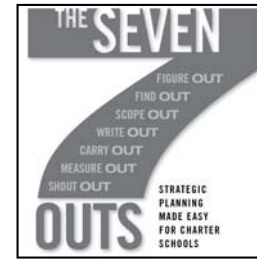




*THE SEVEN OUTS:
STRATEGIC PLANNING MADE EASY
FOR CHARTER SCHOOLS*

EXCERPTED FROM THE NEW BOOK
BY BRIAN L. CARPENTER



Introduction

JUST THE WORDS “STRATEGIC PLANNING” are enough to make some board members and school executives feel swamped. The process is usually long, boring, and largely without results—unless you count a five-inch-thick vinyl notebook collecting dust on a shelf as an achievement.

Don't mire your board and executive in writing a plan that is tedious, dull, and loaded with administrivia—three adjectives that could have been invented to describe the typical strategic plan.

The Seven Outs offers your a school a step-by-step framework for conducting strategic planning. Once completed, the board and executive will know what the students are to accomplish and how well they are to accomplish it, and the board will know how to evaluate the outcomes.

Step One: Figure Out

The first fundamental, *non-delegable* obligation of the board is to define why the school exists. Once a board has done that, it is capable of moving to the next two steps: prescribing the outcomes the school will accomplish and establishing what level of achievement will demonstrate satisfactory performance of those outcomes. *When a charter school board fails to figure out why the school exists, it creates by default, the problem of having no meaningful benchmarks against which to assess the organization's progress toward its purpose.*

Once the board has defined the purpose of its school (in clear language devoid of processes), it must establish the major outcomes that are to be achieved. **These outcomes *need not necessarily be easy to measure or assess; they must simply be worthy of the school's resources in pursuing them.***

To begin the process, we'll group outcomes according to four different measures or categories. Four measures are required because no single category is capable of capturing the entire range of things the board needs to consider in evaluating school performance. **All measures, regardless of their value, have limitations.** I've briefly defined each of the four measures below. Alongside each measure, I indicate whether it is quantitative, qualitative, or both.

1. *Relative Performance* (quantitative).

This is a rank order measure in which the school's performance (usually) on state tests is ranked against other schools. A school that is in the 63rd percentile rank, for example, scored as good as or better than 63 percent of the schools in the comparison group.

2. *Absolute Performance* (quantitative, usually expressed qualitatively).

This is an individual student score on state tests. (There are federal tests that also produce such data, e.g., the National Assessment of Educational Progress, but the schools that participate do not receive any data back because of complex sampling designs needed to generalize the findings to all schools.) Usually student performance on



state tests is reported to the school as being in one of three or four categorical outcomes such as *below basic*, *basic*, *proficient*, or *exceeds standards*.

3. Individual Gains (quantitative).

This is an individual student measure that compares test results between two or more points in time. In other words, there is a starting point in which the student’s performance is benchmarked, and then, a subsequent point at which the student’s gains can be measured.

4. Mission-Specific Outcomes (quantitative or qualitative, but quite often qualitative).

These are school or individual outcomes that are unique to your particular school. They are probably not measured using conventional tests (nor should they necessarily be). They are important because they can reveal information about the school’s performance relative to its unique mission that probably cannot be measured or assessed through any of the other three measures.

You can picture the four measures above as a square. By combining information from all four measures, the board will not only know precisely *what* to look at in evaluating the school, it will also have an excellent gauge on *how well* the school is performing along two dimensions: the present and the future.

Figure 1 depicts this relationship. Each measure forms one side of the box. Taken together, these measures form the boundaries of the area labeled *the school’s present performance*. This performance is properly evaluated against the board’s defined outcomes.

At the same time, data from multiple years for each of the measures can be thought of as a continuum along which performance for that measure is trending in one direction or the other. Using these points, the board can evaluate the trajectory the school is on so that its future performance can be predicted.

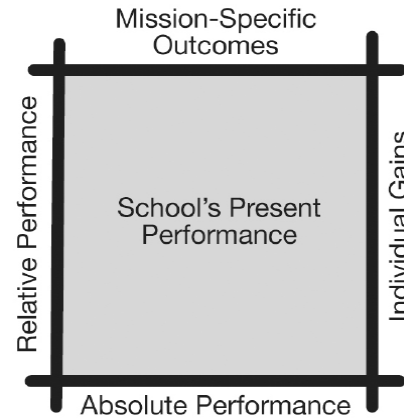


Figure 1. *The Four Measures of School Performance*

The board launches the strategic planning process by figuring out one goal for each of the first three measures and up to three goals in the mission-specific category. Though the process of figuring out what is to be accomplished takes significant time and effort, the clarity that results from simply discussing outcomes will produce what amounts to a rocket flare illuminating the school’s destination to everyone.

Step Two: Find Out

When I explained the premise of *Step Two: Find Out*, to my friend Corey, a successful Australian real estate developer, he said, “Just tell them that when they were in school, they got in trouble for copying what others were doing. In business, you get rewarded.”

As Corey astutely observed, entrepreneurial enterprises find out how other businesses have been successful so they can replicate—or at least adapt—the same strategies to their own profit. For some reason, however, many charter schools have been slow in doing this. Regardless, it is merely commonsensical to look at what other wildly successful charter (or other public and/or private) schools are doing in order to see how they are achieving so you can implement those things in your school.



Although the process of finding out what other schools are doing is step two in *The Seven Outs*, some boards, particularly those that are in the initial application phase, may actually want to make this step one, or at least concurrent with step one.

While current research, on the whole, shows that most charter schools perform about the same as conventional public schools, there is no shortage of world-class examples. A short list of my favorites includes (in no particular order): High Tech High (www.hightechhigh.org), KIPP Academies (www.KIPP.org), Achievement First (www.AchievementFirst.org), and Uncommon Schools (www.Uncommonschools.org), **along with every other less visible charter school that scores in the top quartile on the their state tests, compared to all public schools in their state (charter or conventional), in addition to demonstrating fulfillment of mission-specific goals.**

From a quantitative aspect, it's also worth your time to examine schools that have been referred to as "90/90/90." These are schools in which the enrollment is comprised of 90 percent or more minority students, and 90 percent of the children are eligible for the federal government's Free and Reduced Price Lunch program (education's proxy for kids from families in poverty), but in which 90 percent or more of the kids attain high achievement.

Not surprisingly, 90/90/90 Schools have common characteristics in their instructional approaches. To learn what those are, point your browser to The Leadership and Learning Center at www.leadandlearn.com. Enter "90/90/90" in the search box to read a brief case study by Dr. Douglas B. Reeves that describes the practices of 90/90/90 Schools. If you've understood what I've said so far, you probably won't be surprised to read that "90/90/90 Schools had a laser-like focus on student achievement."

Step Three: Scope Out

In the third step in *The Seven Outs*, the board continues to take the lead in the strategic planning process. The executive may add value to the process of scoping out the external environment, as well, but the board should generally lead because it is likely that it governed the school before the current executive was hired and will govern the school after he or she leaves. This continuity provides a familiarity with the external environment that the executive may not possess. Regardless, it is critical that the board focus on a vital few elements in the external environment that may be strategically important to the school.

There is a significant premise behind scoping out the external environment: *Your school does not operate in a vacuum.* Changing realities outside your school can affect it. In order to effectively position the school for success, it is necessary to integrate those changing realities into your strategic plan. To accomplish this, the board must scope out the external environment.

In business, there is a wide range of variables in the external environment that can affect its profitability (the single primary reason why a business exists). For example, foreign currency exchange rates, market fluctuations, availability of capital, mergers and acquisitions, and stock prices are all external variables that can impact the business for better or worse.

Businesses that are successful over the long range, to one degree or another—depending on the type of company—constantly monitor and evaluate those variables. Most of the literature on strategic planning for businesses emphasizes the critical importance of continuously integrating those variables with the company's strategic plan.



Where charter schools are concerned, there are, thankfully, fewer variables, though they are no less important. For ease of understanding, I've divided the external environment for charter schools into two environments: the immediate external environment (where the school is located) and the statewide political environment (where legislative or judicial decisions can impact the school). These environments are shown in Figure 2.

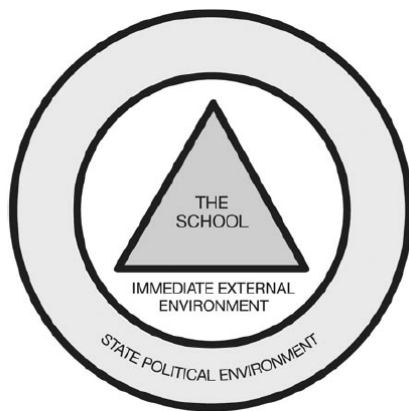


Figure 2. Charter School Internal and External Environments

Your Immediate External Environment

Important elements of the external environment occur in your immediate environment. Because they are external, the board usually has little or no influence on them. As things that strongly impact the school, however, demographic trends, competition from other schools, and authorizer relationships must be carefully evaluated.

I include the aspect of a charter school's authorizer relationship under the heading of the immediate environment for the simple reason that even if you are authorized by a statewide authorizing entity that is not in close geographic proximity to your school, what your authorizer is doing typically has the same effect as thought it were in your immediate area.

I've noticed that some boards delegate this to their executive director or the management company they've hired. While it is necessary for management to maintain a professional relationship with the authorizer, the entire responsibility for doing so should never be delegated. *The board should maintain its own direct line with the authorizer.* Such communications help ensure that the board is directly hearing the authorizer's position. That way, if there are problems with the school's performance or reporting, *the board* has a direct link with the organization that is ultimately charged with assessing the school's performance and making a renewal decision. A monthly phone call from the board president to the authorizer can foster this relationship.

Your State Political Environment

The second key consideration in the external environment is what I call *the general chartering climate* in your state. Well before the advent of charter schools, public schools were highly politicized. Unions, lawsuits, contested election results, and media influences are all inevitable in any endeavor annually funded by a half-trillion dollars of taxpayers' money.

Charter schools, in a broad sense, cut across the grain of existing power bases, money control, and jobs. Hence, they ratchet up several more notches the politicization of public schools. In some states, charter schools are largely accepted for what they are: public school choices. In such states, there are no artificial caps limiting growth of schools or enrollment, funding is largely equitable, and schools can operate multiple campuses. But in other states, the attacks in both the courts and the legislatures are fierce and unrelenting. Having a good handle on the climate in your state is an essential part of developing a sound strategy.



Step Four: Write Out

In this phase of strategic planning, the primary role now shifts to the executive. Up to this point, the board has taken the lead in figuring out what it wants, finding out how others are already achieving it, and scoping out the external environment for things that may impact the school's position. As the environment changes, the board may want or need to recalibrate what it wants to achieve. (To varying degrees, the first three steps of *The Seven Outs* often take place in the process of applying or reapplying for a charter.)

However, once the board has formulated a complete picture of what the school will achieve, how others are doing it, and what the immediate environment is like, it has arrived at a turning point in strategic planning.

To proceed, the board will need professional expertise: It will need an executive director, i.e., someone who *executes* the board's intent. I usually refer to this person as the executive, executive director, or CEO, rather than administrator, principal, school leader, or other title, in order to emphasize the skill at which this leader must excel.

Because the board cannot be onsite *and* it does not possess school operations expertise, it must delegate the authority for achieving its goals to an executive. Since a strategic plan is mostly about processes, these should be determined by the executive.

The executive must take the board's priorities, add his or her own to them (provided that they augment rather than supersede or contradict), and then synthesize them *into a series of operational steps*. In other words, the executive must know how to translate intent into a plan and then follow with actions that will accomplish it.

What should be in that plan? Essentially three components, described in the following paragraphs.

Personnel. If world-class achievement is what the board has in mind, then it is imperative that the executive recruit and *retain* the best teachers. The plan should demonstrate that the executive has thought through how that will be best accomplished. It should factor in things like the executive's strategy for professional growth and renewal of faculty. It should also contain nuts-and-bolts things directly related to staffing patterns, such as teacher-to-student ratio, grade configuration (i.e., one section or two of a particular grade), and compensation/performance bonus plans.

Operations. The main consideration of the operations component is the budget by which the school functions in pursuit of the board's goals. Other things may need to be addressed, however, *operational discussion in the plan should be limited to those things that directly influence the accomplishment of the board's directives*. (Remember, that part of the goal of *The Seven Outs* is to produce a concise, readable plan. This naturally precludes writing about every operational detail that could be included.)

Mission Fulfillment. This part of the plan addresses the decisions the executive is going to make concerning things like curriculum, assessment, and instructional philosophy that achieve the board's goals. Because of the highly regulated environment of charters, the executive should also discuss how he or she plans to achieve state learning objectives (called by different names in various states). Care should be taken, however, not to be too technical in this section. The goal is to focus on how the board's outcomes will be achieved.

The three main components of a charter school strategic plan, along with the layered external environment (the relevant aspects of which were discussed in *Step Three: Scope Out*), are pictured in Figure 3 on the next page.

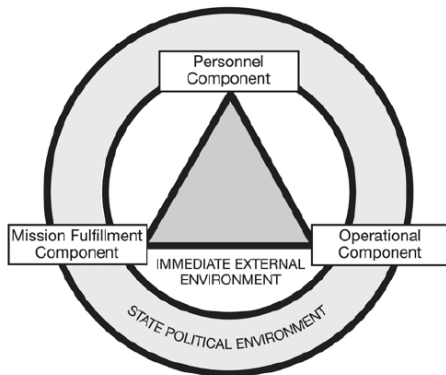


Figure 3. *The Three Components of School Operations in a Layered External Environment*

It is imperative that each of these three components be integrated with the other. For example, recruiting and retaining the best teachers is the key to fulfilling the mission component. Because talent costs, however, recruiting the best teachers also has enormous budget ramifications. The executive's challenge is in determining how to best integrate the components.

Step Five: Carry Out

As previously noted, the very title of executive contains the implied essence of the job—one who executes a plan. Thus, as the logical next step to writing the plan, the executive must also take the lead in the fifth step of the strategic planning process: he or she must *carry out* the plan.

Having the ability to carry out a plan, even though it will involve countless changes along the way, is a hallmark of a charter school executive. A brilliantly devised plan—even one with pictures that is professionally bound with a four-color cover—is worthless if you can't execute it.

The effective charter school executive not only knows how to write a plan (*Step Four: Write Out*), but even more crucially, how to *carry out* a plan. In what sounds like a contradiction, strategic planning at

this stage actually ceases to be primarily a planning process. The nature of the task is now almost entirely operational. But while emphasizing the operational nature of carrying out the plan, I also want to highlight something that Ram Charan and Larry Bossidy say in their book, *Execution: The Discipline of Getting Things Done*. Namely, strategic planning is an iterative process, i.e., the plan is always morphing in response to the environment, so you're never really done planning.

Of course, the job of the executive isn't so much one of actually carrying out those details as it is one of getting his or her team to execute them. This means the executive must be a master at delegating.

Step Six: Measure Out

At this stage of the strategic planning process, the board must again assume a lead role, though it is likely the executive or some other professional with pertinent expertise will have to guide it through the evaluation process the first few times. In this step, the board measures the progress of the school against the outcomes it determined in *Step One: Figure Out*. In so doing, besides capitalizing on the observation that in organizations, "What gets measured gets done," the board is actually fulfilling its governance obligations to the taxpayers by ensuring that the school accomplishes its purposes. *The process of ensuring is the very essence of board governance.*

First, it is imperative to understand that when the board evaluates its executive, it *is* evaluating the school and vice versa. This is because the executive is the one person who is accountable to the board for the performance of the school. For example, if the fourth-grade reading scores are in the tank, the board doesn't (or shouldn't) call the fourth-grade teacher to the table to give an account. It is the execu-



tive who must answer for the performance of the entire school. Thus, *when the board is evaluating the school, it is evaluating its executive.*

There is a common mistake in evaluating the school that the board needs to avoid. Rather than name it directly, however, look at the bullet list below and see if you can find what *all* the measures have in common.

- Of teachers newly hired, 83 percent have advanced degrees
- New curriculum purchased this year
- Five hundred new books added to the library
- New assessment program being implemented
- High-caliber teacher development program being implemented
- Enrollment increased (apart from evidence showing it is being driven by academic achievement)
- Reduction in student-to-teacher ratio
- More rigorous classroom teacher evaluation being implemented
- Everyone is dedicated and working hard

Give yourself an “A” if you recognized that *everything in the list is an input, not an outcome.* This is a critical distinction the board needs to make because **there is an almost natural temptation to assess progress on outcomes by measuring or examining inputs!**

We’ve Done the Evaluation: What’s Next?

You may be thinking, what does our board do if some of its outcomes were achieved, but not as well as we hoped? Do we have to fire our executive? The answer, of course is, no, you don’t have to fire your executive. The board simply has to use its judgment to determine whether the actual performance against the stated outcomes is acceptable.

Keep in mind that the perfect executive hasn’t yet been invented. So the board’s standard should never be perfection. The board simply needs to make a reasonable evaluation of the outcomes. The most reliable performance evaluation occurs with trend data. For example, if the percentage of kids achieving a year’s worth of gains is less than 100 percent, is this year’s percentage higher than last year’s? In other words, is it trending in the right direction? If it is trending in the right direction, what’s the rate of increase? At the present rate, will the school hit its objective in three years or fifteen?

Does this result in an element of subjectivity? Yes, but almost all evaluations do. But one of the advantages presented in *The Seven Outs* is that subjectivity is significantly narrowed to stated outcomes.

Step Seven: Shout Out

In this final step, the board and the executive work together to disseminate the school’s accomplishments. I call this step shout-out as a salute to Achievement First, a high-performing charter organization, as previously mentioned. It publishes school accomplishments in *Shout Out!*, a tri-annual newsletter.

Like Achievement First, you will want to shout-out your school’s accomplishments. A simple reality in today’s world constitutes the premise of this seventh step in strategic planning: It is insufficient to achieve world-class results; *you also have to broadcast them.* Your school’s parents, teachers, students, authorizer, state association, local media, and broader community are among the stakeholders that *need to know* what the school is accomplishing.

Although it is beyond the scope of the book, a media plan that describes how the school will shout out its extraordinary accomplishments can greatly benefit any charter school.



The following publications greatly influenced the writing of *The Seven Outs* and are highly recommended for further charter school board/executive development.

Bossidy, L., and R. Charan. 2002. *Execution: The discipline of getting things done*. New York: Crown Business.

Carver, J. 2006. *Boards that make a difference: A new design for leadership in nonprofit and public organizations*. 3rd edition. San Francisco, CA: Jossey-Bass.

Charan, R., S. Drotter, and J. Noel. 2001. *The leadership pipeline: How to build the leadership-powered company*. San Francisco: Jossey-Bass.

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Ferriss, T. 2007. *The 4-hour work week: Escape 9-5, live anywhere, and join the new rich*. New York: Crown.

Heath, D. and C. Heath. 2007. *Made to stick: Why some ideas survive and others die*. New York: Random House.

Koch, R. 1997. *The 80/20 principle: The secret to success by achieving more with less*. New York: Doubleday Business.

Peters, T. 2004. *In search of excellence: lessons from America's best-run companies*. New York: Harper Business Essentials.

Reeves, D. 2004. *The 90/90/90 schools: a case study. Chap. 19 in Accountability in action: a blueprint for learning organizations*. Englewood, CO: Advanced Learning Press.

Thernstrom, A., Thernstrom, S. 2003. *No excuses: closing the racial gap in learning*. New York: Simon & Schuster.

Trimble, J. R. 1975. *Writing with style: conversations on the art of writing*. Englewood Cliffs, NJ:

From the CEO of the National Charter Schools Institute

If you found this publication beneficial, I invite you to visit our Web site at www.NationalCharterSchools.org where you will find similar monographs on various topics, provided *free of charge*. You're welcome to re-print and distribute these documents, as long as they are presented unaltered and in their entirety.

To receive a group discount when ordering five or more copies of the book on which this monograph was based, *The Seven Outs*, or to engage the Institute for training or speaking, please contact us at (989) 774-2999, Monday through Friday, 8:00 am to 5:00 pm EST. You can also send email to resources@nationalcharterschools.org.

Affiliated since its inception in 1995 with Central Michigan University in Mount Pleasant, Michigan, the National Charter Schools Institute exists that the charter school sector has the necessary resources to further its development, including publications, conference presentations, and training.

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