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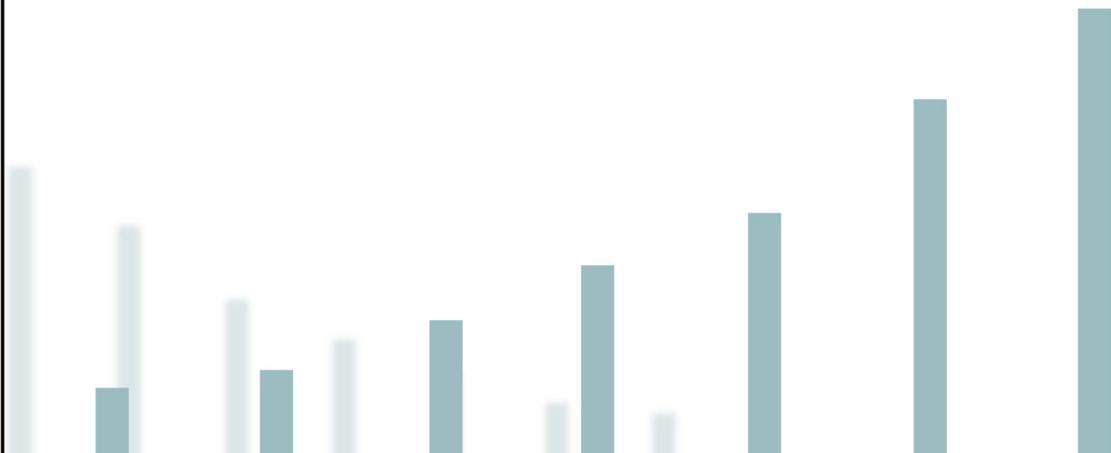
YES Prep Public Schools (formerly YES College Preparatory School)

Honing the Pathways of Growth



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It's 7:30am. You're driving down Old Galveston Road in southeast Houston and come across a large billboard that says, "Congratulations to the graduating class of 2005—YES College Preparatory School 'Whatever it takes.'" A quick turn and there it is: a series of modular buildings behind a parking lot that doubles as a basketball court. Students in yellow, blue, or white collared shirts are hustling off buses. They'll be here for nine and a quarter hours—attending classes, engaging in extra-curricular programs, building relationships with adults and peers, and preparing for college.

These students are a distinctive group in Houston. Almost all come from low-income families with parents who have limited educational experience. Few are academic stars; in fact most arrived at YES in sixth grade already one to two grade levels behind. Yet they are all in a school where college graduation is the expectation, regardless of one's academic standing or family background. In Houston, these students are the lucky ones. Fewer than one in 10 of their peers in other public schools will go on to graduate from a four-year college. At YES College Prep, every student is required to gain acceptance to a four-year college in order to receive their high-school diploma. By setting the bar high, YES expects every student to graduate from college—no excuses.

Chris Barbic, a Teach For America corps member, started Project Youth Engaged in Service (YES) in 1995. He wanted to offer his former elementary-school students an alternative to the low-performing middle schools they otherwise would attend. Since then Barbic has led a high-energy team of educators in refining a comprehensive approach to helping students with limited resources achieve the dream of a college education. YES takes a comprehensive view of student development, preparing youth for four-year college graduation while at the same time instilling values of community service and good citizenship. Hallmarks of the approach include:

- Small schools (capped at 700 students) with integrated grade 6-12 programming;
- Extended school days, Saturday classes, and summer programming;
- Community service and summer internships;
- Comprehensive support for academic and non-academic needs;
- Personalized college counseling and annual class trips to colleges nationwide.

Barbic and his leadership team initially kept the organization small, wanting to prove the YES educational model worked before expanding. But by 2004, with one integrated 6-12 campus in operation, two others in development, and 10 years of experience with the model, they were ready to grow. Adding to this ambition, interested parties were peppering them with requests to open more schools.

There were multiple strategic options for growth. YES could open more schools in Houston and/or entertain offers from other cities. It could stick with its grade 6-12 model, or expand to K-12, and/or build an alumni support program. Each option had merit, but YES simply couldn't pursue them all.

YES' leadership needed to take a step back, rigorously assess their options, and develop a business plan that would guide the organization through its next phase. They engaged the Bridgespan Group to help YES make the needed decisions to move forward with confidence.

Key questions

From July to November of 2004, a project team consisting of Executive Director Barbic, four members of his leadership team, a member of the YES Board of Trustees, and four Bridgespan consultants collaborated in the business-planning process. Representatives of the Bill & Melinda Gates Foundation and the Walton Family Foundation provided advice throughout the process. Among the questions they addressed:

- What were the specific goals YES wanted to accomplish? In other words, what would “success” look like for YES?
- What programs and activities would allow the organization to achieve that vision?
- How should YES expand? What scale and geographies should YES pursue?

What would “success” look like for YES?

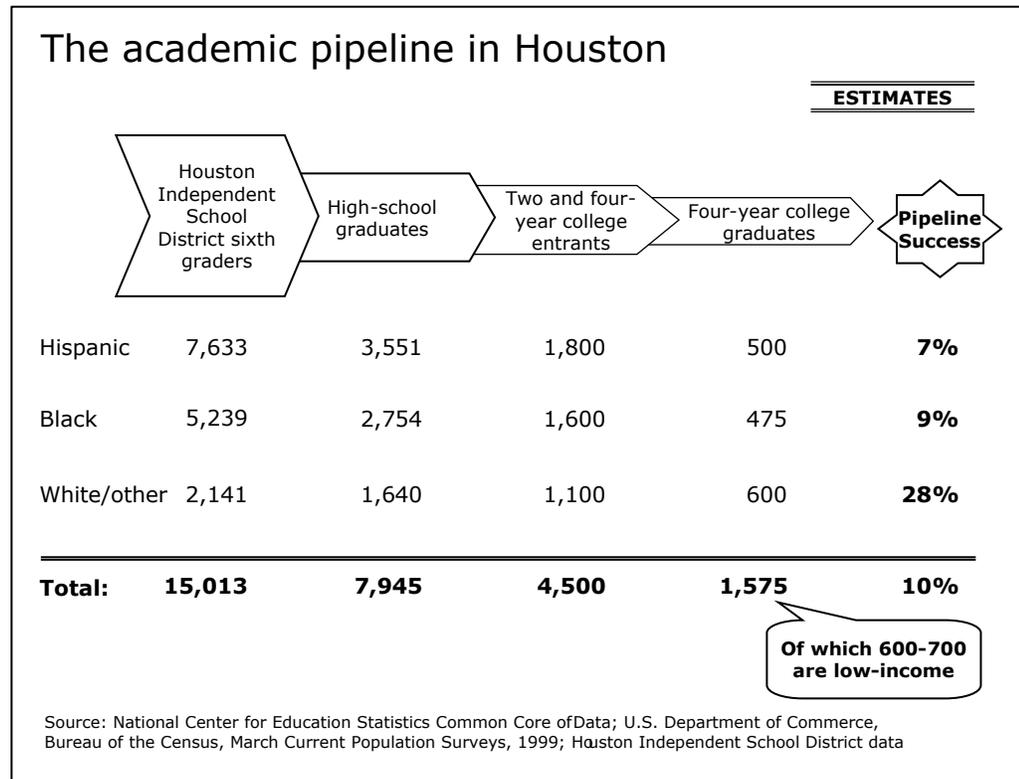
The YES leadership team was unified on the organization's mission: “cultivating educational excellence within under-served communities.” That agreement wasn't

sufficient, however, to illuminate a specific strategic path. Discussions at a management retreat earlier in the year had revealed widely differing perspectives. Some members of the team were focused on opening new schools, others on enhancing the services they provided to students, and still others on having a bigger impact on the communities where YES schools were located.

To sort through the varied points-of-view, they needed to get on the same page about what “success” would look like for the organization. On which beneficiaries did they want to focus? What impact did they want to hold themselves accountable for achieving?

Historically, the YES student base had been low-income, minority, and “middle 80 percent” academically—an average Houston kid. A detailed look at how Houston’s student population was progressing along the academic pipeline revealed that thousands of under-served low-income students remained (see Exhibit 1). Maintaining a focus on these students was an easy decision.

Exhibit 1



The task of solidifying the outcomes YES would work to achieve with these students was more challenging. YES' leadership believed that a college education represented a ticket out of poverty for families. Accordingly, they always had made it clear that acceptance at a four-year college was a minimum standard of success—it literally was a pre-requisite for graduation from a YES high school. As the leadership team members discussed the topic, however, they realized that the full definition of success varied among them from “every student graduates from a four-year college” to “every student is college ready” to “a large percentage of YES students gets into top colleges.”

These divergent perspectives had important implications for YES' strategy. If they wanted students to graduate from college, shouldn't YES provide support through to graduation? If they wanted as many college-ready students as possible, maybe YES should spend less per student in order to serve more. If they wanted students to get into top colleges, perhaps YES needed to invest more in each student and start in kindergarten.

To help the team decide, they reviewed YES' work to date. Three-quarters of YES graduates were progressing toward college graduation. Comparatively, the national Hispanic-American graduation rate for those who matriculate to four-year college averages only 22 percent. YES' model could indeed differentially prepare students for college success.

Additionally, YES' leadership recognized that their deepest satisfaction came from seeing students succeed in college, regardless of which college they attended. Ultimately, they committed to a single goal for their students: graduation from a four-year college.

But would helping youth graduate from four-year colleges be enough to satisfy YES' leadership? When they looked at Houston, they saw a city with sharp economic and racial divisions. They saw long-neglected communities unable to improve—in part because of the severe shortage of college-educated residents.

The challenge was to determine if and how YES' work would contribute to community development. The team needed to be realistic about the scope of the organization's community-oriented efforts, however, as they had committed to highly aggressive goals for their student body. Furthermore, YES' expertise lay in education, not community development. Accordingly they codified a vision for how their core work with students could extend into impact for the communities:

- By supporting a growing number of children from low-income communities to acquire a college education, YES helps enhance the social mobility of each student's family.
- By incorporating the values of community service into its curriculum, YES encourages students to return and give back to their communities post-college.
- By operating schools in low-income neighborhoods, YES creates institutions that provide hope for a better future.

Together, the leadership team decided that success for YES would mean helping underserved, low-income youth graduate from four-year-colleges, as well as having these college graduates, empowered by their education, feel compelled to serve as change agents in their communities.

What programs and activities would allow YES to achieve its vision?

With increased clarity about what success would look like, the YES team was well positioned to evaluate program options, namely: continuing to focus exclusively on grades 6-12; moving “upstream” by adding K-5; or moving “downstream” with increased efforts to support alumni in college. Which of these options would help YES make the most progress towards its vision of success? Answering this question meant determining if the existing YES 6-12 program was doing a strong enough job of preparing kids to graduate from four-year colleges.

To test whether YES needed to begin working with students before the sixth grade, the YES-Bridgespan team compared the academic progression of YES students with varying levels of academic preparedness. The data revealed that students were able to succeed regardless of their pre-sixth-grade academic experience. However, a number of the success stories of students with poor-quality K-5 experiences involved special efforts: grade repetition; exceptional efforts by the education team; a higher than average level of student and/or parent motivation. Additionally, less prepared students exhibited higher drop-out rates. A K-5 program could have real benefits. Given the significant cost

involved and YES' lack of experience in the K-5 realm, however, making the K-5 decision required a cost-benefit trade-off with other opportunities.

The team also looked into whether YES alumni needed more support. From the previous analysis, they already knew that YES graduates performed better in college than did other minority and low-income students—a sign that additional alumni services might not be required. As the team probed deeper into the reason for this strong performance, the case for alumni services strengthened. An Internet survey of YES alumni revealed that, while the alums valued the preparatory activities YES provided during high school (e.g., financial aid acquisition, social and study skills development, college visits), they still faced challenges on campus. The alums identified two support mechanisms that were vital to their success in college: their YES peers and the YES faculty. While a formal YES alumni-support program did not exist, several YES faculty members had been dedicating time to this activity. The service was highly valuable, but, with a burgeoning alumni base, the days when it could be an informal effort of a few senior faculty members were numbered.

With a review of the 6-12 approach in hand and clarity on the need for expansion of alumni support, the YES team was ready to tackle tough resource-allocation choices. The organization was committed to directing most of its philanthropic resources towards getting new schools up and running and investing in facilities—not towards supporting mature schools. YES' business plan therefore required a budget that operated largely within the limits of public funding. If the YES model became more expensive, YES would have to increase philanthropic resources for current schools and, therefore, reduce the number of new schools.

Reducing the number of schools and by extension the number of students served was unattractive given their desire to get as many kids as possible to graduate from four-year colleges. Fewer graduates would also dampen YES' ability to make a difference in low-income communities. Accordingly, the cost of adding K-5 and/or alumni services needed to be weighed carefully.

Chief Operating Officer Sheilah Kavaney and the Bridgespan team developed a simple model of the costs of each component of the YES model. The project team also identified partnership opportunities in which certain program activities could be outsourced to reduce costs without reducing programming (e.g., selected alumni supports, student

extra-curricular activities). YES' leadership then prioritized each programmatic component and adjusted programs to fit within the budget constraints.

Ultimately, they decided not to add grades K-5, but rather to make targeted investments in support programming at critical points in a student's development (e.g., sixth and ninth grades). They realized that some students still would need extra time to become college ready, so they would reinforce the YES culture where being held back a grade was seen as an investment for the future, not a punishment. They committed to introducing a selected set of formal alumni-support services—some directly through YES staff, some through partnership arrangements, and others through peer alumni support. The organization was now positioned with programs aligned to their success goals, supported by the data on what worked, and fine-tuned for financial sustainability.

How should YES expand?

The scale and geographic focus of YES' expansion efforts were the final elements to resolve. The leaders were mixed on whether to expand to other cities and states, but they were united in their commitment to cultivate educational excellence in Houston. If there still was significant work to be done in Houston, that's where they wanted to focus.

So the project team set out to gauge the need in Houston for YES' services. The aforementioned data about how Houston youth were progressing through the educational pipeline was compelling; Houston's low-income students were in desperate need of high-quality college-preparatory schools. The team reasoned that if YES were to achieve significant scale in Houston, then children, their families, and their communities would benefit. Moreover, the larger YES' Houston presence, the more likely the Houston Independent School District would be to implement changes to provide every Houston student with a high-quality college-preparatory education. YES' leadership set an audacious goal: to support a doubling of the number of four-year college graduates from Houston's low-income communities from 1,100 to 2,200 by 2020.

But was this plan realistic? What would it take to get there? The team forecast the four-year college-graduation rates of students from Houston district schools and other charter schools. These schools could be relied upon to support approximately 1,400 graduates.

That left a shortfall of 800 graduates annually. YES would need to open 10 more schools (for a total of 13) by 2010 to fill that gap and reach its goal.

The project team needed to determine if enough students would be interested in YES to fill 13 schools. Doing so would require attracting nearly 10 percent of Houston's rising sixth graders. One promising sign was that the waitlists for YES' current schools alone were long enough to fill at least two more schools. A geographic review of Houston identified 10 low-income neighborhoods that each could support at least one school. In addition, the Houston community historically had been receptive to high-quality charter schools. YES' leadership felt confident that a 10 percent share was within the organization's reach.

Then there was the matter of securing the philanthropic support to fund the new school openings. YES had developed strong relationships with local foundations and individual donors, but growth would require a major up-tick in philanthropic support. The YES-Bridgespan team studied the philanthropic landscape for education funding and found a large Houston community foundation and multiple national foundations interested in supporting Houston education reform. YES would need to earn a nontrivial but still relatively small share of the total funding these foundations were expected to inject into Houston education reform. YES' leadership and Board believed that a Houston-focused strategy would be compelling to foundations and they committed to pursuing expansion in Houston.

An important question remained: How would YES respond to requests for expansion to other geographies? YES' leadership needed to decide on criteria for considering these opportunities. First and foremost, YES would have to meet minimum requirements for success in Houston before geographic expansion would be considered. Then, YES would enter a new city only if:

- The city had an under-served, low-income population large enough to support a financially-sustainable cluster of schools;
- YES could secure sufficient philanthropic resources to fund the expansion;
- YES leaders were willing to relocate to operate the new schools.

Moving forward

YES' leadership now had the core elements of the organization's growth strategy in place. They knew what they sought to achieve and how they would achieve it. The first step in moving forward was to pause and realign current activities behind the strategy and prepare organizationally for significant growth. Barbic and the team wanted to put YES on strong financial and operational footing before adding new schools to the network. Externally, they embarked on a major development effort to gain financial support for the business plan. Internally, they focused on aligning their existing schools with the enhanced model and strengthening their managerial processes.

One year after the business plan was completed, YES is going strong. Another 75 students graduated from YES in June 2005. The percentage of YES students participating in Advanced Placement classes have far exceeded that in the Houston Independent School District (HISD). YES students have averaged 1,040 on their SATs, compared to the HISD average of 920. Eighty percent of YES' alumni are in college or have graduated from college, compared to the national average of 15 percent for minority students. In a powerful demonstration of the community-building benefits of YES, the organization's first-ever valedictorian graduated from Stanford University in June 2005 and returned to YES in September as a seventh-grade English teacher.

YES has made solid progress on implementing the strategy. The organization has attracted financial support for four new schools and is preparing to launch a capital campaign. Leaders for these schools are already in place, and the first new school opening is slated for September 2006. A critical implementation challenge has been the funding of new school facilities. YES' leadership had anticipated improvements in the policy environment that would ease funding needs for new facilities, but these changes have yet to materialize. As a result, the organization is exploring various contingency approaches to securing new facilities.

Sharing knowledge and insights from our work is a cornerstone of the Bridgespan Group's mission. This document, along with our full collection of case studies, articles, and newsletters, is available free of charge at www.bridgespan.org. We also invite your feedback at feedback@bridgespan.org.