

"The Importance of Innovation in Chartering"

Remarks to the Legislative Study Committee on Charter Schools
By Ted Kolderie and Joe Graba, Education/Evolving
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Let me try to set the context for the Legislature's use of the chartering strategy. The 'Why?' of anything is important to legislators. It is fair to ask: "If 'chartering' is the answer, what was the question?"

The question is: How do we make schooling different enough to motivate the kids who have never learned well in conventional school?

Paul Houston, the head of AASA, has been pointing out how dramatically the signals have been switched for public education. Forever, their charge was access and equity: take everybody; give everybody the opportunity to participate and to learn. Now suddenly the charge is proficiency: The districts are required to see that all children learn.

This is a huge change. The current model of schooling was not built for this. The districts were not built for this. Success with this very different assignment requires major readjustment in the institution.

The states -- which design and construct this institution -- had to ask whether they could rely solely on the existing organizations to meet this new goal. Many asserted they could, or hoped they could. But it was not obvious that kids who had never learned well in traditional schooling suddenly will learn well simply because adults make traditional school 'more rigorous', or tell the kids they "have to".

Most major states decided it is not prudent to commit exclusively to the strategy of transforming existing schools. They have opened a second option, which is to create a new sector in which schools can be created new. It was entirely predictable and perfectly reasonable for the states to conclude that a somewhat different institution is

required to carry out successfully the new charge to produce student learning.

A principal charge to this new sector is innovation. In adapting K-12 the states did not -- as they might have -- order the creation of some number of some particular new kind of school recommended by some expert consultant. Rather, the states left the chartering laws open. They invite a wide variety of people to set up and to try out a variety of new models of schooling that might work better. And many states make it possible for these people to get their authorization from a variety of different 'sponsors'.

The goal is better learning. But the Legislature cannot enact better learning. All it can do is to create the conditions that will elicit from the workers on the job of learning -- the students and the teachers -- the motivation and the effort that excellence requires. Chartering is a way of creating those conditions; a way to innovate with models of organization, types of school-culture and approaches to learning that change what kids and teachers do.

We do not know as much as we should about the innovation occurring in the new sector. Probably innovation is the exception, among the schools. Still, there is likely to be more than we think. Research to date has not been very interested in innovation. As John Witte points out: Research looks to generalize; does not focus on the individual cases that might represent the breakthrough model. There is quite an important innovation in school governance in Milwaukee, for example -- which Joe will discuss more specifically -- on which research has not picked up at all.

Choice is a logical and necessary corollary for change and innovation. Nowhere will everyone agree on the direction or rate of change. It is best not to vote on change because we do not believe in coercing people into new-things. So, wisely, the Legislature provided options. Those who want something different can have that. Those who prefer to stay with the traditional model can do that.

So we are now in a major transition. In place of the historic public-utility model, the states now have a diverse form of public education. The districts remain, while a new open sector is emerging. Parents and students

may choose where they want to enroll. All this is still evolving: This, like most major changes, is a work in progress, continually being adjusted by the state as architect for the system. This too is predictable and reasonable: As Albert Shanker used to say, "Nobody ever gets everything right on the first try".

Like most such change this one is also controversial. The adjustment is difficult for educators. With their long experience in the culture shaped by the old rules it is understandable they are struggling with the new environment of choice, competition and the requirement now for proficiency. There is an understandable impulse to wish all this change could somehow disappear; that everyone could go back to an earlier and more comfortable time.

But the state cannot go back. The challenge is to adapt, as a group of superintendents in Minnesota saw clearly in 1998. Don Helmstetter, the president of MASA that year, and those who joined him in that report, said: We accept what the state has done, with standards and testing and choice and competition. But in fairness to us in the districts, and in the state's own interest, you need now to give us the ability to succeed in this new environment. They asked for flexibility with staffing and with time, for the opportunity to contract for services and for the opportunity to bring in new technology.

That has to be the agenda: to increase the organizational capacity and the system-capacity for change. The requirement for proficiency makes new models of schooling necessary. Information technology -- computers, the internet, the web, the data bases, the search engines -- now make radically new models possible. Gradually, districts in both our states are starting to explore these new possibilities, with innovations both in school-organization and in the approach to learning.

The immediate question now is how -- as it continues to adjust this new and more diverse system of public education -- the Legislature can ensure that the district sector and the open sector, both, have the autonomy needed for the innovation that is required.

Let me turn this over now to Joe, who will talk more specifically about what this rationale implies for the structure of the chartering laws.

JOE GRABA

Let me say again: The need is to produce radically different schools. This is necessary, and this is possible. It will take time . . . and in the meantime we will of course need to keep doing all we can to improve the schools we have, in both sectors. I simply want to stress that for the educational job that has never been done we will need schools of a type we have never had.

There will be some reluctance to do this. Most everybody wants our schools to be better, but almost nobody wants them to be different. So the states will need to move with considerable skill in rearranging the K-12 system to produce the new and different schools.

Minnesota has a more diverse chartered sector than Wisconsin. Early on, our Legislature added other sponsors. We now have the broadest list of eligible sponsors of any state -- including not only colleges and universities but also large nonprofits and foundations as well as various entities in the K-12 structure. Also, in Minnesota the school becomes a discrete legal entity, a nonprofit organization; in your terms a non-instrumentality. Minnesota's schools are relatively independent even when sponsored by districts. We think perhaps Minnesota should create a new category of chartering in which the schools would be closer to the districts, to encourage districts to be more active in this new sector of public education.

Wisconsin is the reverse. Its law, its program, is quite different from most in the country, as you doubtless know. Here chartering has remained almost exclusively a district program. This state has moved only modestly to alternate sponsors; in Milwaukee and in Racine. And the district-sponsored schools are not separate entities. They are, as the law famously says, instrumentalities of the district.

A state is unlikely to get significantly different schools, to get major innovation, within the existing structures. This is not a criticism of the districts: The culture in all organizations works against radical change; works to maintain existing policies and processes. Research by Clayton Christensen at Harvard Business School makes it clear that significant innovation comes only when people have the opportunity to work in what he calls "new

organizational space". Airlines did not grow out of railroads and motels did not originate with hotels and the PC did not come from the people making mainframes. The innovations appeared outside.

Progressive educators and union leaders are beginning to understand that 'successful' requires 'different' and that 'different' requires 'new'. For the last four or five years I have been a fairly regular attendee at meetings of TURN, the Teacher Union Reform Network. Much of the union leadership understands how deeply its interests are now linked to the creation of new and different schools that can succeed with all kids. In New York City the United Federation of Teachers has gone to one of the alternate authorizers, the State University of New York, to start new schools under New York's chartering law. Discussions are under way similarly in Minneapolis and in California -- actually modeling off Milwaukee.

(I might say: The UFT recently advertised for teachers for its second chartered school. This school will have 20 teaching positions. Eleven hundred teachers applied. And when Public Agenda asked a national sample of teachers a couple of years ago: "How interested would you be in working in a charter school run by teachers?" it found that 55% of all teachers, two-thirds of the under-five-year teachers, and 50% of the over-20-year teachers would be somewhat or very interested in that arrangement.)

This perhaps underscores the significance of the organizational innovation in Milwaukee, in which the authority to design the learning program and to arrange the administration of the school is placed in the hands of a formally-organized group of professional teachers. This is a professional model of school; essentially a partnership. Its effects are quite remarkable. It elicits from teachers the kind of effort it is not often possible for administrators to get within the traditional 'management' model. It does, however, tend to disrupt the traditional operating model, and it is a continuing challenge for top management in Milwaukee to give these schools sufficient authority on a continuing basis.

The new requirement to get all kids to learn is the overriding reason why we need to find new forms of schooling. But there is another important reason to give Wisconsin schools greater opportunity to innovate with

governance and with learning. This is the prospect that the traditional model is not economically sustainable even in the fairly near term.

The technology of teacher-instruction is very expensive, and the steady rise in the costs of this service (including the cost of hospital and medical insurance) makes it difficult for states to finance, K-12 being usually the largest single item of state expenditure. With revenue unable to keep up, what results is a continuing process of increases in taxes combined with reductions in the service program; endlessly, less for more.

The response currently, across the country, is to try to secure 'adequate' revenues; to guarantee K-12 revenue sufficient to cover the rising cost of the traditional model regardless of the overall condition of the state budget or of the state's economy. But as these proposals appear the states will likely to want to consider whether there is an alternate approach; some different model with a cost structure that will be sustainable going forward.

Probably there is. Legislators are aware that recent developments with electronic information technology might make this possible; customizing learning in ways that draw greater effort from the students, and that permit the teachers to reduce the time spent simply transmitting-information and increase the time they spend working individually with students.

The need to encourage innovation suggests that Wisconsin now expand its chartering law in several directions. The idea is to give districts and schools, as Wisconsin has been urged to give students, "all the options available".

- The teacher-partnership arrangement in Milwaukee is an important variation on the 'instrumentality' school: It should be extended and enlarged.
- Second, it would be useful to allow for the non-instrumentality arrangement to be available more widely in the state, and to be used more commonly by the districts.
- Third, it would help if the Legislature were to expand the types of sponsors available. Todd Ziebarth set out

the possibilities for legislative action along these lines when he appeared before your group earlier.

In Minnesota we have been especially interested recently in the Legislature adding, creating, a few sponsors that would be, as we say, 'special purpose' sponsors. Most sponsors today, everywhere, have some other major thing to do for a living. The 'special purpose sponsor' would have no function except to generate quality public schools new. It would be proactive. And each would specialize, in some way. We think this would help both with innovation and with replication.

We would be happy to discuss these ideas with you.

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Ted has worked on system questions and with legislative policy in different areas of public life: urban and metropolitan affairs and public finance through the 1960s and '70s; K-12 public education almost continuously since 1983. He is recognized nationwide for his work on education policy and innovation. Ted was instrumental in helping to design and pass the nation's first charter law in 1991, and has since worked on the design of chartered school legislation in over seventeen states. He has written about the charter idea and its progress in a variety of publications, and is the author of "Creating the Capacity for Change – How and Why Governors and Legislatures are Opening a New-Schools Sector in Public Education," a book about charter schools as a state strategy for the reform of public education.

A graduate of Carleton College and of the Woodrow Wilson School of Public Affairs at Princeton University, he was previously executive director of the Citizens League in the Twin Cities area, a reporter and editorial writer for the Minneapolis Star and Tribune, and a senior fellow at the Humphrey Institute.

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Joe's career in public education spans forty years and an impressive array of leadership positions. Education/Evolving's thinking on system questions and legislative policy are influenced greatly by Joe's ability to integrate knowledge gained as a high school teacher, union leader, state legislator and administrator influencing a variety of education committees, national education committee member, and a higher education administrator.

He began as a science teacher at Wadena Public Schools, and served three years as Vice President of the Minnesota Federation of Teachers. Most recently, he was Dean of Hamline University's Graduate School of Education. In between, he served three terms in the Minnesota House of Representatives; four years as Chair of School Aid Committee. He was appointed as Deputy Commissioner of Education for the State of Minnesota, State Director of Minnesota's Technical College System, Deputy Executive Director of the Minnesota Higher Education Coordinating Board, and Interim Executive Director of the Minnesota Higher Education Services Office. Beyond Minnesota, Joe was Chair of the Education Committee of the Midwest Conference of the Council of State Governments and a member of the Education Task Force, National Conference of State Legislatures.

Joe received his undergraduate degree from Bemidji State University and did graduate work at Northern Colorado University and Bemidji State University.

