Identifying Indicators of Distress in Charter Schools

Part 2: The Roles and Perspectives of Charter School Leaders and Board Members

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NATIONAL CHARTER SCHOOL RESOURCE CENTER

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Key Terms

Charter school: A charter school, as defined in this report, is a public school that operates as a school of choice as described in the Elementary and Secondary Education Act (ESEA) Section 4310(2). Charter schools commit to obtaining specific educational objectives in return for increased autonomy. They are exempt from significant state or local regulations related to operation and management but otherwise adhere to regulations of public schools.

Charter school authorizer (authorizers): An authorized public chartering agency, as defined under Section 4310(1) of the ESEA, is a state educational agency, local educational agency, or other entity responsible for reviewing and approving or rejecting charter applications and monitoring charter school performance related to both academic and fiscal/organizational metrics, as well as compliance with relevant laws. State law determines the types and number of organizations permitted to act as authorizers.

Early warning system: This is a process for identifying patterns and characteristics from previous events that turned out to be risky, testing those patterns in a local context to identify specific indicators and thresholds for risk, and then using the characteristics in a systemic way to identify scenarios of risk and to efficiently target interventions.

Charter ecosystem: The ecosystem is not only where the school is located but also the stakeholders spanning out beyond the charter school to include families and the community, district, authorizer, state, charter school support organizations, and legislature.

Governing board: Sometimes referred to as a school board, this group of individuals serves as a charter school's governing body. The board is ultimately responsible for a school's quality and performance and serves an integral oversight role. A charter contract to operate a school is often held between the authorizer and the charter school governing board.

Independent charter school: Single, stand-alone school, often directed by the school's own governing board.

Indicators of distress: These are characteristics that occur early in a school's decline suggesting a school that is struggling to achieve or maintain high levels of quality. Indicators of distress tend to be more difficult to measure but easier to influence than lagging indicators; as a leading indicator, they might predict future failure.

Networked charter school: School that is part of a group of schools managed by a nonprofit charter management organization (CMO) or a for-profit education management organization (EMO). Networked schools may be clustered together in one geographic location, located across a single state or multiple states. Schools may be governed by the network board or the school's own board.

School leader: This term is frequently used in the singular to most often reference a principal, but depending on the school, this may be one or more individuals who take on leadership or administrative responsibilities for a particular school.

School improvement and turnaround: While often used interchangeably, improvement and turnaround differ slightly in implementation and at different stages of decline. Both are aimed at improving student outcomes by changing how schools operate; school improvement is steady, incremental improvement that happens prior to full failure, whereas turnaround is comprehensive, dramatic, and rapid, often needed when a school exhibits extensive failure.

Introduction

Even charter schools that have demonstrated success for years can be subject to decline.[1] Some charter schools experience difficulty not just with attaining but also sustaining a high-quality and high-performing program. Given the push in education for excellence and equity, research has indicated that charter schools—and schools in general—could improve by implementing an early warning system. Implementing significant improvement efforts once a school is already failing is time-consuming, expensive, and does not always work, leaving students in low-performing schools long enough to have lasting negative effects on students and communities.[2] Much as early warning systems can identify students and potential interventions before a student is in danger of failing to complete high school, charter school leaders, board members, and other stakeholders would benefit from an evidence-based, comprehensive means to identify and address points of concern in schools *before* such issues result in a school's failure or closing and negatively impact students.

This report is part of a series of research exploring the traits and characteristics of decline—or indicators of distress—in charter schools. **Indicators of distress are characteristics signaling that a school's performance is declining in a number of areas.** The goal of this research is to provide charter schools and the greater ecosystem surrounding them the tools to identify distress earlier, and in a systematic way to allow schools to change course and receive supports earlier, reducing the impact of school decline on students and communities. This research brief builds on Part 1: The Role and Perspective of Charter School Authorizers, which identified common indicators of distress among schools in decline from authorizers.

This brief describes the characteristics of schools when they show signs of early distress from the perspective of leadership and governing board members.[3] **Identifying schools in distress affords schools, and the ecosystem supporting them, the opportunity to intervene earlier, before failure is too deep, systemic, or extensive to recover from.** Although school failure and school improvement are complex challenges that look different in different contexts, patterns and trends associated with schools in distress are emerging. With this new understanding of school failure—now more than ever—we have the opportunity and the imperative as a field to identify schools in distress while improvement is still feasible.

This report will begin with a discussion of the indicators of distress framework and the methodology used to conduct this research. Following that, we will outline the indicators of distress identified in our research with school leaders and board members. We will conclude with an in-depth discussion of the three findings from this research that zoom out and provide a more complete picture of the systematic nature of school distress. The first is that schools that develop a strong backbone of systems in key domains are better ***prepared*** to overcome distress. Second, schools experience not just internal but also external stressors from their environment. Being aware of these stressors helps schools ***prevent*** distress.

[1] Burris & Pfleger, 2020

[2] Evan & Canavero, 2020; CREDO, 2017; Howley, Johnson, & Petrie, 2011

[3] We define distress as experiencing difficulty achieving or sustaining the ESSA's definition of a high-quality charter school.

Finally, schools with the ability to pivot operations to ***respond*** to challenges and align with student and community need were sustained.

Interrelated Indicators

In 2017, the federally funded Center on School Turnaround at WestEd (CST) developed Four Domains for Rapid School Improvement: A Systems Framework. In 2020, this seminal framework was adapted to the charter context, recognizing the school-level governance, operational, and financial consequences unique to charters seeking improvement. For schools currently failing, the framework identifies four interrelated core areas of focus that research and experience point to as central to rapid and significant improvement: *leadership, talent development, instructional transformation,* and *culture shift*. It is no surprise that these same core areas—*leadership, talent, instruction,* and *culture*—plus the charter-specific school-level functions *governance, operations,* and *finance*—emerged from our research as also being the areas where schools show signs of distress (see Figure 1 for the indicators of distress identified by this round of data collection and analysis).

METHODOLOGY BRIEF

Early warning systems work by looking backward at circumstances that lead to the result you're trying to avoid. To predict and prevent the failure of charter schools, we had to examine schools that had already failed. We identified charter schools that had recently struggled across a variety of policy contexts, geographic locations, structure (independent or network) and examined the initially evident reasons for struggling (academic, financial, operational, or a combination thereof). We interviewed 12 school leaders from 11 schools across 7 states, along with a governing board member from 5 of these 11 schools. Please review Appendix A for further information on this report's framework, data collection, and methodology.

Indicators of distress do not have to permeate all areas outlined in this report, but they often start in one area and, like a domino, affect others. Researchers have documented the reasons for charter closure as financial, operational, and/or academic.[4] While these reasons signal failure or the ultimate reasons for demise, indicators of distress often start in the core areas of leadership, talent, instruction, and culture before affecting those related functions. For example, charter schools struggling with school culture may miss enrollment targets, which translates to a smaller operating budget and fewer funds for other needs at the school, such as recruitment and marketing to maintain enrollment or professional development for a less experienced pool of talent, increasing the rate of school decline.

[4] David & Hesla, 2018

Figure 1. Indicators of Distress in Charter Schools from the Perspective of School Leaders and Board Members

LEADERSHIP

- Inability to execute systems to address school needs
- Overextended leadership
- Defensive or suspicious leadership
- Finding Specific to Networked-Schools: Stunted ability to address school needs

GOVERNING BOARD

- Out of touch with school population needs
- Lack of capacity to execute governance role
- No long-term sustainability strategy

FINANCE AND OPERATIONS

- Fragile enrollment
- Absence of systems to maintain financial viability
- Poor budget management and spending decisions
- Finding Specific to Networked-Schools: Lack of fiscal autonomy at the school level

TALENT

- Pattern of teacher turnover
- Declining staff capacity
- Lack of systems to develop and sustain capacity

CULTURE

- Chaotic student culture
- Discontented staff culture
- Weak family and community connection

INSTRUCTION

- Lack of curriculum alignment with standards and across grade levels
- No systems to support high-quality instruction
- Finding Specific to Networked-Schools: Misaligned instructional decisions
- Absence of systems for sufficient student supports

Indicators of Distress in Charter Schools

This section of the report outlines the indicators of distress identified by leaders and governing board members in our national sample. The purpose of identifying characteristics of declining schools is to give educators some tangible signals for which to be on the alert, as early intervention can prevent a precipitous slide; as Duke describes, "forewarned IS forearmed."[5] We categorize the indicators using an evidence-based framework on the core areas of a charter school system: leadership, governance, finance and operations, talent, culture, and instruction.

While all indicators were found across different types of schools (independent and networked), indicators that were found to be especially relevant in networked schools are designated with the above icon.

Leadership

Leading a high-quality school requires leaders to have a wide variety of skills, from establishing a core mission and vision to instructional knowledge and business acumen. Even when leaders are dynamic and competent, leading a school through distress requires a unique set of skills beyond those leaders typically need to run a school.[6] Our research found schools often showed signs of distress when leaders cannot execute systems to address school needs. Leaders that were pulled in multiple directions, distracted by challenges, or overtasked exhibited indicators of distress, especially in school replication and expansion scenarios. Finally, leaders who were defensive or suspicious of outside support were telltale signs a school was likely spiraling toward demise.

LEADERSHIP INDICATORS

1. Inability to execute systems to address school needs
2. Overextended leadership
3. Defensive or suspicious leadership
4. Finding Specific to Networked-Schools: Stunted ability to address school needs

Inability to execute systems to address school needs. Whereas some schools lacked a vision, mission, and goals, most often schools struggled more when leadership could not *execute* a plan and systems to fulfill the mission and goals of the school. Executing a plan required leadership to prioritize needs, diagnose root causes, and determine solutions. Schools that struggled had challenges aligning their vision, mission, and goals with systems to execute, such as an academic strategy, enrollment strategy, financial planning, staff retention approach, and culture development. One incoming leader shared this view of previous leadership: "I think there was a big picture, but there weren't any steps on how to get to that big picture."

This inability to understand and meet school needs also materialized as leadership capacity that was not a good fit for the students being served. For example, some school leaders shared their struggle with leading a school at grade levels or serving demographic groups that were different from their previous experience; likewise, some board members described the difficulty of selecting a leader with the experience and competencies needed at that particular school.

Overextended leadership. Leaders who were performing too many functions or undertaking a major initiative without support, such as a replication, expansion, merger, or a major facilities project, could not

[5] Duke, 2008

[6] Steiner & Hassel, 2011; see more about leadership competencies here.

complete basic leadership tasks. As one leader described it, "The elementary schools were suffering greatly, so the superintendent asked for our assistance to help support the elementary. That left our teachers with no support." Some schools struggled with the physical separation or lack of the physical presence of leadership because the leaders were leading multiple building sites.

Defensive or suspicious leadership. Inward-turning leadership was another signal that a school may be struggling. This looked like a leader's inability to ask for or receive help when needed; distrust or unwillingness to consider support or "outside" opinions; intentionally keeping decision-making circles small with one or two individuals; and an inability to build relationships with staff, students, parents, community, and the authorizer. Some leaders started distancing parents and other stakeholders from the school. One leader exhibiting this insular leadership said, "I think it's just a part of our story–that edginess and distrust. Not that we don't need help, because there're things we need help on, but generally we can figure it out."

Stunted ability to address school needs. The leaders from network schools discussed that they had limited ability or autonomy to manage their schools' needs while being part of a network; they lacked the autonomy to make budgetary, staffing, curriculum, and programming decisions. Multiple schools in the study that were part of an out-of-state network described how the network did not base school decisions and strategies for improvement on school needs or the local context. Often, this lack of synergy across the network and with school leadership led to inefficient processes and additional challenges that precipitated school distress.

Governing Board

Research has noted the crucial role that governing school boards play in the charter makeup.[7] For making genuine change, evidence shows that a "board's stance on school reform is an important constraint or enabler of…action."[8] Board members of schools that had recently struggled were often unaware of the school's struggles or the needs of the school population, which coincided with a lack of understanding of the leadership competencies needed to effectively lead the school. Boards also lacked the capacity to govern, either due to a misunderstanding of the board's role related to accountability or diminished capacity in specific board functions. In addition, boards that did not engage in long-term planning often stunted the schools' sustainability.

GOVERNING BOARD

1. Out of touch with school population needs
2. Lack of capacity to execute governance role
3. No long-term sustainability strategy

Out of touch with school population needs. Distressed boards did not position themselves to engage with the school and its key stakeholders and lacked the capacity to determine and address needs. Board members revealed that they often had little interaction within the school or with students, staff, and families that were attending or working at the school. Without engagement with these key groups, board members were unaware of the needs of the school and the community when lacking a representative, such as a parent or community member, on the board. Boards that did not understand the needs of the school also often had difficulty hiring a leader with the

[7] National Alliance for Public Charter Schools, 2009; U.S. Department of Education, 2004; Vergari, 2001; Wolfe, 1998; Wohlsetter et al., 2008

[8] McLaughlin & Talbert, 2003

competencies to address those needs. One leader who came into a distressed school shared, "I think what really happened is the board placed a school leader in the role that was somebody the kids and parents liked as a person, but [had] low or no experience actually turning around a school." A continual analysis of school needs should anchor the overall functions of the board, such as strategic planning, budgeting with intention toward needs, targeted development for school leaders, and monitoring progress toward addressing identified needs."

Lack of capacity to execute governance role. Boards missing key capacities in areas such as charter governance, finance, real estate, pedagogy, human resources, community relations, and stakeholder engagement can stunt their function, resulting in school decline. Boards need to be familiar with educational outcomes, accountability, and performance frameworks, as well as the implications of not meeting performance criteria. Schools in distress often had boards who did not have this knowledge, so no one was holding the school accountable for meeting key benchmarks leading up to charter renewal. One school leader described coming into a struggling school and realizing only after the school review that the board did not follow the performance framework.

Boards that consist mostly of friends, relatives, and business partners may also lack the ability to execute their governance role, as these boards may have loyalty to the leader instead of the students and families the school serves. In these cases, limited discussion and short board meetings can be evidence of boards making decisions without deliberation or using peer pressure to advance a decision made by self-interested parties.

No long-term sustainability strategy. Struggling schools were often governed by boards without a long-term strategy for sustainability. In some schools, this looked like a blatant inability to plan long-term or implement plans beyond six months to a year. One leader described coming into a distressed school with no structures in place or capacity to plan for the future:

> When I came in, it was more like on-demand budgeting…I didn't have a tangible bank book or a way for me to envision the future…to really see the vision and mission to the next phase. [I]f you think about putting in a reading comprehension program, you don't do that annually. You plan that out, like three to five years…I just [had to] assume that the money was going to be there.

Further evidence of a lack of a long-term sustainability strategy was apparent when boards reactively addressed issues rather than proactively removed barriers. Reactive boards struggled to anticipate school challenges and needs and were often blindsided when those issues came to the surface. Often, lack of a proactive sustainability strategy meant that boards were not proactively asking leaders about their needs and providing supports to leaders.

Finance and Operations

Charter schools heavily rely on per-pupil funding to sustain financial operations, meaning that strategically investing in student recruitment and accurately projecting enrollment are crucial to charter school operations. Because charter schools have autonomy over financial management, tasks such as strategic budgeting, vendor negotiation, facilities financing, and proper financial controls are important to establishing and sustaining success. Most school functions are deeply intertwined with a school's financial health, so indicators of distress in this domain can predict deeper dysfunction in other domains. Indicators

of distress in finance and operations include fragile enrollment, absence of systems to maintain financial viability, poor budget management and spending decisions, and a lack of fiscal autonomy for schools in networks.

FINANCE AND OPERATIONS

1. Fragile enrollment
2. Absence of systems to maintain financial viability
3. Poor budget management and spending decisions
4. Finding Specific to Networked-Schools: Lack of fiscal autonomy at the school level

Fragile enrollment. Schools with patterns of under enrollment lacked the finances needed to cover the school's debts and ongoing costs. Struggling schools also described a phenomenon of downward spiraling enrollment, where schools that lost students had an increasingly smaller budget, making it difficult to invest in operations and programming to maintain current enrollment or to attract new or previously enrolled students. This resulted in steeper enrollment and financial decline, leading to further school distress.

Absence of systems to maintain financial viability. Schools that struggled financially often operated without a system or strategy to set and achieve financial targets. For example, struggling schools often lacked internal controls, processes to track and forecast finances and enrollment, and strategies to boost financial health. One leader said,

> We walked into that fiscal year with close to $800,000 in the current budget on a $3-million-budget shortfall. That was the spiral, because literally nobody was tracking enrollment. Nobody could tell how many kids were there. That was my first sobering moment that we've got a major problem.

Leaders indicated that without these systems and knowledge of the problem, the school was not prepared to overcome declining financial patterns, which directly threatened school viability.

Poor budget management and spending decisions. Leaders and board members described signs of school distress related to budgeting decisions that led to overspending, high debts, inefficiencies in school operations, misalignment of spending with student needs, or overly ambitious budget projections for the long term. Examples include not only personal financial gain by bad actors but more often spending on expensive programs that did not meet the needs of students and duplicative or excessive spending on long-run costs, such as facilities or vendors. Leaders described how poorly negotiated deals left schools responsible for an unnecessarily costly financial commitment, often related to facilities. This indicator was initially apparent in a school's inability to afford basic needs (e.g., teachers, curriculum, and ongoing maintenance projects).

Poor budget management restricted schools' abilities to establish sustainable success. Schools with too many long-term, expensive investments or significant debts lacked the flexibility to pivot spending to invest in areas of most need for the school's sustained success, especially in the areas of talent, instruction, and enrollment. Multiple leaders explained that because of high debts and limited operating budgets, they did not have the funds to compete with the compensation offered by schools in the surrounding areas once their teachers started leaving.

Lack of fiscal autonomy at the school level. School leaders and board members also discussed a lack of fiscal autonomy when in an expensive and limiting relationship with a charter network. Some leaders experienced limited autonomy because of the cost of the management

company and its impact on the school's operating budget. One school leader with an out-of-state management company remarked, "We were spending $1 million a year on a charter management organization…And I thought, if I had a million dollars back in my operating budget, I could use it more efficiently.' Other school leaders and board members discussed how major budget and operational decisions made by a distant management company limited their ability to invest in the school's needs.

Talent

Indicators of distress in the talent domain were often the barometer of deeper issues exhibited across the school. While talent management typically includes the recruitment, selection, support, and promotion of *all* staff, for our purposes here, talent describes the indicators of early decline within the teaching staff. Distress within the teaching staff has implications for multiple indicator areas, including weakening instruction, negative impacts on school culture in terms of feelings of respect, trust, and high expectations among staff, as well as the supportiveness of the learning environment for students, and challenges to finance and enrollment.[9] Indicators of distress included patterns of high teacher turnover, declining or diminishing staff capacity and knowledge, and lack of supports for capacity development.

TALENT

1. Pattern of teacher turnover
2. Declining staff capacity
3. Lack of systems to develop and sustain capacity

Pattern of teacher turnover. Schools experiencing distress showed difficulty retaining their staff. Schools where teachers reported leaving mid-year were especially problematic, as were schools experiencing lead-position staff exits or multiple staff leaving at the same time. One leader described how teachers leaving in groups mid-year signaled their lack of connection with the school and dissatisfaction with leadership, which required the leader to scramble to fill key instructional and support positions:

> There was one Christmas [where] they wanted to make a point of it. I had three teachers quit within three hours of each other. So I spent my Christmas break interviewing and trying to plug holes with a kindergarten teacher, a 4th-grade teacher, and special education director.

Patterns of teacher turnover have implications for leadership in the short term because leaders have to spend their time coaching and preparing teachers, but compounding turnover also presents difficulties for leaders to establish long-term priorities and culture.

Declining staff capacity. Along with teacher turnover, schools experiencing distress also had a difficult time recruiting and hiring high-quality staff. Sometimes this has to do with the quality of staff that schools could afford; schools struggling with enrollment could not afford to attract high-capacity staff. Sometimes the quality of the staff is only as high as the teachers in the recruitment area, as one leader who struggled with hiring staff with turnaround competencies found: "[It was] difficult, just given [the limited] talent available in the city and the [limited] talent available for people that want to do high school turnaround." We also found underdeveloped staff capacity in schools that placed additional expectations on staff to fulfill multiple roles without support, which added to their diminished capacity.

[9] Defined in The Center on School Turnaround, 2017

Lack of systems to develop and sustain capacity. Staff and the programs to support them are often underprioritized and underdeveloped in schools experiencing distress. One leader described the connection between talent and leadership in understanding the importance of developing staff, commenting, "Your talent pool is a lot of newer teachers, so it was incumbent upon us to do professional development with folks, and we just didn't." Sometimes schools lacked an understanding about the need to support teachers in addressing the gap between teacher content knowledge and instructional pedagogy tailored to student learning needs. For example, one leader shared,

> On paper, the [teachers] had the content, but [did not have] good pedagogy to match the content knowledge. I see this at a lot of high schools [where teachers have students] open the book, read the thing, [and] answer some questions, as opposed to other styles that are much more engaging to get kids into the work.

Culture

Strong school culture—both internally, with staff and students, and externally, in terms of the school's relationship with families and the community—is important to the prolonged success of a charter school. A positive internal school culture ensures that schools are safe and supportive places for students to learn and positive environments for staff to work.[10] A negative culture can affect student learning, enrollment, and the school's retention and recruitment of staff. Cultivation of a positive culture outside of the school with families and communities strengthens the school's ecosystems of support to address student needs and enrich learning and growth.[11] Indicators of a distressed school culture include a chaotic student culture, a discontented staff culture, and a weak family and community connection.

CULTURE

1. Chaotic student culture
2. Discontented staff culture
3. Weak family and community connection

Chaotic student culture. Struggling schools often had an environment of low expectations for students or an unsafe or hostile student environment. As one leader put it,

> You can be in a building for about an hour and get a sense of the level of safety in the building. Some of that is how many kids are in classes, how many kids are in the hallways doing whatever they want to do, how many kids are supervised, and what types of incidents are happening there.

Leaders discussing a lack of expectations for students described the culture as an overall feeling of "untethered-ness" on behalf of students in the school. Many school leaders and board members also discussed the lack of consistent disciplinary policies contributing to a chaotic student culture. Inconsistent adherence to discipline policy can disrupt not only student culture and safety but also instruction.

Conversely, a chaotic student culture could also indicate a high-pressure accountability environment, where the expectation is for student performance to "save the school." A leader expressed students turned from "happy to robots" when the culture shifted to a high-pressure environment, which was evidence of a distressed student culture.

[10] Defined in The Center on School Turnaround, 2017

[11] Louis et al., 2010; Saunders et al., 2009.

Discontented staff culture. Many school leaders pointed to a negative or toxic staff culture, including a lack of what research calls "collective teacher efficacy," or the collective belief of teachers in their ability to positively affect students, as one of the first signs of a struggling school.[12] Schools struggling with academics also pressure teachers to raise performance, and without providing proper supports, this can create a negative environment for staff. Similar to leaders, teachers often took on additional responsibilities without the needed training or support and struggled in those areas and in their traditional roles. A leader spoke of how additional responsibilities being placed on teachers because of staffing cuts led to a discontented culture, adding, "There was always an unscheduled [huddle] that happened at the end of each day. We would laugh, we would joke, you know, and [now] teachers would rather leave right at dismissal, and that was huge." The leader cited further evidence of this, explaining, "There [were] fewer and fewer opportunities for vertical articulation, no cross-grade level conversations happening. [N]o one was being rude or nasty, but…you could just see they were exhausted and distracted." This distressed or toxic culture has spillover effects on students. One leader explained the impact a high-pressure teaching environment had on students, saying, "They were still producing, but you could see them emulating the [exhausted] energy of their teachers." This distressed staff culture can even lead to teachers being afraid to ask for support, as there is a narrow focus or reliance on teachers as agents of improvement.

Weak family and community connection. Along with negative internal school culture, indicators of distress related to external school culture included weak ties to families and the surrounding school community. Ties to the community are important for the prolonged success of the school, not only to create a pipeline for student enrollment but also in ensuring a healthy ecosystem to support student learning outside school. Schools struggling with connecting with family and community exhibited a lack of expectations for family involvement and intentional relationship building, a lack of communication structures from leadership to families, and, sometimes, intentional shutting out of families' involvement in the school. One leader described a tipping point for school distress when parents and community members were lodging complaints with the district, rather than with the school directly. The school later struggled with severe fallout in the community. Other school leaders described the shame and embarrassment they and other staff felt from the reactions of community members when they spoke of where they worked or when they wore school-branded attire.

Instruction

Instruction has a direct relationship with students' academic achievement.[13] Schools that struggle with instruction often yield a wide variation of academic outcomes based on teachers or a low percentage of students who thrive. Several of the leaders interviewed for this publication took over schools that had long struggled with instruction, leading to students' stunted proficiency and success. This resulted in few students reaching proficiency. Prior to schools deteriorating to such a level, indicators of distress included lack of curriculum alignment, no

INSTRUCTION

1. Lack of curriculum alignment with standards and across grade levels
2. No systems to support high-quality instruction
3. Finding Specific to Networked-Schools: Misaligned instructional decisions
4. Absence of systems for sufficient student supports

[12] Hattie, 2012

[13] Opper, 2019; Chetty, Friedman, & Rockoff, 2014

systems to support high-quality instruction nor sufficient student supports, and misaligned instructional decisions at the network level.

Lack of curriculum alignment with standards and across grade levels. Schools without a strategy for curriculum alignment struggled with providing students the tools needed to meet proficiency on state assessments and the foundational knowledge to succeed in subsequent grade levels. This can send schools down a path of damaging decline as students' lack of success compounds each year the curriculum is not meeting students' educational needs and students get further from grade level equivalency. Sometimes, this looked like a lack of unified curriculum entirely, where teachers identified their own sources of curriculum, leading to inconsistencies in what students were learning from classroom to classroom. A leader who had taken over a struggling school described the problem:

> I walked into a 1st-grade classroom and said, "What are you using to teach reading?" And the teacher showed me a teacher's edition from one series like *Houghton Mifflin, Volume 1*. Another one [showed me] *Macmillan, Volume 3,* and she [also used] *Scholastic Student Readers*. A total mismatch. It was the same in math. There just hadn't been a focus on curriculum.

No systems to support high-quality instruction. Schools showing signs of decline exhibited an absence of instructional supports, such as professional development around consistent curriculum implementation, a system for data-informed instruction, feedback cycles for teachers, and delegation of responsibilities so teachers had the time and effort to devote to delivering high-quality instruction. Schools challenged with high teacher turnover especially struggled with supporting high-quality instruction, as they were contending with having to re-train and support the fundamentals of curriculum implementation each time staff turned over and, often, an influx of less experienced staff.

Misaligned instructional decisions. Lack of instructional alignment was also apparent when networks determined the curriculum, assessments, and pedagogical approach for a school without taking students' or staff's needs or abilities into account. One school leader described how the network attempted to enforce instructional systems without providing support for implementation or considering how well they worked in the local context:

> The [network was] bringing curriculum people down and insisting that the school leadership [do] certain things, but they were not really listening to the school leaders or the teachers saying, "We can't do those things; either, we don't know how, we don't have time, or it doesn't work with what we're trying to do." What I really didn't grasp fully until I stepped in as head of school is that caused all sorts of fractions in curriculum, particularly in math and [English language arts].

Absence of systems for sufficient student supports. Schools heading toward decline showed an inability to determine and address student needs, an inability to create systems of supports that met varying student needs (especially students who were English learners or those requiring special education services or social and emotional services, and students not performing on grade level), and an inability to make changes when students were not thriving. Schools working with students who were academically behind particularly struggled with developing student support systems around instruction, course scheduling, and remediation. School leaders talked about the importance and challenge of ensuring the

logistical supports were in place to ensure below-grade-level students graduated. One leader who took over a failing school described it this way:

> What was problematic was the students would hit 9th grade and they [hadn't done] well on the middle level exams. [The administration] failed to understand how critical that part was and just kept saying, "Well, they're all going to graduate," and sort of dreaming that all [the students] were going to graduate, go to college, and then everybody's going to see what a good job we did. But in the meantime, no one cared [that students] weren't passing [state] exams."

Some schools looked on paper as though they were attempting to put processes in place to support students; however, they failed to launch during implementation. A board member who had been a teacher at a school that overcame decline shared about the importance of grounding systems in purpose to be successful:

> I became a member of the data team, which was when we were going to start really using data to analyze student success, attendance, you name it, but we weren't really clear on where we were going with that, and it was kind of a two-year thing. I didn't find much value in it [in supporting our students].

Without unifying the school in a common understanding of how the established systems work to execute the mission of the school, addressing the needs of students through systems implementation will remain a challenge for schools.

Staving Off Distress Takes *Preparedness, Prevention,* and *Response*

This section outlines three key findings from interviews with school leaders and governing board members of schools that have experienced distress. As a starting point, it is critical to understand the conditions or challenges that may precipitate distress. Daniel Duke defines challenges in terms of decline, saying, "Schools face challenges from time to time. These challenges do not cause schools to decline, but decline is a consequence of failing to address these challenges effectively."[14] While not all challenges are expected and some circumstances, such as the COVID pandemic, arise suddenly, schools most often deal with what the organizational literature calls *smoldering* challenges.[15] As we found in our study, smoldering challenges may start out as a minor issue, but because leaders and board members do not appropriately address them, these challenges grow larger and more widespread, cause more damage, and dip schools further into decline.

Our first finding is that schools that develop a strong backbone of systems in key domains are better *prepared* to overcome distress. Second, because of the systematic nature of school decline, schools experience not just internal stressors, but also external stressors in their environment. Being aware of these external stressors helped schools *prevent* a challenge from occurring. Third, those that anticipate instability and quickly pivot operations to *respond* when challenges arise are more likely to overcome distress. We'll discuss these findings more deeply in this section and how they relate to successful distress management (see Figure 2). We provide an example to highlight how each finding may present itself in the field and conclude with a guide for recovery and reflection.

Figure 2: Components of Successful Distress Management

[14] Duke, 2008
[15] James & Wooten, 2005

Finding #1: Schools that build robust systems to withstand distress are more *prepared* to weather it successfully.

Our first finding indicated that well-articulated and implemented systems running through key school processes are important to a school's ability to prepare for and overcome stressors. For school leaders and board members considering their school's weaknesses or "challenges" in the indicator domains, identifying where systems and processes can support improvement in these areas and ensuring that these systems address challenges at their root can help the school avoid decline caused by unaddressed pain points.

Systems provide a backbone and intentionality to the school's operations, reducing confusion, unknowns, and opportunities for issues to go unaddressed and spiral into deeper decline. Our research identified key systems in each of the core domains, including those for implementing the school model and a long-term sustainability strategy; maintaining enrollment; addressing leader and teacher development and turnover; building a positive student culture, including consistent disciplinary processes; curricular alignment; and effective student support. One principal remarked,

> You have to have [systems] to take the emotion, feeling, bias, and belief out of it. Enrollment, staffing, applications, re-enrollment, everything has to have a system and data. And I think that was the first thing we realized in our elementary school that was causing problems. What are the data systems we need to capture on a regular basis that say whether…we're winning or losing? [Now] at any given moment, I can tell you what our goals were and how close we are to reach our goals across every metric of our school.

When carefully thought out and well executed, these systems reduce distractions and align school processes with the school's vision and goals for students, better preparing staff for challenges.

When carefully thought out and well executed, these systems reduce distractions and align school processes with the school's vision and goals for students, better preparing staff for challenges.

Our research also found that the establishment of robust systems woven throughout school domains could prepare schools by buffering the impact of a stressor in one area so that it does not spread into other domains, which halts the spiral of decline from consuming all areas. Stabilizing one domain allows you to stabilize others, isolating the spiral of distress to one area of the school, which makes overcoming challenges much more manageable.

Distressed schools lacked systems that prepare them to address school needs. These systems make sure that basic operational processes, from student transitions between classes and meal service, run smoothly, to more complex processes, such as course scheduling, ensuring students are on track to graduate, and student supports that are effectively meeting students' needs. Without proper systems, leaders and

teachers operate in silos to establish day-to-day processes and are left in "crisis" mode, constantly reacting to challenges that arise, making accomplishing a unified school vision difficult. This lack of systems limits the effectiveness and sustainability of interventions since institutional knowledge for overcoming challenges disappears when the leaders leave. One leader explained:

> I think there were some really strong and really gifted leaders that were doing a lot. And what they realized was that the systems were not in place. They were doing it well but solving problems as they were coming up. And so, once they handed that responsibility off or a transition happened, that next person really didn't have the systems or the support.

This lack of systems also allowed issues to fester and grow throughout the school.

Systems implementation at the network level impacts a school's ability to prepare for and respond to challenges. We found that out-of-state, distant, or overstretched network leadership often inhibited school leaders' abilities to implement systems to address the roots of school challenges. School leaders described out-of-state networks making decisions for their schools without understanding the needs of the local context. Network leaders had trouble understanding the local context and rules, such as the nuances of the student populations served, the requirements for state financing and reporting, and the state special education laws and procedures. This led to inefficiencies in the systems implemented to handle key school functions, reducing school-level leaders' abilities to prepare for and address challenges or implement systems of continuous improvement. One leader noted that he was being asked to cut staff to reduce a significant deficit when he realized the network was spending a considerable amount of money on a summer program that benefited few students, something he felt he could replicate in-house for more students. Another leader noted,

> Stabilizing one domain allows you to stabilize others, isolating the spiral of distress to one area of the school, which makes overcoming challenges much more manageable.

> At the network level, there were tons of changes being made, but not in staffing, just literally in responsibilities that were being placed on different people, and I couldn't understand why the people who had been committed to instruction and the Title and SPED grants were now being pulled to work in other areas, like operations, facilities, financing. I'm like, this doesn't make sense; they're not even equipped for that.

Networks looking to help schools implement a strong infrastructure of systems should consider how systems implementation is driven by the school's vision and needs and how the systems unify the school's understanding of its mission and goals. When systems at the network level are thoughtfully aligned with schools' contexts, these systems can better prepare staff for challenges at the school level.

SYSTEMS HELP SCHOOLS *PREPARE* TO WEATHER DISTRESS: REPLICATION, EXPANSION, AND MERGERS

Without strong systems to assist schools in preparing to replicate, expand, or merge, schools instead rely on key staff and leadership to take on these additional responsibilities without the processes to support a strong school. This replication or expansion tests the transferability of a school's systems and their aptness to serve additional students or contexts. Schools that struggled to prepare adequately and adapt their systems to replicate, expand, or merge fell into distress as they struggled to overcome challenges posed to their systems.

How can you ensure a successful expansion, replication, merger?

Readiness checks. We found schools fell into distress when a replication or expansion was executed prior to a school being ready. Either the replication or expansion was encouraged by someone outside local school leadership, such as an authorizer looking to expand seats in a high-performing school or an out-of-state network with limited understanding of the market, or for strictly financial reasons to get a school out of debt. In these cases, decisions to replicate or expand may have been made without an understanding of the leadership and operational capacity needed to do the work or the needs of the local education market. Prior to a decision to expand or replicate, conduct a readiness check* to identify the strengths and weaknesses of the school's program, the network's capacity to expand or replicate, and the local market's demand for the expansion or an additional school.

Systems development aligned with student need. Leaders discussed not anticipating that systems in each of the core domains needed to be adapted to meet students' needs, which differed by student population and grade level. In some cases, this was due to an attempt to duplicate systems misaligned with the needs of the new student population being served. Several school leaders and board members explained a disconnect in their ability to transfer key systems from serving one set of grade levels to serving a different set of grade levels. For example, one school leader explained,

> What worked in middle school doesn't necessarily translate...We had [tutors] who may have just graduated from college...When we tried that model in high school, there was a disconnect between our high school students and these young adults, and that was an issue.

The same was true when serving a different community or when combining "communities," such as merging schools. Merging schools had to negotiate multiple systems coming together and extend or create new processes to achieve their objectives. One leader described the challenge of aligning systems in mergers, saying, "It was difficult to bring two schools together; even though we had similar demographics, we had significantly different issues. So trying to create a structure that served both schools just didn't work." To best anticipate and avoid distress, identify needs specific to local context and establish systems of support around them to ensure that the school is positioned to effectively address student needs.

Systems development to provide leadership support. We observed that many expanding and replicating schools relied on leaders with substantial existing school responsibilities. This left staff overstretched and unable to manage key responsibilities placed on them. One leader said,

> Our director of counseling, school psychologist, and deans all of [a] sudden needed to take on or support a whole extra school and to be truthful...they were very busy just running their own middle school...My director of special education [didn't have the time] go to the [new] school twice a week and help them set up their systems.

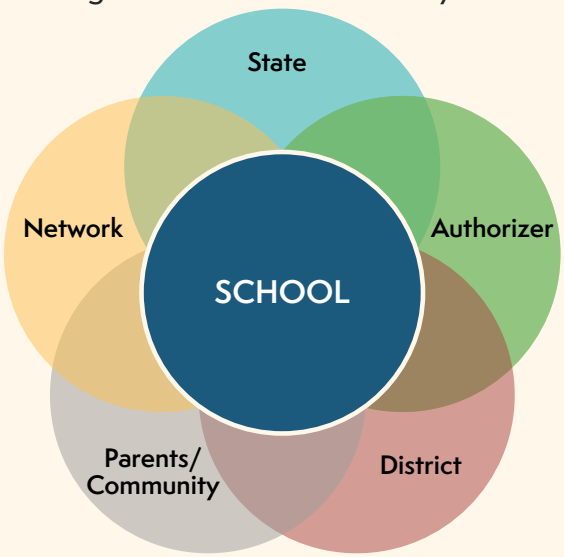
Beyond a readiness check, identify how support structures can be implemented through the board, the network, or the delegation of leadership responsibilities that can support leadership and key staff taking on the additional responsibilities of growing a school.

* For an example of a readiness assessment, use NCSRC's School Quality Assessment.

Finding #2: Not all challenges stem from within the school walls. Schools that were able to anticipate shifts in their environment were better able to *prevent* decline.

While schools in distress exhibited signs of internal, school-based challenges and turmoil, our second finding illuminated that because of the systematic nature of school decline, a charter schools' context—or ecosystem—can also be a source of challenges. Being aware of these external stressors helped schools *prevent* a challenge from occurring. In addition, charters' ecosystems can aid or impede a charter school's ability to overcome stressors. Our research found that it was important for schools to be aware of the context in which they are operating, so they can prepare for and remediate any potential challenges. Figure 3 outlines the key actors in the charter school ecosystem that influence a school's environment and can create additional challenges for schools.

Figure 3: The Charter Ecosystem



Environmental challenges posed threats to schools' sustainability. We found that, particularly when key elements in a charter school's ecosystem shift, those shifts can threaten and test the strength of a school's sustainability. Key shifts that posed challenges to schools in the study included shifting authorizer or district priorities, often prompted by staff turnover in these offices, or receding political support for charter schools at the local and state level. For example, when charter schools were viewed from the district perspective as competition or inferior, charters had to contend with students and staff

being "poached" or struggling students being counseled out of district schools and into charters. In addition, mismatched or shrinking local market demand for choice were key challenges for schools. New or existing policies can exacerbate these challenges, such as geographic boundaries limiting where charters can recruit students, not allowing charter teachers to take part in teacher retirement systems, and not allowing charters to buy in to student transportation systems. The more supportive, collegial, and healthy the school ecosystem, the lower the risk of schools falling into distress.

Schools that anticipated changes or challenges were better able to *prevent and mitigate* these challenges from tipping the school into distress. Schools can mitigate and prevent distress by staying abreast of potential challenges and planning for worst case scenarios. Multiple schools in the study discussed the challenge of teacher shortages in their environment. One leader mitigated this challenge by anticipating the vastness of this problem and that the solution needed to be coordinated:

> The HR director [of the neighboring school district] would offer someone a job, [and] when they accepted, [the HR director would] say, "Okay, we want you to start tomorrow." [The teacher would say,] "Well, I need to give them two weeks' notice." [The HR director would say,] "Nope. I have a copy of your contract right here. You don't have to. You're an at-will employee."

Anticipating that this problem would become deep-rooted if not addressed, this leader brought together the area superintendents to identify the pervasiveness of the challenge and promote consensus around a solution:

> I went to the superintendent of that district and said, "All I'm asking for is two weeks…I'd prefer you don't take them at all, or you don't take them in the middle of a semester, but if you got to take them, give me two weeks." And we had some really long, hard discussions in that group about it.

The more supportive, collegial, and healthy the school ecosystem, the lower the risk of schools falling into distress.

While schools themselves may not be able to sufficiently solve such widespread issues, by working together within their community they were able to mitigate the distress as much as possible.

In areas where underinvestment or rapid economic development was dislocating families, schools that prepared to maintain enrollment under these types of shifts fared better than those that did not anticipate decreases in enrollment. A leader of a school that had overcome early distress attributed his school's lasting success to a focus on maintaining student enrollment by funding transportation:

> We were one of the few schools in [the city] that bus, and so immediately that becomes a choice for parents, frankly, whether they even know anything about us…Most schools recruit in a three-to-five-mile radius of their school…We'll take anyone from anywhere in the city, and because of that increased transportation boundary, we've been able to sustain enrollment for a long period of time.

While transportation takes a significant portion of the school's budget, the leader mentioned that by prioritizing that expense, the payoff has been sustained enrollment.

ANTICIPATING SHIFTS HELPS *PREVENT* DECLINE: SHIFTING POLITICAL TIDES

Schools and board members noted the difficulties raised when political tides shifted away from supporting the existence of charter schools. When a district or authorizer's tolerance toward charter schools shifted from positive to negative, schools found additional external stress on their operations. One school leader described the challenge of the politics of the district authorizer role:

> [The district is] stuck in a really tough position where they're both an authorizer and a competitor in the landscape. We thought, if we start a really good school in this neighborhood, we'll be able to put enough pressure on the district to shut down the underperforming district ones because we're a better option. The political landscape just changed really rapidly [and instead, we were closed].

How can you stay aware of the landscape?

Identify the actors. Stay up to date on the actors who may have influence on decisions that can impact the sector and, therefore, your school. This could be district superintendents, district board members, authorizing staff, state superintendents, the state board of education, and the state legislature.

Determine a strategy that will work for your school. School leaders may attend local functions, be involved in other community organizations, and create a local network to share information on the local and state context. Sometimes schools stayed knowledgeable through their authorizer or charter support organization. Other schools determined what would work for them. One school leader said, "The authorizers' staffs shift with the political wins. There's a lot of turnover in that office. So, the opportunities and things I need to be aware of, I get through personal relationships." Schools may not have the bandwidth and political expertise to stay attuned to the local ecosystem. Recruiting board members with this experience is a way some schools both stay abreast and ahead of potential challenges. Schools discussed being ill-equipped for potential political impacts:

> We had a good mix of people with different skill sets [on the board]. But none of us were, I would say, 'shot callers' within the community. If we had some of those on our board, we might have been able to input more influence on some of the political things that were going on. For charter schools going forward: understand the political landscape, especially at the local level. That stuff plays a huge, huge piece into what's going on.

Finding #3: Schools with the ability to pivot in *response* to challenges were better positioned for sustainability.

When schools allowed a challenge—whether internal or external—to exacerbate, it affected other areas within the school. This domino effect of indicators of distress occurred not only when schools lacked systems but also when the challenge was unanticipated. Most often, the challenge was unaddressed or addressed inadequately and allowed to *smolder*, as discussed earlier. Schools that ignore challenges, hoping they go away, find the challenges only grow and become more difficult to address.

Schools able to pivot when faced with challenges were better able to overcome them. We saw examples of schools with varying degrees of capacity and ability to change. Some schools were inflexible and unable to change, while others could shift and adapt quickly to changing conditions. Facilities challenges sometimes hampered a school's ability to stay nimble, either because schools were unable to secure appropriate facilities or because they were locked into an expensive facility. Sound financial decision-making was especially important in this respect, as restrictive budgets can hamper a school's ability to shift funds to address unforeseen challenges. A leader's ability to assess a situation and make decisions that affect the short-term and long-term viability of the school were especially important. For example, one leader pointed out that she struggled to keep high-quality staff and had funds to hire only less experienced teachers. Pivoting to address this challenge in the short term, she instead implemented grade-level curriculum that was highly scripted so that her teacher turnover issue did not further permeate her school's instructional capacity:

A leader's ability to assess a situation and make decisions that affect the short-term and long-term viability of the school were especially important.

> Our staff was turning over so quickly that we couldn't get anyone up to speed....And we knew that going in, so we were very purposeful in programming the curriculum that we chose. We had to have something that was very direct, very explicit, and we put it in as core instruction because we had to.

In the long term, this particular leader established a teacher pipeline in which she trained members of the community to teach in the school.

Schools that struggled failed to pivot in the face of challenge. Specifically, schools that had an absent leader or had a leader who lacked the capacity to lead often struggled considerably. If schools did not address leadership issues, these scenarios often required teaching staff to take on added responsibilities without needed support or training, leading to the school culture quickly suffering. Teacher turnover rose, which in turn often affected student retention and recruitment and, therefore, dips in finances. While this scenario was not prevalent in every school that struggled, the domino effect that occurred when a school did not pivot to address a challenge was universal.

THE ABILITY TO PIVOT IN *RESPONSE* TO DISTRESS: A SCHOOL'S REPUTATION AFFECTS....EVERYTHING

One prominent example of a school's ability to pivot in the face of a challenge is when it encounters a negative media or public relations event. Should a school not address this challenge appropriately, they may encounter a decline in reputation. A school's reputation impacts its presence in the community, student enrollment, and teacher sentiment and pride in the school, and can impact the authorizer's view of the school. Each of these individual components can be leveraged for school improvement, but when a school's reputation is tarnished, these assets add to the complexity of issues surrounding the school. One board member of a school that eventually closed described the lack of systems to handle media like this:

> The first article [that] was written about the school was all one-sided...We've never seen this before in terms of dealing with the press. We were all focused...all the board members, all the education staff, the teachers and staff, were focused on running a school in our individual silos. We weren't PR people. There was no plan in place about how to deal with a political...smear campaign, essentially.

How can you successfully address a negative media event?

Knowing your context can help determine how to respond to challenges. While some schools that developed a strong vision and systems to handle media were better equipped to overcome attacks or negative press, other school leaders discussed handling negative media in the following ways.

- **Increase transparency.** Many struggling schools believe parents and staff will leave if they find out the school is struggling. One way to entice them to stay is the very thing schools are scared to do: be honest, open, and transparent. Instead of shutting parents and staff out, engage them in problem-solving. One leader said, "Our parents would probably be the area where I saw the distrust the most. So, we regularly communicated with parents. I created this space of an open-door environment."
- **Revitalize branding.** Schools reeling from a negative reputation sought to clean up their image with welcoming videos, community discussions, disassociating with networks with less-than-stellar-reputations, and through reinventing themselves. As one leader shared,

  > The most significant thing that we did in terms of branding was [that] we changed the name of the school [and] we changed the school colors. We added a mascot. We're kind of this new school, so now people have either never heard of us or they just think we started right now.

- **Build a solid program.** Employ others to do the work for you: parents, community members, board members, decision-makers. Doing so, however, is predicated on these cheerleaders having positive stories to share. One leader said,

  > Because we're in this small-town space, a lot of stuff is word of mouth. That is more difficult to control in terms of the narrative. You don't really know what people are saying, so we just made a point of being better and having a stronger school.

- **Focus on stability.** Schools where student and teacher retention are stable advertise a desirable place to be. One leader shared how instability has a domino effect:

  > When you have a bunch of vacancies listed on every employment portal, [teachers] look at that and think, "They must be desperate." [Increasing] staff retention increases student retention. [Decreasing] vacancies increases reputation.

Recovery & Reflection

*Reflection: How to Create Effective Systems that **Prepare** for Distress*

As a school, determining what systems work best with your staff, students, and environment is a continual process. While there is no one "best" way to set up a school schedule, serve meals to all of your students, enroll students, hire teachers, and address students' needs, not all system designs are equally effective for all schools. School leadership and governing boards can use the questions below to reflect on where your systems are supporting your school in preparing for and avoiding distress.

Leadership: *What systems are in place to execute the school's vision, mission, and goals? How and how often do we measure if impact is being made by these systems? How are knowledge and responsibilities of processes and systems communicated to current and new leadership and staff? How does the school hold itself accountable that these systems are enforced? Are there areas where systems are in place but not executed?*

Governing Board: *What is the board's long-term sustainability strategy? How effective are systems to support leadership in overcoming both "smoldering" and "sudden" challenges? How are we aligning board processes with the authorizer accountability framework? What is the process for ensuring the board is staying on top of school and community needs?*

Finance and Operations: *How and how often are we tracking enrollment? Re-enrollment? What processes and systems do we have in place to achieve our enrollment targets? How do our financial processes ensure that proper internal controls are in place to provide clear delineation of roles for individuals dealing with the authorization of purchases, the disbursement of funds, and legal compliance and reporting?*

Talent: *What is our long-term strategy for teacher recruitment and retention? What systems are in place to develop and sustain teacher capacity? How do we measure if impact is being made by these systems?*

Culture: *How can school operations and processes support a positive environment? Where are students most likely to be disruptive? What are the changes necessary to help reduce or eliminate this disruption? How are our disciplinary processes consistently enforced? What is our strategy for family and community engagement?*

Instruction: *How have we aligned our curriculum with the state standards? What are the processes to ensure vertical alignment of curriculum across grade levels? Is our course scheduling working to support our priorities? What systems are in place to support high-quality instruction and student learning supports? What is the process for remediation when a student fails to meet proficiency? What are the processes and logistical supports for ensuring below-grade-level students thrive?*

*Reflection: How to Scan your Environment to **Prevent** Distress*

For school leaders and board members, it's important to know and understand the degree to which the charter environment is conducive to success and how that degree may ebb and flow over time. Use the following questions to guide your ongoing reflection.[16] Keep in mind both ***internal*** areas of focus on leadership, governance, finance/operations, talent, culture, instruction, and ***external*** areas of focus at the state, authorizer, district, community/parent level.

1. In what ways is our context challenging our sustainability?

2. What are the looming threats, both internal and external, to our school and its effective functioning?

3. What do our data, stakeholder feedback, and scan of the environment tell us about our vulnerabilities?

4. Where are our blind spots?

5. How might our existing systems, processes, and policies contribute to turning challenges into distress and decline? How might they support mitigating these challenges?

6. What steps should our school take to minimize the challenges we identify? What changes to organizational processes should we make? What resources or assets do we have or can obtain to make realization of distress less likely?

[16] Adapted from Grissom & Condon, 2021

*Reflection: How to **Respond** to Distress*

For school leaders and board members, it's important to identify areas of distress early and often, before they continue to smolder, fester, and permeate other areas. Use the indicators listed in this publication and the following questions to guide your ongoing reflection and support your school's ability to pivot to address the indicators.

1. Where is our school showing signs of distress? Are we currently addressing these signs of distress?

Indicators of Distress	Are we showing signs of distress?	Are we currently addressing these signs of distress?
Leadership • Inability to execute systems to address school needs • Overextended leadership • Defensive or suspicious leadership • Finding Specific to Networked-Schools: Stunted ability to address school needs	☐ Yes ☐ No	☐ Yes ☐ No
Governing Board • Lack of capacity to execute governance role • No long-term sustainability strategy • Out of touch with school population needs	☐ Yes ☐ No	☐ Yes ☐ No
Finance and Operations • Fragile enrollment • Absence of systems to maintain financial viability • Poor budget management and spending decisions • Finding Specific to Networked-Schools: Lack of fiscal autonomy at the school level	☐ Yes ☐ No	☐ Yes ☐ No
Talent • Pattern of high teacher turnover • Declining staff capacity • Lack of systems to develop and sustain capacity	☐ Yes ☐ No	☐ Yes ☐ No
Culture • Chaotic student culture • Discontented staff culture • Weak family and community connection	☐ Yes ☐ No	☐ Yes ☐ No
Instruction • Lack of curriculum alignment with standards and across grade levels • No systems to support high-quality instruction • Finding Specific to Networked-Schools: Misaligned instructional decisions • Absence of systems for sufficient student supports	☐ Yes ☐ No	☐ Yes ☐ No

2. Have we identified a short- and long-term response plan, considering how to buffer each of the school domain categories from the greatest impact?

3. What do our data, stakeholder feedback, and scan of the environment tell us about how we are addressing these challenges?

4. In what ways does our financial and operational planning allow for flexibility? For how long?

5. How will we document the lessons from this challenge, and how can we implement strategies to strengthen the school's response in the future?

Conclusion

Schools do not just show up struggling, but, rather, send distress signals for a long period of time, sometimes years. However, school leaders and board members are frequently stunned when confronted with a low accountability rating. While school distress is not absolute, schools inevitably face frequent challenges that could lead to distress. These challenges may arise within the school, from the school's context, or both. Keeping abreast of these challenges, putting systems in place to prevent them, and pivoting to address challenges when they arise will stave off further distress. Schools and their governing boards need an evidence-based mechanism for self-reflection so they can recognize when their school begins to exhibit indicators of distress before the distress is able to smolder and fester into more comprehensive failure.

Appendix A

A need to better understand school leader and board member experiences with schools in distress prompted this report. This research did not intend to identify best practices or successful strategies, but focused on describing leaders' and board members' observations, grounded in a rich analysis of evidence. The following research question guided design, data collection, analysis, and the presentation of findings:[17]

What "indicators of distress" do networks, governing boards, and school leaders (leaders) observe in a charter school prior to its designation as a "failing school"?

Theoretical Framework

This research is grounded in literature on organizational failure, particularly on the research related to successful and unsuccessful charter schools, framed by early warning system methodology. An early warning system identifies patterns and characteristics from previous events that led to failure or crisis, tests those patterns in a local context to identify specific indicators and thresholds for risk, and then uses the characteristics in a systemic way to predict risk and efficiently target interventions.[18] Early warning systems are used in a host of fields to predict occurrences based on past ones. Wellness medical care to stave off expensive but preventable diseases, tornado warnings to reduce the risk of losing human life, and student drop-out prevention to keep students in school are all examples of early warning systems. Similarly, charter schools that fail to meet their renewal targets exhibit clear signs (early warnings) in the years prior, such as persistent hiring challenges or declining enrollment, though these signs have yet to be studied with an eye toward early detection of decline.

We rooted this early warning system framework in organizational literature on the cycle of decline, which highlights the importance of early intervention. The "death spiral" describes the path of organizational failure not as a single event, but as a systemic accumulation of factors, such as decisions and actions, that spiral into a downward trajectory of distrust, lack of openness, and passivity, speeding up the momentum of decline to the point where turnaround is nearly impossible.[19] School failure is traditionally almost exclusively defined by lagging indicators, such as students' end-of-year test results, which can mean that issues have had time to fester, making improvement much more difficult. By combining the use of an early warning system for identifying at-risk scenarios before a crisis and the systemic nature of distress characterized by the "death spiral" of organizational failure, we have constructed a framework that applies an approach to identifying charter schools in distress prior to their entering the death spiral of school failure that is too deep, systemic, or extensive to recover from.

We applied this framework to identify at-risk schools by identifying characteristics observed in schools across a multitude of contexts that failed and improved, or failed and eventually closed, with the intention of the resulting findings informing later empirical testing of these indicators within a local context.

[17] A second research question was used to collect data for an upcoming NCSRC publication that will focus on addressing school distress: *How and under what circumstances do leaders of varying capacities and roles respond to schools in distress, either with internal processes or external interventions to reverse declines? What supports have school leaders/board members received? What supports have been useful/not useful? What supports would have been useful/not useful?*

[18] Allensworth & Easton, 2005; Allensworth & Easton, 2007; Balfanz, Herzog, & Mac Iver, 2007; Neild & Balfanz, 2006; Silver, Saunders, & Zarate, 2008

[19] Kanter, 2003

Establishing an early warning system can enable the charter ecosystem to identify which schools are at greatest risk of not meeting renewal criteria long before failure occurs and provide a road map about what schools need to improve and help schools effectively allocate resources.[20] Consequently, this would not only improve student learning in the short- and long-term, but it also saves valuable resources that can be directed elsewhere.

Data Sources

Data collection occurred from December 2020–April 2021. Interviews were the primary mode of data collection. Schools were identified for interviews through a document review focused on publicly available information, including annual reports, academic and financial data, and news articles, to gather information on school context, organizational structure, and whether the school had experienced an improvement effort or closure. The schools were selected for diversity along the following characteristics to capture potential indicators of distress from a multitude of key contexts:

- Primary reason for decline: financial, operational, academic, or combination
- Intervention strategy: improvement/turnaround, merger, or closure.
- Geographic location and policy environment
- Charter structure: independent or networked schools

The team of two researchers conducted 60– to 120–minute interviews with 12 school leaders from 11 schools across 7 states, as well as a governing board member from 5 of those 11 schools. See Table 1 for further information. Interviews were conducted individually, when possible, with one exception where the leadership team was interviewed together. To facilitate robust data collection and to ensure participant protections, all interview participants were provided with the safeguard that their interviews would remain anonymous.

Table 1: Number of Schools, State, and Charter Structure of Sample

Core Area of Distress	State	Independent/Network
Financial	MI	Independent
Financial	MI	Independent
Financial	CO	Independent
Financial	CO	Network
Financial	IN	Network
Leadership	IN	Network
Leadership	DE	Network
Leadership	DE	Independent
Leadership	NY	Independent
Leadership	TN	Independent
Academic	LA	Network
Total	7	6=Independent 5=Network

[20] Halverson, Prichett, & Watson, 2007; Herman & Gribbons, 2001; Huffman & Kalnin, 2003; Fiarman, 2007

Methods

This research used a case study design that began with a literature review to examine existing research about efficient and effective charter schools and school improvement, including theories, essays, empirical research, and major research studies. This review identified characteristics that research suggests contribute to effective charter schools and, when available, indicators of when a school began to or was declining. This set of indicators was organized into a framework that served as the basis for the interviews of school leader and board member experiences.

Researchers examined evidence about school decline from each participating school. The review process consisted of two parts: a document review and a school interview. Document reviews conducted for each participating school provided foundational content to customize interview protocols along the following categories: primary reason for decline, intervention strategy, policy environment, and charter structure. Semi-structured interviews were conducted to capture school leaders' and board members' observations of schools in distress and identifying characteristics they observed in schools that failed and improved or failed and eventually closed. All interviews were recorded, transcribed, and coded using a coding scheme derived from the literature review and document analysis. An iterative coding process evolved to incorporate additional themes that emerged from interview analysis. The themes were analyzed to identify potential indicators of distress across charter contexts, as well as overall findings.

Appendix B: Diversity Equity and Inclusion Standards for Education

NCSRC employs a protocol for ensuring diversity, equity, and inclusion standards are considered within any major research effort.[21] While not all research will completely align with these standards, the standards provide a framework for review and articulate the goal for all publications. NCSRC strives to improve our capacity to incorporate these standards into research and practice and the authors welcome conversations and feedback.

The protocol requires review at the following stages of research:

- Literature review/background context
- Research questions
- Data collection and sampling
- Data analysis
- Sense-making
- Dissemination

The following standards are a selection of those that guide the review protocol:

- The extent to which the research incorporates the perspectives of diverse populations
- The extent to which the research incorporates the impact or potential impact of proposed interventions on diverse populations
- The incorporation of a plan for bias-awareness and bias-reduction
- The avoidance of a deficit model for describing inequities in educational outcomes
- The incorporation of culturally responsive policy, school operations, and instruction
- The usefulness of resulting publications for a variety of audiences

[21] These standards are informed largely by the University of Northern Colorado's College of Education and Behavioral Sciences Diversity and Equity Framework and the American Economic Association's Best Practices in Conducting Research tool.

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