

# OpenSector

creating a positive environment for creating schools new

## The Case for Creating an Open Sector in American Public Education

*Why America needs the policy and support environment to create many more schools new*

In this new century, we're demanding much more from the institution we call "public education." In fact, we're demanding that public education do something that's never been done before, anywhere—bring every child up to ambitious levels of achievement. The latest federal legislation on education embodies this ideal in its very title, "No Child Left Behind." But the bold aspiration of all students achieving at high levels has been building for some time—as states, business leaders, community activists, parents and students themselves have begun to demand it.

This effort to improve education in America rests on a gamble with long odds: that the districts will be able to change and improve—significantly and quickly—all of the schools they now own and run. All the chips are bet on the assumption that raising standards and holding schools accountable will make this happen. That's one main premise of "No Child Left Behind" (NCLB).

But more and more people are coming to question this gamble. After two decades of effort that has produced inadequate progress, many thoughtful people—both in and outside "the system"—are beginning to doubt whether we can get the schools we need solely by fixing the schools we now have. "Why," they are starting to ask, "would policy

makers and educators put all of our proverbial eggs in the single basket of turning around existing schools? Even as we strive to make our existing schools better, shouldn't we hedge our bets by also trying to get the results we need by creating different and better schools new?"

These fundamental questions have been raised over the past two years in two national meetings convened by the St. Paul-based Center for Policy Studies. They have also found an increasingly interested audience in conversations and invitations to participate in a number of forums sponsored by organizations of state policy makers, including Education Commission of the States (ECS), National Conference of State Legislatures (NCSL) and National Governors Association (NGA).

What has emerged from these conversations is the idea of an "Open Sector" within public education. By "Open Sector," we mean a part of public education that is "open" in several important respects as outlined in the box in the previous column.

### What's 'open' about the 'Open Sector'?

- Open to *new "entrants"*—schools started from scratch by teachers, parents, community organizations and multi-school networks
- Open to *new authorizers or sponsors* — entities other than school districts that oversee schools
- Open to *new learning programs*, and new ways of governing and managing schools
- And, as part of "public education," open to all students who choose to attend schools in the sector

### Why do we also need to create many more schools new?

• **First, because we have an acute shortage of desirable educational options for families.** Under No Child Left Behind, districts are now required to offer higher performing school options to the hundreds of thousands of children attending low performing schools. But in most districts, there aren't anything close to enough high quality choices to make these options meaningful. Even before NCLB, the shortage of options was plain to see. Just the students on the waiting lists of existing chartered schools, for example, could fill nearly 900 additional schools.

• **Second, because radically different schools are now both necessary (if all students really are to learn) and possible (through computers, the internet and other available**

innovations in teaching and learning methods and in school organization and governance). The greater emphasis we're now seeing on having all students achieve at high levels is occurring at a time when the public education system needs to recognize and accommodate tremendous diversity in the students it's attempting to serve. This diversity is partly reflected in the growing number of languages and cultures and ethnic and racial backgrounds represented in our nation's schools. It's also reflected in the diversity we see in aptitude, interest, motivation, maturity, mobility, income, home support and many other factors that influence learning. Surely, no single approach to teaching and learning will achieve the same high-level results for a student population that is so diverse. Neither will depending only on existing, often large and homogeneous schools.

New, smaller and more diverse teaching and learning environments—spawned by a robust Open Sector—must help meet this growing challenge, by employing innovative new approaches or successfully replicating tried-and-true models.

- **Third, because existing organizations are tremendously difficult to change.** Perhaps it's a testament to our great optimism as a nation that we believe all of our existing schools can rise to the challenge we've set for them. But this belief runs against the grain of what we know about existing organizations of all kinds—not just schools. It's extraordinarily rare for long-standing organizations to transform themselves and their "culture." Existing organizations have well-developed routines, values, and practices that may have served them well in the past, but make it exceedingly difficult to adapt to new circumstances. Not that it never happens. These are the exceptions, though, that demonstrate a simple rule: most of the dramatic improvements and changes that come about in a given field result from new entrants.

- **Fourth, because we've been trying the "fixing" strategy almost exclusively for two decades, with limited and inadequate results.** It would be one thing if we had never tried to fix our existing schools. Perhaps then it would make sense to start there, and see what happened. But we have tried. Since the "Nation at Risk" report in 1983, and in truth since long before that, our schools have been awash in efforts to reform what already exists. We've created and raised standards; instituted assessments; reduced class sizes; raised teacher pay; changed certification requirements; increased spending—all in the hope these strategies would cause schools to improve. The list goes on and on. There have been individual successes, to be sure, but nothing approaching the kind of success we want to achieve—bringing every child up to a high standard. Some say that with more time, with greater resources, or with heightened accountability we will get there. Perhaps they're right. But why would

we "bet it all" on a strategy that's showed such inadequate results for so many years? Why wouldn't we also try something different—something new?

## *It's time to create more effective schools by creating more schools that are new*

The truth is the states have begun to try something different. In bits and pieces, around the margins of "the system," states have been creating an Open Sector in public education.

This Open Sector includes the many "alternative schools" that districts have set up to teach kids differently. It also includes at least some of the magnet and other choice schools that many school districts have formed to provide new options for children. Most significantly, it includes the approximately 3,000 schools that have been created or revamped under the states' "charter school" laws. By allowing chartering, forty states and the District of Columbia have at least begun to recognize that allowing the creation of new schools has to be part of our strategy for getting the schools we need.

While a promising development, our current arrangements for creating and supporting new schools fall far short of the kind of "Open Sector" we need to meet the new demands for high-quality schools, particularly in urban areas. Some of the shortcomings are in the policies that make chartering and other new-school-creation possible. Too many states cap the number of schools that can be chartered, limit the sponsorship of new schools to district boards, provide less-than-full funding to chartered schools, ignore their facilities needs, or inordinately restrict the autonomy of the schools chartered. As a result, there are very few places where the Open Sector is truly allowed to flourish.

Other shortcomings are on the "supply" side. Creating an Open Sector is an invitation to start new and different schools. For the Open Sector to work well, educators and community organizations and parents have to respond to the invitation by starting larger numbers of high quality new schools. Many have, but not enough. Even places with favorable policy environments have seen a tailing off of school start-ups after the first few years. For the Open Sector to work optimally, schools that work well need to be replicated by their founders or be copied by others. Some have, but not nearly enough. Most successful new schools remain single-site sensations.

Underlying these shortcomings is a simple fact: the nation's leaders—from its top federal officials to its governors, legislators and mayors, from philanthropic funders to business leaders, from community-based organizations to education reformer—have not made a substantial commitment to the Open Sector as a major strategy for the improvement of K-12 education. Many leaders in those categories support the ideas of an Open Sector. Many of them are "for" strong charter school policies. But even these supporters regard the Open Sector as a sideshow to the main event of educational improvement—fixing the schools we already have.

It's this basic assumption that needs to change if the Open Sector is going to achieve its full promise. The nation's leaders will have to begin regarding creating schools new as a strategy that's on par with



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standards-based reform and other “fixing” strategies. Only then will we have the kinds of policies we need for an Open Sector to flourish. And only then will the Open Sector garner the kind of investment that’s required to prime the supply of enough great new schools to transform public education and produce the results we need.

## Essential elements of an Open Sector

So, what exactly do we mean by an “Open Sector” in public education? At its core, an Open Sector is a “space” within which it’s possible to create public schools new. And schools within the Open Sector operate under a different set of arrangements from those that govern conventional public schools. Such new schools:

- **Are autonomous.** Schools in the Open Sector have the authority to select their learning programs, select, remove and manage staff, and allocate financial and other resources, without the restrictions typically imposed by state laws and regulations and local policies and agreements.
- **Operate under a performance-based contract.** Schools in the Open Sector are legal organizations working under contract with an authorizer. The contract specifies the school’s obligations, with a focus on the performance targets it must meet within a specified term in order to retain the contract. It also protects the school from losing its contract for reasons other than those specified in the legally binding agreement.
- **Receive equitable funding.** Schools in the Open Sector receive funding at the same level as district public schools, including planning, start-up, capital and operating funding from local, state and federal sources. The simple principle is —“money follows kids—*all of it.*”

There is no prescribed, uniform learning program presumed by this vision for new schools and an Open Sector to create and nurture them. To the contrary, there is a need to better understand, respect and address the individual differences in students. It is likely that successful new schools in the Open Sector will be smaller, however, and that they will make it possible for all students to develop more direct and nurturing relationships with adults. But, the curriculum, role of students and teachers and other key factors will vary from school to school.

## The Open Sector is not only about creating more charter schools

Though chartered schools may be the most visible part of the Open Sector today, the Open Sector is not limited to chartered schools. The Open Sector can also include a school operating within a school district or state on some kind of contract other than a charter—as long as the district or state’s arrangements with the school meet the Open Sector criteria listed earlier.

Most schools in the Open Sector are “new” schools—newly created within the Open Sector. But all such schools don’t necessarily need to be completely “new.” The Open Sector can include preexisting schools that are “converted” to the Open Sector, fully incorporating these same criteria. It also can include newly formed schools within existing buildings—such as schools that have been thoroughly reconstituted for low performance and meet other criteria around independence and accountability.

Nor will every school need to be “new” in the sense of being a kind of school never seen before. In fact, identifying and replicating school models that are working is an important part of a new schools strategy. New schools, because they have the flexibility to build their programs and cultures from scratch, are in a much better position than existing schools to execute successful, research-based approaches.

All schools in the Open Sector are “new,” however, in the sense that they are built anew under the dramatically different arrangements now made possible. Even if a school existed before, it’s able to create new approaches and a new culture by virtue of its autonomy in the Open Sector. That is why we often refer to the importance of “building schools new”—to emphasize the value of starting with a blank slate in the design and operation of a school.

The nation’s growing number of chartered schools—and many schools working under contract with districts and states—already constitute an Open Sector in American public education. Our vision of a fully developed Open Sector, though, goes beyond the current arrangements in most places. Spelled out more fully in the box on page 4, this vision includes both a favorable policy environment in which the Open Sector can flourish and a robust “supply” of Open Sector schools, a broader array of organizations able to authorize their creation and the services and resources needed to support them.

**EDUCATION/EVOLVING** is a Minnesota-based initiative committed to helping K–12 education evolve and meet the challenges, demands and opportunities of the 21st Century. We are individuals who have been working for some years on questions about the future of public education in Minnesota and elsewhere in the country. We work together as a joint venture of the Center for Policy Studies and Hamline University in Saint Paul. **EDUCATION/EVOLVING . . .**

**FOLLOWS** the evolving elements of K-12 education - the thinking and the policy actions - in the states and at the national level.

**ASSISTS** the evolution where we can, by analyzing situations and looking for opportunities for change. We try to explain to policy-makers why things work the way they do and how incentives can make a difference. We design new arrangements and we suggest new ways of coming at problems and opportunities as they present themselves.

**REPORTS** to others about what we see, sharing both our own work and related work we see being done by others -- through traditional printed reports, conferences and informal meetings and, increasingly, through electronic means, including our Web site.

**EDUCATION|EVOLVING** draws on the experience and insights of a small cadre of individuals, with leadership for its ‘Open Sector’ initiative coming from Ted Kolderie, Joe Graba, Bryan Hassel and Ron Wolk. Its coordinator is Jon Schroeder. For more information, contact **EDUCATION|EVOLVING** at 1295 Bandana Blvd., Suite #165, St. Paul, MN 55108; 651-644-6115; 651-644-0433 (fax); [info@educationevolving.org](mailto:info@educationevolving.org). Also check out this initiative’s unique Web site at: <http://www.educationevolving.org>.



# Seven Essential Elements of a Robust 'Open Sector'

## *Leadership, public policies, infrastructure and strategies to create more schools new*

We cannot do “from the outside” all the improvement public education requires. Public education must become, like most others, a self-improving system. This requires it to be “arranged” so districts and schools have both reasons and opportunities to improve. Getting the “arrangements” right is the job of the state. State policy leadership should concentrate its efforts on what only the state can do. The necessary “arrangements” for this type of “Open Sector” include:

### **1 A legal basis for creating autonomous public schools new (State action)**

- The law should allow the chartering of new schools and should be similar to the best of the “charter school” laws enacted in states since 1991, including funding equity relative to traditionally governed district schools.
- The law should allow parents, teachers, citizens and organizations to create new schools.
- The law should provide for a variety of authorizers/sponsors, both district and non-district. (See #3)

### **2 Independent state-level leadership (State action)**

- A state level entity that is at least somewhat separated from the traditional state education agency, that has as its mission the promotion of and assistance to innovative learning organizations.
- This entity should have leadership responsibilities with the governor and legislature as well as with the innovative schools themselves.
- This entity should be the focal point for innovative learning activity in both the district and in the non-district sectors. Meanwhile, traditional schools would continue under the traditional “state department.”

### **3 A larger and stronger set of authorizing organizations (State action)**

- A variety of entities whose only mission is creating quality public schools new, and overseeing their operation.
- Adequate understanding of the authorizing role. A knowledge of new models possible. A willingness and ability to perform the duties involved in oversight and accountability.
- Adequate resources to carry out this role.

### **4 Support and resources for startup of new schools (Private and state action)**

- A variety of organized efforts to help create and finance quality learning models; individuals and organizations willing

and able to think creatively and to commit the time and energy needed to create and run the new schools.

- “Resource centers” to provide information and assistance to the new organizers / operators.
- Adequate resources for planning and start-up of the new schools.
- Adequate resources for operating the new schools, including financing their facilities.

### **5 Organizations with the expertise to support the schools (Private action)**

- Some schools may be competent unit-operations; some may get support from a management group to which they belong (for example, for- and non-profit EMOs).
- For others, create new structures to sell management / advisory / consulting services to schools on request.
- Services to include: legal, help with facilities, accounting, (student and fiscal) data reporting, professional development, marketing, planning, public relations, etc.

### **6 An evaluation system that describes and assesses the qualities and performance of schools beyond standardized testing (State and private action)**

- Research that identifies and fully describes the schools-created in terms of what they are as schools; as learning programs.
- Evaluations that relate student performance to the kind of school created, rather than to the jurisdictional status of the school.
- New measures and accountability systems that consider the culture of the school and its impact on various demographic and other categories of students over time (value added assessment), as well as the academic program.
- Research that identifies successful models based on this type of evaluation.

### **7 Processes that encourage replication of these models (Private action)**

- Distribution of information about successful models.
- Sponsors/authorizers who specialize in schools using these successful models.
- Assistance to school-creators in scaling up their successful models.
- Actively seeking out individuals who are willing to create schools using these models.