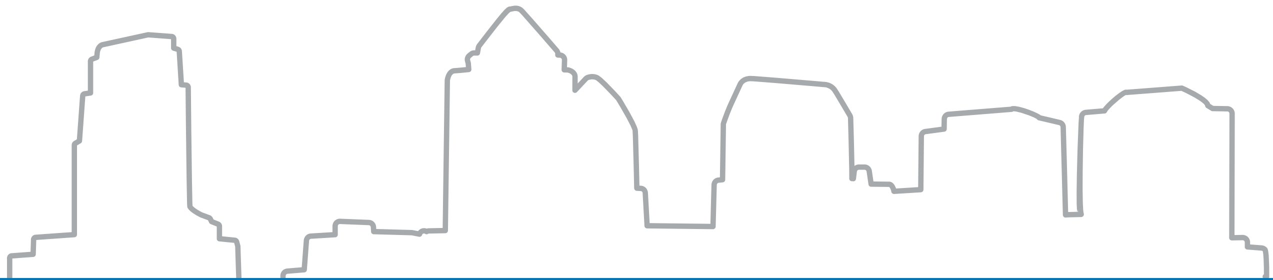

The Portfolio Strategy CEO: The Job and How to Prepare for It

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CRPE PORTFOLIO STRATEGY

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About CRPE

Through research and policy analysis, CRPE seeks ways to make public education more effective, especially for America's disadvantaged students. We help redesign governance, oversight, and dynamic education delivery systems to make it possible for great educators to do their best work with students and to create a wide range of high-quality public school options for families.

Our work emphasizes evidence over posture and confronts hard truths. We search outside the traditional boundaries of public education to find pragmatic, equitable, and promising approaches to address the complex challenges facing public education. Our goal is to create new possibilities for the parents, educators, and public officials who strive to improve America's schools.

CRPE is a nonpartisan, self-sustaining organization affiliated with the University of Washington Bothell. Our work is funded through private philanthropic dollars, federal grants, and contracts.

Introduction

Transforming a metropolitan school system is a vast undertaking, much more complex than the typical school superintendent's job. A school "CEO" at the helm in a portfolio city is expected to create a system of autonomous accountable schools while also transforming the existing system.[1]

The strategy creates diverse options for families in disadvantaged neighborhoods by opening new high-performing, autonomous schools, giving all schools control of budgeting and hiring, and holding schools accountable to common performance standards. Initiating something this bold and with as many political and operational challenges takes extremely skilled and preternaturally self-confident individuals who have strong links to mayors, governors, "city fathers," and powerful philanthropies.

Many portfolio strategy pioneers are outsized figures, like Joel Klein and Michael Bloomberg (New York City), U.S. Senator Michael Bennet (Denver), and Paul Pastorek (New Orleans). They all successfully made changes once thought impossible to their local public education systems.

Today, the portfolio strategy is better known and more widely used than when Klein, Bennet, and other early adopters blazed the trail. Now, individuals who are not titans in the Klein-Bloomberg-Bennet mold are successfully leading portfolio cities. But today's leaders face many challenges and demands for which neither traditional educators nor people from other walks of life are trained.

Portfolio strategy leadership requires a combination of political savvy, an understanding of how government works, and an ability to move a stagnant organization—all mixed with appreciation for instruction and respect for hardworking school leaders and teachers.

There is no obvious career track to becoming a portfolio strategy leader. Traditional school superintendents are not expected to lead profound changes in schools and their central offices, as the portfolio strategy requires, and are seldom prepared to build new citywide political coalitions or take the lead in high-conflict situations. People who take on the role after successful careers in areas such as business, law, or the military are more comfortable with political leadership tasks but often do not know how to talk to teachers or explain actions in terms that families readily understand and connect with.

If, as we expect, the number of portfolio cities continues to grow at the current rate of five to ten per year, many individuals could be thrust unprepared into a high-profile job requiring a complex set of competencies.[2] Some potential leaders might hesitate to take these jobs, thinking they cannot handle the diverse demands.

This paper aims to help current and potential leaders of portfolio cities understand the scope of the job and how individuals from various backgrounds can approach it. Our message is: Yes, the job is demanding, but it is manageable if leaders can anticipate the challenges rather than experiencing them as a series of rude shocks.[3] As we will show, leaders with education experience bring strengths that people from other professions must develop on the job, just as leaders from other professions bring their own, different sets of skills.[4]

In recognition of the broad challenges of the job, portfolio strategy cities have adopted the title of "Chief Executive Officer" (CEO) for the person in charge of both leading and transforming their local K–12 systems. The difference in title between CEO and superintendent is not just symbolic. A portfolio CEO's job is to transform the way a district oversees schools and to create a new mission and organizational structure for a dramatically downsized district central office.[5] The leader doesn't simply preside over a fixed group of schools. She seeks to obtain for the city's children the best set of schools possible from any source. The leader isn't cavalier about transforming, closing, or replacing existing schools, but uses these tools and others to ensure that every family can find at least one local school that will meet their child's needs.

1. Learn more about the portfolio strategy and its seven key components here.
2. See the list of portfolio cities here.
3. For an invaluable resource on civic leadership and education reform strategy from former New York City Chancellor Joel Klein, see Joel Klein, *Lessons of Hope: How to Fix our Schools* (New York, NY: HarperCollins, 2014).
4. Howard Fuller et al., *An Impossible Job? The View From the Urban Superintendent's Chair* (Seattle, WA: Center on Reinventing Public Education, 2003).
5. The "central office" refers to district employees and organizations that either perform inherently central functions like assessment of all schools, or that provide services to multiple schools. The portfolio strategy has implications for central office organization, missions, and activities. For an analysis of the central office under a portfolio strategy, see Paul Hill and Ashley Jochim, "Reimagining the Central Office," in *A Democratic Constitution for Public Education* (Chicago, IL: University of Chicago Press, 2014), 77-88.

We outline five aspects of the portfolio CEO's job:

- **THE MINDSET:** attitudes and commitments that will guide a local leader's actions.
- **THE FUNCTIONS:** actions and judgments a leader of a portfolio city is required to take and make.
- **THE SKILLS:** capacities a leader must exercise in doing the job.
- **THE CHALLENGES:** conflicts that will inevitably arise that a leader must manage, regardless of skills and strategic focus.
- **THE PREPARATION:** tools to learn how to become a portfolio leader.

The Mindset

A CEO must fully understand and believe in the underlying premises of the portfolio strategy. First and foremost, this includes a conviction that children are the primary focus of our education system. Many adults in the traditional school system are likely to oppose the portfolio strategy, particularly those in central office groups and unions who can define themselves as "losing" when schools become autonomous. The CEO must focus on how the portfolio strategy improves opportunities for students, and remain focused on keeping students' needs first and foremost in all decisions and conversations.

Continuous assessment of the supply of schools available in the community in light of children's needs, and the prospect of providing better options than currently exist, form the portfolio strategy's core. Unlike a traditional superintendent, who tends a fixed supply of schools and does her best to improve them, a CEO pursuing the portfolio strategy will constantly seek answers to these questions: Are there neighborhoods or groups of children for whom the existing set of schools is not working? Is there a way to provide better schools for students doing the least well in our schools, either by assigning existing schools to new leadership or starting a new school with a different provider?

These questions are asked every year and never go away. The CEO must be committed both to a new schools/new providers initiative and to strengthening existing schools through equitable funding based on enrollment, and real freedom of action for school leaders over hiring, firing, spending on professional development, and budgets.[6] The CEO's commitment must be to get the best school possible for every child from the best available provider.

A portfolio CEO knows that schools—not the central office—are where student-focused improvements are most likely to occur. The belief that those who work with students on a day-to-day basis should be granted the flexibility and decision-making power to respond to student needs drives the move toward school autonomy.

In general, the CEO shouldn't hold her cards close to her chest; she needs to be transparent about the direction in which she's taking the schools and stay on message. When groups are prepared to organize against the portfolio strategy, there is a temptation to hide one's hand. And, in some situations, when opposition is likely to be overwhelming, this might be necessary. But a leader can't mobilize support for something she does not explain.

Portfolio leaders need to build support for the strategy, not just for themselves. Portfolio strategy implementation must continue indefinitely, not be pursued for a while and then dropped when the current leader departs. Voters, parents, and educators must all know what the strategy is and how it will get results for children that the traditions district system can't. The CEO must have the ability to articulate to any interest group (even those that are skeptical) why they will be better off with the portfolio strategy than without it.

In a city pursuing the portfolio strategy, the CEO needs to be doggedly consistent. There can be only one strategy and all tactics must fit within it. The CEO must say no to off-message actions that can distract from the central task. Many people will ask the CEO to exert her authority to make a top-down policy to address a given issue (e.g., to compel a principal to do something that a citywide interest group wants); as much as possible the CEO should resist, taking the opportunity to explain why she is leaving it to the schools to solve problems and make trade-offs. Obviously, a CEO can't ignore threats to student health, safety, and rights, but she needs to give individual schools the first opportunity to resolve problems that arise.

The CEO must effectively delegate, building trust and backing up her team. Understanding that conflicts are inevitable, the CEO must decisively resolve stalemates. This means the CEO can't say, "Yes" to everyone who comes to her office. But it does mean that individuals who are doing their jobs in support of the strategy know the CEO won't let others undermine their work.

6. Find CRPE resources on school autonomy here.

The Functions

Portfolio CEOs get their jobs in different ways. Some are self-starters: superintendents who, once they are hired to lead a city's schools, see the need for the portfolio strategy and lead its introduction. Some are hired by senior public officials (e.g., mayors or state superintendents) to lead transformation of a troubled city. Others are brought in by school boards or senior public officials to succeed the CEO who had led portfolio implementation for some time.

The CEO's job is a little easier if a mayor, state superintendent, or local school board is already committed to the strategy. But no matter whether they are self-starters or beneficiaries of others' work, CEOs face real challenges.[7] They—either alone or in partnership with others—must build and maintain coalitions, hold together the many parts of the strategy, and be its chief spokesperson. Even with a powerful patron like the mayor, a CEO must explain the strategy, make sure it is implemented despite resistance, identify initiatives and schools that are not working and explain actions taken, and cope with emergencies. No board or public official can continually bail out a CEO who creates unnecessary conflict or mishandles problems.

The CEO can't be a figurehead. There is no substitute for a CEO who integrates transformation of the existing district with a strategy of building new schooling options for children who are not succeeding in existing schools.

The CEO job differs greatly from that of a traditional superintendent. Table 1 compares the portfolio CEO's role with that of a traditional urban superintendent.

A portfolio CEO must lead in ways that emphasize performance and equity, create conditions for innovation and autonomy, authentically engage the community, balance the role of regulator and operator, structure a portfolio-oriented central leadership team, and work to minimize friction whenever possible during the transition (recognizing that it will not always be possible).

Table 1. The Conventional Superintendent vs. the Portfolio Strategy CEO

	Traditional Superintendent	Portfolio CEO
Primary task	Oversee instruction	Build external and internal support for change
Responsibilities re: schools	Defend existing schools and improve them whenever possible	Treat all schools as contingent Seek alternatives to weakest schools
Responsibilities re: central office	Take the central office as a given, work with cooperative elements	Transform central office, reduce costs to maximize school-level funding
Importance of "knowing the city"	Not important: superintendent skills are portable	Essential: must build citywide support for strategy
Orientation toward existing laws and policies	Implement faithfully	Challenge and change those that block progress
Orientation toward political conflict, litigation	Avoid if at all possible	Treat as inevitable, pick battles wisely
Communication priorities	Tell outsiders: "Trust us, things are OK" Keep peace among educators	Tell outsiders: "Problems are serious, strategy takes time, needs support" Press for tough changes in schools, central office

7. Early adopters of the portfolio strategy came to it in crisis—academic, financial, and, in the case of New Orleans, natural disaster. More recent adopters have been "fresh start" school systems given power by state takeover (e.g., Tennessee Achievement School District, Detroit's Education Achievement Authority, and Camden). However, in the last year or so, higher-achieving metropolitan and suburban school systems have used the portfolio strategy as a way to support personalized learning in their schools, realizing that a top-down, one-size-fits-all system is at odds with distinct, innovative school designs.

Broken out into more defined functions, this includes:

- Leading a small leadership group to transform the central office's mission, and in doing so, greatly reduce the central office's size.
- Hiring a cabinet that understands the portfolio strategy and has the skills necessary for implementation.
- Using legal advice to formulate actions that will hold up if challenged (instead of avoiding risks of legal action at all costs).
- Structuring the cabinet to give portfolio strategy issues top priority.
- Managing performance contracts with schools (via the central Portfolio Management Office) that provide schools with autonomy in exchange for high-level accountability.
- Reviewing the annual slate of school openings, closings, and expansions from the Portfolio Management Office and recommending actions to the school board.
- Recognizing progress but pushing for continuous improvement in the district.
- Building a diverse coalition of community support for the portfolio strategy including political figures, business leaders, foundations, and families.
- Leading fundraising efforts when needed to secure additional dollars for transition to the portfolio strategy.
- Explaining the portfolio strategy to the public and building support by clearly framing the strategy around its impact on students.
- Working with unions and existing district bureaucracy to build systems that allow for full-scale portfolio strategy implementation.

Internally, the CEO must build a constituency of principals, teachers, and central office staff. Though the message delivered to city leaders and external groups can upset veteran educators—particularly as to why the status quo cannot continue—the CEO can't speak out of both sides of his mouth. He must deliver a consistent message to both internal and external constituencies. But when talking to insiders, the CEO can emphasize improvements already logged (and the promise of more improvements to come), the prospects for increasing philanthropic help for schools, and the ways school autonomy can benefit teachers and principals.

Externally, the CEO must reach out to those already active in school policy as well as those who have historically been silent. A portfolio CEO must re-engage dispirited families, build a supportive school board, convince the business community to get involved, tap political factions within the city, find pockets of people in the community who want to lead change, and weave all of these into a loose coalition to move the district toward the portfolio strategy.

Dealing With Other Sponsors of Public Education

When taking on the CEO job, some will learn that the district they head is not fully in control of local public K–12 education. Though in some cities the district is both the only school operator and the only authorizer of charter schools, that is not always the case. In some cities, independent authorizers approve most or all charter schools. Also, in a growing number of cities (e.g., in Detroit, Memphis, and New Orleans), special state agencies modeled after the Louisiana Recovery School District (RSD) oversee some schools.

A CEO's response to the existence of many public schools overseen by others should depend on the performance of those schools. If those schools produce better student outcomes that district-run schools (test scores, graduation and persistence rates, lower achievement gaps) a new CEO should accept and try to work harmoniously with them. If those schools are highly variable in value and include some that produce worse outcomes than district schools serving similar students, the CEO should find ways of working with the best schools and putting competitive pressure on the worst.

Some CEOs are tempted to regard the district's loss of a monopoly position as a problem in itself. Working to improve the schools under district sponsorship, both by improving existing schools and by chartering new ones, is essential. But, a portfolio-oriented CEO will also put the interests of students and families above those of the district and not try to disrupt schools, no matter who operates them, in which students are learning. Districts lose their monopolies because many parties—parents, charter school operators, and, in some cases, the state—have lost confidence in the district and prefer an alternative to its schools. Trying to undermine successful schools will further erode confidence in and support for the district.

On the other hand, the existence of multiple school authorizers is no guarantee of excellent opportunities for children. As recent CRPE research has shown, district-run, state-run, and independently authorized schools in some cities include many that are less than mediocre. Further, options for neighborhoods and for groups of students can be unevenly distributed, with many providers seeking to serve some students, while no providers or only the district serve others—usually the most disadvantaged.[8]

8. Michael DeArmond, Ashley Jochim, and Robin Lake, *Making School Choice Work* (Seattle, WA: Center on Reinventing Public Education, 2014); Ashley Jochim et al., *How Parents Experience Public School Choice*, (Seattle, WA: Center on Reinventing Public Education, 2014).

Cities can suffer from a leadership vacuum, which a CEO pursuing the portfolio strategy has a chance to fill, if he focuses on optimizing services for students rather than on building the district's market share. This means acknowledging where other operators are doing a good job and supporting them when it is in the district's power to do so—by offering vacant buildings or providing transportation or other services at real cost, for example. It also means acknowledging where district schools are not serving students well and openly considering whether another authorizer can develop a school that will meet those children's needs better.

Of course, much depends on whether the CEO can build trust with other authorizers, and whether the latter are also willing to put children's interests first. CEOs should not automatically assume that cooperation is impossible. They can encourage formation of charter-district compacts (funded by the Bill & Melinda Gates Foundation), which create forums for mutual confidence building and collaboration. These forums have promise if the district and other providers can work in children's interests—for example, to build common parent information, enrollment, and student transportation systems, and improve special education for all students in need.

Of course, non-monopoly districts can't do all these things if other school authorizers refuse to cooperate. Portfolio CEOs might conclude they need to cede these cross-sector portfolio management functions to higher officials: the mayor or county executive, or to a citywide portfolio manager with power over all authorizers (including the district) who can require them to open schools in areas of need and to close schools when better options are available.[9]

Dealing With State Law

Because many key components of a portfolio strategy depend on favorable state laws, a CEO must advocate for the district when it needs new authorities or clarification, whether from the legislature, governor, or state superintendent. For example, portfolio cities need state laws permitting the district to use pupil-based school funding, give schools control of budget and staffing decisions, grant family choice, make performance-based decisions about school continuation, and use charter schools to create new options.

CRPE has written a working paper with an analysis of state legal underpinnings of the portfolio strategy and a complete model statute.[10] CRPE also offers detailed analysis of a specific locality's legal and regulatory requirements. Local leaders should use these resources to frame their own requests for regulatory and statutory support.[11]

CEOs cannot afford to be passive about problems caused by state law. Governors and key legislators will care about whether the strategy succeeds and can help find ways to give the district relief. CEOs should visit the state capitol to press for what they need. Larger districts will already have lobbyists in the capitol; CEOs should use them. Smaller districts might get lobbying help from city or county leaders, who are usually well represented at the state level.

9. For a model of portfolio management in which many entities can operate schools but one set of officials is responsible to ensure that every family has multiple choices of good schools, see Paul T. Hill and Ashley Jochim, *A Democratic Constitution for Public Education* (Chicago, IL: University of Chicago Press, 2014).
10. Kelly Hupfeld, *A State Legal Framework for Portfolio Districts*, Working Paper (Seattle, WA: Center on Reinventing Public Education, December 2014). For information on this working paper, please email CRPE's deputy policy director Jordan Posamentier.
11. As the portfolio strategy rolls out, what at first blush looks like a good set of state laws and regulations can prove problematic. For example, Cleveland asked for an ambitious legislative package, which the Ohio governor pushed through. Within a year it became clear that state law was still a brake on strategy implementation in two ways: 1) limiting schools' control of staffing (e.g., by allowing school leaders to choose teachers but strictly prescribing the number of teachers employed); and 2) creating ambiguity about district obligations to the state (e.g., when a district implementing pupil-based funding must still report district-wide expenditures under categories that might not reflect the ways schools use funds).

The Skills

Portfolio CEOs need three key skill sets:

1. **POLITICAL LEADER AND CHIEF COMMUNICATOR** The portfolio strategy challenges the politics that have held the traditional public school system in place. Change requires support from major political figures as well as parent and community groups previously cut out of school board and bureaucratic decision-making. Even if the CEO is not a major political figure herself, she must help build and maintain a new supporting coalition and make sure local and state leaders—including the governor and state superintendent—are informed and on board. Though the CEO must expect opposition from groups that would prefer the status quo, she must respond to attacks in ways that attentive third parties consider fair and appropriate. And the CEO must be able to position and articulate setbacks (which are inevitable) as events that ultimately help strengthen the reform of city schools.

2. **PORTFOLIO CREATOR** At its core, the portfolio strategy commits to obtaining the best possible schools for all children in a community. Recognizing that the district, as a monopoly provider of schools, has kept many potential school leaders and teachers on the sidelines, the CEO seeks to attract and support talented educators from the city and elsewhere. All schools—whether traditional schools previously run by the district, charter schools run by nonprofits, or new autonomous public schools run by groups of educators—are evaluated on common performance measures.

   To enable this, the CEO must repurpose the school district to both identify schools that are failing existing groups of students, and constantly search for promising school leaders and providers. Though daily pursuit of these tasks can be delegated to a portfolio manager, the CEO must make final decisions about school openings and closings (ensuring the portfolio manager has the information needed to recommend action on schools and that judgments are made fairly). Finally, the CEO must create the conditions needed to allow the city to successfully compete for the best teachers and school operators.

3. **ORGANIZATIONAL TRANSFORMER** The CEO must transform the culture of the central office and schools, as well as transform relations with the teachers unions—often against strong resistance. The central office must create a level playing field for all schools whether district-run or chartered, and make sure all children can choose among good schools. This means the central office must stop giving schools different amounts of money for educating similar children, or taxing all schools for facilities and services that benefit some and not others. It also must not interfere with school leaders on hiring, spending, and use of materials and technology. This change requires building up some central office capacities and abandoning others.

   As with portfolio management, the CEO can delegate day-to-day tasks to others, but she must stay informed and consistently back them up. To grant schools their autonomy, the CEO must negotiate with the unions to free schools from key controls on teacher placement and work rules—areas typically governed by the collective bargaining contract. Recognizing that newer, younger teachers typically have fewer vested interests in protecting the status quo may help negotiations.

POLITICAL LEADER

A portfolio CEO must be a skilled political leader: implementing a portfolio strategy requires a targeted political campaign. This is true whether the CEO initiates the strategy or is hired by someone else (the mayor, state, or school board). Even in cities where the state or the mayor has taken over the schools, strong political forces are aligned to the status quo. Groups that benefit disproportionately from the traditional system are organized to defend and preserve it; groups that don't like it are disunited or discouraged. In cities where business has despaired of the public schools and middle- class voters have departed for private schools, forces for change are marginalized. To get portfolio implemented—even to put it onto the table—previously quiescent groups must become and stay engaged, and previously dominant groups can no longer be the loudest voices in the city. Changing the politics in this way takes serious political leadership, which only the CEO can attend to on a daily basis.

Even when a CEO has a powerful political mentor or sponsor, he must still work to maintain the senior officeholder's confidence through regular communication, especially with regard to headline-making action. As the strategy progresses, the mayor must be able to take credit for successes and place blame on the CEO when things go awry. Support from the mayor and other senior civic actors can frame education as an issue critical to the city's economic future, which helps develop relationships with and support from the business community, the legislature, and the governor's office.

When CEOs don't have powerful mentors or sponsors, they must do heavy political lifting. The CEO must sometimes go it alone in the face of lawsuits and opposition from single-issue groups. On the plus side, the CEO won't become collateral damage when the mayor gets into political trouble of his own, for example. The CEO is free from pressure to hire mayoral allies, and free to take controversial actions without fear of negatively affecting the mayor's re-election bid.

CEOs must be coalition-makers. This means sounding out people who might support a new strategy without making compromises or promises with anyone until the CEO has a lay of the land. Effective CEOs start building coalitions by holding one-on-one meetings with key neighborhood, church, foundation, business, and higher education leaders, rather than convening a large meeting where some individuals might dominate and silence others. The CEO can start small: it's not necessary to put all the stakeholders in the room and get them to agree en masse to the new strategy. Nor, in most cities, is it necessary to get every respected or powerful group on board. But over time, a CEO needs to build a pro-reform coalition with some combination of business, cultural institutions, higher education, churches, and nonprofits that credibly represent community-minded minority groups.

Any CEO should reach out to elected officials and senior civic actors who have already spoken out about the need for bold action. They can provide invaluable information about tactics, current community appetite for change, and potential portfolio supporters. Any CEO, whether acting alone or with powerful sponsorship, must choose allies thoughtfully. Not all elected officials will be open to creating new schooling choices that could weaken the link between families and particular school catchment areas. In general, officials with citywide constituencies will be more open to a portfolio strategy than city council, school board, or state legislative members who represent small geographic areas.

Local coalitions built to support the launch of a portfolio strategy must be sustained for the long term. Cities whose portfolio work is nearly a decade old are still deeply divided about school replacement and central office downsizing. Though new sources of support appear over time—from parents who love their new schools, school providers, and nonprofit organizations that provide support for autonomous schools—the strategy's survival continues to depend on a broad coalition of groups that care about the city's overall health. Because these groups are not inclined to focus solely on education, the CEO must work continually to ensure continued, informed support.

The CEO must also work at the state level to ensure state laws and regulations are portfolio friendly. If laws need to be written or altered, a CEO must understand the changes that should be made and how to frame the strategy for different audiences. For example, state lawmakers may be most interested in how the strategy will create equitable funding while improving education over the long run. Families and other constituents that elect those lawmakers may be more focused on how the laws impact their neighborhood school or their ability to choose from a number of good schools. It is crucial that the CEO is able to address the primary concerns, values, and interests for each audience. This can help build coalitions and may minimize pushback to state legal changes.

CHIEF COMMUNICATOR

The CEO must be able to argue compellingly that the portfolio strategy is the right choice for the city, framing his case with district-specific areas for improvement that the strategy will address. While the CEO is a business-oriented role, being a public figure requires the ability to clearly articulate why and how decisions are being made and the willingness to remain accessible to the community.

SEVEN KEY COMPONENTS OF THE PORTFOLIO STRATEGY

- Good Options and Choices for All Families
- School Autonomy
- Pupil-Based Funding for All Schools
- Talent-Seeking Strategy
- Sources of Support for Schools
- Performance-Based Accountability for Schools
- Extensive Public Engagement

In order to help districts and CEOs structure the portfolio strategy implementation and track progress, CRPE has identified seven key strategy components.[12] But explaining the strategy is too complex an introduction for most audiences. The CEO needs an elevator speech, like the one below. Of course, CEOs will need to adapt theirs to their particular city, district circumstances, and audience.

> *Too many children are being left behind in our public schools. I am determined to change this so every family has at least one, and preferably more, choice of schools that will work well for their children. We need to support our best schools, improve schools that are almost good enough, and replace our weakest schools with new, better schools. This city needs to be a place where the best teachers and principals want to work and all families have confidence in our schools. I can share a lot more detail on our strategy and how it will roll out.*

12. See more about the seven key components of the portfolio strategy here.

Of course, the CEO must be prepared to explain the strategy and the need for it in greater detail than an elevator speech allows. A CEO must know his audience and be able to effectively tailor the message to a wide range of stakeholders. He must be able to explain all performance-based decisions and the greater portfolio strategy frame to families, principals, teachers, community members, central office staff, the business community, lawmakers, and the media so that everyone understands the decisions being made. The school board, mayor, governor's staff, and key local civic groups like the chamber of commerce will need to know why the city must pursue a bold new strategy that discards the status quo. And these supporters need to be reminded from time to time, especially when problems occur.

MAKING THE CASE FOR THE PORTFOLIO STRATEGY

The CEO must provide a frank assessment of the district's existing ability to improve results for disadvantaged students and frame the need for the portfolio strategy within these points:

- What is the core idea of the portfolio strategy? How is it different from ideas that have been tried before? Why is it a good idea for this city?
- How will the changes benefit families?
- How will this make the city a rewarding environment (and magnet) for talented educators?
- What will it mean for use of public funds (moving more dollars from the central office to schools, making school allocations more transparent, discussing whether the pot will be sweetened with a budget increase)?
- What will it mean for philanthropy (how will the city tap philanthropic groups to help with significant one-time start-up costs)?
- How will it all start? What does the next year to 18 months look like?[13]
- What are the goals in each of the first three years for changes in school offerings, the number of seats in good schools, choices available to parents, and student results?
- How will success be evaluated and communicated?

CRPE has many resources for groups who seek more details on the portfolio strategy's seven components and how these will be put into practice.[14] These sources provide insight into both the strategy goals and theory, as well as the structural changes they will see unfold in their school district.

While the CEO will not be the only spokesperson for the strategy, he must be the clear communications leader. If the CEO relegates communications solely to others, it creates the perception that the boss is floating a trial balloon and will readily change directions. Equally important, communication must be treated as an ongoing task. As the strategy rolls out and important decisions are made, the CEO must renew others' understanding of the strategy and how actions follow from it. Most crucially, the CEO must own key decisions about school closings and central office change so no one thinks a direct appeal to the boss can lead to a reversal.

To prevent surprises and avoid creating unintentional antagonists, the CEO must also inform and prepare public leaders (board members, city council, etc.) on how, why, and when these actions will affect their constituents. This means the CEO must stay in close touch with strategy implementation. While the CEO has many things to do in the broader community and at the state level, he cannot afford to be seen only as "Mr. Outside" who has little to do with events in the district.

Clearly communicating the portfolio strategy and how central office job functions tie into it will help ensure district staff members know what is expected of them. As final decisions on central office downsizing or school closures must rest with the CEO, he needs to be ready to explain and defend them. A CEO who reverses or disowns a key decision can "burn" his supporters and discredit the portfolio decision-making process. This can make it impossible to use staff effectively and leave the CEO with more work than he can possibly do.

The CEO must prepare stakeholders and the public for the inevitable failures: some actions will work, some won't. The messaging should emphasize that these failures are not a reason to lose faith in the overall strategy. Failures are to be expected. And learning from failure is critical.

A smart CEO will turn over much communication to the autonomous school principals rather than keeping it all in the central office. In Cleveland, principals

13. See the portfolio strategy timeline infographic here.

14. Paul Hill et al., *Strife and Progress: Portfolio Strategies for Managing Urban Schools* (Washington, DC: Brookings Institution Press, 2013); see also a detailed explanation of the portfolio strategy here.

of autonomous schools know it is up to them to explain school-based decisions about instructional method, school grouping, and use of opportunities to hire new teachers. Principals there and in Hartford and New York City understand that school autonomy puts freedom of action and responsibility in the same place—their offices.

In New York City, principals also must explain their decisions about what support networks to join and what professional development to buy for teachers. A principal who wants to buck all the blame for an action back to the central office is seen as evading responsibility for his own actions. There are limits, of course: health and safety issues that can't be immediately managed on site must be reported to the CEO or district communications leaders. Principals need to stay out front whenever possible, but district leaders must be involved in any crisis that potentially involves multiple schools (and inevitably draws citywide media attention).

It's a strategy that's proven effective time and again. As trusted members of a local school community, principals are best able to explain the district strategy to families, speak to the specific site-based decisions being made at their schools, and build coalitions to support the strategy going forward. For instance, when the Cleveland Metropolitan School District first gave principals autonomy through the Cleveland Plan, one school leader chose to reduce the number of art teachers from two to one in order to hire an additional math teacher who could focus on specific students' issues.[15] Some parents and neighbors were troubled, insisting that all public schools should have the same programs. The principal communicated her reasoning to school families so they understood that the decision was in the school's best interest. She presented this as an intended (and positive) consequence of the city's reform strategy, thus associating herself—and the school's improvement efforts—with the Cleveland Plan.

PORTFOLIO CREATOR

The discipline of endlessly raising the question, "Is this the best we can do for the children?" encapsulates the CEO's responsibilities as a portfolio creator and manager.

Portfolio creation is about both building human capital and building the mix of schools that best meet students' needs. Though the CEO can delegate specific hiring actions to others, she must make sure the city is able to attract and keep talented teachers, principals, and charter school providers. The CEO should know yearly whether the city is a net importer or exporter of talented teachers and principals, whether all schools have multiple applications for open teaching jobs, and whether quality charter management organizations are seeking to work in the city or avoiding it.

Most effective portfolio CEOs have hired Chief Talent Officers to oversee the flow of people and school providers, but the CEO needs to support the talent function in two ways. The first way is by assessing whether something about the city's reform strategy is attracting or repelling talent, asking:

- Are we getting the individuals or charter providers we have identified as promising?
- Is someone else getting them instead?
- Is there something in our state's laws or in our local policies and practices that makes promising school leaders wary?
- Do they have reason to think they won't be fairly funded, will be denied needed freedoms, or can't trust the promises we make?

Depending on the answers the CEO gets, she might need to change the deal offered locally, discipline central office units identified as sources of re-regulation, or petition for changes in state law.

The second way the CEO can support the talent function is by constantly talking with peers and education nonprofit leaders locally, regionally, and nationally about where to find promising school leaders and charter school providers. As a national figure and the public face of her city, the CEO can use the bully pulpit as a recruitment tool, making the case that her city is a place where people who want to make a difference can get the freedom and help they need to succeed.

CEOs who want to provide options for children in unproductive schools must identify groups of educators capable of running schools that will be coherent and effective. Some of these educators might be found inside the district (e.g., groups of principals and teachers who have an idea for how they would work together if given the freedom to put their plans into action). However, in big cities with large university-educated populations and many colleges and nonprofit groups with educational expertise, internal groups are not the only possible new school providers. To make large numbers of new options available, and to make sure children get the best possible new schools, portfolio leaders must look both inside and outside their districts.

15. Patrick O'Donnell, "Cleveland principals deciding how to spend their school's budgets as they gain authority under the Cleveland Plan," The (Cleveland) Plain Dealer, January 16, 2014.

ORGANIZATIONAL TRANSFORMER
Transforming the Central Office and School Culture

In a portfolio city, the school district central office's main job becomes actively managing the portfolio of schools available to the community: evaluating which should be changed or replaced, and determining what new schools should open and what schools should be closed. At the same time, the portfolio strategy is driven by an organizational shift that moves many decisions affecting schools away from the central office and into schools.

Many portfolio cities—New York City, Cleveland, Baltimore, Los Angeles, Denver—have reorganized to ensure central office roles fit the portfolio strategy's particular needs and demands. Old roles disappear, new roles emerge, and job descriptions for everyone at the "C" level (e.g., chief academic officer, chief financial officer, chief of human resources) are transformed. For example, human resources in a traditional system processes applicants, ensures employees are paid and benefits are received, and oversees state and federal reporting. In a portfolio system, the job of the human resources director includes developing talent pipelines for the district, supporting development of principals into good human-capital managers, clearing barriers that prevent schools from finding the talent they need, and managing data for state and federal reports. This calls on a much more proactive role than the traditional human resources function and requires central office leadership to think creatively about where to source talent and how to support existing talent in the system.

Additionally, as the portfolio strategy hits full implementation, schools will need services but must be able to buy them from any source—including residual central office units funded only by fees paid voluntarily by schools. Schools will decide when and how to invest in teacher professional development, when and where to hire substitute teachers, and how to reward teachers for completing extra training. Giving schools control over such decisions will require transferring much of the money now kept in the office of the Chief Academic officer to the schools, with commensurate reductions of central office staffing.

To date, no portfolio city has completed its central office transformation. Even in cities that adopted the portfolio strategy many years ago, like New York City and Denver, central office units built for the old top-down system still exist and are sources of confusing demands on school leaders. These units also cost money; if they were eliminated or dramatically downsized, that money could go to schools based on enrollment. Ultimately, the central office should be no larger than required to support the portfolio management function (including testing, other data collection, and analysis) and to oversee compliance with state and federal laws, including special education.

The CEO can delegate the day-to-day portfolio management, but the big-picture management should stay firmly on her agenda. To establish and routinize the portfolio management process, the CEO must assure that the portfolio management office is fully staffed, has guaranteed access to the school and student performance data needed to target action, and is set up to make decisions every year. If this role is not performed right, the strategy will languish. The CEO must delegate school performance reviews, school ratings, and recommendations for school actions (with especially clear and rigorously explained criteria for school closings). But the decision to propose closing a school or changing providers must remain with the CEO. Ultimately, the CEO must work with the school board (or whatever body holds final decision authority) to finalize portfolio management decisions each year.

Aside from creating portfolio management capacity, the introduction of school autonomy represents the most significant shift as a city embarks on the portfolio strategy. This autonomy empowers school leaders—those who know students and student needs most intimately— to make site-specific decisions about how to spend money and run a school in order to best serve its students. Successfully transforming the district depends on supporting school leaders through this transition and working to find spokespeople for the strategy within the principal corps. Ensuring that supports are in place to assist principals as they get more decision-making freedom is key. The CEO should make sure principals understand that she will do everything possible to smooth the transition and avoid overwhelming or burning out school leaders.

In order to drive implementation and intervene when central office units revert to "old ways" that limit school leaders' autonomy, a chief implementation officer (CIO) is needed. This individual should be a trusted deputy of the CEO who deeply understands and believes in the portfolio strategy.

The CIO's job is to be laser-focused on implementation. If and when issues arise, the CIO is the CEO's most important ally in moving central office sentiment toward supporting the portfolio strategy. And, critically, the CIO is responsible for alerting the CEO when logjams occur that can only be cleared through CEO action. Having a CIO is the only way a CEO can oversee the entire portfolio implementation process and ensure critical work isn't lagging. Once the portfolio strategy is in place and the portfolio management cycle has become an intrinsic part of the district's yearly rhythm, the CIO's transformative work won't be needed. But cities can only get to this point by undergoing a thorough central office reorganization to ensure sustainability of the strategy.

Table 2. How Autonomies Impact School and Central Office Powers

Areas of control	Positive statement of school autonomy	Negative statement: what others may not do
Budgeting	School receives real dollars based on enrollment and can set spending priorities. Nearly 90% of total per-pupil expenditure goes to the school as cash.	District may not assign people or assets to a school and charge the cost of these against the school's budget.
Spending	School may set its own spending priorities for staff, technology, facilities, and other purposes.	District may not require school to spend minimum or maximum amounts on any item.
Hiring and pay	School may hire any state-qualified[16] teacher for a vacancy and offer distinctive pay and benefit packages.	Neither the union nor the district may review, delay, or comment on a school's choice.
Staff configuration and work assignments	School may hire any combination of teachers and other workers needed to provide its instructional program; school assigns duties and hours.	Neither the district nor the union may review the school's decisions on staff configuration or work assignments.
Firing	School may fire or non-renew any teacher not covered by an applicable collective bargaining agreement and may eliminate any teaching, administrative, or service job.	Neither the district nor union may review a firing decision except as covered under an applicable collective bargaining agreement. Teachers covered by general state labor law.
Professional development funds and decisions	School may decide what forms of professional development to offer, when to offer it, whom to hire, or whether to release teachers from other duties.	Neither district nor union may set requirements or review school-level choices.
Use of time	School may operate on days and hours of its choosing and require teacher attendance up to limits set by state labor law.	Neither district nor union may review.
Purchase of academic support services	School may purchase advice and training from any source it chooses.	District may advise and provide information on provider track records but may not block or delay purchases.
Purchase of non-academic support services	School may purchase facilities, transportation, IT, or back-office services from any source it chooses.	District may advise and provide information on provider track records but may not block or delay purchases.

While the CEO drives the organizational shift, she cannot move the culture of the entire district system alone. Employees working in the system, many with decades of experience cementing their current views and practices, also need to be part of the cultural transformation. To be successful, the CEO needs a team within the central office that deeply understands and is committed to the portfolio strategy. This central office leadership team must expand understanding of the portfolio concept within the central office, particularly to middle management. The entire central office needs to understand the portfolio strategy—especially the autonomies granted to schools—so that the central office staff is not undermining these autonomies.

16. A state-qualified teacher is certified, alternatively certified, or in a defined process toward certification.

Central office unit heads are also the CEO's link to each aspect of the portfolio strategy: ultimately each is responsible for large elements of implementation. The CEO must be closely engaged in the entire transformation process to make sure the central office is moving in one direction. A weekly review with the central office cabinet of both progress and stumbling blocks can help achieve this. If the CEO learns that any central office unit leaders aren't working toward the portfolio strategy, the CEO must intervene. The CEO's actions need to make it apparent to everyone in the central office that the portfolio strategy is the only plan the district is pursuing in order to improve opportunities and outcomes for students.

While communication is key to the CEOs role, she cannot be the only one in the central office acting as a public advocate for the portfolio strategy. A portfolio CEO can, and should, bring new talent to the central office but should also help existing staff understand the strategy. It's especially important to make sure that existing central office staff—who likely have ties to community groups and leaders—are empowered to communicate publicly about the strategy.

As the portfolio strategy focuses on schools as the unit of improvement and change, it hinges on school principals and teachers being able to drive the work at the school level. Portfolio cities are magnets for young, talented, and motivated teachers and leaders. Many portfolio cities see their ability to attract talent increase nationally alongside their commitment to the strategy. But district leaders cannot transform instruction citywide only by hiring teachers and principals from alternative sources and by importing them from outside their city. They must also persuade a critical mass of incumbent teachers and principals to adopt a "whatever it takes" approach to their work and to constantly adapt their teaching methods in light of evidence.

Transforming Union Relations

Transformation of the school culture is intrinsically linked to expectations about teacher selection, assignment, working conditions, performance expectations, and rewards, all of which are defined, at least in part, by the local teachers union collective bargaining agreement.

In a city where the CEO has successfully transformed organizational and school culture, a groundbreaking teacher contract that frees schools from key controls on teacher placement and work rules can result in more school and central office support for the portfolio strategy. The deep understanding of portfolio that staff, teachers, and leaders gain helps each individual become a stronger advocate for a new, portfolio-focused relationship with the union.

But getting to that successful transition can be a major challenge. Teachers unions are always worried about changes in collective bargaining agreements and in many cases will oppose them. Local reform leaders seeking to increase school autonomy (a portfolio strategy linchpin) need to decide how they will deal with union concerns. Here, we offer some ideas for successfully working with the unions, but with a cautionary note: sometimes it is not possible to reach a mutually agreeable solution with the union, and CEOs must choose between weakening their reform strategy and proceeding despite union opposition.

Some CEOs have successfully negotiated needed changes with teachers union leaders: In New York City, Joel Klein coupled major raises in teacher salaries with new school-level control over teacher placement. Wanting credit for increasing salaries, union leaders agreed to both aspects of the bargain, accepting the principle that teachers should be able to choose their colleagues. While the union continued fighting many parts of the portfolio strategy—taking to the streets to oppose school closures and placement of charter schools in district buildings—leaders continued to honor the school autonomy agreement.

Denver's Michael Bennet proposed a voluntary performance pay plan that allowed high-performing younger teachers who took on advanced responsibilities to make as much money as their most senior colleagues. The union membership remained split on this plan, but union leaders approved it, unable to stand in the way of teachers who expected to benefit.

In both instances, the CEOs recognized that teachers unions are coalitions that deal with many linked issues. And these coalitions have diverse internal constituencies and interests. In New York City, Klein recognized that some teachers might oppose school autonomy but all were in favor of higher salaries. In Denver, Bennet realized that some teachers wanted merit pay while others wanted to stick to the old seniority-based salary scale. The ultimate merit pay agreement allowed both sets of teachers to adopt the pay plan that best suited their individual interests.

CEOs have also successfully appealed to the union interest in stabilizing school enrollment. Union leaders know that the number of teacher jobs rises and falls with enrollment. In Denver, which was hemorrhaging enrollment as families used a metropolitan-wide choice plan to transfer their children to suburban schools, Bennet and the union agreed to actions intended to draw city residents back to the Denver schools. The union thus accepted new charter schools and greater school autonomy, not because they naturally favored those steps, but because they wanted to stabilize teacher employment. In Cleveland, rapidly declining enrollment and recent experience with reductions in the workforce led to agreement on a union contract that gave principals greater control over their schools and made room for new charter schools. Earlier, similar patterns of enrollment decline also led to more flexible union contracts in New Haven and Baltimore.

Real conflicts of interest exist between reformers and teachers unions. What can be negotiated in one city might be impossible in another. Few CEOs will be able to sweeten negotiations with big pay increases as Klein did, but more can search for ways of appealing to younger union members who do not benefit as much from the existing collective bargaining agreement.

Some CEOs, however, might find that unions won't cooperate even when the very existence of the district is threatened by bankruptcy or state takeover. CEOs must be prepared to appeal directly to parents, voters, and civic leaders when actions must be taken despite union opposition, and to fight lawsuits that unions might bring.[17] They can also enlist support from state officials or the federal government—for example, to threaten state takeover of the district or withhold federal funds if needed changes are not made.

Even when conflict with the unions is unavoidable, CEOs need to remain above reproach in their professionalism. They must explain their actions toward unions to the public and persuade local political elites that they respect teachers and seek to improve the schools, not to wreck the union. Smart CEOs understand that totally broken union relations can lead to work stoppages that hurt children and discredit all sides, as was the case in Chicago in 2013. As most successful reform leaders have done, smart CEOs try to keep talking with the union even while it puts demonstrators on the streets and sponsors campaigns to throw out the CEO and his supporters.

17. Lawyer-CEOs like Joel Klein and Michael Bennet avoid taking actions they know won't hold up in court, but are not afraid to take legally defensible actions even if someone is likely to sue them. Many CEOs must re-orient their general counsels, who traditionally advise against any action that can spark a lawsuit. Portfolio CEOs must be willing to be sued on grounds where they are likely to prevail.

The Inevitable Challenges

Even with the right mindset, a thorough understanding of the job, and the necessary skills, a CEO should be prepared for challenges that will come with leading a portfolio system. The largest challenge will be resistance to the strategy from any quarter, including the community, school staff, and central office staff. Unless the CEO successfully makes the case that changing the schools and system will benefit children who would otherwise be harmed, opponents can gain public sympathy by characterizing the reform as punitive to teachers and bad for neighborhoods. If a portfolio CEO can't anticipate and head off opposition, implementation can be slowed or compromised.

For a CEO, there is no advantage in dabbling with the portfolio strategy. He must be all in, or not in at all. A partly executed strategy will threaten or annoy many people and gain little. A fully implemented strategy will make a real difference in the schools and for children. But it will also increase the willingness to fight against the strategy among supporters of the status quo. Once a CEO has committed to the strategy, he has to make it work. There is no sense in hedging bets.

A CEO implementing the portfolio strategy anticipates that parts of the existing central office will continue trying to control schools. The CEO must work on transforming central office culture to focus more on "steering, not rowing." The CEO must also recognize that autonomy may not initially be appealing to all principals. School leaders, who are already working hard to meet their position's demands, may balk at the idea of creating their own budgets, having to choose service providers, or write contracts for things like transportation, food services, or even ordering paper.

Though it is not necessary to convert all incumbent principals—some intransigents will find other jobs or quit as their schools are closed—large numbers must be retooled for autonomy. In New York, Chicago, and Washington, D.C., district leaders try to re-socialize incumbent educators in many ways: providing training in new methods, creating financial incentives for gaining new skills, and offering bonuses for educators in highly effective schools. New York's culture-change strategy encourages teachers and principals to use data in making day-to-day instructional decisions. And it trains teachers to use computer-based testing methods to provide quick feedback on student skills and prescribe quick remedies for deficits.

CEOs will face the challenge of ensuring school leaders have talented, motivated teachers in their buildings. Though city leaders can recruit teachers from outside—from Teach for America, the New Teacher Project, and other districts—much of the talent must be found locally. Without a successful talent development pipeline within the city, the system will lack the quantity of talent needed to make the portfolio strategy successful.

Portfolio CEOs must be agnostic about who runs schools. Schools should be run by the best possible provider available, with no preference for the district or a particular charter management organization. But complaints of favoritism are inevitable. The district and charter sectors have operated competitively, each trying to pull students away from the other. Each is responsible for the students they serve; only the portfolio CEO is responsible for all students. A CEO must convince the charter sector to submit to the portfolio strategy's discipline, opening schools where they are most needed and accepting closure of the least effective charter schools. And the CEO must help convince the public that all schools should be funded alike and evaluated under the same standards. However, many cities have a strong anti-charter faction that will be hard to convince. Even less opinionated citizens may initially have trouble understanding the CEO's willingness to judge schools only on performance and be reluctant to acknowledge how the portfolio strategy enhances the city's schooling options.

Expanding choice can also cause turmoil in communities. People are attached to neighborhood schools. While choice isn't anti-neighborhood school, it does aim to offer non-neighborhood-based options to any student who can find a better fit in the city. When families are no longer bound to occupy a seat in the school closest to their home, some perceive that neighborhoods are weakened. The CEO needs to be out in front of these conversations, continually emphasizing why choice is important and how it is the fairest and best mechanism for giving all students a high-quality education. Making the process as transparent and easy to navigate as possible is also critical. Even so, pushback should be expected.

Finally, and not surprisingly, school closure is always controversial. Even in the best-case scenario—when there's a clear, rigorous, public set of criteria, families are given ample notice, students are placed in better schools, staff are given the opportunity to find other jobs in the district, and there's a solid plan for the building going forward—closure is still hard. People will still speak out against it. Schools are repositories of emotion. Alumni have strong connections to their schools and do not want to hear that a place they attended is not good enough. Communities near a school building fear losing a neighborhood asset and can fight change in a school even when they don't think the school serves their children particularly well. School staff and leaders have an obvious stake in the school and will use their influence over students and parents to fight change. Nonetheless, a CEO must constantly ask, "Is this the best school we can provide in this neighborhood and for these children?"

The Preparation

No graduate school or formal training program exists where a person can go to learn all that's needed to be a successful portfolio CEO. That shouldn't be surprising. Conventional district superintendents, whose jobs are simpler and better-defined, claim that the training required to get state administrator certification does little to prepare them.[18] But the absence of opportunities for preparation is a serious impediment to the growth and success of the portfolio strategy.

Conventional superintendents can become effective portfolio leaders, but their preparation is incomplete. Most are career teachers who went on to become principals, so they know something about instruction and school leadership. Conventional training for administrative positions informs them about compliance with federal and state laws and basic union relationships. But they are seldom well prepared for community outreach, political leadership, coalition building outside the community of professional educators, organizational transformation, and strategic communication.

In the absence of an organized training program for portfolio CEOs, the best route into the job is through law and general public management. Many effective portfolio CEOs have had no formal training for the superintendency. Joel Klein, Paul Pastorek, Michael Bennet, and Tom Boasberg all worked as lawyers in both public and private roles. They were experts in politics and governance, but not in instruction or internal management of school systems. They understood that government agencies often abide by overly restrictive views of their powers and obligations and were inclined to question district general counsels who asserted, "The law forces us to do X and avoid Y." As Klein explains, traditional superintendents were eager to avoid litigation and would avoid taking actions that might lead someone to take them to court. Klein took many actions expecting to be sued. He and other portfolio CEO lawyers knew the law well enough to avoid actions that courts would surely strike down. But they went to the mat on issues where they expected to win.[19]

Other effective portfolio CEOs are not lawyers, but seasoned public figures accustomed to overcoming resistance and enduring controversy. Louisiana's John White, for example, was a teacher and a member of Klein's inner circle in New York City. There, he learned how to make a persuasive case for action, how to anticipate and head off criticism when possible, how to respond to attacks that couldn't be headed off, and how to listen to adversaries and look for shared goals.

Several portfolio CEOs have been drawn from the local mayor's inner circle. Michael Bennet in Denver, Dennis Walcott in New York City, Garth Harries in New Haven, and Paul Vallas in Chicago—all knew well how their cities worked, how to get cooperation from diverse government agencies, how to build support in advance of a potentially controversial action, and how to behave in a fight.

Though some effective portfolio CEOs have come from cities other than the one in which they now work, "coming from here" or "coming back here" is a clear advantage. A CEO who knows the city's history and politics and knows how to make alliances with potentially powerful groups like faith, business, and higher education leaders has an important advantage. "Outsiders" can succeed, but they must work hard to learn the local context and seek advice from senior civic leaders. As we have suggested earlier in this report, CEOs who are new to a city should look for mentors in the civic and business communities who can help them understand "where the bodies are buried" in local politics, build relationships with indispensable supporters, and avoid local hidden traps.[20]

How to successfully prepare to become a portfolio CEO largely depends on the skills and contacts the candidate already brings to the table.

Whether local or imported, attorneys, public figures, and political operatives have their own limitations as portfolio CEOs.[21] Though the CEO doesn't have to be an expert in instruction, she needs to appreciate instructional expertise and work closely with experts she trusts. The attorney/CEOs mentioned above were particularly skillful at identifying instructional experts who could advise and guide them. These experts appreciated the specific benefits of different instructional approaches and were thus comfortable with the portfolio strategy.

Conversely, a lifelong educator preparing to become a portfolio CEO needs training in financial and political analysis. Once in the job, she needs political coaching and a legal advisor who helps find ways to get things done. A portfolio CEO can't pose as instructional savant who won't sully herself with coalition building and deal-making.

Mentorship is key to preparation of many portfolio CEOs. In Denver, Tom Boasberg was prepared to take the top job when Michael Bennet moved on to the U.S. Senate. Joel Klein also mentored individuals who went on to lead five other portfolio cities: New Orleans, Baltimore, Rochester, Newark, and Camden.

18. Fuller et al., *An Impossible Job?*

19. Paul Hill et al., *Portfolio School Districts for Big Cities: An Interim Report* (Seattle, WA: Center on Reinventing Public Education, 2009).

20. Paul Hill and James Harvey, ed., *Making School Reform Work: New Partnerships For Real Change* (Washington DC: Brookings Institution Press, 1994).

21. Los Angeles imported a major political figure, former Colorado governor Roy Romer, to be its superintendent. Though he brought superb political skills to the job, his unfamiliarity with the local scene and lack of fluency on technical education issues limited his effectiveness.

Though there is no university program devoted to the preparation of portfolio CEOs, some have found existing training programs helpful. A number of individuals who later became portfolio CEOs have gone through the Broad Superintendents Academy. Though the Broad program is not expressly built around the portfolio strategy and many graduates complete it with little or no understanding of the strategy's promise and requirements, many students come already trained in business and analytic skills. The same could be said of the Harvard Leadership Institute for Superintendents, which primarily focuses on more conventional district leadership but also provides some training in community leadership and organizational transformation. Teach for America alumni can also access career and leadership programs such as TFA's School Systems Leaders Fellowship that include some preparation for portfolio strategy leadership. The Aspen Institute superintendents' forum includes some portfolio CEOs, but its agendas focus on challenges of more conventional district leadership.

Foundations that support the portfolio strategy, whether nationally or in particular cities, should recognize a strong interest in building the "bench" of potential CEOs. The programs described above, which deal with portfolio issues incidentally if at all, rely on support from the Gates Foundation, the Broad Foundations, and other foundations interested in ambitious reform. But the foundations have not used their leverage to re-focus these programs. Foundations might also consider creating new programs, whether in graduate schools like Relay or in nonprofits that will arrange training and mentoring opportunities for potential portfolio CEOs.

In the absence of funding for a purpose-built program that focuses on the portfolio CEO role, CRPE provides several options:

- An orientation course offered by CRPE, based on the materials in this paper.
- Specially designed sessions for current and potential CEOs offered at meetings of CRPE's portfolio district network.[22]
- We also hope to arrange coaching and job shadowing from current and past CEOs.

Conclusion

There are not nearly as many individuals fully prepared to be portfolio CEOs as there are cities that need them. Over the past decade, pioneering portfolio CEOs have provided lessons in how to succeed in the role and how to avoid possible pitfalls. This decade of learning has helped identify key skills and mapped a path for those who want to get them.

New CEOs can be developed if foundations invest in their recruitment and preparation. Once in office they can survive and succeed if they focus on developing the ability to lead community politics, build coalitions, lead strategic communication, deal effectively with state executives and legislators, downsize and re-mission district central offices, and lead the portfolio management process.

22. Learn more about the portfolio network here. Readers can also contact CRPE experts directly to inquire about planned sessions or arrange one-on-one experiences. E-mail CRPE's portfolio strategy director Christine Campbell, or the authors of this paper, Paul Hill and Shannon Murtagh.