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Battling declining enrolment in the Upper Midwestern United States: Rural schools in a competitive society

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Abstract

This paper examines the effects of declining student enrolment and population loss on one rural school district in the United States, as well as the district's strategies to mitigate these effects. In the state of Wisconsin, the relationship between student enrolment and school funding destabilises rural school districts experiencing population decline and forces them to depend on local property taxes to make up the difference. In order to achieve community financial and political support, the school district in Forest Lake, Wisconsin, emphasises choice, transparency and new managerial practices. Using data from a year-long ethnographic study, the following analysis explores neoliberal educational policies at the state level that shape local educational policies and practices in Forest Lake. The Forest Lake school district is mired in a paradoxical situation in which being competitive in the educational marketplace equates to disrupting established school-community relations. The findings imply that required participation in an educational marketplace shifts the priorities of a rural school district to a focus on competition and financial security over the well-being of the school community.

Keywords: school climate, neoliberalism, educational marketplace, rural

Introduction

The rise of neoliberal education policies is a global phenomenon in which public institutions are being reshaped through the commodification of goods and services and the privatisation of the public sector (e.g., Connell, 2013; Harvey, 2005). In the United States, public schools are increasingly impacted by neoliberal education reforms that create an educational marketplace in which financial support is dependent on performance and accountability measures. This paper explores the effects of neoliberal reforms in education as they play out in one rural school district in the Upper Midwestern United States (See Figure 1 and Figure 2). As a rural school district, Forest Lake struggles with legitimacy on two fronts: internally, among staff members who are also community members, and externally, across an aging community with declining wealth. Due to state funding policies and new governance liberties (and demands), the school district of Forest Lake must prioritise their future funding needs. This prioritisation disrupts the basis upon which the school-community relationship exists and reshapes it through a focus on image management, incentive structures and establishing community buy-in. As the research findings illustrate, this comes with some costs, especially as institutional survival (Robenstine, 2000) replaces relational trust (Bryk & Schneider, 2002).



Figure 1: Wisconsin and Forest Lake

Source: [University of Wisconsin, Milwaukee](https://www4.uwm.edu/Org/studywi/Wisconsin_Location.html)

https://www4.uwm.edu/Org/studywi/Wisconsin_Location.html

Source: <https://en.wikipedia.org/>

In this paper, I present how required participation in Wisconsin's educational marketplace impacts a remote, rural school district's financial stability and how it shifts the priorities of a rural school district to a focus on competition and financial security over the well-being of the school community. The data presented here are part of a year-long ethnographic study of the school-community relationship in Forest Lake (pseudonym), Wisconsin. The impetus for this study was to situate a rural school and its community within the shifting landscape of global capitalism and to trace the dominant political, economic and educational discourses as they emerge in the local context. The purpose of this critical inquiry was to establish how financial insecurity and declining student enrolment create a local school environment that ignores existing school-community relationships and shifts the burden of legitimacy and solvency to the local level.

First, I will review how neoliberal ideology infuses contemporary educational policy in the United States, paying specific attention to management and accountability. Next, a brief explanation of school funding in Wisconsin will establish the relationship between declining enrolment and declining financial support from the state. In addition, a recent anti-labour union policy enacted in 2011 by the current governor of Wisconsin will illuminate the cause of anxiety and antipathy felt by many teachers in Forest Lake, as well as provide information on the tools available to the school district in allocating their limited financial resources. Locally, these state-level policies have reoriented the educational priorities of district administration and strained the relationships among school staff. In conclusion, I suggest that the financial insecurity of Forest Lake school district may offer opportunities for innovative policies and practices. The shape of these programs continues to serve the expansion of the neoliberal educational marketplace in place of other educational goals.

Neoliberal educational policy in the United States

The rural education literature is replete with the multiples roles that rural schools can and do fulfil in their communities (Gruenewald, 2003; Peshkin, 1978; Sherman & Sage, 2011; Tieken, 2014). Tieken (2014) posits that the disjuncture between federal and state educational policies and local communities is predicated upon federal and state entities that determine the problems and

solutions for a local school community; yet they do not understand the daily realities of that community. School leaders can be pivotal in navigating these dual demands of rural schools, functioning as cultural change agents (DeYoung, 1995) or cultural bridges (Rey, 2014), through which they bridge the gap between local cultural values and expectations and national educational goals. However, the contemporary schooling context in the United States is also shaped by global political and economic forces that encourage industry mobility, prioritise low-wage labour and support the replacement of public goods and services with private or quasi-private providers (Harvey, 2005; Lipman, 2011).

In this neoliberal social imaginary (Lipman, 2011), the manifestations of educational policy are often relegated to the concerns of high-stakes testing, accountability and scripted curriculum (Au, 2011). Not only does this conceptualisation narrow the policies and practices that may be analysed as neoliberal, but it also limits the scope of analysis to schools that struggle within these specific practices. Therefore, this paper illuminates the ways in which the neoliberal social imaginary is realised within localised educational discourses and its impact on the rural school-community relationship. I argue that, in order to make sense of the universalising logics of choice and competition that undergird local experiences, attention must be paid to how neoliberal policies are mediated through the state apparatus and renegotiated, contested or transformed by educators and other “street-level bureaucrats” (Lipsky, 2010).

Since the premise of neoliberal ideology is that of a free market (Harvey, 2005), then the underlying discourse of school choice and open enrolment must be considered in a contextual analysis of rural schools. Within this framework, students and families are consumers and schools—their staff and their leadership—must prioritise consumer demands for products and services. In many rural communities where population decline is a given and student enrolment numbers decrease every year, the school district is actively searching for more consumers to keep their institution afloat. Accordingly, “this market-like environment has implications not only for work practices, organisational methods and social relationships but also for values of schooling” (Gewirtz & Ball, 2000, p. 253). As institutional survival becomes the driving need of the school district, conflict occurs both in the struggle between schools in a competitive market and between staff and administration over the demands of survival (Robenstine, 2000).

By recognising these more nuanced iterations of neoliberal policy and practice, the tensions within the school culture of the Forest Lake school district can be extrapolated as responses to neoliberal organisational practices known as new managerialism. Characteristics of new managerialism include visionary leaders who are driven by efficiency, an emphasis on individual relations over employee collectives and a people-centred management system that intends to make employees feel welcome and valued (Gewirtz & Ball, 2000). Despite the positive values associated with these elements of leadership, new managerial policies and practices subordinate “trust, integrity, and solidarity with others to principles of regulation, control, and competition” (Lynch, 2014, p. 5). It is this rearticulation of institutional relationships and the subsequent breakdown of relational trust (Bryk & Schneider, 2002) that have prompted an internal crisis of legitimacy in the Forest Lake school district.

Methodology

The following analysis is based on an ethnographic study that traces the impact of shifting demographics, educational policies and economic change on one rural school-community

relationship in a remote rural community in the Upper Midwestern United States. By paying attention to structural forces, my research design aligns with critical ethnography (Carspecken, 1996). Rural education scholar Michael Corbett (2015) suggests that this methodological approach helps to situate rural schooling within historical, economic and political developments, as well as to call attention to the generation of resistance and unanticipated consequences within and among rural communities.

Specifically, this study asks:

1. What is the relationship (e.g., social, political, historical and economic) between a rural community and its school district?
2. In what way(s) is the school district involved or excluded from community and economic development initiatives, and with what consequences?
3. What are the challenges facing the rural community and how does the rural school-community relationship mitigate or exacerbate these challenges?

Pseudonyms have been used for the name of the town and the school district. All participants' names and companies are also masked to protect confidentiality. This study was approved by the Institutional Review Board (IRB) at the University of Wisconsin-Madison.

Data collection

The findings reported here are based on multiple sources of data: 1) semi-structured interviews with 15 school officials, 9 school employees and a handful of local business and community leaders; 2) observational data of 12 school board and related meetings, 7 Leadership Communication Team meetings and 10 school community events. The interviews were loosely constructed around certain topics (personal background, role of school in community, school and community characteristics and challenges); yet, as my time in the field increased and participants and I shared previous experiences, dialogue emerged around particular initiatives or incidents as they unfolded in the local context.

The larger study also included interviews with 8 local business leaders, 6 community organisation leaders, 6 local government officials, 10 residents and a handful of regional higher education employees, for a total of 59 interviews. Twelve months of participant observation yielded 170 hours of structured observation of organised meetings, such as those of the school board, local city council, county economic development association and county board, community organisations and the local chamber of commerce. I was also an active participant observer in more informal interactions, such as at a local café, in the public library, at school sporting events and concerts in the community and I volunteered for school-sponsored events and outreach programs, as well as assisted with a summer school after-school program and at the local food pantry.

Data analysis

All interview data were audio recorded and transcribed and field notes were written primarily by hand and typed as soon as possible after the observation concluded. Both interview transcripts and field notes were imported to Nvivo 10, a qualitative software program. The analytic process involved multiple levels of coding, beginning with deductive codes based on my theoretical framework, descriptive and process codes, and inductive and in vivo codes (Miles, Huberman, & Saldaña, 2014) that arose from the participants' expressions. Approximately 100 preliminary

codes were generated after reading through all data collected six months into the research project, and the inductive codes led to a significant adjustment of the research focus. This adjustment is particularly notable regarding the emergent focus on school climate, an area not isolated as a focal point of study in the research design, but one that was consistently referred to by school employees and school officials as an essential issue in the local school-community relationship.

The initial codes were revised during preliminary analysis while in the field and during subsequent analyses and the writing stage. One example of a broad parent code is “School Climate,” a code operationalised as “references culture and climate of school and related sentiments.” As this code captured a wide range of attitudes and experiences, it subsequently became a parent node with multiple child nodes. These codes included “teacher morale,” “staff division,” and “free agency,” the latter being an *in vivo* code (Miles et al., 2014). The analytic process involved multiple levels of coding as well as the production of memos that assisted in condensing the data through identification of patterns and clustering of themes (Miles et al., 2014). Member checking occurred during data collection and throughout the analysis, and the research design included data triangulation, thus ensuring that the relationship between my findings and claims are not dependent on one source of data.

Political influences on Wisconsin schools

School funding

Price County has the highest projected population decline in the state for 2010–2040 at 17.8% (Egan-Robertson, 2013). While Forest Lake has approximately 1500 residents, the school district encompasses the town and its surrounding area, bringing in 747 students to the K–12 district across a nearly 600 square mile attendance zone. Since 1999–2000, the school district of Forest Lake has lost 40% of its student population (Wisconsin Department of Public Instruction [WDPI], 2016c). The Wisconsin state funding model disadvantages rural areas that are geographically large and have a low population density, as well as those that have high property values but low-wage employment opportunities. Forest Lake fits into all of these categories of disadvantage that affect the school district financially.

In Wisconsin, 47% of school district funding is based on local revenue, consisting of real estate and property taxes. This means that the amount of local funding is connected to the available tax base and wealth of a particular community. State funding provides an additional 45% of school district funds, including categorical aid to smaller (less than 725 students) and more remote rural districts (i.e., high transportation costs) (WDPI, 2016a). In terms of educational policy, state funding can be utilised to enhance funding equity in a state with local tax base differences.

However, the Wisconsin school funding model is based on the number of students enrolled in a district and the local property value, thus skewing the amount of funding sent to rural districts, particularly in Northern Wisconsin, that rely on tourism or have untaxed forested lands. Finally, federal school funding has historically been supplemental to state and local funding and provides 8% of school district funds. Yet, a recent national educational policy shift to a focus on competitive grants—that awards funding based on proposals, not on financial hardship or district need—has decreased the amount of federal funding accessible to many rural school districts that often lack the personnel to comply with grant proposal information, timelines and resources.

In Wisconsin, 328 of 424 school districts are categorised as “rural” or “town” districts, comprising 77% of school districts across the state (Kemp, 2016). Enrolment numbers are directly tied to state funding; thus, declining enrolment—due to families migrating away from the community or through opting out of the local school district (i.e., open enrolment, homeschooling, private schools)—leads to a school revenue crisis. This is common across rural Wisconsin school districts, with over 73% reporting declining enrolment over the last five years (Meyers, 2016). As fewer students are enrolled in a school district, per pupil costs increase. When school districts are faced with a budgetary dilemma, they are encouraged to seek a referendum in which local taxpayers may vote to raise their taxes in support of school funding, thus increasing the financial burden on the local community. This is both an economic and a political disadvantage for communities experiencing declining enrolment and declining population. Neil, a school board member and businessman in Forest Lake, summarises the disconnect between policymaking and local implementation in this way:

We know that a lot of those challenges for the school district aren't going to be solved in Washington, aren't going to be settled in Madison, they're going to be settled here. So you know ... we've got to make sure that the community is on board with the school because it's going to be done here locally. That's where any issues we have are going to get fixed, it's not going to be some mandate coming out of – we have to live with their mandates but we don't get fixed by their mandates. (Interview, February 6, 2016)

In Forest Lake, the future need to pass a referendum and the recent failure of a school referendum by a mere seven votes (Scott, Interview, November 3, 2015) haunt the school board and district personnel. Current and former school board members talk about the need for community support to pass the next referendum, but they note that it is an uphill battle among an aging population that no longer has children in the school system or that struggles to make its own ends meet with low-wage factory jobs. Joel, a former board member and local attorney explains:

Everything's based on the real estate tax and in Northern Wisconsin income levels are lower so you don't have the same ability to pay real estate taxes. If you're making 80,000/year and your real estate tax bill is 5000 bucks, then you can afford it. If you're making 12 bucks an hour at [local factory], so your income is 26,000 a year, well boy now a 2000 dollar real estate bill is tough to pay. So ... if you look at income average and real estate – you just don't have the same ability to pay so if you're, it's hard to get – and plus the same interest in education up here because our mix is changing. When you have a community full of engineers, businessmen, professionals, a lot more willingness to put money into educating kids. You have a community that works at [any of three local factories], you know making 12 bucks an hour, not the same interest in paying for education. (Interview, January 26, 2016)

In this passage, Joel describes both the financial difficulties of passing a referendum in Forest Lake and hints at the professional class exodus that has altered the community's economic base. Over the last decade, the school district of Forest Lake has trimmed its budget by cutting academic and extracurricular programs and reducing staff numbers (through attrition and

retirement), but the current school board has taken a different approach. Kyle, the school board president, remarks, “You can’t cut yourself to a better school district” (Interview, February 5, 2016). Therefore, the school board is emphasising open communication with the community about what happens in the schools. The prioritisation of district transparency and external communication, combined with the goal of a successful future referendum, creates a basis for understanding the current local policy initiatives. In addition, these elements must be analysed within the context of both the educational marketplace and the recent passage of legislation that undermined public-sector unions in the state, including the Forest Lake teachers’ union.

Budget Repair Bill of 2011

With the passage of the Budget Repair Bill (Act 10) in 2011, school boards across Wisconsin were liberated from teacher union contracts as collective bargaining was stripped of negotiated healthcare, pensions, conditions of employment and time at work (Ford, 2015). In other words, labour contracts attached to salary schedules were no longer required, thus allowing school boards to construct local teacher compensation models that best fit their budgetary needs. In 2013–2014, the Forest Lake school board hired a new superintendent and tasked him with the development of a new compensation plan. In 2014–2015, the board changed another element of teacher pay by voting to raise the new teacher starting salary to a minimum of \$40,000. Scott, the Forest Lake superintendent, considers the starting salary raise and the release from the old salary schedule as means to create an “environment similar to business ... no different than the private sector” where employees have “an opportunity to be energetic ... you can quickly advance yourself through – possibly quicker than a salary schedule would have ever allowed you to do before” (Interview, November 3, 2015). Despite the potential for employee satisfaction and professional growth, a four-year salary freeze and the compression of the salary range did not sit well with many of the teachers.

Teachers and school leaders indicate that they understand that the minimum salary raise is also a strategy to attract new teachers to the school district, especially in the face of 20–30% staff retirement in the next ten years (Scott, Interview, June 21, 2016). Even though this policy is already in place, the superintendent clarifies that no new teacher has yet been hired at \$40,000 because district officials realised they needed to first boost existing teachers to \$40,000 if they were not already there. Seven current teachers in the district, who did not have enough years of experience under the previous salary schedule, are being given a yearly increase of \$2,000 until they reach that threshold (Scott, Interview, June 21, 2016).

In addition to an expansion of financial control, Act 10 also granted school boards liberties in other areas related to teachers, such as the ability to “hire, strategically place, motivate, reward, and replace teachers” (Ford, 2015, p. 537). Across Wisconsin, school districts are linking teacher performance measures to salary increases, offering the accrual of points related to professional development and school-related activities in exchange for a salary bonus, and using financial incentives to recruit or retain teachers in hard-to-staff positions (Kimball, Heneman, Worth, Arrigoni, & Marlin, 2016). Embedded in these approaches to compensation is competition for the ideal teacher and thus debate over the definition of who that ideal teacher is and what he/she can do. Along with these new abilities, however, school boards are now the sole responsible entity for school governance. an area that was formerly a negotiated responsibility between the union and the board.

Taken together, these state level policies that dictate school funding and specify teacher labour

relations, as well as promote inter-district competition for teachers, impact the priorities of local district personnel and administration in the Forest Lake school district. However, unlike its more urban counterparts, Forest Lake must cooperate with these state educational mandates in a remote location with limited financial and material resources associated with a declining and aging population.

Findings

An entwined fate

While there is disagreement over how quickly it will happen, population decline is the most prominent issue facing the Forest Lake community and almost every participant has referenced this issue. Individuals speak to the effects of the population decline over the last 20 years on the social, economic and educational fabric of the community. In 1999, a local manufacturing company declared bankruptcy, while over the next decade another underwent a series of rapid ownership turnovers that resulted in both being owned by non-local multinational corporations. The out-migration of the professional class was facilitated by the economic restructuring of these two manufacturing companies, leading to instability that reverberated across the community.

Helen, a thirty-year resident and local community and economic development coordinator, explains the ramifications of this population loss:

The amount of resources is becoming less and less. There isn't a lot of resources dollar-wise. We have less and less people and so human capital – I have less people to rely on when you take a look at human capital, and social capital – those are things that are difficult for people to understand and measure – when we dropped in, you know, when we were really high in unemployment, people can understand the unemployment number. They can understand that we lost jobs, but they don't understand you lost the President of the School Board or the Director you know, the Board Member at the Chamber, or the Head of the Local Lions Club, or the Library Board, or ... And that's challenging because we've lost, I've seen us lose human and social capital as well as economic capital. (Interview, November 9, 2015)

In January 2016, Caterpillar, an international manufacturing company with a factory in Price County, announced it would also be divesting its Northern Wisconsin plant. Located in a neighbouring small town, Caterpillar employed 220 people, many of whom live in Forest Lake and the surrounding communities. As these business closures illustrate, the economic restructuring in this region is ongoing, which lends further urgency for local business owners, school and community leaders and government entities to stem the flow of industry and people out of the region. Dialogue around attracting new residents and employees, young families and students also illuminates a lack of consensus on community identity, shared values, and how to compete in the residential, economic and educational markets.

Since the district's revenue is calculated on a per student basis, the financial impact of declining student enrolment over the last decade has resulted in cutting the district's Gifted and Talented program and Driver Education classes, along with reducing the number of sports programs offered, eliminating a bus for after-school programs and reducing the district principals from five to two (School Board Minutes, November 21, 2005). Eric, a former school board member who was on the board when many of these cuts were passed, notes that when staff or teachers quit

or left the district, the school board chose not to hire replacement employees unless it was necessary to do so to maintain a program. He explains that “whenever somebody left we just made other people do more work because the school district couldn’t afford it” (Interview, February 25, 2016).

In addition, the school district closed two of its outlying schools—first the elementary school, and then the middle school—consolidating the student populations with the elementary and middle schools located in Forest Lake proper. While the consolidation of the outlying schools allowed for the elimination of multiple bus routes, another result was an increase in students opting out of the district, which ultimately reduced the district’s revenue and enrolment numbers even further. Wisconsin offers a statewide school choice program in which students may choose to attend a school district outside their assigned public school; however, the money from the state will relocate with the student to the new school (WDPI, 2016b).

Scott, the superintendent of Forest Lake, calls attention to the relationship between local economic concerns and the role of the school district as a potential stabilising force. He illustrates his thought process in this way:

If I am in charge of C&E Manufacturing and I know I have product that needs to be produced and developed and sold world-wide and I can’t get the workforce I need here in Forest Lake here to do that, I’m going to move it someplace else. I’m going to move that to where I know I can get that kind of workforce in place and that’s happened not just here in Forest Lake, it’s happened all over the country or world, for that matter. We just lost Georgia Pacific’s plant, and I think a part of that may have had that influence too ... But what can we do about that? I don’t know. Maybe if we are a little bit more progressive as a school community maybe Georgia Pacific would have looked at our plant here and our community differently. (Interview, November 3, 2015)

As Helen, Eric, and Scott relate in these passages, the shifting demographics and economic restructuring of the local economy impact the ways in which the school district provides education. In the reflection above, Scott wonders if the school district may also play a larger role in the retention of local industry.

On the one hand, the Forest Lake school district must develop strategies to mitigate the decline of student enrolment and this requires attracting new students as well as convincing others not to leave. On the other hand, the district must also deal with the financial loss associated with declining enrolment numbers. Because instructional funds, which include teacher salaries, are the largest category of spending for school districts, policies designed to limit teacher salary increases are considered. The next section examines policies and practices in which the school district is currently engaged in order to battle further financial instability associated with declining enrolment.

Competing for students: “The vending-machine approach”

As previously stated, the Forest Lake school district has lost nearly 40% of its student population over the last 16 years. Therefore, one of the ongoing educational initiatives in Forest Lake is the development of a robust virtual schooling program that could potentially allow students currently not enrolled in the school district to do so and thus increase enrolment numbers. The topic of increasing enrolment numbers was extensively discussed during an April school board

committee meeting, with Scott mentioning conversations he has had with parents who home-school their children and how they “were unaware of virtual school options through the district” (Observation, April 14, 2016).

Scott explains that the district would pay for all instructional materials and supplies, the school would receive the revenue for the students, and the students could still be learning at home. While the school board supports an expansion of virtual schooling options, Scott observes that the community is very “boundary-oriented” and that this orientation may be problematic for the district as the educational marketplace encourages families to shop around for the best schooling fit for their lifestyle (Interview, November 3, 2015). He further explains the importance of access to individualised educational options in light of the current direction in educational policy, which he calls the “vending-machine approach” (Interview, April 20, 2016). This phrase represents a consumer-driven model of schooling that allows for the greatest amount of diversity in options while (hopefully) allowing a district to keep students on their enrolment list for revenue purposes. Scott explains:

There are so many options with open enrolment and the creation of the virtual schools and open enrolment being able to be an option for virtual, for families; they can basically shop. They can go wherever they want to go. And they are. You know, so when you take a look at the traditional mindset that the school district of Forest Lake has, it wasn't moving with the times. (Scott, Interview, November 3, 2015)

Scott perceives his role as superintendent as an agent of change, requiring him to break with a traditional community mindset that prioritises the “continuation of a pattern of what we’ve done because we’ve always done it” (Interview, November 3, 2015). Both publicly and privately, he invokes the juxtaposition between “traditional” and “progressive” policies, mindsets and programs in the school, among staff, and even in the community. He uses words such as “traditional,” “comfortable,” “what’s always been done”, and “complacent” to describe the school district’s disposition. As superintendent, Scott believes his job is to develop a school culture in which staff feel challenged—in which he has created an opportunity structure for improvement and change—and an invigorating and innovative school environment. Interestingly, Scott frames this new direction as essential, not only in the development and education of current students, but as a way to attract new families into the district.

In addition to changing the local mindset of how school might operate, Scott also pushes the school board to consider offering high school credit for coursework completed by 8th grade students, and eventually even younger students in the middle school. At a June school board committee meeting, the school board president shared a personal experience in which his daughter took high school math in 7th grade and how she was challenged by the material in a positive way. However, he cautioned that he “still wants her to enjoy her youth” and worries about what she will take when she is a senior in high school (Observation, June 16, 2016).

Nathan, another school board member, supports earlier high school credit for students and shares Scott’s vision that, as students take high school credit in earlier grades, it frees high school students to take college courses and prepare for the workforce through a partnership with the local technical college (Interview, January 25, 2016). Scott explains that by the time the current 3rd, 4th, 5th and 6th grade students are in middle school, they should be able to earn high school credit in math, science, social studies and language arts when in 8th grade. Thus, they can:

plan their junior or senior year to do some of these hands-on, experiential kind of learning opportunities in engineering, in the medical field, in accounting ... you know, in a number of the pockets where we know we have openings and we are having a hard time in the business area filling. (Interview, November 3, 2015)

Not only does providing high school credit to middle school students make sense to free up high school students for advanced, college-level coursework, but from a management perspective fewer teachers will be needed to teach students in the middle and high schools under this model. While Scott denies staff reductions as currently necessary, a movement to this type of school model would compensate for potential difficulties in staffing after many teachers retire in the next decade. Scott's insight into how to address the concerns of multiple educational stakeholders is impressive, but ultimately his progressive rhetoric reinforces a neoliberal focus on "choice" as central to success—or in this case, financial and educational survival. These options include early college credit, early high school credit, virtual classes and schooling options, business internships and partnerships with the local technical college.

Competing for limited resources: The additional compensation plan

In addition to strategies to mitigate the decline in enrolment, the school district is also strategising to mitigate the effects of declining enrolment; namely, a decline in school revenue. The need to raise local revenue due to aid lost from the state (based on number of students) requires the school district to turn to the community for financial, and thus political, support. According to Robenstine (2000), the struggle over school survival in the educational marketplace plays out internally over the costs and demands of survival. As previously stated, the instructional costs, including teacher salaries, account for 68% of the school district's budget, the largest expense by far (School Board Annual Budget Meeting Packet, 2015). The school district administration has recently enacted a new compensation policy for staff, known as the "Additional Compensation Plan," which the superintendent explains is intended to communicate to the community what the school does and therefore justify its future monetary needs. He explains:

So our hope is that we are going to be able to create such a transparent environment ... So that when you get to the point when we need a referendum to pass, it won't be "I'm not willing to give teachers more for what it is that they are doing" to an environment where "we have to do this. Look at all these great things that we're paying for." And they are happy to pay for them because they know about them and they like them. (Interview, November 3, 2015)

According to the Additional Compensation Plan General Project Award Guidelines, the program "is to support the mission of the Board of Education by promoting educational and workplace excellence" by funding awards that impact students' education; promote innovation, imagination and educational excellence; offer a long-term benefit or sustainable practice; and/or include community members or students. While the publicised intention of the compensation plan is to provide an opportunity for staff to design and implement a project and receive additional compensation for their work, which may then be transferred to their base pay the following school year, it is also intended to clearly communicate to staff members that "the board does not support a model of compensation that is the same that it used to be when it was collectively bargained" (Scott, Interview, November 3, 2015). Neil, vice president of the school

board explains that the board wants to “make this the best school district we can ... Create a more proactive environment instead of focusing on cuts like other districts are doing” (Observation, December 2, 2015).

The apparent connection between a proactive, progressive, competitive school district and the explicit decision to move towards an individually-negotiated compensation policy is strengthened by board members and school administrators who argue for the need to “reward people doing well” (Uma, Observation, January 6, 2016). The subtext of moving away from the former established salary schedule to this compensatory, project-based model is to not give more money to poorly-performing teachers. In addition, the divisive impact of the additional compensation model is premised on the very aspect of the post-Act 10 educational climate in Wisconsin that is supposed to open up competitive pay and improve teacher quality: teachers are freed from union bonds and may individually seek out employment terms.

Part of the staff conflict over the Additional Compensation Plan revolves around a shift in their work expectations, which are redefined in an effort to create a competitive arena that promotes extra pay for extra work, as well as providing guidelines for the allocation of limited district resources. The outcome of this approach in the Forest Lake school district is fraught with resentment and disillusionment; yet it is also attempting to cultivate external community support through the publication of community outreach activities and educational projects.

In the name of competition, new managerial policies not only stress the importance of the institution’s public image, but they obscure and distort existing interpersonal and institutional relationships. An emphasis on self-interest and individual contractual agreements with leadership may realign employee priorities in ways that are more supportive of the external goal of being competitive in the educational marketplace (Gewirtz & Ball, 2000). In Forest Lake, there are moments of backlash against this process of distortion and realignment and a vocal recognition of what is occurring. However, the Additional Compensation Plan policy is not taken up or disregarded uniformly across staff members, but it is dependent upon each employee’s personal orientation to the Forest Lake community and school district.

For example, several teachers acknowledged the effort by the school board to offer a new way of compensating employees for their work, and thus expressed a willingness to participate in the endeavor. Projects that interpreted the loose policy guidelines as an opportunity to engage community members in meaningful educational interactions were widely considered successful. One of these was a collaborative project designed by the three 1st grade teachers called “Logger Learning Teams,” which connected families of 1st grade students with home literacy practices and reading strategies. Other projects included an initiative to provide books for students on long bus rides (“Books on the Bus”), the development of hands-on, skills-based experiences for students in field science courses through partnering with local government and forestry employees (“School Community Urban Forestry Partnership”), and conducting student-led research on the local history of Main Street (“Our Town”).

While this is only a sample of the 26 projects that were funded, they represent the best characteristics of the plan and the outcomes most desired by school board officials and district administration. Many of these district leaders remarked on the new energy, innovation and creativity that they hoped would emerge from the new compensation plan. Even though one of the school board members, Nathan, expressed regret over the limited funds available for project

compensation, he connected the plan with encouraging the broader pedagogical impact of school work. He notes that the additional compensation plan “really opened up that whole new avenue to be creative and come up with ideas and better ways to teach kids and to involve community” (Interview, January 25, 2016). Another school board member, Neil, also commented on the success of the additional compensation plan, extolling that it “encourages creativity, thinking outside the box, and ... community growth and cooperation” (Observation, March 9, 2016).

However, as the local newspaper reported, while these projects “intended to bring fresh, new ideas into the school district, often relating back to the local community, and provide additional compensation to exemplary employees ... the project caused dissension among staff” (Hansen, 2016, para. 3). Staff members who chose not to participate in the Additional Compensation Plan varied in their reasons. Caleb, a middle school teacher, offered tacit support of the plan but worries about its ultimate goals. He comments that the plan may be “counterintuitive to how a school should work” (Interview, March 17, 2016). Caleb believes that schools “need to be collaborative” due to the nature of their work, and additional compensation plans like the one adopted by the school district work against that collaborative ethos. Moreover, many teachers, including the union president, expressed belief that the policy process breeds resentment and causes staff division.

Survival in the educational marketplace

Taken together, state level funding and school governance policies construct a shared political and economic climate in which school districts operate regardless of geographic location and population density. In Forest Lake, these policies shake up the former stability of the rural school district and restructure institutional arrangements. While providing a snapshot of local educational policies intended to ameliorate the financial constraints of a rural Wisconsin school district, this research suggests that neoliberal educational policies are shifting the orientation of school staff to schools, schools to communities, and residents to their local schools. This study contends that the school district administration is prioritising its need for future financial stability through the expansion of local schooling options and recalculating staff compensation. As these strategies embody the competitive nature of the educational marketplace and establish markets where none previously existed, what does it mean for the health of the school community?

Daniel, a school administrator and graduate of Forest Lake schools, presents an analysis of the school district’s difficult position in the face of declining student enrolment and the passage of Act 10 in 2011. He notes that teacher hiring practices have long focused on individuals with family ties to the area or partners who already work in the community. While this strategy has kept the district solvent up to this point, he wonders about the long-term sustainability. Daniel worries that with the new freedoms granted by Act 10, teachers will begin to exert their “free agency” and Forest Lake will not be able to compete for quality teachers, due to their declining enrolment, and thus, financial means (Interview, January 7, 2016).

This is not an idle concern in the school district. According to Sarah, the school counselor, a quarter of the teachers at the high school are either actively seeking employment elsewhere or otherwise considering resignation and relocation options. She comments that the teachers walk into her office, shut the door and vent their frustrations and anger over the relationship between district administration and staff. She relates people saying things such as “well maybe I won’t

be back next year”; “apparently, I need to look for another district”; “we’re never going to be appreciated here,” and “people are out to get us, they’re out against us” (Interview, June 17, 2016).

The district’s policies are also predicated on the future need to recruit and retain quality teachers in a highly-competitive educational marketplace. While readjusting job descriptions, expectations and compensation policies aligned with this goal, existing staff members are questioning their loyalty to the district and even exercising their “free agency” within the competitive market. Therefore, school district officials are contending with a shift in staffing quality and dealing with an unknown future budget in which they will need to offer competitive salaries to new employees. As a rural school district, and a school in northern Wisconsin, even the move to a \$40,000 new teacher starting salary does not establish a competitive base when competing with larger and more urban districts for quality staff.

Noel, an elementary teacher, explains what this means to the district:

So do I as a community member ... do I want to vote to give the school more money to do things that I don't agree with? ... It truly comes down to me looking at it as a community member, knowing what is happening on the inside, I can't guarantee that I would vote yes. Until the last five years, the thought of going to a school referendum anywhere for any reason and voting no, you would have thought I might as well have gone and jumped off a bridge! It just wouldn't have even pop into my mind. But at this point we have money for everything the board wants to spend it on. We don't have money for the things they don't. (Interview, August 5, 2016)

Despite the fact that Noel was the only teacher who clearly articulated the conundrum of being both a district employee and a community member when voting on a school referendum, it is integral to making sense of rural identity roles and community membership. As the research findings illustrate, the district’s compensation policy is attempting to reconfigure staff relationships and values towards a competitive, rewards-based system that both erodes and seeks to replace former relationships among staff members, between staff and the community, and between staff and the administration.

In conclusion, the school district’s policies reflect neoliberal ideologies that focus on self-interest and competition. This district-level ideological shift not only erodes existing social ties within the school, but it also reconfigures the student as a customer, a consumer, and a financial gain given the funds districts receive per pupil. As Marie, a lifelong resident of Forest Lake and experienced school board member explains, “you sure hate to look at kids as dollar signs” (Interview, April 18, 2016). As this simple expression illustrates, the school district in Forest Lake, Wisconsin, is struggling with financial security in an educational marketplace that emphasises choice for students, families and teachers.

Given their contextual factors—remote location, small and declining population, unstable economy—the school district must prioritise attracting new students to bolster school funds, which in turn potentially allow for increasing teacher pay and becoming more competitive in attracting future teachers. However, as is evidenced in the community’s historical demographic trends, the likelihood of attracting large numbers of students into the district remains

questionable. Therefore, the school district must contend with a state-sanctioned backup plan that requires local residents to vote to raise their property taxes to continue the operation of their local schools.

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