Are Charter Schools Making a Difference?  
A Study of Student Outcomes in Eight States

Charter schools are publicly funded schools that operate outside the direct control of local school districts, under a publicly issued charter that gives them greater autonomy than other public schools have over curriculum, instruction, and operations. Their students, or the students’ parents, choose the school rather than being assigned based on residential location. The first U.S. charter school opened in 1992. Since then, the number of charter schools has grown to more than 4,000 in 40 states, and the schools serve more than 1.2 million students.

While both President Barack Obama and Secretary of Education Arne Duncan support charter schools, there continues to be a contentious debate over such schools. Proponents contend that charter schools expand educational choices for students, increase innovation, improve student achievement, and promote healthy competition with traditional public schools. Opponents argue that charter schools lead to increased racial or ethnic stratification of students, skim the best students from traditional public schools, reduce resources for such schools, and provide no real improvement in student outcomes.

Although the body of research on these issues is growing, many key outcomes have not been adequately examined, or they have been studied only in individual cities and states. RAND researchers therefore set out to shed more light on charter-school effects, examining data on achievement trajectories of individual students in communities and states with varying charter policies, and exploring—for the first time—how charter schools affect long-term student outcomes. The research team analyzed longitudinal, student-level data from Chicago, San Diego, Philadelphia, Denver, Milwaukee, and the states of Ohio, Texas, and Florida. Consistent with other studies, they found that some of the concerns about charter schools can be put to rest and that some of the anticipated benefits of charter schools have not become a reality. The most striking finding was that charter—high school attendance may positively affect the chance that a student will graduate and go on to college—two critical outcomes that have not been examined in previous research—suggesting the need to look beyond achievement-test scores when measuring the effectiveness of charter schools. This brief describes the key research findings and their implications for policy and future investigation.

Charter schools are not skimming the highest-achieving students from traditional public schools, nor are they creating racial stratification. When researchers examined the prior achievement-test scores of students transferring to charter schools, they found that those scores were near or below the local district or state average. This suggests that charter schools

Key findings:
• Charter schools do not generally draw the top students away from traditional public schools.
• Charter middle and high schools produce test-score achievement gains that are, on average, similar to those of traditional public schools.
• The RAND team found no evidence that charter schools substantially affect achievement in nearby traditional public schools.
• However, in this first study to examine how charter schools affect long-term student attainment, the authors found that charter—high school students had a higher probability of graduating and attending college.
are not drawing the best students away from traditional public schools, as some opponents predicted that they would. Similarly, when the researchers looked at whether transfers to charter schools affected the distribution of students by race or ethnicity, they found that, in most sites, the racial composition of the charter school entered by a transferring student was similar to that of the traditional public school that he or she had left.

On average, across varying communities and policy environments, charter middle and high schools produce achievement gains that are about the same as those in traditional public schools. However, the achievement gains for charter elementary schools are challenging to estimate and remain unclear because elementary students typically have no baseline test scores at the time they enter kindergarten. For middle- and high-school levels, the research team found that achievement gains in charter schools and traditional public schools were about the same, with two exceptions. First, charter schools generally do not perform well in the first year of operation, when their students tend to fall behind. Gains generally occur thereafter. Second, there is reason for concern about the performance of virtual charter schools, which serve their students remotely in the students’ homes rather than in a school building. In the one location with a substantial number of virtual charter schools (Ohio), their students showed achievement gains that fell significantly short of those in traditional public schools and classroom-based charter schools.

Charter schools do not appear to help or harm student achievement in nearby traditional public schools. Some proponents have predicted that the presence of charter schools would have a positive effect on nearby traditional public schools by exerting positive competitive pressure; some opponents have worried that charter schools would harm students in nearby traditional public schools by draining resources. Neither theory was borne out by the study. The researchers examined student achievement in traditional public schools that had charter schools nearby, and they found that the presence of the charter schools did not appear to help or harm student achievement in the traditional public schools.

Students who attended charter high schools were more likely to graduate and go on to college. For the locations for which charter–high school graduation and college attendance rates were available—Chicago and Florida—the researchers found that attending a charter high school appeared to boost a student’s probability of graduating by 7 to 15 percentage points. Similarly, students who attended a charter high school appeared to benefit from an 8 to 10 percentage point increase in the likelihood that they would enroll in college. Although there are some limitations to these results, they provide reason for encouragement in terms of the long-term benefits of charter schools. They also suggest a need to look beyond test scores to fully assess charter schools’ performance.

Policy Implications

The study holds several implications for policy and future research. First, the finding that charter schools are not drawing the highest-achieving students from traditional public schools can help alleviate some of the concerns held by policymakers. Second, the absence of effects on achievement in nearby traditional public schools suggests that the loss of students to charter schools is not having negative achievement effects on traditional public schools, but it also suggests that charter schools may not produce the hoped-for positive competitive effects in traditional public schools. Finally, this research makes clear the need to move beyond test scores and broaden the scope of measures used to evaluate success. This was the first study to extend the scope of outcome measures to include long-term outcomes, such as high-school graduation and college attendance, in addition to test scores, and the results are more encouraging than test scores alone would indicate. Future research on charter schools should seek to examine a broader and deeper range of student outcomes.
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