**Toward the Realization of Japanese Charter Schools: A research survey on the utilization of private sector vitality and public school reform**

Hiroshi Ohashi

1. **Research aims and objectives**

Many years have passed since the establishment of the nationwide system in 1872 on which our current school system is based. During that time, our nation has changed drastically. Although several educational reforms have been conducted over the years, fundamental reform following the changes in society has not occurred. Public school education faces fierce competition and serious problems.

To date, educational reforms have been conducted by central government which has failed to solve the fundamental problems. In this paper, I consider the introduction of the private sector as an agent for public school reform instead of the government-led internal reform. More specifically, I look at a new type of school with a new management concept that can immediately respond to the diversified individual needs of primary school children, high school students, and their parents/guardians.

I gained the idea of developing a new school model from visiting charter schools in the United States where they were established in the 1990s after a number of other attempted reforms. The United States has many more serious educational problems than Japan, and these charter schools now attract considerable attention as a new model of public school. Research on charter schools has been accumulating, although the studies are as yet limited to on-site surveys and research. In this paper, I would like to propose a new initiative—a Japanese charter school along American lines, to be established with the help of the private sector. This proposal is based on my wide experience over many years as an entrepreneur and owner of private educational institutions.

2. **Research methodology**

The vitality of the private sector needs to be utilized in order to break away from the kind of top-down reform led by central government. Also, it is important that the reform reflects the opinions of those who are directly involved.

In this paper I propose building a new image for schools in a bottom-up reform approach, based on feedback from primary school children, high school students and their parents who are the “customers of education”, as well as from teachers, principals, business owners and supervisors of education boards who are at the frontline of public school administration.

For this purpose, I conducted a survey among people involved in education:

1. To understand the current situation in public elementary, junior high and high schools and to explore educational themes and directions,
2. To determine a new model of schools that can fully meet the needs of our diversely changing society and the “customers of education”,
3. To determine the response of people involved in education and identify the necessary conditions for the new schools proposed in (2) above based on the new charter schools in the United States.
The survey was conducted in the following stages:

(1) I studied the charter school-related materials and visited ten charter schools in California and Arizona to see the current situation and problems of these schools in order to formulate an appropriate version of Japanese charter schools.

(2) I conducted the above-mentioned questionnaire survey among people involved in education.

3. Perception of current situation of public education
I obtained the following results on the first issue, i.e. the perception of people in various educational organizations regarding the current state of public education.

(1) The survey of students indicates that overall their opinion of school education is not always high. This could be due to the fact that the administration and schools have continued to offer the traditional education without considering students’ educational needs. The ratings for junior high schools are much lower than that for elementary schools. In addition, the answers to almost all the questions gave low ratings to school education, which means that it has an overall structural problem, not just some isolated problems.

(2) The survey of parents and business owners also showed a low evaluation of the current situation of school education, just as in the survey of students. Parents gave lower evaluations of junior high schools than of elementary schools, the same tendency as in the student survey. The fact that upper grades received lower ratings could indicate a general distrust of schools. On the other hand, the survey result of educators including school principals showed high evaluations of the current situation in schools, indicating a large perceptual gap between the “customers” i.e. students and parents, and the “providers” i.e. educators. However, both teachers and principals gave lower evaluations of junior high schools than of elementary schools, with students and parents doing likewise. This lower evaluation of upper grades given by the educators at schools, supports the claim that now is the time to reexamine the current state of school education.

In summary, there is a large gap in the perception of the current state of school education. The teachers, principals, and supervisors have an optimistic view of all the issues compared to the more negative views of parents.

There is, however, a difference in perception among the educators. The principals and supervisors insist on the necessity for educational reform, while the teachers consider it less essential. I questioned teachers further about this result. (See Table 1.)

Table 1 Why do you think teachers see less need than others for educational reform? (Mark all that apply.)

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Because principals and supervisors have an impractical view in comparison to teachers who know the actual situation of school education.</td>
<td>50%</td>
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<tr>
<td>Because educational reform will make school work busier.</td>
<td>47%</td>
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<tr>
<td>Because homogeneous educational reform across the country will not be able to establish a true reform.</td>
<td>21%</td>
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<tr>
<td>Because educational reform may involve the evaluation of teachers, which they do not want.</td>
<td>6%</td>
</tr>
<tr>
<td>Because educational reform makes teachers’ futures uncertain.</td>
<td>3%</td>
</tr>
<tr>
<td>Because educational reform does not reflect the opinions of teachers.</td>
<td>53%</td>
</tr>
<tr>
<td>Other reasons</td>
<td>18%</td>
</tr>
</tbody>
</table>
* The survey was conducted via the Internet on January 6-8, 2001. The number of respondents was 102.

The opinions of teachers regarding educational reform can be summarized as “Teachers have a sense of discomfort with educational reform that is not based on the real-world classroom situation, and so new efforts within the framework of the reform will only serve to make teachers busier.” The survey result indicates the need for an external force (from the private sector), to create new dynamics in educational reform.

4. The idea of “new schools”

In the survey, I also showed some of the characteristics of “new schools” on which my idea is based, and sought opinions. The following results were obtained:

(1) "Customers” of education strongly support a system under which students and parents can choose public schools of their choice as proposed in the “new schools”.

(2) Regarding the concept of “open schools”, many parents and business owners as well as teachers say “School managers should not be limited to school staff”, and “Principals should be selected from outside of schools”. The whole of society seems to seek “open schools”.

(3) Almost all agree with the participation of parents in school management.

(4) Both “customers” and “providers” agree that laws should be eased in order to provide flexible, autonomous management of schools.

(5) Most “customers” and “providers” agree that schools should bear responsibility for educational results and should inform students and parents of these results, showing the educational targets achieved.

(6) All groups strongly support the introduction of the private sector for establishing new public schools.

(7) Opinions are divided over the issue of whether school facilities should be maintained as they are or whether they should be altered to suit a school’s specific purposes. Some wish to retain the status quo, others wish to know more about any proposed changes, but overall there is a tendency to favor some change.

The US charter schools, the focus of my research, are public schools and are characterized by both the freedom and autonomy of private schools and the equal opportunities of public schools. We would aim not only for educational freedom and autonomy, but also for financial independence. Every school would be responsible for securing tuition fees and would not require a 100% administrative subsidy. I think it is extremely important for both the public and private sectors to promote the autonomy of “new schools” in every aspect not only by cooperating, but also by maintaining independence from each other to a certain degree in the establishment and management of schools.

I therefore wish to propose that our “new schools” should be private schools. This is because organizations in Japan managed 100% with public expenditure have major problems: (1) they have no sense of urgency about the need to change their management style, (2) they do not want innovation or reform, and (3) it will take a long time to implement any reform of the organizations even if they do decide to make reforms.

On the other hand, the “new schools” should act as a trigger to public school reform through their use of management styles appropriate to the needs of a changing society. In order to meet the needs of children, students and parents, they should be organized in such
a way as to realize (1) rapid responses to customers (children, students and parents), (2) the creation of market demand, and (3) the development of new programs in a short space of time. “Internal reform” of public schools, which have serious problems with the 100% public expenditure management, does not ensure or even make it seem likely that they would take on the characteristics of “new schools”. These characteristics are outlined below.

(1) Establishing Japanese charter schools
Japanese charter schools would be private schools managed through the collaboration of public and private sectors, and would be called “independent schools (ISs)”. The objectives of establishing an IS are: (1) to make school management independent from education boards, (2) to help students become more independent, and (3) to develop autonomous teacher groups with their own ideas, decisions and responsibilities.

An IS should be established by a school juridical organization or a third-sector non-profit organization (NPO), and an administrative board should be set up with authority for control and management of the school. The administrative board should manage the school and be jointly responsible to the Independent School Accreditation Board, mentioned below.

An Independent School Accreditation Board (ISAB) should be set up to accredit the school. Membership of the Board should be a full-time position and the Board should consist of experts in various fields. People who have management experience in private companies and qualified accountants should be on the Board to enhance the calibre of school management. The administrative board, which would work as a preparatory committee before the establishment of an IS, would apply to the ISAB for establishment, and the ISAB would examine the application and determine approval. The examination would be conducted along the lines outlines in (2) below.

(2) Accreditation of charter schools
Criteria for accreditation would be consideration and validation of:

(i) the school’s educational purpose and target,
(ii) its educational achievement target, and
(iii) the forecast income and expenditure three years from the school’s establishment date. Conversion from existing private schools could also be approved.

The ISAB would consider re-accreditation based on the achievement level of the initial educational target and of the current financial situation of the IS. The educational achievement level would be determined not only by students’ scores in standardized tests, but also by multidimensional evaluation methods. Each IS would be subject to an interim audit within three years, when suggestions would be made on any points needing improvement over the next two years. The final evaluation and re-accreditation of an IS would take place five years after its establishment. If the re-accreditation panel judges that the IS has not shown sufficient achievement to justify continuation, the approval of the IS is cancelled and the school is closed. In the survey, business owners showed a relatively cautious attitude, while more than 60% of the other groups accepted the idea of “cancellation of approval and closure of school”, a system that no one has in fact previously experienced. However, about 40% of those surveyed disagreed with the system, with opinions thus clearly divided.
In addition to the re-accreditation system, a monitoring system would be introduced to enhance the autonomy of each IS whereby ISs would evaluate the quality of educational activities of other ISs. Administrative Board members of other ISs would be commissioned to form a monitoring team. The team would consist of three members who would visit the IS once a year for monitoring. Their report would be released to all the IS stakeholders. Also, classes would be open to parents on a regular basis. Willingness to partake in this open system of classes would be an employment condition for teachers.

(3) Education
An IS would be obliged to detail its educational principles and targets to prospective students and their parents before they enrol at the school. Students and parents are free to select the school of their choice. Education boards or public schools must not give students and parents any direction to change schools.

The school curriculum and study materials would be based in principle on the Ministry’s curriculum guidelines and authorized textbooks. A minimum standard should, however, be maintained at all times. The principal’s ideas and decisions regarding educational details should be largely adhered to, although the administrative board should always be involved in making final decisions and bear full responsibility for these decisions. Each school and each teacher should make appropriate modification of the school’s curriculum based on the curriculum guidelines in order to take account of individual students’ needs and communication among stakeholders. Teachers should offer opportunities for students to learn more about interesting topics by making extensive use of additional related subject matter. They should at all times strive to create a flexible curriculum that allows students to select the contents of learning within a wide framework.

The ISAB should conduct standardized tests to evaluate students of ISs. The purpose of these tests would not be to rank but to measure the proficiency level of students and compare the results with each student’s learning targets. There would be three levels of difficulty in each subject tested. Each student would select their own level with the help of their parents, and would inform the ISAB of the level selected at the beginning of the year. If their proficiency level does not reach the target, the student, parents and school would all accept responsibility and measures would then be taken for the student to follow a further course of study as determined by the school.

Of course, the achievement level of students cannot be evaluated simply by standardized tests. One of the purposes of the establishment of ISs is to foster independent learners who can identify learning themes by themselves. It is necessary not only to develop an environment for such learners to select and learn various content in various curricula, but also to make suitable evaluation methods of their own. Also, evaluations should be done not only by teachers, but also by fellow students who would openly evaluate each other. This would promote independence of students from just the teacher’s evaluation. Students would acknowledge that the purpose of learning is not simply to be evaluated but also to satisfy their intellectual curiosity and to share the joys of discovery with others.

(4) Personnel matters
The principal would be hired by the administrative board and would not be required to have a formal teaching qualification. The roles of the principal would be those of a leader manager, an educator, and a person with authority in personnel issues. The principal should also teach. The term of appointment would be six years for a newly established school, the same period of time as it would take for the ISAB to release the evaluation results. After the first six years, the principal’s further term would be five years.
Reappointment would not, however, be prohibited. Regarding the employment of teachers, the administrative board would examine candidates recommended by the principal before hiring. Up to one third of all teachers do not necessarily need a teaching qualification. Each IS could make its own remuneration packages, and would be allowed to introduce a unique skills-based pay system.

(5) **Public subsidy**
The school grounds and buildings would be converted from existing public or private schools. Where, for reasons such as falling rolls, facilities are not in use, schools should provide that information to the private sector. Using a part of an existing school is also allowed. In other cases, the establishment standards for special training schools should apply (The Private School Law, Article 64).

Local government should be proactive in providing subsidies for creating school grounds and buildings. An applicant could cover 50% or less of its contribution with borrowed money. If the school is closed, those who were given use of the school grounds and buildings must return them immediately to the prefecture that paid the construction expenses. Any increase in assets during the management of the school should be treated as interest and settled in the NPO on closure of the school.

The target share of the public subsidy for expenses would be 70%. Starting from 100% on establishment of the school, this would be gradually reduced to 70%. Should the school be converted from a private school, the subsidy share would start with 50% (30% on average in the present circumstances) and then increased to 70%. Tax deductions for donations would be treated in the same way as for schools as defined in Article 1 of the School Education Law. Accounting procedures of the school should follow the financial accounting laws.

In principle, 30% of expenses should be covered by tuition fees. If the school is converted from a private school, tuition fees should cover 50% of the first-year expenses. Tuition fees should then be reduced as the public subsidy increases.

**Concluding remarks**
One of the features of charter school activities in the United States is the bi-directionality of school reform. Nakajima reports that “civil control of education progresses under the radical deregulation of education while at the same time central government’s involvement increases”. Charter school activities are not only a bottom up reform in response to a grassroots request for improvement in the quality of public schools, but also a top down reform. To implement our program, revision of laws and changes in educational systems are required.

Sasaki pointed out that the educational target of a charter school becomes clearer when the preparatory committee creates a school charter in the process of applications for approval of the school and that this process then leads to the realization of various ideas put forward by teachers. In other words, the preparation process of applications for approval is a task that requires each staff member to think about a realizable school education based on both the ideal and the real. The common understanding formed by this process will help the school management after approval is given. The process requires intelligent thought and creativity of a high order, not just the carrying out of meaningless, tiresome tasks. It is also extremely important to create a situation where the management team members can communicate with each other regularly. The establishment of a school is thus a huge project requiring a lot of time and energy even in the early stages.
Starting a “new school” from scratch without models to draw on is not easy. It is a process whereby everyone involved in the “new school”, i.e. educational staff, administrative staff, students and parents seek new directions to proceed and gradually acquire an understanding of what they want for their new school. Collisions and derailments may sometimes occur in the process. However, as more people support the “new school” concept and help the government to realize the necessity for bi-directional educational reforms, we should see an exciting new trend toward gradual change in the future of our country.

My proposal for “new schools” was created on the following principles:

1. New schools shall not compete with conventional public schools but shall be agents for public reforms.
2. New schools shall resolve the problems being experienced in public schools.
3. New schools shall be feasible and realistic, not impractically idealistic.

Our future work is to resolve each practical problem that has no precedent on which to build in order to realize new schools. We need to make my proposal, which is currently just a framework, more persuasive. More specifically, the implementation of evaluation methods, accountability, and organization management will be major tasks.

References


1.
Children and students
(1) 5th and 6th grades: 539
(2) All grades in junior high schools: 1522
(3) All grades in high schools: 507
(Total: 2568)
Parents/Guardians
(1) Parents of elementary school students: 400
(2) Parents of junior high school students: 226
(3) Parents of high school students: 180
(Total 806)

Business owners, members of the Junior Chamber: 335

Teachers in Hyogo Prefecture: 1088

Principals in Hyogo Prefecture: 230

Supervisors in Hyogo Prefecture: 103

2. For details of the survey, see my thesis of the same title.

3. From interview with Johnny Fernandez, development director of Leadership High School in San Francisco.
