



## The Challenges for Charter Schools: Replicating Success

By Monica Higgins and Frederick M. Hess

*Charter schooling continues to grow apace. The nation's four-thousand-plus charter schools now enroll more than a million students and are approaching (or have exceeded) traditional district enrollment in communities like Dayton, Ohio; New Orleans, Louisiana; and Washington, D.C. Many of the most successful charter school providers are embarking on ambitious growth plans; most notably, the famed KIPP Academies hope to nearly double the number of their schools in the next five years, from fifty-seven to roughly one hundred.<sup>1</sup> The climate for expansion seems hospitable: President Obama has called for doubling federal support for charter school facilities. But what will it take for charter schooling to succeed at scale?*

The most successful charter ventures to date have been boutique-style operations that are extraordinarily reliant on talent and passion, philanthropic funding, and exhausting work schedules. Many of the most frequently cited brands—such as Achievement First, Aspire, Green Dot, High Tech High, St. HOPE, and Uncommon Schools—run fewer than one or two dozen schools nationally. For many funders, practitioners, and policymakers, scaling the most successful ventures has become the sine qua non of successful reform. Thus far, these pockets of excellence have produced tangible results, but the means of bringing them to scale have remained elusive.

When it comes to talent management, one approach for building scale is to encourage schools to emulate “best practices.” Given the appealing simplicity of this tactic (“figure out what works, then repeat”), it is no surprise that this recipe has

attracted interest. The problem is that such an approach requires that key human resources practices be explicitly identified and faithfully imitated by other school systems. Unfortunately, efforts to distinguish and then duplicate effective organizational practices over the past quarter-century, from Ron Edmonds’s “effective schools” research<sup>2</sup> forward, have an uneven track record. More generally, attempts to succeed by mimicking successful organizations have been, more often than not, unsuccessful, both in the public and private sectors.<sup>3</sup>

### Growing Smart

A more promising course to help successful new ventures grow effectively is to reconsider, and appropriately retool, the factors that fueled early success. While there are lessons here for traditional K–12 districts, our explicit focus is on how nontraditional educational entrepreneurs can help themselves “grow smart.”

Smart growth begins with smart organizing. Thus far, organizations embracing tightly knit “clan models” have enjoyed more success than corporate models or loosely coupled cooperative

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models.<sup>4</sup> The clan model benefits from intense employee commitment, strong organizational culture, and superb quality control.

So far, so good. The problem is that clans are produced by intensely selective hiring and “true believer” cultures that make expansion slow and difficult. Many new clanlike organizations have embraced the “mitosis” mindset sketched by High Tech High School founder Larry Rosenstock, in which they explicitly limit growth to “pods” spun off by individuals steeped in the organization’s culture. This is an alluring model, but it suffers three serious limitations.

First, this approach places great demands on human capital, leaving organizations dependent on their ability to find talented, high-energy members ready and willing to launch new pods. If the well is shallow or if these individuals burn out, this strategy becomes self-limiting. Second, mitosis dramatically limits the speed at which organizations can expand. Third, and most critical, mitosis is, fundamentally, a fragile growth model: it presumes that organizations can and should keep doing what they have done before and that clones will prove similarly effective in new locations.

Of course, many “new” school organizations are small by design, purposely limiting the number of sites they serve. But the question for new education ventures that wish to expand their reach is how to grow sure-footedly and effectively while sustaining performance.

## Career Imprinting in Education

One reason that clanlike models initially “work” is the uniformity of their approach to human resources systems and culture. This homogeneity reflects an “organizational career imprint”—the set of capabilities, connections, confidence, and cognitions that individuals share as a result of working for a given organization at a particular time.<sup>5</sup> These four Cs can be understood as a kind of organizational brand or DNA. For example, Teach For America (TFA) alumni are often noted for their shared values, expectations, and confidence. This common imprint is the product both of TFA’s screening and TFA teachers’ exposure to the organization’s muscular culture—as well as an explicit selling point in TFA’s recruitment strategy. As Wendy Kopp, founder of TFA, told Yale students in 2005, “It’s probably impossible to do TFA and come out seeing the world in the same way.”<sup>6</sup> This powerful imprinting process is what helps ventures thrive in the short term, but it may ultimately hinder their ability to adapt, evolve, and grow.

This is all pretty opaque. Let us turn to an example from another talent-driven sector—biotechnology—to understand how imprinting can work and why it matters. Biotechnology is particularly useful here both because there are structural similarities between biotech entrepreneurship and the new educational sector—such as uncertainty, high stakes, and long time horizons before results are clear—and because it permits us to draw upon recent research on organizational career imprinting.<sup>7</sup>

## Career Imprinting at Baxter and Beyond

In biotechnology, of the 299 firms that went public in the eighteen years between 1979 and 1996, approximately one-quarter had at least one member of their senior leadership team who, at some point in their career, had worked at Baxter Travenol—a major health care firm in the 1970s. By comparison, Johnson & Johnson, a much larger firm than Baxter, had alumni on less than one-fifth of the leadership teams at these new ventures. Other prominent names, like Abbott, Merck, Eli Lilly, and Bristol-Myers Squibb, had even less representation. Baxter was spawning entrepreneurial activity at a vastly disproportionate rate. What was it about Baxter that yielded so many entrepreneurs at the dawn of the biotechnology industry? Three elements characterized the kinds of career experiences that Baxter employees shared and the skills and mindsets that they developed.

**Imprinting Factor #1: Stretch Assignments.** Giving new hires extremely challenging work assignments—“stretch assignments”—when they join an organization is central to the imprinting process. At Baxter, rising managers were sent overseas early on, often within two years of joining the firm, to run an operation, with little guidance from headquarters. Often unfamiliar with local language, culture, and regulations, these young managers were still responsible for profit and loss from day one. A Darwinian winnowing resulted, with young managers demonstrating or hurriedly acquiring an entrepreneurial bent—or falling by the wayside. They learned to manage cash flow, develop extra-organizational networks, oversee budgets, and be self-reliant, which was profoundly different from the capabilities, connections, confidence, and cognition acquired by their peers at competing firms.

Talent management practices in some new school providers are eerily similar to those of Baxter. Most explicitly, outfits like KIPP routinely ask new principals to take on stretch assignments. Novice KIPP school

leaders, equipped with little more than some introductory training and mentoring, are expected to manage the development of entirely new school communities, overseeing the facilities, teams, and cultures. Those who are successful emerge with entrepreneurial skills and a mindset alien to the traditional landscape of public education. As Richard Barth, CEO of KIPP, has noted, part of “KIPPness” is an underlying “ethos of individual responsibility.”<sup>8</sup> The upside of stretch assignments is that individuals enjoy a tremendous sense of empowerment and self-efficacy early on, and leadership becomes truly shared throughout the organization.

Yet, there are also downsides to stretch assignments. First, those doing the stretching may become overwhelmed or exhausted. At KIPP, for instance, founding school leaders enjoy tremendous support and autonomy, but the demands of these jobs have led to burnout and succession issues; school leaders rarely stay for more than four or five years.<sup>9</sup>

A second challenge, one that plagued Baxter, is that entrepreneurial imprinting produces a disproportionate number of individuals inclined to manage their own organizations. Once Baxter managers got a taste of running their own show, they tended to seek similar kinds of posts, and venture capitalists kept an eagle eye out for opportunities to poach these budding entrepreneurs.

**Imprinting Factor #2: Social Reinforcement.** Organizations can also strengthen the imprinting process by providing social reinforcement throughout employee training and development. Practices such as hiring in cohorts or seeing that peers experience similar developmental paths can instill shared norms and expectations. At Baxter, individuals were hired in distinct cohorts, straight out of business school, and provided with similar early-career experiences that reinforced the firm’s entrepreneurial values. New employees were teamed with mentors, enabling seasoned employees to share with new hires both formal knowledge (such as product-related information) and informal tidbits (such as how to communicate with senior executives).

Similarly strong socialization and social reinforcement practices are evident in the KIPP Foundation’s Fisher Fellowship program and in New Leaders for New Schools. At KIPP, new school leaders are inducted through an intensive summer program featuring instruction by the organization’s founders; this is followed by an in-school “residency” program and then six months of organizing, recruiting, and preparing in the location

where they will open their school. The intent is to provide aspiring school leaders with a sense of what it means to “be KIPP,” ensuring consistency among new KIPP schools.

These strong social networks foster commitment and collaboration, clarify organizational identity, and facilitate peer-to-peer role-modeling and mentoring. Even after members move on, strong ties can continue to yield reliable referrals for new hires, leads for collaboration with valuable external partners, and access to information and resources beyond the boundaries of the organization. These networks also help secure talent and increase prominence; Baxter was recognized by new business school graduates as a breeding ground for entrepreneurial talent.

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One potential downside of social reinforcement and strong social networks is the possibility of “in-hiring”—a kind of inbreeding in which organizations end up hiring like-minded people and inadvertently develop blind spots. For instance, nearly two-thirds of the people in KIPP’s Fisher Fellowship class previously taught in KIPP schools. A strong sense of mission can become hubris if left unchecked, leading to insular networks with homogenous talent and ideas. Numerous scholars have shown that insular networks—those that are more dense and less diverse—reduce the amount and availability of new information while stifling innovation and creativity.<sup>10</sup> Comfortably hiring from the outside has been a challenge for organizations like Aspire, which, while committed to incorporating varied skill sets and perspectives, has anxiously wrestled with whether “an outside hire [would] be able to do things ‘the Aspire Way.’”<sup>11</sup>

**Imprinting Factor #3: Demonstrated Success.** A third factor that can strengthen career imprinting is demonstrated success. When individuals see evidence that certain organizational routines (like hiring practices, systems, and structures) “work,” they are more likely to repeat them faithfully. At Baxter, employee awards legitimated the success of the company’s entrepreneurial model and imprinted a collective sense of progress. This same dynamic has occurred in schooling. TFA’s success

has been, in large part, a product of its ability to brand itself as a great place for new college graduates to start—positioning itself as the twenty-first-century counterpart to the Peace Corps during that organization’s glamorous 1960s heyday.

TFA’s recruitment efforts, carried out on more than four hundred college campuses, have been so effective that 11 percent of the senior class at Yale University, 10 percent at Georgetown University, and 7 percent at the University of Michigan applied to join TFA last year.<sup>12</sup> KIPP’s early success benefited enormously from an enthusiastic *60 Minutes* profile and from nationwide media attention on the *Oprah Winfrey Show* and ABC *World News* and in the *New York Times* and *Time* magazine. Such visibility leads to the perception that these new educational models are indeed working.

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Showcasing successes can attract new waves of talent and funding and also motivate educators to take pride in the organization’s vision. At Baxter, demonstrations of success translated into intense organizational commitment; an executive needed only to give a manager a “tap on the shoulder” to get him to tackle a new assignment, even if it meant assuming an overseas position on twenty-four hours’ notice. At KIPP, public acclaim has reinforced impassioned commitment, with teachers working long hours at school, being reachable by cell phone after school hours, and pitching in on everything from school facilities to community outreach.

But early “success” can also be perilous, causing organizations to become excessively insulated or, even worse, self-congratulatory. Attachment to a particular way of doing things can short-circuit thoughtful reflection on what is working, why it is working, and how the model might be improved. As KIPP’s Barth has observed, “If you’re the only game in town and are the ‘place to be,’ there is a lot less anxiety about” attracting talent.

However, he notes, “Once you start growing and competing for talent, then you think, ‘Wow, we’d better reconsider some of our approaches.’”<sup>13</sup>

Too often, organizations fail to recognize their weak spots and mistakenly think they are engaging in tough self-appraisal. Such organizations may welcome internal debate on select issues—such as instructional technology or math instruction—yet remain resistant when it comes to revisiting assumptions about recruitment, job descriptions, or staff development. Edison Schools offered a useful model for other charter management organizations by reaching out to a variety of thinkers and practitioners while crafting its far-reaching “2.0” redesign, in which the firm has rethought its core blueprint and operating assumptions.

At Baxter, insulation from the realities of the marketplace fed into the company’s passive position when it came to the emerging biotechnology industry. Several Baxter alumni recalled it as an “enormously frustrating” time because the firm’s leading scientists and senior cabinet had become convinced that “it was too late to compete in the biotechnology field” due to the advantages held by other firms.<sup>14</sup> In this presumption, they could not have been more wrong—and the determination to stay with the old recipe drove top talent to leave.

In education, heralded new ventures can feel enormous pressure to keep doing what they have been doing. Early success and recognition reinforce confidence in the original model. Organizations awarded rock-star status find the acclaim a recruiting boon. “Customers,” such as parents and community members, may demand certain “branded” schools, creating expectations that are resistant to change. Finally, reliance on the support of funders and friendly public officials eager for results leaves growing ventures with few incentives to invest in knowledge-building or self-scrutiny. The risk is that the attention and attendant demands may prove a hindrance when it comes to appraising honestly what has worked and why.

## Implications

In every case, the factors that strengthen imprinting and early success in new ventures can become flaws if unchecked. How can savvy operators anticipate and address these challenges? The first step is to assess organizational practices and consider the extent to which the firm engages in stretch assignments, social reinforcement, and public recognition of entrepreneurial success—all of which tend to foster a strong entrepreneurial career imprint.

**Create “Intrapreneurial” Roles.** Although stretch assignments can instill a sense of empowerment and heightened self-efficacy, they can also beg a simple question for employees: how can I take the next step and continue to be an entrepreneur within this organization? Even if there are few start-up opportunities, such as founding a new school, organizations can encourage and nurture entrepreneurial talent from within the ranks by creating “intrapreneurial” roles. Such positions can be jobs in which individuals have distinct authority over assignments that provide a large degree of latitude and, importantly, require some kind of radical innovation.

As firms such as KIPP and Aspire grow, finding ways to give employees the opportunity to have a greater impact will be a core challenge. Does moving people into centralized roles work? Can other key positions that require entrepreneurial ideas and attention—such as technology use, instructional design, or professional development—fit the bill?

**Adopt an Ecosystem Perspective.** Often, if an employer cannot provide an attractive next step for employees who begin in entrepreneurial roles, employees will decide to leave. One productive response is to adopt an ecosystem perspective—that is, to acknowledge impending departures and make them a strategic asset by creating and fostering alumni networks and celebrating the successes of those who depart.<sup>15</sup> This approach ultimately benefits the organization—allowing it to tap into new relationships, expand its reach, and position itself as an incubator of talent. As KIPP’s Barth has noted, for some, departure is inevitable: “There are certain people who either won’t be attracted to a new paradigm or who, even after being with us, want to go off and do something else. . . . I think that’s great.”<sup>16</sup>

TFA offers a model for how this can be done in education; its efforts to keep alumni engaged, informed, and connected with the organization are a key element of its strategic vision. TFA purposively showcases its twelve-thousand-strong alumni network, promising that “through their shared corps experience, alumni form lifelong personal and professional relationships and rely on each other as a source of jobs, mentoring, support, and inspiration.” It also hosts annual summits at which alumni can strengthen this network.<sup>17</sup> Indeed, TFA alumni have gone on to create entrepreneurial ventures and hold influential positions inside and outside traditional public school systems. Among other ventures, TFA alumni have launched KIPP and the New Teacher Project, itself a

program for recruiting teachers into urban school systems.<sup>18</sup> TFA reports that of its twelve thousand alumni, over three hundred are school principals or superintendents, and more than a dozen are elected school board members.<sup>19</sup>

**Build External Social Capital.** As with stretch assignments, social reinforcement can be an early strength but later a weakness, particularly if the organization’s strong social networks lead to narrow hiring practices. To counter excessive intellectual or organizational homogeneity, it is useful to seek alternative sources of talent by building external social capital—that is, relationships extending beyond the partnerships pursued in the early stages of growth. Organizations should seek outside perspectives and build external social capital, whether through board seats, consulting arrangements, or outside hires.

Some educational programs, such as the Broad Residency Program, explicitly and intentionally incorporate out-of-sector hiring as part of their strategy. So, too, is the case for Edison, New Leaders for New Schools, and Wireless Generation—all of which cast a broad net when seeking talent. Out-of-sector hiring is useful not only to deepen the talent pool; it also complements efforts to ensure organizational self-reflection and avoid myopic imprinting and growth strategies.

**Organize to Learn.** In any sector, overemphasis on what has worked so far can impede necessary learning. Even the most effective new providers will willingly concede that they have much to learn about negotiating community relationships, recruiting talent, delivering instruction and professional development, employing technology, and designing curricula. Research on organizational learning has found that openness to admitting mistakes, asking questions, and soliciting advice are all particularly difficult exercises for an organization faced with high stakes and public scrutiny.<sup>20</sup> In the education sector, these dynamics are the norm, so it is especially important that growth-minded education organizations organize to learn.<sup>21</sup> Again, the goal is one of balance. Demonstrating wins and executing successful strategies effectively are essential but should not come at the expense of meaningful exercises in self-reflection, whether through developing new research relationships, rethinking performance metrics, or bringing in outsiders to ask hard questions about the future.

In education reform today, becoming a learning organization is not only a matter of developing new or

better solutions; the broader challenge is to spread practices that actually work. As KIPP's Barth explains, "In our network, ideas tend to gain currency with one or two people. But if it is working, what does the school in Tulsa get from it? We're not fully leveraging our scale."<sup>22</sup> The key is not only to collect information but to examine it and then communicate those findings. These are challenges that many successful new ventures have not yet focused on but that will prove crucial to the next stage of their growth.

## Conclusion

The appeal of mitosis-style growth or "best practice" imitation is undeniable. Who could resist the temptation of letting a "sure thing" grow slowly or simply copying a recipe out of an acclaimed cookbook? Unfortunately, the evidence is that large-scale education reform will not be delivered by following such a course. Imitation may be flattering, but decades of experience suggest that it is only haltingly effective when it comes to replicating even the most promising educational programs. Markets are local; clienteles differ dramatically from one place to the next; and the challenges and availability of facilities, staff, and other resources vary enormously from Memphis to Miami. In the face of the imposing demands of twenty-first-century schooling, recognizing the dark side of imprinting and the ways to combat it may help equip educators to answer the challenges ahead.

## Notes

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2. Ron Edmonds and J. R. Frederiksen, *Search for Effective Schools: The Identification and Analysis of City Schools That Are Instructionally Effective for Poor Children* (Cambridge, MA: Harvard University, Center for Urban Studies, 1978).

3. See Matt Candler, "Supply-Side of School Reform on the Ground," in *The Future of Educational Entrepreneurship*, ed. Frederick M. Hess (Cambridge, MA: Harvard Education Press, 2008).

4. Robert Maranto and April Gresham Maranto, "Markets, Bureaucracies, and Clans: The Role of Organizational Culture," in *Educational Entrepreneurship: Realities, Challenges, Possibilities*, ed. Frederick M. Hess (Cambridge, MA: Harvard Education Press, 2006), 145–64.

5. Monica Higgins, *Career Imprints: Creating Leaders Across an Industry* (New York: Jossey-Bass, 2005).

6. Bridget Kelly, *Staying Power: Teach For America Alumni in Public Education* (Washington, DC: Education Sector, 2006), 3.

7. See Monica Higgins, *Career Imprints: Creating Leaders Across an Industry*.

8. Personal telephone interview between Richard Barth and authors, June 2, 2008.

9. Stacey Childress and Maura Marino, "KIPP 2007: Implementing a Smart Growth Strategy," Harvard Business School Case N9-308-073, 2008.

10. See, for example, Ronald Burt, *Structural Holes: The Social Structure of Competition* (Cambridge, MA: Harvard University Press, 1992); Morten Hansen, "The Search-Transfer Problem: The Role of Weak Ties in Sharing Knowledge Across Organization Subunits," *Administrative Science Quarterly* 44 (1999): 82–111; Joel M. Podolny and James N. Baron, "Relationships and Resources: Social Networks and Mobility in the Workplace," *American Sociological Review* 62 (1997): 673–93; and Michael L. McDonald, Poonam Khanna, and James D. Westphal, "Getting Them to Think Outside the Circle: Corporate Governance, CEOs' External Advice Networks, and Firm Performance," *The Academy of Management Journal* 51 (2008): 453–75.

11. Amy Saxton and Mike Perigo, *Aspire Public Schools: Building the Organizational Capacity for Healthy Growth* (Boston: The Bridgespan Group, 2008).

12. Teach For America, "Teach For America Announces Record Number of Teachers for 2008," news release, May 14, 2008.

13. Personal telephone interview between Richard Barth and authors, June 2, 2008.

14. Monica Higgins, *Career Imprints: Creating Leaders Across an Industry*.

15. Paul Gompers, Josh Lerner, and David Scharfstein, "Entrepreneurial Spawning: Public Corporations and the Genesis of New Ventures, 1986–1999," *Journal of Finance* 60, no. 2 (2005): 577–614.

16. Personal telephone interview between Richard Barth and authors, June 2, 2008.

17. Teach For America, "After the Corps: Power of the Network," 2008.

18. Frederick M. Hess, ed., *The Future of Educational Entrepreneurship*, 254.

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21. Amy Edmondson, "Organizing to Learn," Harvard Business School Module Note no. N5-604-031, 2003.

22. Personal telephone interview between Richard Barth and authors, June 2, 2008.