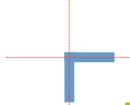


Hopes, Fears, & Reality

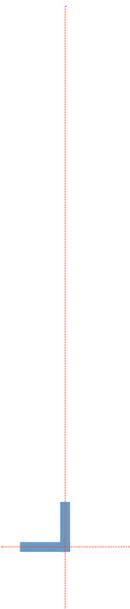


A BALANCED LOOK AT AMERICAN
CHARTER SCHOOLS IN **2009**

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CHAPTER 2

A Cautionary Tale: School Turnarounds and Charter Leadership

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“We need everyone who cares about public education to take on the toughest assignment of all, and get in the business of turning around our lowest-performing schools. That includes states, districts, nonprofits, unions, and charter organizations.”

These words, spoken by U.S. Secretary of Education Arne Duncan at the National Charter School Conference in June 2009, point the way toward the Obama administration’s mandate for the public school system in America. President Obama and his Secretary of Education have committed themselves to turning around 5,000 of the country’s lowest-performing schools (about 5 percent of all public schools). This is a bold challenge and even supporters caution that 70 percent or more of the turnaround efforts will fail.¹ So why attempt it? Because, simply, we have too many schools miserably failing our neediest children, and thus far these schools have been largely impervious to change.

Consider that 38 percent of African American students and 33 percent of Latino students attend high schools that researchers at Johns Hopkins University call “dropout factories.” These “2,000 dropout factories turn out 51 percent of the nation’s dropouts; they produce 81 percent of all Native American dropouts, 73 percent of all African American dropouts, and 66 percent of all Hispanic dropouts.”² Further, despite hundreds of millions of dollars invested over the last decade in the new schools sector, including charter schools, the supply of new high-quality schools has not come close to meeting the need. Consider that the top five charter school models in the country—

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Achievement First, Green Dot, High Tech High, Knowledge Is Power Program (KIPP), and Uncommon Schools—make up a total of 141 schools serving only 48,000 students.

There is nothing harder in public education than turning around persistently failing schools. It is precisely for this reason that those who can do it are immortalized in books and films like the 1988 film *Stand and Deliver*. Hard, however, is not synonymous with hopeless. Both the President and Secretary point to Chicago as an example of what can be done with a handful of troubled schools. Duncan, the former Chicago schools superintendent, led efforts to turn around eight targeted public schools during his last year as district chief.³

It is too soon to say whether these school turnaround projects are definitive successes. Further, skeptics point out that even if they turn out to be successes, the sample is too small to mean very much. In a district of 599 schools, 8 schools are not enough to declare the district's turnaround efforts a success, much less call it a model for the rest of the country to follow.

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Despite these doubts, the Administration is backing its rhetoric with \$545 million in 2009 federal spending; a further \$1.5 billion is being sought in the fiscal 2010 budget. Such spending seems reasonable given how difficult successful turnarounds have proven to be. Tom Vander Ark, the former executive director of education for the Bill & Melinda Gates Foundation, expressed his sense of the challenge when he told a reporter from *Education Week*, “I worry that we don’t have the capacity to do it, and I’ve worried about it for ten years.” Despite such doubts, Vander Ark maintains that “it’s time to take on this issue. We’d never solve this problem if we didn’t have a leader pushing on it. We didn’t know how to go to the moon when Kennedy put that out, either. This is a bigger challenge than that. This is our moonshot. And it’s not one moonshot, it’s thousands.”⁴

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SCHOOL TURNAROUNDS: THE BASICS

What exactly constitutes a “turnaround?” There are at least five different definitions. Mass Insight, a Boston-based nonprofit group focused on helping districts lead school turnarounds, defines it as “a dramatic and comprehensive intervention in a low-performing school that produces significant gains in student achievement within two academic years.”⁵ According to Mass Insight, what makes a school turnaround distinct from

the more traditional approach of school restructuring is the speed at which results are expected.

Under the *No Child Left Behind* (NCLB) Act of 2001, schools that persistently fail to make adequate yearly progress (AYP) face a series of escalating sanctions over multiple years. Further, schools that fail to meet AYP targets for five years must develop a plan to restructure the school. If a school fails to make the grade by the sixth year, it must implement a restructuring plan. NCLB allows several options for restructuring. A school may:

- convert to a charter school;
- replace all or most of the school staff if they are part of the school's inability to improve;
- outsource the operation of the school to private managers;
- turn the operation of the school over to the state; or
- implement any other major restructuring that might improve the school's governance arrangements.

Despite the law, many of the efforts to restructure troubled schools under NCLB have been half-hearted at best, and have led to little real change as most districts have treated this sanction more as a paper compliance exercise than a real opportunity to force dramatic changes in their schools.

Consider Ohio, where 99 public schools serving about 66,500 children have failed to make AYP for six or more consecutive years and, according to federal law, should be undergoing serious restructuring. An additional 90 schools in the state, serving another 58,000 students, have failed to make AYP for five years and should be drafting restructuring plans this year. These persistently struggling schools, which make up about five percent of Ohio's public schools, mirror national trends overall, and it is clear that state and local leaders need to take action to improve education for children. Unfortunately, that has not happened in many places in the Buckeye State. The problem is not just a lack of will on the part of state and local leaders, but the fact that "no one knows how to do it, at least not at the scale required."⁶ The *Columbus Dispatch* captured the frustration and skepticism in Ohio in early 2009 when it reported that, although the state

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had spent \$48 million over five years to improve struggling schools, few had actually improved.

According to the *Dispatch*, “Statewide, and in Columbus, the most popular option has been to change the principal and some or all of the teachers, and try new curricula.”⁷

This was consistent with the principles of turnaround laid out in NCLB; however, the expected turnaround never materialized. As the official in charge of turnaround efforts at the Ohio Department of Education lamented at the time, “the ‘hero model’ of bringing in a new principal to turn around a school simply hasn’t been effective.” The head of the Columbus teachers union saw these disappointing results as evidence for doing away with turnaround efforts entirely. She stated bluntly, “This hasn’t worked. I have seen that students are worse off than they were before.”⁸

In its May 2008 report, “Turning Around Chronically Low-Performing Schools,” the U.S. Department of Education’s Institute of Education Sciences could not identify any research studies that fit the scientific rigor of the research standards required of the Institute’s “What Works Clearinghouse.” In short, the research is thin when it comes to successful turnaround models.

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Or, as an official from the Columbus Public Schools observed, “If there were a simple model you could just plop down and say, ‘This is what you’d do,’ everybody would have done it already.”⁹ The best we can do is look to the few case studies of successful school turnaround efforts available to the field (efforts like Mastery Charter Schools in Philadelphia) and build on lessons from similar turnaround efforts in other sectors. We can also learn from charter school innovations and from failed turnaround efforts (one example of which is described below).

The education researchers Bryan Hassel and Emily Ayscue Hassel of Public Impact reviewed turnaround case studies across a wide range of organizations, including the New York City Police Department (NYPD) and Continental Airlines. Pivotal to successful turnarounds in any environment, according to the Hassels, is a “point-guard leader who both drives key changes and deftly influences stakeholders to support and engage in dramatic transformation. To be sure, staff help effect a turnaround, but the leader is the unapologetic driver of change in successful turnarounds.”¹⁰ Turnaround leaders use consistent actions and the Hassels identified six strategies from their case studies:

The leader is the unapologetic driver of change in successful turnarounds.

1. **Focus on a Few Early Wins.** Successful turnaround leaders start with a few high-profile successes, which help to build morale and attract students and teachers.
2. **Break Organization Norms.** Successful turnaround leaders tend to break rules and norms that have held the organization back in the past.
3. **Push Rapid-Fire Experimentation.** Successful turnaround leaders are comfortable with trying multiple strategies quickly and remaining flexible. They can turn on a dime, using real-time data to adjust tactics on an ongoing basis.
4. **Get the Right Staff, Right the Remainder.** Successful turnaround leaders make changes at the top and identify trusted deputies to mandate change throughout the organization. They are not afraid to make the tough personnel decisions required.
5. **Drive Decisions with Open-Air Data.** Successful turnaround leaders use data to draft goals and make decisions, create organizational transparency, and hold staff accountable.
6. **Lead a Turnaround Campaign.** Finally, successful turnaround leaders are excellent communicators with both staff and customers/clients. They are able to build consensus and get everyone playing on the same team. But finding a point guard with those skills is no easier in schools than it is in Division I basketball.

Yet, the Hassels concede, even with this knowledge and experience in the private sector and government, “bad-to-great turnaround efforts and ‘major change’ succeed about only 30 percent of the time.”¹¹

A CAUTIONARY TURNAROUND TALE FROM THE CHARTER WORLD

The Thomas B. Fordham Foundation has worked in Ohio since the late 1990s on a range of school reform issues. One area we have focused a lot of time and attention on is how charter schools can play a role in turning around troubled districts while also providing quality school options for children in need. For the past decade, we have worked with charter schools in almost every way imaginable: as a donor, as a source of technical assistance, as a school operator, and, most recently, as a charter school authorizer or sponsor. Sponsors are the entities that “license” charter schools to operate, oversee their performance, and hold them accountable for results. Fordham is currently the only private national foundation in America that also serves as a charter school sponsor. Ohio

Successful turnaround leaders make changes at the top and identify trusted deputies to mandate change throughout the organization. They are not afraid to make the tough personnel decisions required.

is one of two states that permit nonprofit organizations to function in that capacity. In 2006, Fordham launched an effort with school reform partners in Dayton to “turn around” a troubled charter school that Fordham had sponsored.

Founded in 2000, the Omega School of Excellence was one of Dayton’s first charter schools. The co-pastors of the giant (2,500-member) Omega Baptist Church, Vanessa and Daryl Ward, founded the school because they realized Dayton had very few high-performing schools for their parishioners’ school-age children to attend. Organized to serve fifth through eighth graders, Omega was modeled after the acclaimed Knowledge Is Power Program (KIPP) schools. At the outset, it had a KIPP-like intensive 57-hour instructional week with an emphasis on leadership, self-discipline, and academic achievement. At its peak enrollment, the Omega School was serving about 250 middle schoolers. The school’s graduates won scholarships to top local private high schools and several of the country’s elite prep schools.

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However, by 2005, the school had fallen off the tracks both academically and operationally. Its initial success had been largely driven by Vanessa Ward’s vision, energy, and commitment, which is consistent with the idea that turnaround is driven by a committed leader who can build consensus and morale in the community. But when her husband became seriously ill, Vanessa Ward had to shoulder more church responsibilities. While she tended to him and their church, the academic leadership of Omega suffered. School heads came and went, and the culture of the school fell apart. According to Vanessa Ward, “We never found a school leader that understood the (school’s) vision.”¹² The final blows came to the school in the form of poor academic results in 2005 and 2006, when Omega was rated among the lowest-performing schools in the district.

Omega being rated among Dayton’s lowest performers was not acceptable to Fordham (the school’s authorizer), the school’s board, or the Wards. We at Fordham thought about just closing the school, but when we looked at the performance of the other schools available to the children in Omega we knew we had to try and do better. In 2006, for example, four-fifths of the 22,000 public school students (charter and district) attended schools rated D or F by the state of Ohio.

In the spring of 2006, the school’s board opted for a school turnaround effort. In the fall of 2006, the Omega School of Excellence was totally reconstituted, meaning it underwent a complete turnaround effort: a new school leader, new teachers, new curriculum, longer school hours, and a new grade configuration.

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This effort was audacious at the time, or as the *Dayton Daily News* observed, “The process of ‘reconstitution,’ a major overhaul of the instructional staff, has regained popularity in recent years as it is endorsed as a primary reform option by the *No Child Left Behind* Law. But a total reconstitution of all staff is rare. Even Dayton Public Schools, which has been hailed for using the approach well in four troubled schools, has not come close to replacing all the staff at any school. The goal is a fresh start.”¹³

This was, in short, not tinkering, but rather a radical transformation. Omega was the first charter school in Ohio to enthusiastically undertake such a profound overhaul. For the school, turnaround meant partnering with a charter management organization (CMO) based outside of Dayton that, under contract, ran the school’s day-to-day activities. All eyes were on Omega as an example of “reconstitution” in action.

Considerable financial assets were committed to the effort. Although the federal government provides up to \$450,000 in charter start-up dollars through the U.S. Department of Education’s Public Charter School Program, there are no state or local tax dollars available to meet the costs of a turnaround, which include buying new curricular materials, hiring new teachers and providing them with professional development, and meeting the day-to-day costs over and above the per-pupil revenues generated by a small charter school. Fordham, the Bill & Melinda Gates Foundation, and local private partners funded the turnaround to the tune of about \$1 million over two years.

The push to turn Omega around faced a number of challenges from the start, but it was the talent challenge that would prove its undoing. In the case of the Omega School, the first school leader—a traditional school principal from a local school district—hired for the turnaround lasted less than a month before it became clear she was not up to the task. This early mistake in hiring the wrong leader proved catastrophic to the effort. First, it meant the school was largely rudderless at the top during its re-launch and it would take several months before a competent leader could be identified and put into place. Second, rather than being perceived as a “quick win,” it was seen as a painful, possibly terminal, stumble at the starting line. This damaged the morale of the teaching staff and seriously hurt student enrollment efforts (which mattered greatly because all state funding was based on per-pupil counts), and it created significant doubts about the effort in the larger community (supporters and funders).

A quality school leader was ultimately identified and put into the school midway through the first year of the turnaround: a Teach for America graduate who was an

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able young educator, though without any previous experience as a school principal. But by this time, the damage had been done. Even though the school actually made academic gains in the following year, the damage caused to the school's reputation by its inheritance of troubled academics and turnaround setbacks at the outset could not be overcome.

Despite the best effort of the school's board, leadership, and teachers to recruit children to the school, the enrollment over the two years of the turnaround effort never got much above 100 students. This low enrollment drained private dollars and obliterated the school's business model. Parents had given up on Omega, and there was not enough private funding to keep it open beyond two years without more students and the state dollars that followed them. After a year and a half, the capable replacement leader, who seemed able to lead the school out of its crisis, was wooed away by the KIPP program to run their new school in Columbus. In June 2008, the school closed its doors.

There is a practical lesson here, and it is not surprising: leadership is pivotal to any successful turnaround effort.

LESSONS LEARNED: IT IS ABOUT LEADERSHIP

The Omega story is a cautionary tale, but it is shared to make a point, not as an argument against school turnaround efforts. There is a practical lesson here, and it is not surprising: leadership is pivotal to any successful turnaround effort.

As the Hassels observed, all successful turnaround efforts need a transformative leader who can drive key changes. Further, they argue, this leader must pull off a few early wins. In the case of the Omega School, the early problems with hiring leadership during the turnaround amounted to a blunder from which the school never recovered. By the time effective leadership replaced the original choice, even when performance improved, it was too late to make a difference in the school's reputation.

Without clear and consistent leadership, turnaround efforts fall apart quickly. Researchers and turnaround advocates know this, and that is why administrators in the Chicago system, for instance, have focused so much attention on finding and developing high-quality school leaders and teachers. Having a plan for reform is important, but equally or more important is having a team in place that can implement the plan and see it through to its conclusion.

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As straightforward and simple as this conclusion may be in theory, in practice it is hard for many mid-size cities to act on it. There are simply not enough gifted school leaders and teachers ready and willing to jump into the fray. Even if educators are truly gifted and committed, the challenge of turning around a broken school in a place like Hartford, Dayton, Peoria, Topeka, Pueblo, or San Jose is not something they all embrace. Frankly, the difficulty of identifying and placing great leaders in schools has been one of the reasons too many of Ohio's 330 plus charter schools have struggled to deliver academic results superior to their district competitors.¹⁴

So, it is clear that any serious turnaround initiative has to be coupled with an equally serious school leadership and teacher recruitment and development effort. It is for this reason innovative school leadership programs are taking root and expanding. New Leaders for New Schools is one well-known example, but there are others. Rice University has created an MBA program for "education entrepreneurs" that will provide rigorous business training for school leaders, and Notre Dame is launching a similar program in 2010. These efforts are focused on developing school leadership talent that can both launch successful charter schools and turn around troubled schools. Turnaround advocates should push hard for expanded innovations in the recruitment, certification, and training of school leaders. Federal dollars could also be put to good use in trying to launch new models of school leadership—not exclusively owned by schools of education—that focus on the unique challenges of school turnaround. This emerging field of education turnaround specialists is also supported by the work of NewSchools Venture Fund, and researchers such as Frederick Hess encourage close study of efforts like the Louisiana School Turnaround Specialist Program.¹⁵

We also know that school turnarounds will not come cheap. Mass Insight estimates that turnarounds cost from \$250,000 to \$1 million per school, per year.¹⁶ This figure comes close to what Fordham paid in trying to turn around the Omega School of Excellence in Dayton. Further, there will be failures and some of them may be very high profile. As with the charter school efforts of the past decade, there will be critics who jump on every failure and argue that each one is reason for giving up on the innovation entirely. Each failure also makes it more difficult to recruit new leaders—and the cycle continues.

However, the alternative is to continue doing what we have been doing, and to accept the statistic that half of the children in America's urban areas do not graduate from high school on time. Innovators and reformers should follow the President and embrace the

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school turnaround effort, while also encouraging the continued growth and expansion of quality charter schools.

Despite the obvious turnaround challenges, and despite widespread and perhaps justified skepticism about the efficacy of reform efforts in the public schools, we are seeing that both school districts and charter school leaders across the country are actively heeding President Obama's call to pursue turnarounds. For example, in Cincinnati, Superintendent Mary Ronan has committed to turning around four schools in 2009–10. When it comes to school turnarounds, Ronan says, "I think this is definitely the wave of the future nationally. I don't see us stopping. I do think we need to move forward."¹⁷ Ronan expressed this optimism despite the fact that union leadership in the district had made clear they opposed "radical redesigns"¹⁸ and despite questions about the district's capacity to actually complete turnarounds successfully.

District leaders may want to convert their most troubled schools to charter status in order to create flexibility in things like school calendar, teacher pay and retention, and academic programs.

Further, Ronan and other district leaders must deal with a number of collective bargaining and contract issues to launch successful turnarounds—issues that charters simply don't face. Building on options under NCLB, district leaders may want to convert their most troubled schools to charter status in order to create flexibility in things like school calendar, teacher pay and retention, and academic programs. But as the Omega story illustrates, making these organizational changes without also having great school leaders to lead the turnaround efforts is apt to make little difference on its own. Operational freedoms and flexibility only make a difference if you have leaders that can use them to create the conditions for success.

In the charter school sector, groups like the San Francisco-based NewSchools Venture Fund are also jumping into the turnaround struggle. NewSchools' Jordan Meranus argues that charter school operators like Mastery Charter Schools and Green Dot are "demonstrating that [turnaround] is possible. Combine that with school operators—scores of them—that will partner with reform-minded districts and states to take on this work, and we have the makings of a new cohort that can do this successfully."¹⁹

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To be sure, there are risks associated with the turnaround efforts, and those of us who have been operating in the charter school sector know these well. We at Fordham, for example, have learned the lessons through our first-hand experience as a charter school sponsor and in trying to help turn around Omega in Dayton. Ronan, Meranus, and other school administrators and reformers across the country are right to intervene on behalf of the children and families who are underserved by persistently failing schools.

With the right leadership, teaching talent, smart strategy, and financial support—and a lot of courage and risk-taking—turnarounds promise to transform the toxic culture of low-performing schools and create real opportunities for better student achievement gains. Reformers at least need to give it a shot.

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