

## Case Study 1: Performance Contract With a School

### The School

“Lago del Bosco” is a public vocational school (*scuola professionale*) located in a rural area of South Tyrol, Italy. It enjoys a reputation in the region for providing quality education for secretaries/administrative assistants and sales staff.

### The Administration

The *scuola professionale* is run by two persons: Principal *Peter Thaler* and Vice-Principal *Anna Moser*.

*Peter Thaler*, 55, is a teacher of economics and law. He was appointed Principal six years ago. He took up his new post at a time when a school principal mainly had administrative duties and was not seen as a manager. His teaching workload is seven lessons per week, which, together with his duties as Principal, results in a full-time position. He has a secretary, who works four days a week.

*Peter Thaler* maintains an open-door policy towards his teachers, so he is usually available at short notice. Since he regularly spends his coffee break in the staff room, many issues can be resolved informally. For meetings on administrative and personnel matters, appointments are made in advance.

In communicating with the authorities or parents, *Peter Thaler* acts as the public face of the school. As the Principal, he reserves a lot of time for meetings with students. Especially in the case of health-related problems, he is keen to work out solutions together with those affected.

*Anna Moser*, 49, is also a teacher. She has been working at the *scuola professionale* for twelve years on a part-time basis; her workload as a teacher is usually six lessons per week. She was appointed Vice-Principal two years ago.

*Peter Thaler* and *Anna Moser* have never defined their working relationship in detail. As with his secretary, the Principal also deals with his deputy on a case-by-case basis. As part of the responsibilities he has given her, *Anna Moser* is responsible for designing the teachers' schedules. At school events, such as parents' evenings, she stays in the background and ensures that everything runs smoothly. She has no duties of representation. In exceptional cases, she chairs the teachers' conference.

*Anna Moser* appreciates her working relationship with *Peter Thaler*, who gives her a lot of freedom to handle her responsibilities as she sees fit. From time to time, however, she wonders whether collaboration within the school administration could not be optimized. She realizes that she finds it difficult to formulate solutions because she lacks the necessary leadership and organizational skills because of her educational background as a teacher.

### The Teachers

The *scuola professionale* has 32 teachers, of which six are employed on a full-time basis. They are between 25 and 60 years old, with no age group being overrepresented or underrepresented. The main subjects taught are computer science, business administration, languages (German, Italian, French, and English), and sports.

Most lecturers teach between six and 10 lessons per week. Many teachers, even those who teach the same class, see each other only at the teacher's conferences, which take place twice a semester, and occasionally during breaks.

In addition to teaching, there are hardly any other functions for teachers. Two years ago, the position of “Head Teacher” (one per class) was introduced with the primary aim of optimizing the flow of information between the Principal’s office and the individual classes.

The teaching staff are generally happy with their position at the *scuola professionale* and the school management. They appreciate that their wishes regarding the class schedules are taken into account, wherever possible, and that they have few administrative duties outside of the classroom.

## The Students

A total of 380 young adults are taught at the *scuola professionale*. Their program takes four years to complete, and successful graduates earn a diploma as a secretary/administrative assistant (11 classes) or as a sales clerk/assistant (six classes). One class prepares students wishing to take the vocational baccalaureate. The school is part of a dual vocational training system and, therefore, has little influence on these figures, as it is obliged to accept anyone with an apprenticeship contract. The students attend classes for one to two days a week. During the rest of the time, they work as apprentices in their company. In the evenings and on Saturday, the school offers computer science and language classes (e.g., Cambridge First Certificate and Proficiency), which are attended by around 200 adult students.

## Other Stakeholders

The *scuola professionale* has two other stakeholders: the students’ employers and the parents. Since most students are older than 18, the school has little or no contact with the parents. However, each company has a person who is responsible for the care of its apprentices, and those individuals are, therefore, the school's main contact persons.

## Task I

What products and groups of products do you recommend for the *scuola professionale*? Define these products.

## Task II

Formulate a performance contract between the government and the *scuola professionale*. In particular, consider the following aspects:

- Who are the contractors? What type of contract is it?
- What elements (clauses) must be included in the contract?
- What indicators could be defined for each product, what standards are conceivable, and how could their compliance be monitored?
- What would be possible sanction mechanisms in case of a breach of contract?
- How does the process of developing this performance contract work? Who should be involved and at what stage?