Arbuckle for his warmth and for believing in me. And to Fiona McDonald, Helen King and Jaco Van Rooyen (my current flatmates) who tirelessly enquire how my ‘work’ is progressing (Jaco in particular possesses valuable computer and technical skills and has provided very useful advice and assistance and support) I sincerely proffer thanks.

To my dearest and very special friend, Hoani Lambert, I need to say that your constant understanding, acceptance, assistance, companionship, support and aroha maintained my equilibrium. You knew when to ask penetrating questions and when to leave me immersed in thoughts and work. You supplied me with interesting insights and contacts, and I owe you immensely!

To my wonderful former partners – who brought comfort, joy and humour into what was at times a colourless existence. Chucky Chan, Brandon Cheng and Freddie Churstain, your love, strength, support and encouragement has been invaluable throughout this process. The relationships and friendships will endure across time and space. Thanks also for all the typing you all have done over the years as well.

To my current partner Albert Chan – thanks for your love and support and for your understanding.
Finally, to two people who in vastly different ways inspired me both to start and to complete this project. To Ms Michelle Kelly, a wonderful and inspiring teacher, and friend, I want to say that without you, I would never have ventured further than completing my bachelor's degree. Thanks for all the typing and technical assistance – and for being such a wonderful former flatmate too.

But above all, I dedicate this thesis to my warm, engaging, inquisitive and delightful grandmother, Mairi Dale. Gran, you inspired and cajoled me to finish this thesis and one day I might even take you up on the offer to finally read it!
Interviews
Personal Communications: Correspondence, Letters, Emails and Faxes


Others' Correspondence, Letters, Emails and Faxes


Education Review Office Publications

Education Review Office. (no date/undated). Evaluating Education. Wellington: ERO.


ERO. (1998a). *Good Schools, Poor Schools*. Wellington: ERO.


**Official Reports and Documents**


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1 The Committee was actually Chaired by Mr W. A. Bodkin, however, Harry Atmore was the Minister of Education and it was known as his report. The Committee consisted of 10 MPs, including Mr Peter Fraser.
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Ministry of Education. (2000). *Socio Economic Indicators for Schools [Deciles List]*. Wellington: MoE.


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There were two of these documents one in 1997 and the second in 1998. Each were split into two smaller parts one covering all schools in the North Island and the other all the schools in the South Island. Each districts schools were listed by Territorial Local Authority. Within each district there were three categories of schools: state not integrated, state integrated and independent. There were also two TFEA columns one for 1997 and the other for 1998.


Media Reports: Newspapers, Magazines and Websites


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References


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APPENDICES

Appendix I: Interviews and Discussions recorded for PhD Thesis

ERO Staff or Former personnel


Mr Graham Cochrane, Area Manager – Canterbury Office, 11 July 1996.

Mr Maurice Gianotti, former Chief Executive Officer, 26 November, 1993.

Mr Terry Hughes, Director of Finance, 16 June, 1994.

Ms Lane Mohi, Area Manager – Wellington Office, 4 July 1996

Mr Wally Penetito, former Manager Analytical Services, 14 June, 1994.

Ms Frances Salt, Director of Analytical Services, 16 June, 1994.

Other Education Bureaucrats


Dr Peter Cuttance, Assistant Director General, Quality Assurance Directorate, New South Wales Department of School Education, Sydney, Australia, 22 February, 1994. Dr Cuttance is now a Professor in Education at the University of Sydney. Interestingly Dr Aitken has recently been appointed to the ADG of QAD, Sydney after her departure from ERO in November, 2000.

Other Educationists (including education academics)

Dr Jennie Billot, & Dr Janet Clinton, Co-Director of the Education Evaluation Unit at UNITEC Institute of Technology, and Programme Director, Teacher Education and Co-Director of the Education Evaluation Unit at UNITEC Institute of Technology, 8 August, 2000. Dr Billot was a former ERO reviewer and was contracted to provided an evaluation of ERO’s Home-Schooling area.

Mr Martin Cooney, & Ms Bronwyn Cross, former President Post Primary Teachers’ Association and Advisory Officer PPTA, 3 July, 1997.

Mr Frank Dodd, Former President of New Zealand Education Institute, 3 December, 1997. Mr Dodd was a former Inspector.
Ms Jan Kerr, Executive Director, Independent Schools Council, 26 May, 1995.


Mr Kelvin Smythe, Editor, Developmental Network Magazine, 2 September, 1997. Mr Smyth was a former Inspector.


**Academics in Public Sector/Accounting Areas**

Professor Richard Laughlin, & Dr Jane Broadbent, Sheffield University School of Management, England, 15 September, 1994.

Mr John Martin, Senior Lecturer, Public Policy Group, Faculty of Commerce, Victoria University, Wellington, 30 May, 1995.


**Politician**

Mr David Lange (Rt. Hon.) Member of Parliament for Mangere, 31 May 1995.

N.B. The designations of job positions have been included as at the time of the original interviews. Some of these titles have changed particularly amongst the ERO personnel as some of the staff have changed positions in the organisation, had their titles ‘reconfigured’ or have departed from ERO. Furthermore, since these interviews some of the academics have changed institutions and the former Prime Minister is now no longer in parliament.

The three UK accounting academics were at the time visiting Lecturers at the Department of Accountancy, Finance and Information Services (AFIS) of the University of Canterbury. Furthermore, they had extensive experience of the UK reforms and had also written collaborative papers with NZ academics on the changes in public sector managements and the reforms to the health and education sectors.
Appendix II: The Standard Interview Schedule

[I] General Questions

(1) What does accountability mean within an educational context?

(2) Why has accountability become such an important issue in state education?

(3) Who is accountable to whom? and more importantly why?

(4) Is there greater accountability under the ERO organised system than there was under the old Inspectorate?

[II] ERO Specific Questions

(1) Where did the idea for the Review and Audit Agency (ERO) come from?

(2) What changes have occurred in the organisation over time?

(3) Does ERO act as a control agency of the state?

(4) The present government has been following a specific managerialist agenda with efficiency and accountability in education as key features, given this:

(i) Why was ERO downsized after the 1990 Lough Report?

(ii) Why has the government subsequently cut ERO’s budget by $3 million over the past two years?

(iii) Will the situation in New Zealand develop like it has in Britain, by replacing Her Majesty’s Inspectorate with private accountancy firms to review and audit schools?

N.B. this schedule was designed for the interviews in the period 1993-1997. Some respondents interviewed after this period may not have been asked all these questions and would have been asked for more recent in formation.
Appendix III: Amusing Vignette


**INSPECTION BLUES**

The day I was inspected I looked a dreadful mess.
My hair, it was all spiky I wore an awful dress.
My stomach was all knotted, My limbs had turned to lead;
My lips were dry and flaky, My nose a purplish-red.
My fingernails were bitten Till they were little stumps.
My neck , as fat and swollen As though I had the mumps.

In he came at 9 o'clock The kids all turned to stare!
I shrank back against the wall And wished I wasn't there.
Beside me, the inspector Was elegantly clothed.
His suit, so "mod" and stylish Immediately, I loathed.
His beady eyes upon me They didn't miss a trick.
I thought "My God. I think I'm Now going to be sick".
The kids were all disgusting; They wouldn't read or write.
I think they did it just kicks. Or maybe out of spite.
My voice was all so screechy And raucous like a crow.
It seemed to hit the high note And wouldn't come down low.
I thought we’d start with news. Well! The kids were all struck dumb
The only time in three months Their lips and tongues were numb.
"Forget about the news then We'll see if they can spell!"

As he spoke those dreadful words, They sounded my death knell.
The kids at once pretended that they were, fast asleep.
The fat was in the fire now So I began to weep.
Painfully I said to him "You'll think me such a pest
But all these darling children Think 'spell' means 'have a rest' ".

He said. "Now stop your cueing, Show me you are able
To teach these children something Do the nine times table".
They could have done the two times And maybe five and ten,
But when it came to nine times, T'was silence once again.

I stood in front of him then –Pulled faces at each kid!
One charming urchin shouted "I knew she'd flip her lid!"
I yelled, "We'll now write stories. But first I'll motivate!"
With chalk in hand I started To write down that day's date.

"Is that your motivation?" His startled voice enquired.
I answered "Yes indeed sir, Is something more required?"
His eyes then got a glazed look. His head began to twitch
His shoulders kept on jumping As though he had an itch.
He looked as though he'd sat on A wooden spike or thistle
"I'll try some Phys. Ed –Oh! God I've gone and lost my whistle".

I'd have to think of something What could I show the man?
We'd not done Maths or Reading Since the term began.
Social studies - that was out. They couldn't write a letter.
Music was a zero and Art and craft no better. Then it slowly dawned on me.
In sweet and dulcet tones, I said to all the children,
"Take out your knuckle-bones."

Underfoot they tramped him With shouts of childish glee.
Then we heard upon the air, The bell for morning tea.
Funny, but he wouldn't stay, I asked him so polite,
"Won't you have a cup of tea, A biscuit,, Too, to bite?"
The face he turned on me, was a vision to behold.
Frothing at the mouth he was He looked so grey and old.

He pointed madly to me And fell into his car.
I couldn't help but wonder. "Well, did I earn a star?"
Silently. I went inside Hoping he'd remember
To put my name on the list That comes out in November.

But the inspector didn't remember the name of the teacher who insists on being anonymous.
Appendix IV: Background Information on Databases

I: ERO Institutional Reports Pre December 1997

The first one contains four types of reports:

(i) Assurance Audits (a few from late 1995), but the majority from May/June 1996 – November 1997 (although there were a limited number in December 1997 also)


* Interviews were conducted in July 1996 with the District Managers from the Central South Office (Wellington) and the Southern One Office (Canterbury), at this stage the researcher was provided with DAA data on 9 schools in the Wellington region and 11 from the Canterbury region.

** Again there were some reports collected from the Canterbury (S1C, 14 reports) and Wellington (CS, 6 reports) offices from the 1994 - 1995 period. However the majority of the data comes from 1996 – 1997.


The second database contains three types of reports:

(i) Accountability Reviews (a few from October/November 1997) but mainly from December 1997 – December 1998.

(ii) Discretionary Accountability Reviews (December 1997 – December 1998)


Each of the Databases contained the following information fields:

N.B. the majority of the information was obtained directly from the documents themselves. Where it was ascertained from an alternative source, this information has been provided below. Fuller explanations, justifications for assigning these characteristics are outlined later.

If the data was not listed in any of the documents I used as information sources it was left as a bank field and recorded as missing data in each of the fields.

1 Type of Report

2 Had a DAA? Here the actual number of Discretionary Reports to that time was entered.

3 Had/Getting a follow-up review? 2 types in 1 for regular FU and 2 for DAA/DAR (more serious).
4 School Location: 2 types 1 for urban and 2 for rural. Occasionally this information was supplied on the report, especially in the case of isolated rural schools. Alternatively this information was sourced through the addresses listed in the Ministry of Education’s (1997) Directory of New Zealand Schools and Tertiary Institutions.

5 Types of School: seven types: Full Primary; Contributing Primary; Intermediate; Secondary; Area/Composite; Te Kura Kaupapa Maori schools, and Special Schools

6 School Size: (actual roll from ERO report)

7 ERO Office: 11 categories: 10 Districts & Corporate Office. ¹

8 Number of Actions for Compliance (actual number from reports). These required some follow-up action on behalf of the school management or Board of Trustees.

9 Number of Recommendations/Suggested Developments (actual number from report)

10 No follow up report despite high levels of non-compliance (these were recorded when the actions for compliance were equal to or exceeding 7+).

11 Number of follow up reports (actual number of these, including that particular one if it was a DAA/DAR).

12 Socio-Economic Scale Decile: (1 – 10) or blank space for missing data if the information was not recorded in the following documents. The 1994 data came from the Statistical Annex from the Minister of Education’s New Zealand Schools (1994). For the 1995 and 1996 reports the same source was used except using the 1995 version. The 1997 SES decile came from the Ministry of Education’s (1998) Socio-Economic Indicators for Schools using the 1997 TFEA column and the 1998 reports from the 1998 TFEA column.

13 Commissioner Appointed? Actual Number.

14 Previous Charter Requirements Not Met/Actions for Compliance from previous report when the school gets a DAA/DAR (actual number).

15 The cases where a Statutory Report was listed as a Regular AA/Accountability Report in the actual document.

¹ In 1995 ERO combined offices in various sites into wider areas under the control of eight Area Managers (ERO, 1997b: 25). Furthermore, it was noted that staff were used in wider areas than just the geographical area surrounding the site in order to make use of the specialist staff and to provide “Review Officers, particularly those in the smaller sites with, with different experience” (ibid.). In the 1996–1997 period this process was continued and ERO now has five areas each with an Area Manager (ibid. see also ERO, 1997a: 43).

This restructuring began in 1995 with the formation of the Area One covering the Auckland and Whangarei offices, and the Area Two, which covers the Hamilton and Rotorua offices (ERO, 1997b: 25). In the 1996–1997 period the same process occurred with the restructuring of the remaining offices to form: Area Three (Napier and Wanganui); Area Four (Wellington and Nelson) and Area Five (Christchurch and Dunedin).
Appendix V: Canning's (1997b) Schedule

Table A1 shows the total number of State and Independent schools and the percentage of schools as an overall total in each geographical area serviced by each ERO office in 1997.

Table A1: The total number of State and Independent schools in each geographical area serviced by each ERO Office in 1997.

<table>
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<th>ERO Offices</th>
<th>No. State Sch</th>
<th>%</th>
<th>No. Ind Sch</th>
<th>%</th>
<th>Total</th>
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</tr>
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<td>Nelson</td>
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<td>4.57</td>
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<td>9.52</td>
<td>125</td>
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<tr>
<td>Christchurch</td>
<td>346</td>
<td>13.76</td>
<td>15</td>
<td>11.90</td>
<td>361</td>
<td>13.67</td>
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<tr>
<td>Dunedin</td>
<td>294</td>
<td>11.69</td>
<td>3</td>
<td>2.38</td>
<td>297</td>
<td>11.25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2513</strong></td>
<td><strong>100.00</strong></td>
<td><strong>126</strong></td>
<td><strong>100.00</strong></td>
<td><strong>2639</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

Source: Canning (1997b). This is what has been referred to as Canning’s schedule in the chapter. NB. Only the raw figures were supplied with the schedule not the statistical components.

In the latest statistical data from the Ministry of Education (1999: 14) there are now 2,774 schools in the country using the figures from Table 2 (MoE, 1999: 14).