Executive Summary: The original vision for charter schools was one of organic local education institutions contextualized to the needs of the community and easily adapted to the innovations of educators. However, the high rate of failure in charter schools in Trenton, nearly all of which fit this “homegrown” school model, demonstrates that other elements are necessary for charter school survival and success. The data collected for this thesis on the history of charter schools in Trenton reveals that a key missing element is high quality, experienced entrepreneurial leadership in Trenton charter schools. Notably, much of current education research has neglected this business venture aspect of charter school founding and operations.

I. INTRODUCTION

A certified teacher and administrator with fifteen years of experience.
A local attorney and Princeton graduate.
A former Trenton Public Schools principal and administrator.
A new nonprofit organization for residential schooling.
A founder of a nonprofit for local youth.
An oil executive, local pastor, and founder of an afterschool program.
A teacher and a school business administrator for a Trenton high school.

These are the key founders of seven of Trenton’s charter schools since 1997. Nearly all of them have close ties to the Trenton community; many have meaningful backgrounds in education. For the most part, these are individuals who rose to meet a need within their community, who each envisioned an inventive revitalization of education in Trenton and the surrounding area through the formation of a unique charter school. And yet, in the course of just over a decade, each of their seven schools would ultimately close. This constitutes a Trenton charter failure rate of 63.6%. The statewide failure rate of charter schools is about 27% since 1997; meanwhile, the national charter school failure rate is 15%. This means that Trenton charter schools are closing at a much higher rate, only further burdening a school district that already faces the substantial obstacles of poverty and severe academic underperformance.
My thesis does not seek to answer the question of whether or not charter schools are the best route—or even a good route—to education reform. Rather, it accepts the basic premise that charter schools have become a common component of the modern education reform movement, particularly in high-poverty urban settings like Trenton. Thus, given this prevalence of charter schools, my thesis focuses its attention on the frequent closure of charter schools in Trenton, both their distinctly high rate of failure and the severity of those failures. With only a few exceptions, charter schools in Trenton not only have underperformed but also have actually caused considerable damage at some points along the way. In addition, charter school networks that have historically been successful in other cities like Trenton have yet to show interest in establishing themselves in Trenton. Nonetheless, new charter schools are continuing to trickle into the city, and the few charter schools left are still striving to survive and improve. Understanding why the charter school climate in Trenton has continually been marked by these realities is still a matter of urgency for the students of Trenton and the future of education reform.

Much of existing education literature has sought to elucidate the factors involved in urban school success and survival, but as the data presented in my thesis shows, none of these frequently championed issues is primarily responsible for the exceptionally high rate of charter school failure in Trenton, New Jersey. These frequently advocated theories focus respectively on poverty, community, and bureaucracy as the central defining factors in charter school survival and success. However, a thorough investigation of the history and trends of Trenton charter schools reveals that these factors do not explain the city’s many closures and that a different explanation is necessary.
Altogether, I find that a paucity of talented and experienced entrepreneurial leadership has been a forceful factor with pervasive effects in charter school closures in the city. As the data in my thesis exhibits, charter schools are generally exposed to significant financial and management challenges as new business enterprises in addition to all of the educational obstacles that schools already face with urban, high-poverty student populations. Trenton’s charter founders and leaders have largely been local community members, leaders, and educators rather than high-quality entrepreneurs well versed in building and sustaining innovation and connecting to beneficial professional networks. Meanwhile, Trenton as a city does not have many of the qualities and features that help to attract these kinds of leaders, while other New Jersey cities with more successful charter schools do. Ultimately, the findings presented in my thesis suggest that charter founders and education researchers alike need to more fully recognize that the educational innovation for which charter schools are designed is necessarily accompanied by vulnerability to market forces and a need for leaders who can navigate them. For better or for worse, charter schools are inherently business ventures; and as I argue, that fact has substantial ramifications for charter school survival and success in Trenton and beyond.

II. APPROACHES AND RESULTS

This investigation was conducted primarily using online and print articles from local as well as national newspapers and magazines; demographic and academic performance data as well as charter approval and closure data from the NJ State Department of Education and the NJ Charter Schools Association; and phone and in-person interviews with current and former Trenton charter founders and leaders, other charter management organization (CMO) founders and leaders, and professors and charter school consultants familiar with New Jersey and Trenton charter schools. The official data on NJ charter schools is quite sparse for the first decade or so.
of the state’s charter school law, so most of that data had to be pieced together to the best degree possible using the interviews and news articles. In addition to exploring the serious question of charter school closures in Trenton, my research aims to address this deficit in the historical record of Trenton’s charter schools. To my knowledge, my thesis is the only detailed compilation of a history of charter schools in Trenton to date.

In my thesis, I offer evidence on why currently prominent scholarly theories on school survival and success ultimately do not adequately explain the high charter school failure rate in Trenton. Camden and Newark experience more poverty but also have higher rates of surviving and successful charter schools. Trenton’s charter schools have had a substantial level of community ownership, as most were organic resident-initiated start-ups. Finally, charter schools in Trenton do not seem to be lacking in freedom to innovate, as demonstrated by their considerable variety, while state accountability has simultaneously been carried out fairly actively in Trenton.

Accordingly, my thesis advocates a different explanation for the high rate of charter school closures in Trenton: a relatively consistent dearth of experienced entrepreneurial leadership in charter founders and school leaders. First, I review the direct reasons for charter school closures nationally, statewide, and in Trenton, Newark, and Camden as cited by the state’s letters of notice and by academic research, concluding that financial and managerial problems are most prevalent but are also deeply tied to academic success and vice versa. I also explain how these New Jersey city charter school closures fit the pattern of the liability of newness in charter schools and the dilemma of sustaining innovation, not merely generating it. Consequently, I note that the charter schools of Camden and Newark seem to survive the liability of newness at higher rates than do those in Trenton. In possible explanation of this trend, an
appraisal of charter school founders in Trenton historically reveals a high proportion of local community members and educators as well as a low proportion of founders with prior entrepreneurial leadership experience or charter school founding or leading experience. The types of crippling problems faced by charter schools in Trenton, namely financial mishandling and general bureaucratic mismanagement, are in themselves problems more likely to be solved with the presence of strong, experienced, talented entrepreneurial leadership. Lastly, a comparison of Trenton, Camden, and Newark reveals the ways in which Camden and Newark are more likely to attract experienced educational entrepreneurs and shows that this has in fact been the case in recent history. These factors include size, economic diversity, the presence of a prominent local university, proximity to a major city, and opportunities to learn from other creative agents as well as preexisting ties with other creative agents located in the city.

III. POLICY AND RESEARCH RECOMMENDATIONS

As New Jersey’s charter school movement has matured, and as the NJ Department of Education has developed and changed, the process for becoming approved has grown more stringent. It is far easier to identify financial and organizational mismanagement than it is to track academic underperformance, largely because of the rarity and inadequacy of annual state testing. In addition, the baselines for institutional performance are relatively clear (stay within budget, maintain adequate enrollment, low staff turnover, etc.) compared to those of academic performance, which are contested in the world of education reform due to great disagreement about what constitutes effective teaching, learning, and assessment. As a result, the case of Trenton studied in this paper could inform the state’s efforts to weed out potentially problematic charter schools before they even open. The schools that cannot master their financial and management dilemmas are schools that have very little possibility of being academically
successful by any standard. If the New Jersey State Department of Education focused more on evaluating leadership and succeeded in identifying leaders that are unlikely to be able to run their organizations effectively, it could eliminate a significant percentage of later charter school failures like those in Trenton. If the NJ DOE can become more effective at recognizing entrepreneurial leadership qualities and experience in applicants and incorporating factors like these further into the decision-making process, both Trenton’s and New Jersey’s charter school failure rates could match or even improve upon the national rate.

Another important consideration based upon these findings entails awareness and preparation on the part of charter founders in planning their schools. Specifically, founders who do not possess skills and experience in entrepreneurial leadership should strongly consider recruiting a co-founder who can assist in preempting and overcoming potential financial and management issues and even in designing the school to be competitive in those arenas. The Trenton experience demonstrates that although there does not seem to be a shortage of educators involved in charter schools, there is indeed a shortage of extensive and innovative business and management experience. Ability of this latter category also includes being substantially adept in acquiring high-quality personnel, including experienced educators, while the opposite is not necessarily true. In addition, charter school founders and leaders should be acutely aware of the potential pitfalls facing charter schools, particularly those that might be more unexpected since they do not apply equally to public schools not subject to competition—namely, again, financial and management challenges.

Other policy recommendations based upon these premises include strategies for training, fostering, and attracting entrepreneurial leaders. Fostering this kind of leadership among existing Trenton residents is possible but improbable given its lack of opportunities to learn from other
creative agents and enterprises. A limited but likely more effective solution could be for the NJ DOE to develop relationships with strong external school leader training programs and incentivize these programs for aspiring charter founders. For example, Building Excellent Schools is a proven nonprofit organization that offers fellowships for potential charter school founders. Cities like Trenton can also work on attracting experienced entrepreneurial leaders, including those who have actually managed charter schools. There are multiple ways in which this could be accomplished. First of all, the district could become less resistant to charter schools and their personnel, a concern mentioned by multiple Trenton school leaders in their interviews. Secondly, the city and the district could make an effort to pursue established, effective charter management organizations and leaders and court them as they would those of any other advantageous industry. Further, the state and the district could even attempt to collaborate with charter schools in the manner that is currently occurring in Camden with the Renaissance schools initiative. Finally, Camden provides another clue for strong leadership development in Trenton: partnership with a strong local university. It is true that Princeton University is not actually in Trenton; but it is only about eight miles away, and it even has a certified teacher preparation program. If Princeton developed an institute for urban school leadership or even merely partnered with Trenton and with other leader development programs in a meaningful way, the knowledge of that potential support could help to attract high-quality charter founders to Trenton.

In addition to suggestions for rethinking and enhancing policy, my thesis has possible implications for education literature as well. As for the direction of future research, plenty of work remains to be done, particularly in investigating how and why charter schools fail. There is a startling dearth of research on this basic organizational question—whereas there is an
overwhelming array of research on how charter schools are performing academically, to what extent skimming enhances that performance, and whether they are outperforming public schools. In this way, the extreme polarization in the education reform debate is blocking educational progress. It is imperative that schools, states, and districts learn how to accomplish the work of charter schools excellently. Education research, then, needs to examine questions on topics like charter school selection, founding, functioning, funding, relationship with the district, relationship with the community, leadership, regulation, and growth. In order to do this, education literature must also better differentiate between charter schools and public schools. As my thesis shows, while there are undoubtedly some commonalities, charter schools do require certain skill sets and face certain problems not applicable to public schools; in particular, they must navigate both bureaucracy and the free market. As a result, more research needs to be conducted on the ways in which charter schools differ from public schools in their needs and difficulties. A more nuanced approach that appreciates the variety that exists in the delivery of public education is therefore crucial.

A final recommendation for further research is an increased focus on the role of founders and leaders in school survival and success. This area of research in education can sometimes be a less attractive one. It is indeed somewhat disconcerting to assert that a school’s survival and success may be directly tied to the performance of a few individuals. And yet, it is precisely because of this that the degree to which this is true for charter schools must be investigated, that the clear parameters of reasonable expectations for effective leaders must be established. If it is possible that individual founders and leaders are wielding so much negative or positive influence, then the research community would do well to more specifically define and structure its conceptions of charter school founding and leadership. Additionally, given the array of
valuable skills for charter school founders and leaders presented in this paper, further research could better elucidate which of the skills and abilities are the few most essential for successful charter school founding and management. Another reason that high-quality school leadership can at times be discarded as a research topic is its perception as utterly impractical for high-poverty urban environments. However, the problem is not that this talent does not exist in the population; rather, the problem is that this talent is not choosing educational leadership and entrepreneurship as a field, and certainly not in the locations that need it most. Both education researchers and education policymakers need to make more consistent and broad-based efforts to address this fundamental problem.

IV. CONCLUSION

My thesis does not at all seek to argue against the immeasurable value of experienced, passionate educators or involved community members or contextualized, localized schooling. Instead, I find that these simply may not be enough for new charter schools to survive and thrive. This is not in any way to denigrate the admirable efforts of local residents and leaders striving to care for the community and educate its youth. The original model of homegrown charter schools, admired by many researchers, should certainly not be entirely tossed aside. Charter schools still have the potential to offer a kind of contextualized and community-based education flexibly specific to the needs and desires of its constituents in a way that public schools often cannot. Being founded or led by talented, experienced entrepreneurial leaders (including those external to the community) does not have to alter this. In fact, effective entrepreneurship often strives to listen to and satisfy its constituents. However, it will certainly require even greater intentionality and consciousness to combine sophisticated entrepreneurial leadership with contextualization
and community participation. As it currently stands, the charter school movement seems to be polarized toward one or the other rather than endeavoring to blend both.

Ultimately, my thesis calls for a basic paradigm shift in the way that schools, leaders, researchers, and even the community conceive of charter schools. The case studies of closed Trenton charter schools show that founding and leading a charter school requires experience and skills more akin to those of running a business than those of running a classroom. It is an inherently entrepreneurial enterprise; and if charter schools are to take advantage of this freedom to innovate, they must be conceptualized that way.