

Jeff Shields
PA 800
Professor Stowers

Case Memo 2: Private Food Service in Houston's Public Schools?

The organizational structure of Food Services for the Houston Independent School District is not perfect. Productivity is running low and management is not operating in an efficient manner. However, from these food services schools are not losing money and students are getting food that is relatively healthy.

The Superintendent Roderick Paige is facing some pressure with general building maintenance issues across the District while he also tries to improve student performance, specifically with regard to minorities, which is unsatisfactory. In order to improve the general operations and education of the schools he feels that they should be managed as efficiently as possible, similar to that of a business. Outsourcing is being considered as a possible solution for raising efficiency in the area of Food Services. Employees and union representatives both oppose the notion of privatization as they feel that jobs are at stake. Other options are to leave Food Services alone, or reorganize the management structure.

The issues in this case are public management, organizational structure, privatization, public efficiency balanced with responsiveness, and government accountability. According to Denhardt and Grubbs (2003) public officials are given the very difficult task of raising efficiency, while maintaining responsible and/or responsive service. In this case Paige is clearly a more conservative official, leaning towards privatization to solve the problems of an inefficient system. However, he downplays the fact that the Food Service is not designed to profit, but to simply break even and serve

nutritious food. Also, the audit performed by State Comptroller John Sharp did not yield a report that suggested outsourcing.

Another important point is that with outsourcing brings more difficulties with regard to accountability (Eggers & Goldsmith, 2004). Potential private companies working within a public school system do not necessarily share the same vision. Kettl (2002) explains that outsourcing can limit the control of public organizations. The internal bureaucracies and intricate management systems within a given public organization are complicated as it is. In this case, for example the school is dealing with the health of thousands of children and young adults. The decision to outsource could jeopardize the nutritional content of the food and sanitation conditions of the facilities, vital areas for oversight.

One of the other options was to reorganize management so that the tasks overseen would be less layered some managers were duplicating services and some supervisors were taking on too much work. Eggers & Goldsmith (2004) note that a more consolidated system would increase accountability and work. However, splitting and changing the different tasks, for example food delivery, distribution, or warehouse work would also create a more intricate and less consolidated system (Eggers & Goldsmith, 2004). The main problem with the Houston Independent School District is with student performance.

