Striking a Balance between Centralized and Decentralized Decision Making: A School-Based Management Practice for Optimum Performance

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**Abstract**

School decision-making promotes school autonomy and success. Today’s contemporary approach supports the idea that operative school functioning and development are characteristically accomplished when there is decentralized decision-making. However, less attention has been paid to the collective benefits of centralized and decentralized decision-making. Hence, it is desirable to study balanced decision-making in a centralized and decentralized structure. An extensive search of major databases was undertaken which identified 35,822 studies on the subject wherein 9 met the inclusion criteria. Employing a systematic literature review, data were extracted and analyzed using thematic analysis. Two themes arose from the analysis of the studies such as decision-making as a school-based management practice, and decision-making towards school performance. Studies engrossed on the heart of decision-making in the sociological perspective of school management. It also shows that combining both centralized and decentralized approaches is indispensable for leading and enhancing education. As a result, the literature pointed to the following discussion points, which are areas that require further research: (1) decision-making practices among school principals, and (2) decision-making on school operating expenses and expenditures.

**Introduction**

Decision-making is a process of choosing alternative actions to attain certain goals (Forman & Selly, 2001). The goodness of the decision depends on the said underlying process (Secchi, 2011). Organizational decisions in the school environment are among the managerial tasks of the school principal (Mailool et al., 2020). Brunsson (2007) contends that decisions can assist or undermine an action and how an action is mobilized is swayed by the way decisions are made. The decision-making of the principal has the promise to steer all school aspects in such a way that the school objectives are achieved. Hence, the principal’s decision-making process must be properly conducted so that decisions are positively supported by all elements of the school.

There is now much evidence to support the positive impact of decision-making in schools. This is centered on the belief that decisions are rules that establish accountability and a course of action. Olcum and Titrek (2015) expose that decision-making is beneficial to progress organizations, unravel organizational glitches, and impact...
organizational personnel in their activities. A school principal's decision-making that is well done leads to encouraging teacher’s performance (Mailool et al., 2020). They can also include the involvement of all concerned groups in the school community concerning decision-making to attain a quality school improvement (Juharyanto et al., 2020 & Martinez, 2014). This is the foremost drive why it has fascinated noteworthy interest in educational research.

Centralized Decision-Making

The existence of centralized decision-making is the cause for the decline in creativity, innovation, and quality education that takes place in schools. Education gives the impression that authoritarian schools only need to improve the resources of the central government without devoting the resources available in schools as much as possible to the development and improvement of the quality of education (Karmila & Wijaya, 2020). The centralization policy that triggered the decline in education has now been fixed with the shift from centralized policy to decentralized education, an educational model that makes schools part of the decision-making process which supports the improvement of the quality of education and human resources.

Decentralized Decision-Making

Today’s contemporary approach supports the idea that effective school functioning and development is typically accomplished when there is decentralized decision-making. Decentralized decision-making helps any organization to delegate tasks to subordinate administrators, to make them part of the organizational process and the necessary solution, to involve them, and to motivate them to be successful in any endeavor. On the other hand, this type of decision-making should be implemented properly to lessen operational problems throughout the organization (Sobotkiewicz, 2014). Delays in decision-making lead to knowledge transfer costs (Jensen & Meckling, 1992). When the cost of knowledge transfer is higher than the cost of transferring decision-making powers, more decision-making power is delegated. In this sense, decentralization flattens the organizational hierarchy structure and helps decisions to pass through the organization and be completed faster than the high hierarchy model (La Rooy, 2012), which is a necessary operation for quick decision making.

Tran (2014) found that decentralization is the handover of the level of decision-making from higher to lower organizational levels to promote school autonomy and success. This notion was maintained by Caldwell (2005), Dykstra and Kucita (2008), and Gamage (2003) who defined decentralization as the empowerment of schools in decision-making and have confirmed to convey a positive effect in cultivating school performance. Moreover, it vests the role of schools and communities in dealing with educational problems in the school arena (Bandur, 2012). Research also showed that stirring decision-making closer to schools improved learning environments, teacher’s accomplishments, and school personnel (Patel et al., 2006). Therefore, the decentralization of decision-making powers increases the power of knowledge carriers with their influence on decisions relating to certain areas of the organization (Young & Tavares, 2004).
School-Based Management

School-based management (SBM) is a system of decentralization of authority in which decision-making and responsibility for school affairs are transferred from higher authorities to school principals, teachers, parents, students, and other members of the school (Caldwell, 2005; UNICEF, 2012). It formally changes the bureaucratic style of school administration through a more democratic structure that generates a bottom-up approach to educational planning and management and decision-making powers are vested upon schools to encourage and sustain improvements (Gamage, 2003). SBM, which is now a protuberant management feature of public schools in numerous countries around the world (Bandur, 2012), was first experienced in the late 1980s in response to school administration failures and designed at establishing the relationship between parents, school staff, policymakers, and their community that will lead the school to become responsible, flexible, and innovative enough to tailor the programs that best suit them (Shatkin & Gershberg, 2007).

School-based management can be understood as the use of relevant teaching and learning in schools (Karmila & Wijaya, 2020). In addition, school-based quality management is a policy approach aimed at reshaping school management by empowering school leaders and improving community participation in performance improvement. In line with this, school-based quality management is a manifestation of a school’s autonomy to improve the staff performance and community understanding of education.

Botha (2006) confirmed that school-based management describes the greater involvement of internal and external stakeholders that can upsurge the autonomy and accountability within schools. The main features of school management are expected to advance student performance and other school outcomes since the school community is called for closer monitoring of school staff, better student assessment, and decision-making. The leadership role of the school principal is widely recognized as an important dimension of successful school management. Lazwardi (2018) contends that the implementation of school-based management (SBM) essentially gives schools more autonomy, with the ultimate goal of improving the quality of the results of the pedagogical implementation. The primary goal of school management is to improve the efficiency of education through independence and flexibility in the management of existing resources.

However, school-based management integrating decentralization, as an educational transformation might not be sustainable and does not guarantee success (Bjork, 2006). Edwards and Mbatia (2013) argue that decentralization reform is stereotypically endorsed without much contemplation of its efficiency. This indicates that a considerable amount of research has been focused on the positive effects of decentralization in schools. Yet, less attention has been paid to the collective benefits of centralized and decentralized decision-making. Despite the early observations, the effects of both decision-making processes in schools have remained unclear. Hence, it is desirable to study balanced decision-making in a centralized and decentralized structure.

This paper undertook a systematic review of the literature related to finding the balance between centralized and decentralized decision-making from the sociological perspective of school-based management. In this paper, the researcher came up with themes reviewed in greater detail and offered a clear picture of the effects of balanced
centralized and decentralized decision-making in the field of school management. The remainder of this paper revolved around two (2) themes namely decision-making as a school-based management practice, and decision-making towards school performance.

Methodology

A systematic review was conducted to establish trustworthy evidence-based recommendations related to finding the balance between centralized and decentralized decision-making from the sociological perspective of school-based management. A systematic literature review is a scientific process administered by a set of explicit and challenging rules that aim to demonstrate completeness, an exemption to bias, and transparency and accountability of technique and execution (Dixon-Woods, 2011). Systematic reviews play many crucial functions. They can deliver syntheses of the state of information in a field from which future research priorities can be derived; they can answer questions that otherwise could not be responded by individual studies; they can recognize problems in primary research that must be addressed in future studies; and can produce or evaluate theories about how or why phenomena occur (Page et al., 2021). Therefore, systematic reviews generate different types of knowledge for different users of the reviews such as patients, health care providers, researchers, and policymakers (Gurevitch et al., 2018 & Gough et al., 2019). While systematic reviews have been criticized for restrictive latent results (MacLure, 2005), they offer potential benefits such as the convergence of quantitative and qualitative research results, which is a methodological necessity as other frequently used analytical approaches only cover qualitative or quantitative models. The combination of qualitative and quantitative studies through a systematic review, therefore, offers an effective model to inform a broader perspective and strengthen the review of research questions (Bicer, 2021).

Given the enormous amount of literature on decision-making in schools, this study attempted to filter the most significant and relevant papers focusing on centralized and decentralized decision-making in school management since the year 2017. Following the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) Statement 2009 suggested by Moher et al. (2009), this study presented a robust evidence base for identifying the collective benefits of centralized and decentralized decision-making in the sociological perspective of school management. PRISMA 2009 is a reporting guide designed to address the poor reporting of systematic reviews (Moher et al., 2007). It consisted of a checklist of 27 items suggested for reporting in systematic reviews and an explanation and elaboration document that provides additional reporting guidelines for each item along with examples of reporting (Liberati et al., 2009). The recommendations were widely approved and adopted, as evidenced by their joint publication in multiple journals, citation in more than 60,000 reports, support from nearly 200 journals and systematic review organizations, and adoption in numerous disciplines (Page et al., 2021). Data from observational studies implies that the use of the PRISMA 2009 statement is related to more comprehensive systematic reviews reports (Page et al., 2016; Panic et al., 2013; Agha et al., 2016; Leclercq et al., 2019), although more could be done to improve adherence to the guideline (Page & Moher, 2017).
The first step in the process was doing the database search. A wide-ranging search of major databases like Google Scholar and ERIC journal was undertaken which identified 32,600 and 3,222 studies respectively, a total of 35,822 studies on the topic. The inclusion criteria utilized in filtering the mentioned sources include a set of keywords like centralized and decentralized decision-making, school-based decision-making, school administration, and participative decision-making. Apart from the keywords, studies that involved decision-making in a sociological perspective of school management were also considered as inclusion criteria. On the other hand, studies that involved decision-making in other public government entities such as health and politics were excluded. The initial search yielded 187 references. The second step was removing all duplicates. The author deleted any articles that appear more than once in the results. Eliminating the duplicates (n=14) resulted in 173 studies for the next phase. The third step was the screening of studies based on the inclusion criteria that were developed in the second step. Screening abstracts and full-text with the comprehensive inclusion criteria continuously reduces hidden bias concerning the centralized and decentralized decision-making in school management. First, each abstract was screened by the author. In the case of a question about the inclusion of an article, the author then reviewed all the decisions by screening the full text. This resulted in 74 articles qualified for full-text eligibility. Second, full-text screening of the remaining articles was conducted with the same inclusion criteria. After the full screening process, 65 articles were excluded.

Finally, after detailed and careful reading and analysis, 9 studies remained for in-depth analysis. The said literature was nominated for review under each keyword. 6 studies selected school management, and 3 studies on performance. Two themes arose from the analysis of the studies such as decision-making as a school-based management practice, and decision-making towards school performance.

![Figure 1. Selection of the Studies in this Systematic Review for Striking a Balanced between Centralized and Decentralized Decision-Making in School Management](image-url)
Results and Discussion

Across the reviewed articles, it was apparent how decision-making is vital in schools. Given the right strike of balance between centralized and decentralized decision-making, schools would attain a robust performance. According to Hawkins (2000), centralization and decentralization are not ending in themselves, but are only means to an end. Consequently, combining both centralized and decentralized approaches or “walking on two legs”, is indispensable for leading and enhancing education.

Nine articles from our database discussed the importance of striking a balance between centralized and decentralized decision-making in schools. Among these studies, there are case studies, research papers, and articles, that were published in open-access and peer-reviewed journals. Two themes that cut across our results emerged from our analysis and interpretation of the data. The succeeding sections present the evolving themes.

Decision-making as a School-Based Management Practice

SBM can be understood as the practice of using resources appropriate to the school’s teaching and learning process. The implementation of SBM has been shown to bring significant benefits, including more efficient use of resources, a better quality of education because of more efficient and transparent use of resources, and a more open and welcoming school (Baratali & Moghadas, 2016). Since the community is involved in its administration, there is greater involvement of stakeholders in decision-making processes, which led to more shared relationships, better learning outcomes, and improved student performance by reducing repetition rates and drop-out rates (Barrera-Osorio et al., 2009).

According to Moradia et al. (2012), SBM refers to the collective participation of parents, students, teachers, principals, and other stakeholders. It can increase the independence, accountability, and responsibility of schools. As one of the models of the school administration system, it gives comprehensive authority and more power to schools to accomplish school activities. Furthermore, SBM is a devolution of authority whereby decision-making and accountability in school matters are transferred from higher authority to principals, teachers, parents, students, and other external stakeholders (Caldwell, 2005; UNICEF, 2012). In association, a study by Gamage and Zajda (2005) emphasized the notion that SBM is a logical approach that modifies the bureaucratic style of school administration in a supplementary autonomous structure. Additionally, it brings the bottom-up approach into educational planning and management which bestowed the powers of decision-making authority in the specific school through stimulation and sustenance of improvements. Consequently, the giving of authority in decision-making is perceived as a system of autonomy at the school level in terms of empowering resources so that schools can autonomously inspect, budget, regulate the scale of priorities, employ, and oversee schools’ targets.

Table 1 shows the selected studies on decision-making as a school-based management practice. The common theme that arose from these studies engrossed on the core of school-based management where decision-making is one of the vital factors in accountability and responsibility. Karmila and Wijaya (2020) provided a
A comprehensive understanding of how decision-making affects the successful implementation of school-based management. The study stated that school residents should be involved in decision-making to improve the quality of schools. In this context, school principals should increase their professional abilities to balanced decision-making to pursue rapid advancement of school management. This idea is maintained by Mustiningsih et al. (2020) who highlighted that the leadership of the school principal is important in implementing SBM.

Table 1. Studies on Decision-making as a School-based Management Practice

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<th>Author</th>
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<th>Country</th>
<th>Conclusion</th>
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<tbody>
<tr>
<td>Karmila &amp; Wijaya 2020</td>
<td>Implementation of School-Based Management in Tambilung Elementary School</td>
<td>Indonesia</td>
<td>The involvement of school residents in decision-making should be integrated to bring better changes to the school’s progress of education.</td>
</tr>
<tr>
<td>Mustiningsih et al. 2020</td>
<td>Analysis of Autonomic Needs for Autonomic Leadership of Schools with Religious Culture in the Implementation of School-Based Management in the Era of Disruption</td>
<td>Indonesia</td>
<td>The leadership of the school principal is important in implementing SBM. Thus, decision-making autonomy at the criterion level is required.</td>
</tr>
<tr>
<td>Rini et al. 2019</td>
<td>School-Based Management in Indonesia: Decision-Making, Problems, and Problem-Solving Strategy</td>
<td>Indonesia</td>
<td>School-Based Management can facilitate practitioners in the involvement of school committees in strategic decisions. The shortage of power to make decisions should be addressed to replace the old centralized pattern of school management.</td>
</tr>
<tr>
<td>Umar et al. 2017</td>
<td>Youth Voice in Nigerian School-based Management Committees</td>
<td>Nigeria</td>
<td>Findings of the study revealed that youth committee members stated their voice in the committees through participation in several committees’ activities.</td>
</tr>
<tr>
<td>Çankaya et al. 2020</td>
<td>Generation Z Support Autonomous Management in School: Evaluation of Teacher Candidates’ Views</td>
<td>Turkey</td>
<td>From the viewpoint of generation Z, the school should be empowered to make decisions for the effective maneuver of the school.</td>
</tr>
<tr>
<td>Shiwalkoti 2020</td>
<td>Relationship between Policy and Practices of Decision Making in Public Schools</td>
<td>Nepal</td>
<td>Mixed-model is considered wherein there is the blending of headteacher, teacher, and community control model for the collaboration of major stakeholders to make appropriate decisions for better quality.</td>
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</table>
On the other hand, a study by Rini et al. (2019) examined the decision-making practices integrated with SBM in Indonesia. Specifically, strategic decision-making is emphasized to facilitate SBM practitioners in terms of school committee involvement. Findings exposed that the opinion of school board members about how decisions are made is considered in a consensus way. The above-mentioned study was also buoyed by Daresh (1998), who confirms that at village elementary schools, school leaders always involved board members to make shared decisions. This notion is also supported by Bandur (2009), who highlighted that the types of shared decisions are decisions that are mutually decided between individuals are linked to those affected. These decisions are typically grounded on the utmost agreements accepted out jointly. Therefore, effective SBM shares authority throughout the school so that more elements participate in the decision formulation.

School-based management has become a global phenomenon that involves communities in the management of basic education. Different terms arise, such as site-based management, autonomous school program, and self-managing school. Studies of Barnett (2012) and Parker and Raihani (2011) used to designate the transfer of authority in the decision-making of higher government to individual schools with internal and external stakeholders including the youth also called “Generation Z.”

The United Nations (1989), in its Convention on the Rights of the Child, can be believed to take sparked the impression of encouraging youth participation and voice in community decision-making. Article 12 of the said convention calls for young people to take their voices into account in all foremost decisions touching their lives. To support, a study from Umar et al. (2017) exposed that the members of the youth committee stated their voice by partaking in numerous committee activities. Besides, Çankaya et al. (2020) mentioned that generation Z members express themselves more and want to contribute to management decisions.

Given the theory of decision-making practices in Nepal schools, the study of Shiwakoti (2020) clinched that decentralization seems to be a more practical way to run the schools. But to take appropriate decisions for better quality, it highlighted the “mixed-model” or balanced centralized and decentralized decision-making in which there is a sense of belongingness towards the school contributing to inclusive progress of schools in a more participatory way.

To synthesize, studies that fall on the first theme – decision-making as school-based management practice bond the shared point that schools should be at the very center of decision-making on issues related to education. Thus, the right blend of centralized and decentralized decision-making could empower schools at their best.

**Decision-making towards Performance and Outcomes**

Decision-making in schools is a significant factor in cultivating teacher quality and school progress. Olcum and Titrek (2015) expose that decision-making is beneficial to progress organizations, solve organizational problems and impact organizational employees in their activities. A principal’s decision-making that is performed well will lead to teachers’ positive performance in carrying out their duties. On the other hand, a principal's decision-making which is carried out in a less organized and less democratic style will undesirably affect teachers’
acceptance of the decision. This is supported by Hussain et al. (2017) who buoyed that decisions made by principals impact the teacher and school performance. Shen and Xia (2012) also recommend that the principal’s decision concerning teacher teaching classroom strategies, the distribution of teacher working hours, school budget division, learning outcomes assessment issues, and teacher coursework will explicitly affect teacher performance. The study from Mailool et al. (2020) also shows that principal’s decision-making, organizational commitment, and school environment as a chunk of school management contribute certainly to progress teacher performance. This is also supported by Gill and Berezina (2020) who expose that empowering teachers to make further choices about their professional development could boost school performance (see Table 2).

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<tr>
<td>Gill &amp; Berezina</td>
<td>School performance in three southeast Asian countries: lessons in leadership, decision-making, and training</td>
<td>Malaysia</td>
<td>Empowering teachers to make more decisions about their training and professional development could be a relatively simple and easy reform that would help to lift school performance in all the countries of Southeast Asia.</td>
</tr>
<tr>
<td>Mailool et al. 2020</td>
<td>The Effects of Principal’s Decision-making, Organizational Commitment and School Climate on Teacher Performance in Vocational High School Based on Teacher Perceptions</td>
<td>Indonesia</td>
<td>The results showed that the principal’s decision-making, organizational commitment, and school climate had a positive and significant effect on the performance of vocational school teachers, both partially and simultaneously.</td>
</tr>
<tr>
<td>Torlak et al. 2021</td>
<td>Decision-making, leadership, and performance links in private education institutes</td>
<td>Iraq</td>
<td>The leaders at K12 schools could encourage the participation of all units, levels, and layers in a debate through evaluating various suggestions in the decision-making. In doing so, the leaders might secure fair treatment, judgment, honesty, creativity, shared vision, lenience, modesty, and graciousness easing conciliation and consensus among the members of a discussion. In this way, the leaders will respect the right of organizational members to monitor their work and facilitate their involvement and autonomy.</td>
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The three studies presented in Table 2 show that participative decision-making (PDM) has to turn out to be widespread in education due to the autocratic managerial style. Similarly, a decentralized management style would encounter the bureaucratic structure which allows educators to encompass in planning events, increasing...
educator’s commitment and morale and advance innovation, high job fulfillment, and a vigorous corporate culture (Somech, 2010). Torlak et al. (2021) finally highlight that leaders at K12 schools could encourage the participation of all units, levels, and layers in the decision-making process to contribute to the welfare of those schools.

To sum up, studies under theme 2 show that PDM is vital to school productivity. The decisions taken at the school level bring significant changes to improve teacher performance. Hence, school administrators play a big role and responsibility in planning and designing a strategic combination of centralized and decentralized policies and decisions to improve school performance.

**Conclusion**

To recognize the collective benefits of centralized and decentralized decision-making in the sociological perspective of school management, this paper accomplished a systematic thematic literature review and recognized nine key studies. The studies spun around two themes namely, decision-making as a school-based management practice, and decision-making towards school performance. Studies under theme 1 focused on how significant decision-making is in school-based management practice. Effective SBM schools share authority all over the school so that more elements participate in the decision formulation. Decentralization as part of SBM encourages decision-making and responsibility for school affairs from higher authorities to school internal and external stakeholders. It generates a bottom-up approach to educational planning and management and decision-making powers are vested upon schools to encourage and sustain improvements. In addition, SBM is a policy approach aimed at reshaping school management by empowering school leaders and improving community participation in performance improvement. In line with this, school-based quality management is a manifestation of a school’s autonomy to improve the staff performance and community understanding of education.

Meanwhile, studies under theme 2 show how participative decision-making is vital towards school productivity. The decisions taken at the school level bring significant changes to improve teacher performance. Hence, school administrators play a big role and responsibility in planning and designing a strategic combination of centralized and decentralized policies and decisions to improve school performance.

Henceforth, SBM is an indicator of a school’s autonomy to enhance the staff performance and community understanding of education. Botha (2006) established that school-based management describes the greater involvement of internal and external stakeholders that can upsurge the autonomy and accountability within schools. The main features of school management are expected to advance student performance and other school outcomes since the school community is called for closer monitoring of school staff, better student assessment, and decision-making. As a prominent management feature of public schools in several countries around the world (Bandur, 2012), SBM establishes a sense of belongingness towards the school contributing to the inclusive progress of schools in a more participatory way. Therefore, the right blend of centralized and
decentralized decision-making as school-based management practice could empower schools at their best while the organizations achieve optimum performance.

**Recommendations**

The literature review pointed the balanced centralized and decentralized decision-making to the following discussions points for further research: (1) decision-making practices among school principals, and (2) decision-making on school operating expenses and expenditures.

**References**


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