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Parents Advocating School Accountability
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Inconsistencies, selectivity cloud Edison Schools report

A new report by Edison Schools purporting to show superior achievement at the company's schools suffers from inconsistent and questionable methodology. In one key claim, the study selectively includes fewer than half the company's schools, and in another it employs a simplistic methodology previously debunked in a New York Times analysis.

Among other flaws in the report:

- It applies an inconsistent methodology for counting the number of schools Edison runs, using two different gauges apparently at random within the study.
- It cites 79 schools that have supposedly made gains under Edison – but Edison has been kicked out of nearly a quarter of them by dissatisfied client districts.
- It bases its major claim on a reported comparison to the performance of 1,100 non-Edison schools, but gives no names or data for the comparison schools.

The embattled, for-profit school management firm released its Fifth Annual Report on School Performance on Feb. 28, claiming that the report showed improved performance in 84 percent of Edison schools during the 2001-'02 school year. The report also asserts that when compared to 1,100 schools "with similar levels of economic disadvantage and ethnicity," 66 Edison schools showed greater achievement gains.

Questionable figures tarnish both claims. The New York-based firm's website, publicity, and Securities and Exchange Commission (SEC) filings have consistently declared that Edison managed 136 schools during '01-'02. The new report uses a figure of 112. An appendix note explains that the company ran 136 schools at 112 sites, with K-8s counted as two separate schools. There is no clear explanation as to why Edison abruptly switched counting methodologies.

In addition, the report randomly jumps between both counting methodologies, even on the same page. For example, its executive summary claims that "Edison operates 150 public schools" for the current school year – a figure based on the "per school" methodology, not the "per site" methodology, without explanation. While using the larger figure polishes Edison's image with investors and the public, using the smaller figure in the report benefits Edison by allowing it to claim success for a larger percentage of schools.

The 136 figure appears several places in the report, as does the 112 figure. Most critically, when the report gives numbers of schools in various contexts, there is no indication which counting method is used.

That confusion clouds the report's major claims. The Edison report claimed that 79 schools have made gains since Edison opened them, but there is no specific explanation as to whether Edison used the "per site" or the "per school" methodology, nor is a clear list provided to hand-count.

The 79 schools which Edison deemed successful represent 58.08 percent of the 136 schools Edison reported in its 2002 10-K filing with the SEC. Even using Edison's new per-site counting methodology, 79 sites would represent 70.53 percent, not 84 percent as the report claims.

In addition, dissatisfied districts have severed Edison's contracts for at least 18, or 22.78 percent, of the claimed 79 "gains" schools, further undercutting claims that most of the company's schools are succeeding.

The previous year's report came under fire for using numbers that didn't add up and for omitting many schools without explanation. For the new report, Edison provided elaborate footnotes explaining the exclusion of many schools from the base.

However, to claim that 79 Edison schools had made gains since opening, Edison utilized the same controversial methodology as it did the previous year - a procedure criticized as overly simplistic in a July 2002 New York Times analysis.

The methodology for calculating the "gains" simply lumps together all test scores across all grades in a school and averages them. As a control, the Times applied the same methodology to the troubled Cleveland, Ohio, schools- and came up with 87.4 percent showing positive gains. The methodology is questionable, the Times noted, "because large gains in one subject or one grade might mask declines in several others."

The use of a strikingly simplistic methodology stands out in contrast to the report's dense descriptions of complex study procedures, such as: "This stage provided coefficients estimating the mean difference of each cluster from the average annual gain of the entire sample, and the standard errors of each cluster's fixed effect."

The July 2002 New York Times article also questioned Edison's methodology for calculating gains on standardized assessment tests. The company combined results from different tests created by different testing companies. The Times quoted Cleveland schools spokesman Peter Robertson, who found averaging together the results of different tests "troubling."

"If you throw oranges and grapefruits and bananas and star fruit into a blender," Robertson said, "you've lost all ability to say whether it's fruit anymore. "

Raising another significant methodology concern, Edison selected 66 of its schools for favorable comparison with 1,100 demographically "comparable" nearby non-Edison schools. Given the base of 136 schools that Edison nearly always claims, that would comprise 48.52 percent of Edison's schools - a selective (not random) sampling of less than half.

If the 66 figure is based on a per-site count rather than a per-school count - the report does not

stipulate which - the sampling was a selective 58.92 percent.

Edison claims that its other schools did not have demographically comparable schools nearby - an assertion that would have to be painstakingly checked district by district. Edison provided neither data nor names for the 1,100 comparable schools it claims to have used.

The Edison report devotes considerable space, including its entire first page, to noting that the respected RAND research organization confirmed the accuracy of the hard achievement data and "provided Edison with comments on Edison's analysis and discussion of the data." RAND did not perform the actual studies. The document specifies that RAND also did not check data on the 1,100 "comparable" schools that Edison reported studying.

Edison has commissioned RAND to do a complete study on achievement at the firm's schools, to be released in 2004. Edison spokespeople and political supporters have repeatedly, inaccurately attributed previous Edison claims to RAND, whose spokespeople say that they will make no comments on Edison claims until the report comes out in 2004.

It was not known whether RAND remarked on the new Edison document's inconsistent methodology for counting schools. RAND researchers did not respond to e-mailed questions.

Edison Schools has been plagued with problems in the past year, including discredited claims about student achievement, a plummeting stock price, canceled contracts and accusations of improprieties in its bid for Philadelphia schools. The 10-year-old company has never made a profit.

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New York Times

Critical examination of Edison's methodology in studying its schools' achievement

July 16, 2002

Complex calculations on academics

By Jacques Steinberg and Diana Henriques

<http://www.nytimes.com/2002/07/16/education/16EDIS.html>

TheStreet.com business columnist Herb Greenberg commented on Edison's "per-school" counting method and its inflated effect, 11/11/99

<http://www.thestreet.com/comment/herbonthestreet/817348.html>

A note from PASA: Responding to the New York Times' July 2002 criticism of the methodology of lumping all of a school's scores into a single average, Edison spokesman John Chubb claimed that California and Texas do the same thing. Chubb was inaccurate in California's case.

California's Department of Education applies a complex, methodologically sound technique to each school's test scores to achieve a single Academic Performance Index score. The process

goes far beyond merely averaging all the scores together. PASA was not able to research the Texas process so cannot comment on Chubb's accuracy in that case.

Schools named on Edison's "positive gains" list that have had Edison contracts severed:

Connecticut:

Wintergreen Interdistrict Magnet School, Hamden

Georgia:

Martin Luther King Jr. Edison, Macon

Kansas:

Dodge-Edison, Wichita

Edison-Ingalls, Wichita

Edison-Isely, Wichita

Jardine-Edison, Wichita

Massachusetts:

Boston Renaissance, Boston

Michigan:

Dr. Martin Luther King Jr., Mount Clemens

Edison-Perdue, Pontiac

Minnesota

Edison/PPL, Minneapolis

Texas:

Edison-Blair, Dallas

Edison-Henderson, Dallas

Edison-Maple Lawn, Dallas

Edison-Medrano, Dallas

Edison-Runyon, Dallas

Edison-Titche, Dallas

Kriewald Road, San Antonio

Stewart-Edison, Tyler