POLICY BRIEF

The Urge to Serve:
Leveraging Charter
Management
Organizations for
Turnaround Success

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Topic Overview

For decades, policy makers have struggled with what to do about schools that have persistent records of low academic performance for their students. The No Child Left Behind Act of 2001 brought sharp focus to the extent of this problem, providing a federally mandated framework to hold schools accountable for student academic performance. In 2009, the American Recovery and Reinvestment Act provided an unprecedented $3 billion to state education agencies to intervene in schools whose achievement ranked in the bottom five percent of the state's distribution of achievement. This money was distributed through the School Improvement Grant (SIG) program, and joined almost $4 billion in Race to the Top Grants, all aimed at incentivizing districts and schools to improve teacher effectiveness and implement comprehensive school- and system level reform efforts. Under the first rounds of SIG funding, schools and districts faced four options intended to dramatically accelerate student learning: transformation, turnaround, restart as a charter school, or closure. Less than four percent of SIG schools pursued the charter restart alternative.

A national evaluation of the first round (SY 2010-2011 to 2012-2013) of SIG program's effectiveness found no impact on student test scores in reading or math, high school graduation or college enrollment. A focused study of California schools by Thomas Dee found improved performance for schools that replaced the principal and half the teachers under the turnaround option, and more limited impacts for schools that remained intact but undertook improvement efforts, called transformation.

An alternative approach to charter school restarts had been pursued for years: instead of relaunching a failing school as a stand-alone charter school, charter management organizations (CMOs) with proven experience launching and running schools were encouraged to accept underperforming schools into their existing portfolios. Authorizers approved such moves in the expectation that expertise in full school startup could be adapted to successfully intervene in chronically underperforming schools.

CREDO's recent study of charter school effectiveness included a special study of the impact on student performance when a school's education program and operations were transferred to a CMO. With assistance from earlier research by Public Impact, we observed one year of operation as low-performing schools followed by transfer and subsequent operation by the CMO for 12 schools. In addition, we were able to interview ten CMO leaders about their decisions to accept a low-performing school into their portfolio, what efforts were required to improve the school, and the insights they gained from the experience.

What Does the Evidence Say?

The Urge to Serve

The ten charter network leaders we interviewed were able to add schools to their portfolio through the charter turnaround approach, avoiding protracted new charter application procedures. The most frequent motivations for taking over low performing schools included a strong predicted likelihood of success serving the students, the chance to replicate the model of the CMO in a new environment, and strong interest from the community for CMO to take over the school. These motivations were even more compelling for CMO leaders considering the large number of low-performing schools identified.

The opportunity was not universally favored in every cases. The stakeholders with the strongest support for CMOs turning around the schools were charter authorizers, State Departments of Education, and families of students at the failing school. Not surprisingly, the least supportive stakeholders were the leaders at the turnaround school, the teachers at the turnaround school, and the district school board.

Extraordinary Effort Required

CMO leadership expected the experience of taking on an underperforming school to require more effort and resources than starting a new school from scratch; however, it proved even more challenging than their already-elevated expectations. CMOs had to allocate more resources than expected in the summer prior to the schools re-opening as charter schools and through the first year the school operated as part of the CMO portfolio of schools.

Communication with families, establishing school culture, and staffing and hiring were noted as areas requiring substantially more effort in the summer before reopening; during the first school year two-thirds of the leaders reported these areas as still requiring substantially more effort to implement. Creating a shared philosophy of educational excellence, implementing a coherent curriculum, and building positive community outreach were additional areas that CMO leaders noted as needing more effort than in new schools; for these areas over 70 percent of leaders reported these challenges persisted through the first year and needed extraordinary attention.

### After Reopening, Continuing Students Improve as Hoped

Two questions framed the analysis of how students fared in CMO-managed turnaround schools. First, what is subsequent academic growth for students in the school that transferred into a CMO portfolio? Second, did the choice to accept a turnaround school have any impact on student learning in the existing schools in the CMO portfolio?

Only about half the students in the underperforming school remained enrolled after the transfer. New students were added to fill in the vacancies. This is important to note, since the school average for before the transfer includes students who left the school while the school average after the transfer includes new students. Our analysis focuses on the students who attended in both time periods, enabling us to compare performance pre- and post-turnaround.

We compare how much learning the students realized for the school year before and after the schools were transferred to their acquiring CMOs. In these analyses, we benchmark against the typical learning gains that these students would have gained in other nearby district schools.

As shown in Figures 1 for reading and Figure 2 for math, the student body as a whole had smaller learning gains in reading and math before the transfer. However, students who remained in the school made large and significant progress when the school joined the CMO portfolio. The change in reading was 42 additional days of learning; for math the change was 111 days.

Figure 1. Result on Turnaround Schools: All students vs. Continuously enrolled students, Reading
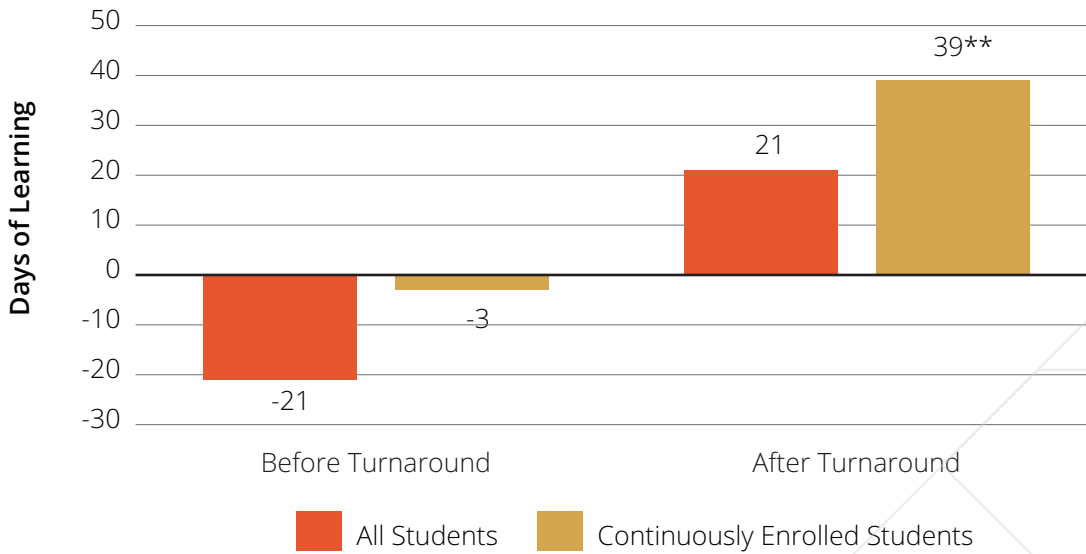

Figure 2. Result on Turnaround Schools: All students vs. Continuously enrolled students, Math
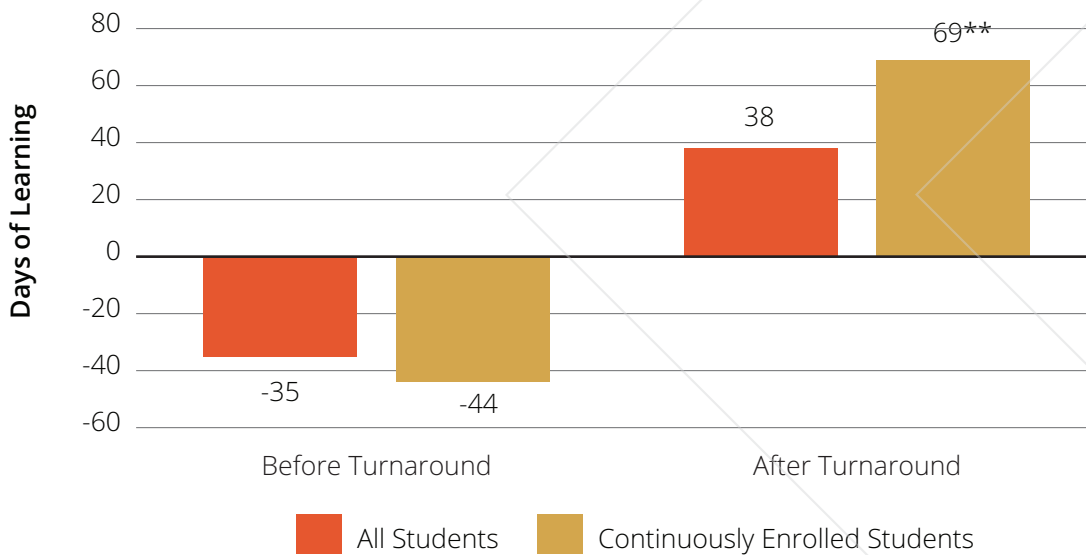
The adoption of an underperforming school into a CMO's portfolio had no impact on student learning in reading in the other CMO-affiliated schools; in fact reading gains grew by 12 additional days after the transfer. There was a decrease of three days of learning in math, but still remained very strong at 28 additional days of learning compared to their peers in nearby district schools.

Figure 3. Impact of Acquiring Turnaround Schools on Student Learning in Other Schools in CMO Networks
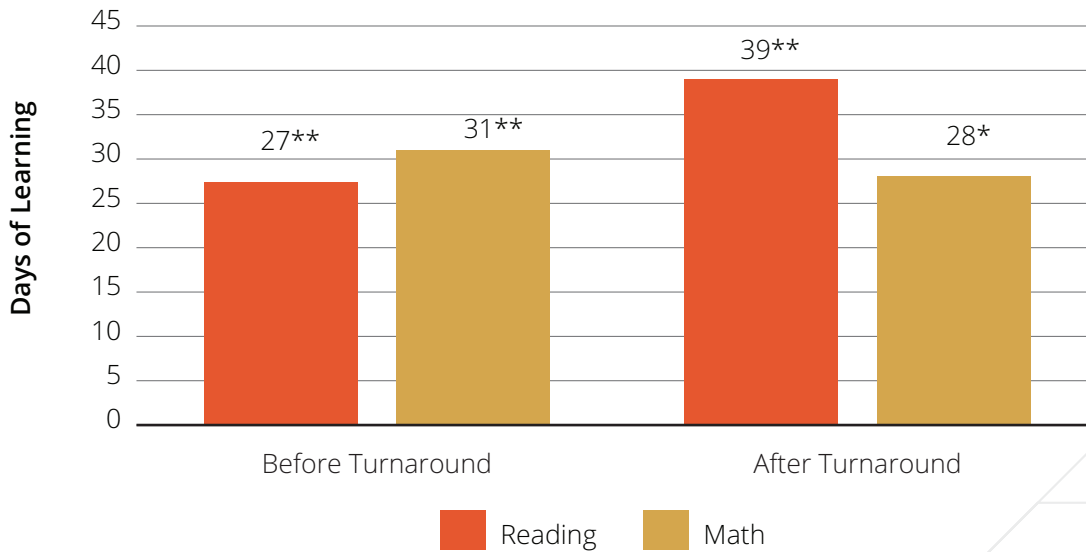
Policy Considerations

The analyses show that turnaround of underperforming schools by charter management organizations (CMOs) can improve learning outcomes. Students performing below standard are able to accelerate their pace of learning and recover if their learning conditions improve. Importantly, their success does not seem to impede the progress of students who were new to the re-opened school or the students enrolled in other schools in the CMO portfolios.

There are important insights for policy makers. The experience of CMO turnarounds adds to our understanding of the necessary ingredients for improvement of subpar schools. We know from earlier work that closing underperforming schools leads to better academic results for students only if they subsequently enroll in a higher performing school. But school closures are difficult operationally and politically.

These findings illuminate the challenge of creating stronger learning environments without closing underperforming schools. There is need for both autonomy and flexibility to create the sufficient conditions for improvement. The Turnaround model under SIG was an attempt at flexing existing conditions to create a new environment by requiring schools to change their staffing, with some evidence of success as noted by Dee. Simple staffing changes, however, did not assure that the new teams organized for success. Furthermore, the record of changes in these schools noted in the national evaluation were limited in breadth and depth. In short, the scope of intervention was not deep enough to mobilize true transformation.

The CMOs that brought underperforming schools into their fold satisfied that requirement. The CMO leaders we interviewed were unanimous in placing student learning at the center of their decisions to engage in turn-around work. They brought a record of strong performance to the table to guide the They were clear about the turn-around schools' operational areas that needed attention and delivered sustained attention and resources to build productive learning environments for students. Despite the challenges the reported, CMO leaders remain positively disposed towards finding additional academically underperforming schools to turn around. The evidence shows that students who remained in their schools during the transfer to the CMO had strong academic improvement without having to relocate to another school. The findings provide valuable guidance to the field; the evidence shows that charter-style flexibility in the hands of proven leaders can successfully intervene in underperforming schools. To that end, the chance exists to leverage the successful experience of multiple CMOs to create intervention plans for more underperforming schools.