How reform-friendly is Philadelphia?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	19 of 26	24 of 25	N/A	18 of 25	22 of 26	23 of 25

Overview

Which American cities are most hospitable to education reform, especially the "entrepreneurial" kind? To answer this question for Philadelphia 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 School District of Philadelphia.[1] 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

Our analysis of Philadelphia was limited by a low response rate on the local stakeholder survey. This resulted in too few indicators to calculate a ranking for Charter Environment (see Appendix A for Methodology). Still, we include here information from the local responses that we did receive as well as publicly available data, national survey responses, and interviews.

Race to the Top Update: Pennsylvania—Philadelphia

Pennsylvania applied for round 1 of Race to the Top funding. It was chosen as a finalist, but ultimately lost. The state reapplied for round 2 and was again chosen as a finalist.

Though **Philadelphia** saw a focused interest in education reform under the leadership of Paul Vallas from 2002 to 2007, subsequent administrative turnover and a charged partisan atmosphere hinder Philadelphia from realizing its full reform potential. Superintendent Arlene Ackerman has continually restructured the district administration office, diluting the centralized leadership necessary to counter sharp political and ideological divides. Even a unique governance structure, which allows for a School Reform Commission (SRC) jointly appointed by the mayor and governor, does not ease this dysfunction; both municipal leadership and the SRC talk about initiating change, but each remains unwilling to ruffle feathers or reach across the aisle to negotiate.

Snapshot

Philadelphia suffers from weak **human capital** pipelines. Though both Teach For America and The New Teacher Project operate in the city, their presence remains relatively small. Beyond these organizations,

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1. This profile provides a snapshot of the data collected for Philadelphia, Pennsylvania, in fall 2009. For the full data, see http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform.

the local talent pool is limited, and talent is not easily drawn to the City of Brotherly Love. A highly restrictive collective bargaining agreement adheres to "last hired, first fired" policies that keep fresh talent out of the classroom.[2] (A new contract, signed in 2010, is less restrictive, but arrived too late to be considered in this analysis.)[3]

Entrepreneurs will struggle to find available **financial capital** in Philadelphia. The School District of Philadelphia (SDP) spends less per pupil than most cities analyzed in this report, and the district balks at spending its own money on nontraditional initiatives or seeking non-public funding for innovative programs. Local and national stakeholders are ambivalent about private support as well, noting that philanthropies have little real effect on the education reform movement in Philly.

Though we were unable to grade Philadelphia's **charter environment** due to data limitations, available information presents a disappointing picture of the city's charter sector. Pennsylvania's charter law allows only school districts and the state department to authorize schools. While the state places no cap on charter school growth, it does not adequately hold schools accountable for outcomes.[4] Despite lackluster support from local advocacy organizations, Philadelphia is home to a sizeable share of charter schools.[5]

Philadelphia has **quality-control** metrics in place but avoids using them to support tough decision-making. Pennsylvania's data reservoirs are deep, if not very user-friendly.[6] The state test is closer to the rigor of the National Assessment of Educational Progress (NAEP) than many other state tests in this analysis.[7] On the ground, however, the SDP does not use data to drive real-time changes. Politicians from the governor down to the SRC recognize the need for change, but often shy away from making tough decisions.

Philadelphia's **district environment** is marked by partisan politics and plagued by turnover. Despite a unique governance structure intended to consolidate leadership—SRC, the local school board equivalent, is appointed by the governor and mayor—administrative turnover since the departure of Superintendent Paul Vallas in 2007 has diluted leadership authority. Leadership often shakes out on the side of the status quo and fails to make bold decisions or reward smart problem-solvers. The teachers' union wields significant political influence, rejecting reforms such as alternative certification, charter schools, and performance-based pay. Still, roughly forty institutions within the SDP are run in whole or in part by private contractors. This outsourcing to outside providers nonetheless allows the district to retain control and is an innovation worth watching.

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

3. The main provisions of the contract are the inclusion of school-based, "value-added" compensation; a 3 percent teacher raise; peer assistance and review for struggling teachers; and increased district control over failing schools.

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. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

6. 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 and http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf.

7. For more information, 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.

Partisan politics saturate Philadelphia's **municipal environment** as well. Civic, business, and philanthropic leaders are willing to expend some political capital to advance nontraditional reforms, but reform only comes about when one side can overpower the other, rather than meet in the middle.

Bottom Line

In addition to a powerful union and weak human- and financial-capital pipelines, Philadelphia's political divisions create a charged atmosphere in which it is difficult to build a united front for reform. Entrepreneurs will struggle to find common ground in the City of Brotherly Love.

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.