

FIVE REASONS WHY MOST CHARTER SCHOOL BOARDS ARE INEFFECTIVE--AND WHAT TO DO ABOUT IT

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Charter School Board University: An Introduction to Effective Charter School Governance
The Seven Outs: Strategic Planning Made Easy for Charter Schools

Introduction

Before getting into this paper's particulars, I would like to offer my readers a brief word of explanation about the premise in the title, namely that *most* charter school boards are ineffective. Some boards may feel that I'm unappreciative of their dedication or sacrifices, or perhaps that I'm just an incorrigible cynic. Neither is true. Here's why I wrote it.

Without question, there are hundreds of what we could call "A1" charter schools in the US that offer students historically unparalleled opportunities to prepare for college. Such schools include Yes Prep!, KIPP Academies, Achievement First, The Seed School, Amistad Academy, High Tech High and *many* others.

But of an estimated 5,000 to 5,500 charter schools in existence, A1 schools are not the norm--they are actually outliers. Based on current research and my own field observations, I estimate, at best, only 20% of all charters are of this caliber. If correct, this means then, about 80% of charters are not high-performing. I would describe the performance of most of this latter group as middling. Worse yet, there are hundreds of charter schools whose performance is deplorable, *even worse than lousy nearby district schools*.

To be fair, the questions on charter school performance are complex and research findings mixed. About the only consistency in findings that I've observed is that a study's conclusions generally seem correlated with the political agenda of the group who funded and/or published the study. Of course, biased research is not a problem limited to education.

One noteworthy exception to this pattern, and therefore instructive, was a study funded in part by the *pro-charter* Walton Foundation in 2009. In it, the Center for Research on Educational Outcomes at Stanford University found that 46% of charter schools achieved gains that were no different than virtual control groups from their nearby districts and 37% had *gains that were worse*. The press release issued by CREDO characterized the findings this way: "New Stanford Report Finds Serious Quality Challenge in National Charter School Sector." I concur: Eighty-three percent of charters failing to outperform their districts *is indeed* a "serious quality challenge."

That said, *if* boards are the entities ultimately responsible for a school's performance--as most informed people would say--and if, as research suggests, the majority of charter schools are not performing as well as they should, *then* the title of this monograph stating that *most* boards are ineffective is not an insult; it's simply a logical conclusion.

If there is a silver lining though, it's this: the reasons for board ineffectiveness are easy to understand and not that difficult to correct. The recommendations outlined in this paper are really *board fundamentals*. They are to school governance what fundamentals are to sports: it's impossible to field a winning team while ignoring the fundamentals of the game. Effective board governance is the very foundation to a school's success. Improve the board's performance and you improve the school.

Reason #1 for Board Ineffectiveness
**Most Board Members Haven't
 Read Their School's Charter**

As part of the training I conduct with charter schools throughout the country, I administer a pre-retreat survey of board members and the school's executive director. The survey asks questions which help me assess the board's performance, as well as the performance of the school (at least as the respondents perceive it). Two of the survey questions pertain to the school's charter. One of these questions asks whether the respondent has read the school's charter. The other asks, "As an agenda item in the past year, has the board reviewed the school's charter?" (Note the critical distinction between individual board members and the board as an entity.)

The answer to both questions is typically no. Generally, beyond the founding board members who wrote the charter, the answer to the first question is no about seven or eight times out of ten. The rate is even higher on the second question. I find that more than 95% of boards have not reviewed their charter as an agenda item in the previous year. In fact, **most** boards I come into contact with have **never** formally reviewed their charter.

While I appreciate the candor with which people respond to the surveys, it's both remarkable and telling that so many charter school board members and their boards haven't even read their charters. It's remarkable because the charter is, for all intents and purposes, a performance contract, that in most states, contains criteria that have to be fulfilled in order for the authorizer or sponsor to subsequently renew it. *Moreover, the board's entire purpose for existing is to make sure the*

terms of the charter are fulfilled. On this basis, I think it's safe to assume that authorizers expect the board and its members to read it.¹

When I say that a board's admission that it has failed to review their school's charter is also telling, what I mean is that this admission typically correlates with less than impressive student performance. The relationship is obvious: Since a charter (usually) contains student outcomes to be produced by the school, if the board doesn't know what those outcomes are, or at what threshold they are to be produced (e.g., by the third year of operation, at least 75% of the school's students who have been enrolled for two consecutive years will meet or exceed the state's standards for English language proficiency), then the board will be ineffective because it is leaving school performance (and charter renewal) purely to chance. Moreover, since most boards don't know what their schools are supposed to produce, they have no meaningful criteria by which to evaluate management's performance. The remedies for all these problems are quite simple:

1. *Every* board member should read the school's charter (or at least the sections pertaining to student outcomes).
2. As an agenda item, *the whole board* should periodically (i.e., *at least* once or twice a year) evaluate *how well* the outcomes in the charter are being fulfilled.

¹ I'm reminded of a school operating company owner who once bitterly complained to me about an authorizer that declined to grant the operator a charter. The cause, apparently, was that one of the proposed board members admitted in an interview with the authorizing panel that he hadn't read the charter. I was amused by the operator's perplexity at this. I assured him that failing to read the charter that the board is proposing to oversee is generally considered a non-starter by most authorizers, as well it should be.

"... the board's entire purpose for existing is to make sure the terms of the charter are fulfilled. On this basis, I think it's safe to assume that most authorizers expect the board and its members to read it."

Reason #2 for Board Ineffectiveness
**Most Boards Allow Individual Members
to Interfere With Management**

When it comes to directing management, there's a universal concept concerning board effectiveness that cannot be compromised: *a board must speak with one voice*. But how does everyone involved know the board has spoken? It's simple. If the board hasn't voted, the board hasn't spoken.

In contrast to the one-voice principle, most charter school boards allow individual board members to interfere with management to one degree or another. Sometimes the interference is mild, e.g., expecting the school's executive director to follow "suggestions" made by individual board members. At other times the interference by individuals is severe.

Real examples of severe interference include individual board members:

- autonomously organizing chat or grievance sessions with faculty members
- using committee positions and board offices (e.g., board treasurer) to supersede the school leader
- issuing personal directives to the school leader and/or faculty and staff members

All of these actions violate the one-voice principle and weaken the board. The ensuing dysfunction often results in excessive school leader turnover. (The average tenure of a charter school leader appears to be about 24 and 36 months.) What's the cost to the school? Absent a skilled principal, *sustainable outcomes* are unlikely.

How does the board prevent this spiral from occurring? Easy. Adopt a policy stating that **only** the whole board directs the school leader through its votes. Then enforce it. Period.

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Dr. Barbara L. Downey
Regional Manager, Indiana
American Quality Schools
Chicago, IL

"I love this concept! Thank you--this is an effective way to maximize time and minimize expense."

Susie Pierce
Rural Community Academy
Graysville, IN

Reason #3 for Board Ineffectiveness
**Most Boards Try to Co-Manage
 the School Rather Than Govern It**

If there is a textbook error when it comes to board ineffectiveness, I'd say it is a board trying to co-manage a school rather than governing it. The reason is usually that boards don't understand the differences between governance and management.

Several years ago, I began devising a model to explain the differences. The model has been revised over time as others have made suggestions and offered insights. For lack of a more imaginative name, I simply call it the EOHW model because each of the key words in the model begins with those letters, shown in the grid below:

<u>Dimension</u>	<u>Board</u>	<u>Executive</u>
Purpose	<u>E</u> nure	<u>E</u> xecute
Type of Authority	<u>O</u> versight	<u>O</u> perational
Primary Questions	<u>H</u> ow <u>W</u> ell?	<u>H</u> ow <u>W</u> ill?

Beginning with *different purposes*, management's job is to *make* the school perform (i.e., to **execute**). The board's job, however, is to *make sure* the school is performing (i.e., to **ensure**). The board does not have the expertise to make the school perform (anymore than an airport board has the expertise to fly the planes or work in the control tower). *But, the board's job can neither be delegated, nor, should it be arrogated by management.*

Next, with respect to authority, most people conceive of the board's authority as simply parallel with management's, except that the board has more. It is true that the board has ultimate accountability for the school, therefore it has ultimate authority in the school (within, of course, the parameters of the law, the charter, etc.). For practical

purposes, however, I find it helpful to conceive of authority as differing in *type or essence* rather than scope. Consider the following metaphor:

A police officer has **operational** authority concerning the law. He or she can issue citations, investigate crimes, make arrests, etc., *but cannot convict anyone*. A judge, however, has **oversight** authority concerning the law, in that he or she *ensures* that the law was followed, one's rights were accorded, and that due process is observed. And a judge *can* convict. *Neither a judge nor a police officer has the authority to do the other's job*. It's not so much a question of which has more authority, but rather how their authority differs. So it is in any properly understood charter school board-management relationship.

Lastly, consider that certain jobs require the people performing them to ask certain *kinds* of questions. An oversight entity such as a board that is concerned with quality should ask, "**How well?**" questions. For example, How well are the students performing the outcomes in the charter? How well is the school staying within budget? How well are we complying with authorizer directives? and so on. Management, on the other hand, while being concerned with "How well?" issues, is really focused on efficient and effective execution, so it asks what I call "**How will?**" questions. It then uses its expertise to implement the best processes. (Note: An important exception to this concept, as Dr. John Carver points out, the board *does* have a role in asking what I call "How will?" questions when policies and decisions pertain to lawfulness, ethics, prudence.)

Until a board recognizes these distinctions and adjusts its oversight of the school accordingly, it actually impedes a school's performance by attempting to co-manage rather than govern it. If your board is able to honestly appraise its own performance, use the grid to evaluate *how well* it observes the distinctions.

Reason #4 for Board Ineffectiveness
**Most Boards Fail to Focus
on Student Outcomes**

I'm amazed by the principle in life that we get what we focus on. For example, if you want to lose weight, personal trainers often tell you that you will increase your chance of success if you keep a daily journal in which you record your food consumption and exercise. Similarly, if you want to improve your financial condition, financial advisors recommend recording every expenditure because they know that heightening your awareness of actual purchases helps improve your money management. And then there's this human oddity: You buy a new red car, and what do you start seeing everywhere? Red cars! My friend Laura Goodrich, a consultant who helps people get what they want, even named her business after this phenomenon. Check it out at www.SeeingRedCars.com.

I've observed that the dynamic of getting what we focus on as individuals works much the same way with charter school boards. When a board consistently focuses on student results, school leaders focus on producing them. Conversely, when a board exhibits a pattern of discussing trivial operational details, board meetings are dominated by reports filled with mind-numbing minutia. This pattern becomes self-perpetuating: The school leader's focus and reports tend to mirror whatever the board focuses on.

Consider, for example, the following actual excerpts (with the wording slightly revised to improve grammar and clarity, as well as provide anonymity, etc.) from the minutes of a *single* board meeting of a *real* charter school:

- A board member made a motion to retain the facilities manager at the same compensation as in the current contract.
- The board discussed a revised organizational chart.
- The school is still awaiting the installation of an electronic sign and waiting for the management company that operates the school to send a check for \$10,250. The lights for the sign are imported from China and have not been received.
- Work on a nearby stoplight is in progress and expected to be completed by August.
- The vendor of the school's sound system was contacted, whereupon it was discovered that some settings had been altered after the company had preset them. A board member recommended that they install a locked cabinet with designated key holders.

Before you laugh too heartily, comb through eight or ten months of your own board's minutes, and you'll likely find similar discussions. But here's my point: *The school's leadership would not have reported these items if the board didn't habitually focus on such trivialities.* But this board liked to focus on trivia, so trivia is what got reported.

Moreover, when a board focuses on the trivial, vital matters, i.e., mission success indicators such as gains in literacy, foreign language fluency, college acceptance rates, AP performance, mastery of science and math, degree to which students are conversant in the humanities, etc., **usually go undiscussed and unevaluated by the board.** Any wonder then, *that such schools generally fail to achieve anything extraordinary?*

The takeaway is simply this: If your board wants student results, then it should *consistently* focus its meetings on *how well* those results are being accomplished.

Note: Much of the content on this page was excerpted from my monthly board development podcast series, BoardWiser. For information on subscribing, go to www.BrianLCarpenter.com.

“When a board exhibits a pattern of discussing trivial operational details, board meetings are dominated by reports filled with mind-numbing minutia. This pattern becomes self-fulfilling: The school leader's focus and reports tend to mirror whatever the board focuses on.”

Bonus Observation!
Not only does focusing on student outcomes help create a culture of high performance, it usually shortens meeting duration. This can make it easier to recruit new board members.

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To contact Brian, call him at (989) 205-4182 or email him at board_doctor@mac.com.
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Reason #5 for Board Ineffectiveness Most Boards Fail to Develop and Evaluate Their Own Performance

If we know one thing for certain about the variables that determine a school's success or failure it's this: *the people involved are the key*. Like any other organization wishing to accomplish some purpose, *there is no substitute for the right people keeping on top of their game*.

While boards usually recognize the need for the school leader to have a professional development plan for faculty and staff, most boards have no such plan for themselves. I've always found this contradiction to be puzzling. Since boards recognize the validity of training for the important responsibility of teaching children, why don't they recognize the validity of training for fulfilling their governance responsibilities?

After all, as directors or trustees, they are ultimately responsible for millions of taxpayer dollars as well as the quality of education within the school.

What's the cause of this disconnect? I think it stems from boards (and others) making three mistakes:

1. An assumption that governance is basically the same thing as management.
2. An assumption that the school should direct *all* of its resources to the classroom.
3. An assumption that board members have no obligation to pursue ongoing professional development *because they are volunteers*.

I will briefly address why these three assumptions are in fact mistaken, and then make four easy-to-implement board development recommendations.

First, governance and management, while sharing some skills (e.g., the ability to interpret financial reports), are different disciplines. (See p. 4 of this paper for an explanation of the differences).

“The necessity of training is not determined by the absence or presence of compensation, it’s determined by the responsibilities one agrees to perform. This is why volunteer firefighters receive rigorous training and why all charter school board members should as well.”

Thus, even though board members may excel at management responsibilities in their professional lives, they still need training to understand and excel at governance responsibilities.

A very public example of how badly things can go awry when a board has successful people serving on it but doesn’t receive governance training occurred in 2007 when the Smithsonian Institution made national headlines because it’s chief executive committed numerous abuses that could have *and should have* been prevented by the board. Hundreds of charter schools have gone down the tubes for precisely the same reason. (*The Smithsonian Governance Debacle: Ten Lessons Charter School Board Members Can Learn at Someone Else’s Expense* can be downloaded free of charge at www.BrianLCarpenter.com).

Second, the assumption that the school should direct *all* of its resources to the classroom is faulty because it assumes that the value produced for children lies only in the classroom. If this were so, the school would have no business manager, it would not carry director and officer liability insurance, and it wouldn’t have the lawn cut (assuming it has a lawn). The school allocates resources for these non-instructional aspects of school operations because they create value elsewhere in the school. So it is with board development. I’m not saying a board should fly to Tahiti on the taxpayer’s dime, but a few thousand dollars spent annually on board training can save the school tens of thousands of dollars later on (or even millions in a few extreme cases, such as when a rogue administrator steals money because the board didn’t know it needed an internal control policy or that it should evaluate whether its policy was being followed!).

Third, the necessity of training is not determined by the absence or presence of compensation, it’s determined by the responsibilities one agrees to perform. This is why volunteer firefighters receive rigorous training and why *all* charter school board members should as well.

Maybe your school is small or new and can’t yet afford the services of a professional provider, but that’s no excuse for a board not to train itself. Here are four recommendations *that won’t cost your school anything*.

1. All new board members should receive a rigorous orientation *prior* to board appointment. At a minimum, the orientation should include requiring them to read the board’s bylaws and the section of the school’s charter that pertains to educational outcomes, and a summary of the school’s performance.
2. My website has dozens of free publications you are welcome to download and reproduce for your board’s use. You can also sign up on my site to be automatically notified as future freebies become available. (www.BrianLCarpenter.com.)
3. Go to your local library and check out, “*Boards That Make a Difference*” by Dr. John Carver. Pass it around the board, read it, and discuss its implications *at board meetings*. It is the single best resource for boards that I know of. I’m also fond of a slim volume titled, “*Governance as Leadership*” by Chait, Ryan & Taylor.
4. Create a simple (one-page) board professional development plan in which the board maps out topics it wants to learn more about throughout the school year. A board committee can then line-up volunteer presenters or use the expertise of its school leader.

Concluding Thoughts

In the early 1990s, when US charter schools were in their infancy, few people gave much thought to the importance of effective boards as being central to building successful schools. During these past 20 years, however, as many schools have failed to deliver on the promise of improved student performance (i.e., compared to failing districts), researchers, authorizers, state associations, and others are realizing that board effectiveness is not optional. Increasingly, for example, authorizers are now requiring boards to describe a professional development plan as part of the renewal process.

So how is a board supposed to juggle all of its governance responsibilities (which are considerable) with demands that it also develop itself and its members? If it's not enough simply to attend an annual conference here and there, how does a board manage to keep up with its own training?

It's actually not as difficult as you might think. A very easy and powerful approach is for the board to create and maintain its own annual calendar (which also costs nothing). Here's how it works: Because so many things that occur in a charter school are recurring, they actually lend themselves to oversight by the board *if* the board is consistently able to anticipate their occurrence. An example of this is the school's renewal of its liability insurance, including its director and officer liability insurance (which covers individual board members and the executive director in the event that the school is sued).² The anniversary date for the policy rolls around and the board is automatically informed of it because the item was included in the board's annual calendar.

In addition to using the calendar as an oversight tool, the board can also use it to map out a professional development plan for the year. All the board needs to do is simply decide on a list of topics about which it needs (or wants) to learn more.

Then, use the calendar to create the board's meeting agenda. Set aside the final 30 minutes of *each board meeting* for board self assessment (i.e., evaluating how well the board is doing at governance fundamentals such as speaking with one voice) and board development (i.e., studying and discussing pertinent materials).

Doing so consistently will not only vastly improve a board's knowledge and effectiveness, it will also place the board in the position of *exemplifying* (rather than merely mouthing) a commitment to continuous improvement. When this happens, the board will be actively creating a culture of school excellence, which is why charters were created in the first place.

² You've probably been told that as a board member you have immunity as a volunteer, but I know of several instances around the country where board members have been assured that they were covered by such immunity, only to find out when they got sued that they weren't. The worst case of this was a treasurer whom the Ohio Supreme Court ruled in Dec. 2010 can be held personally liable for millions of dollars overpaid to a now defunct charter school on whose board she served. So much for volunteer immunity.

About This Publication & The Author

This publication is the property of Brian L Carpenter PhD & Associates, LLC. While it is intended to provide expert governance training, it is not intended as legal advice, for which boards should consult a qualified attorney as well as the specific laws of the state in which their chartered school operates.

Dr. Brian L. Carpenter is widely regarded as one of the foremost authorities on charter school governance. Both of his books, *Charter School Board University* and *The Seven Outs: Strategic Planning Made Easy for Charter Schools* are used by schools, associations, and universities. His third book, *Preventing Charter School Train Wrecks* will be published in the summer of 2011. For information on engaging Dr. Carpenter to conduct a board development retreat or to speak at your conference, call (989) 205-4182 or email him at board_doctor@mac.com.