NEPC Review: Searching for the Tipping Point: Scaling up Public School Choice Spurs Citywide Gains (Public Policy Institute, October 2024)

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Summary

A recent report from the Progressive Policy Institute examines the impact of charter schools on the achievement of students who remain enrolled in traditional district schools. It is centered around a graph that depicts a strong positive relationship between the percentage of students enrolled in charter schools and decreases in the achievement gap (as measured in test scores) for all low-income students in selected cities. But when the reviewer ran a correlation analysis using the exact data provided in the report, he discovered that the relationship depicted in the report is, in fact, weak ($r = 0.4$). Moreover, while the report recognizes that correlations do not indicate causation, it still asserts that the presence of charter schools in a city, alone, has a "spillover effect" related to improvements in the academic achievement of students who are not enrolled in those charter schools. The report is fundamentally flawed for two reasons. The depictions of a strong relationship between the presence of charter schools and decreases in the achievement gap are deceiving; only a weak relationship is found in the report's data. Also, the policy recommendations are based on an enormous, unsubstantiated leap, and the report makes no effort to close this vast gap in logic in support of its recommendations. The report should be discredited as a valid contribution to policy.

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I. Introduction

The potential "spillover effect" of charter schools is of intense interest to policymakers and academics because it tests the broad impact of markets in education.[1] School choice proponents have posited that as students "vote with their feet" to enter charter schools of higher quality than the traditional public schools they exited, traditional public schools will respond by improving their educational offerings.[2] In other words, that there is a positive spillover effect. On the other hand, others have warned that charter schools harm traditional public school students by diverting resources that would otherwise support district schools, among other unintended consequences.[3]

In the report, *Searching for the Tipping Point: Scaling up Public School Choice Spurs Citywide Gains*, Tressa Pankovits, writing for the Progressive Policy Institute, examines the spillover effect "when a system has a mix of different types of schools, including public charter schools."[4] The crux of the report is an apparent simple correlation demonstrating a strong positive relationship between the percentage of students enrolled in charter schools and decreases in the achievement gap between all low-income students and the statewide average for select cities.[5] The report does not include a correlation analysis. The reviewer ran a correlation analysis using the exact data for the cities in the report and found a weak relationship ($r = 0.40$) between the percentage of students enrolled in charter schools and achievement gains for low-income students.[6]

The report provides more detailed data on two cities (Camden, New Jersey and Indianapolis, Indiana) as examples. A large portion of the report is dedicated to stories and vignettes to highlight innovative educational practices in charter schools.

Unfortunately, the report suffers from significant deficiencies. Chief among these is its

use of a simplistic and untested analysis to make a sweeping, unjustified conclusion: that the presence of charter schools, alone, improves achievement for students in non-charter schools. The report deserves credit for recognizing some of its methodological limitations. But it fails to take efforts to address the limitations and bolster the evidence used to justify increased charter growth.

II. Findings and Conclusions of the Report

The report's major finding is as follows:

Over the last 10 years in select cities where at least one-third of the students are enrolled in charter, or "charter-like" schools, low-income students have seen a "spillover effect" in student achievement. Low-income students citywide, meaning those attending both charter and those remaining in traditional public schools, have made "meaningful progress toward achieving on par with students statewide."[7]

As a result of the positive "spillover effect,": the report argues that increasing charter options "may" be the "clear policy prescription" to improve achievement.[8] The report violates its own caution that it "looks at correlation, not causation" by concluding that "the winning formula" for improving student achievement is to expand the supply of innovative and rigorous schools and choice to meet demand, shift decisions from centralized bureaucracies to on-site leaders, and allow for customization of curricula.[9]

III. The Report's Rationale for its Findings and Conclusions

The primary evidence in support of the overarching finding is a series of graphs, anchored in Figure 3, that illustrate a nearly perfect positive relationship between the percentage of students in select cities with greater than 33% of students attending a charter school and decreases in the academic achievement gap between all low-income students and the statewide average.[10] While the remaining graphs differ in form, they all attempt to illustrate the same or similar data: a growth in charter school options and a closure of achievement gap for low-income students in both charter and traditional schools.

The report cites theories and prior studies that extol the benefits of choice and competition. It states:

> Our findings add credence to the long-standing supposition that charter schools create a competitive dynamic that compels traditional district schools to upgrade their teaching and learning to maintain enrollment, so that conditions improve for all students.[11]

In terms of citing the "innovations" of charter schools, the report points to select stories and vignettes from school students and administrators in Camden and Indianapolis.

IV. The Report's Use of Research Literature

The research literature cited consists almost entirely of policy reports from think tanks and/or mainstream publications, lacking full contributions from high-quality research performed under rigorous methods and review.[12] The absence of research from peer-reviewed journals is relevant because academics have produced substantial quality evidence on the very policy and methodological issues taken up in the report, such as:

Spillover effects of school choice. The standard methods used in the academic literature are considerably more sophisticated than those in the report. For example, more rigorous studies have grouped schools together that are close enough to "compete" for the same students or have accounted for the timing between when schools open and when one would expect to observe spillover effects in later years.[13] Such methods are necessary to provide confidence in the findings and avoid spurious conclusions. Policy recommendations based on a simple correlation would not meet academic standards for publication. Nor is a simple correlation alone strong enough evidence to guide policy.

Responses of traditional districts and schools to competition. Traditional district schools respond to competition in myriad ways. While there are instances where these responses include changes to educational practices that are directly related to academic achievement, common responses also include "glossification" or marketing strategies that do not impact the academic core in schools.[14]

Parental choice. One fundamental assumption of the intimation that increasing the presence of charter schools is related to overall academic achievement gains is that parents choose schools based on academic factors, sending a market signal to other schools to make academic improvements. There is substantial evidence, however, that parents choose based on many factors including the socioeconomic and racial compositions of schools, afterschool programs, and safety that are not tightly coupled to academic achievement.[15]

The report ignores the high-quality research that has already spoken to many of the topics raised around choice and its impact. This leaves readers with an underinformed picture of the policy landscape, especially as it relates to spurious conclusions and overexaggerations concerning the impact of charter schools and choice.

V. Review of the Report's Methods

The methodology used to address the question of spillover is slipshod. The most significant concern is that the report fails to include a statistical analysis of the correlational relationship it purports to study. I ran this statistical analysis myself, using data provided in the report from the 10 selected cities and found only a weak relationship between the percentage of students enrolled in charter schools and achievement gains by low-income students ($r = 0.40$). A simple correlation would be too crude an analysis upon which to base policy in any case, but the weak correlation belies even the alluring impression offered by the report's graphs.

In addition, there several other methodological concerns that the report must address in order to offer a viable test of a spillover effect:

1. Use a non-arbitrary means of choosing cities for study. The report states that cities were selected if 33% of students or more were enrolled in a charter school. It describes this percentage as a "critical mass" of student enrollment in charter schools.[16] However, because there is no existing definition of, nor research evidence to indicate, what percentage constitutes a "critical mass," the 33% cutoff is arbitrary. The report also does not provide a justification for selecting cities with more than 15,000 students enrolled and more than 50% of students who qualified for free/reduced lunch. These omissions are significant in terms of methodological integrity because they subject the report to criticism of "backwards engineering": employing subjective criteria to select those cities that fit a predetermined narrative.

2. Distinguish between public "charter" and "charter-like" schools. The first group are charter schools operated by organizations outside the traditional public school system based on contracts with a public authorizing body. The second group are labeled "charter-like" schools and are defined as:

   > [A]utonomous schools exempt from the same district regulations public charter schools are exempt from, either in blanket form or by a waiver request. Most are operated by nonprofits under multi-year performance contracts with the district, and many occupy district buildings.[17]

   The distinction is important because the "public" nature of charter schools operated by organizations outside the traditional public school system is contested, particularly with respect to schools operated by for-profit companies.[18] The "charter-like" schools, such as the "Innovation Network" schools that are part of the Indiana Public School system, could be closer in ilk to some of the original conceptualizations of charter schools as autonomous options within traditional district school systems.[19]

3. Test a counterfactual condition of cities with lower percentages of students enrolled in charter schools that did not fare as well academically as those cities with higher percentages of students enrolled in charter schools.[20] The report identifies a set of comparable cities with lower percentages of students enrolled in charter schools but does not report the state test scores for the comparison cities.[21]

A final methodological critique is that the bulk of the report is dedicated to interviews with charter school students and educators, with the intent of providing insight into the educational practices of "highly innovative school systems."[22] The interviews may be helpful in describing what is going on in a particular school. But these qualitative contributions are not credible research evidence because they were not selected through a rigorous process and should not be considered as representative of educational practices citywide. They are untrustworthy to rely upon for scaling up policy.

One positive aspect of the report is worth noting: its treatment and comparison of state achievement tests. Each state test is different, complicating direct state-to-state compar-

isons. To address this, the report standardizes scores across states using Normal Curve Equivalents (NCEs), a common metric to place different tests on a common scale. The NCE equation used in the report to convert state test scores has been applied in many educational settings.

VI. Review of the Validity of the Findings and Conclusions

The findings and ultimate conclusions should be disregarded due to the shoddy methods the report uses to conclude that achievement improvements are related to charter growth. The report fails to conduct any of the types of research design or statistical controls that are common in rigorous research on spillover effects.

The graphs are deceptive. The relationship between increased enrollment in charters and increased student achievement for all students is weak. The inclusion of New Orleans in Figure 3 of the report strengthens the relationship both statistically and visually.[23] New Orleans, however, is an outlier and is not one of the "10 high-public-charter-share cities included in the analysis."[24]

In a related point, the report suggests that unique innovations adopted by charter schools explain increased achievement. These include internships, dual enrollment in community colleges, credit recovery programs, and the use of real-world scenarios in instruction. But these educational practices are not innovations specific to charter schools. These "innovations" are also present in traditional public schools. As such the report is not a fruitful source of educational innovations to inform policy.

VII. Usefulness of the Report for Guidance of Policy and Practice

Once actual statistics are run using the data provided in the report, the gaping holes in the research methods become evident. Contrary to the report's conclusion, there is, in fact, only a weak relationship between the presence of charter schools and increases in achievement for all students, including those remaining in traditional schools.[25] The report is deceptive and should be discredited as a basis for making policy.

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