

## How reform-friendly is Memphis?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	13 of 26	13 of 25	18 of 24	22 of 25	16 of 26	3 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Memphis and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Memphis City Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

Though **Memphis** does not face many barriers to reform that other communities encounter, such as a staunchly anti-reform teachers’ union or school district, until recently, the city suffered from a shortage

#### Race to the Top Update: Tennessee—Memphis

Tennessee won round 1 of Race to the Top funding. It will receive approximately \$500 million over four years to implement its plans. Before winning, the state passed the “Tennessee First to the Top” Act, which allows the state to intervene in consistently failing schools; requires annual evaluations of teachers and principals; creates a fifteen-member advisory committee to recommend guidelines and criteria for teacher evaluations; allows local school systems to create their own salary schedules for teachers and principals (with state approval); and removes limitations on use of student-achievement data in teacher evaluations.

of ardent, active support for nontraditional initiatives. In other words, Memphis often falls short of moving beyond pro-reform rhetoric to effect real change. However, Memphis City Schools (MCS) recently received a \$90 million grant from the Bill & Melinda Gates Foundation for the purpose of overhauling teacher evaluation, compensation, and tenure policies.<sup>2</sup> This may force MCS out of “lip servicing” reform, in the words of one interviewee, and into meaningful change.

### Snapshot

Memphis has a growing supply of **human capital**. Though it lacks a locally grown talent pool, a spurt of education reform from 2004-07 brought alternative certification programs such as Teach For America, The New Teacher Project (Memphis Teaching Fellows), and New Leaders for New Schools to the River City. The impact of these organizations is growing: The big Gates grant outsources all MCS teacher

1. This profile provides a snapshot of the data collected for Memphis, Tennessee, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

2. This grant was awarded shortly after data were collected for this analysis, so any changes made as a result of the grant are not included in the study.

recruitment and placement to TNTP, and recent legislation now allows all three organizations to certify their respective teachers and principals. Still, a restrictive collective bargaining agreement prioritizes ineffective veteran teachers at the expense of new talent.<sup>3</sup>

**Financial capital** in Memphis is available, but traditionally not abundant. Per-pupil expenditures in the district normed for the cost of living are relatively low. Still, MCS expends some of its own money to advance reform while actively seeking private dollars to support innovation. The local philanthropic base, however, is generally weak, aside from initiatives supported by one or two local foundations, and reformers often have to turn to national foundations for support—the aforementioned Gates grant being a prime example.

Memphis's **charter environment** suffers from weak support on the state level. Tennessee charter law does not allow charter schools funding equal to traditional schools. In addition, the state permits only districts to authorize charters, and it fails to hold authorizers—in this case MCS—accountable for charter performance.<sup>4</sup> Despite these setbacks, Memphis has attracted a small pool of high-profile charter organizations, such as KIPP and Building Excellent Schools; and local organizations maintain a focus on charter quality.

Still, state and local attention (outside of the charter sector) is mediocre when it comes to **quality control**. Tennessee boasts the longest-standing value-added data system in the country, and the state collects a wealth of student demographic, assessment, and transcript data. It even links these to teacher evaluations and higher education performance. But Tennessee does not present its data in an accessible, user-friendly manner, and assessment data are not necessarily a reliable measure of performance, considering how far the state assessment falls below the proficiency expectations of the National Assessment of Educational Progress (NAEP).<sup>5</sup> Moreover, on the local level, MCS does not use information to make real-time adjustments in practice or policy.

Despite collaborative initiatives with nontraditional and philanthropic providers, Memphis's **district environment** is lukewarm in its support of reform—or was, prior to the new Gates-funded work. Leaders communicate a sense of urgency about raising achievement and improving schools and often enjoy robust political support. On the other hand, MCS does not typically reward or encourage smart problem-solvers. Internal reform efforts also stalled with the 2007 exit of Superintendent Carol Johnson.

Support for nontraditional initiatives is relatively strong in Memphis's **municipal environment**. Philanthropies, businesses, and civic leaders all generally expend political and financial capital to advance reforms such as alternative certification, charter schools, and performance-based pay. For the most part, the *Commercial Appeal* publishes reform-friendly editorials and opinion pieces. Mayor A. C. Wharton also

3. For more information, see: National Council on Teacher Quality, *Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>.

4. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf). Also see: Victor Bandeira de Mello, Charles Blankenship, Don McLaughlin, and Taslima Rahman, *Mapping State Proficiency Standards onto NAEP Scales: 2005-2007 (NCES 2010-456)* (Washington, D.C.: National Center for Education Statistics, October 2009), <http://nces.ed.gov/nationsreportcard/pubs/studies/2010456.asp>.

supports reform efforts, though not as much as the philanthropic and business communities. Memphis benefits from the support of Tennessee SCORE, a state-level advocacy organization for education reform.

### Bottom Line

Entrepreneurs will not encounter big barriers to reform when setting up shop in Memphis, but neither will they find commanding advocates within MCS. Fortunately, this may change with an influx of funding from Gates and the feds (via Race to the Top monies).

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.