



Center on Children and Families at BROOKINGS

August 2012

CCF Brief # 49



Is Retaining Students in the Early Grades Self-Defeating?

Martin R. West

Acknowledgements

The Center on Children and Families thanks the Campaign for Grade-Level Reading, the Piton Foundation, and the Birth to Five Policy Alliance for their support in conceiving and funding this policy brief and associated outreach activities.

Summary

Whether a child is a proficient reader by the third grade is an important indicator of their future academic success. Indeed, substantial evidence indicates that unless students establish basic reading skills by that time, the rest of their education will be an uphill struggle. This evidence has spurred efforts to ensure that all students receive high-quality reading instruction in and even before the early grades. It has also raised the uncomfortable question of how to respond when those efforts fail to occur or prove unsuccessful: Should students who have not acquired a basic level of reading proficiency by grade three be promoted along with their peers? Or should they be retained and provided with intensive interventions before moving on to the next grade?

Several states and school districts have recently enacted policies requiring that students who do not demonstrate basic reading proficiency at the end of third grade be retained and provided with remedial services. Similar policies are under debate in state legislatures around the nation. Although these policies aim to provide incentives for educators and parents to ensure that students meet performance expectations, they can also be expected to increase the incidence of retention in the early grades. Their enactment has therefore renewed a longstanding debate about retention's consequences for low-achieving students.

Critics point to a massive literature indicating that retained students achieve at lower levels, are more likely to drop out of high school, and have worse social-emotional outcomes than superficially similar students who are promoted. Yet the decision to retain a student is typically made based on subtle considerations involving ability, maturity, and parental involvement that researchers are unable to incorporate into their analyses. As a result, the disappointing outcomes of retained students may well reflect the reasons they were held back in the first place rather than the consequences of being retained.

Recent studies that isolate the causal impact of retaining low-achieving students cast further doubt on the conventional view that retention leads to negative outcomes. Much of this work has focused on Florida, which since 2003 has required that many third graders scoring at the lowest performance level on the state reading test be retained and provided with intensive remediation. Students retained under Florida's test-based promotion policy perform at higher levels than their promoted peers in both reading and math for several years after repeating third grade; they are also less likely to be retained in a subsequent grade. Although it is too soon to analyze the policy's effects on students' ultimate educational attainment and labor-market success, this new evidence suggests that policies encouraging the retention and remediation of struggling readers can be a useful complement to broader efforts to reduce the number of students reading below grade level.

Background on Grade Retention

Even in the absence of test-based promotion policies, the extent to which America's school systems have retained low-performing students in the same grade has varied considerably over time. Proponents of retention have long argued that low-performing students stand to benefit from an improved match of their ability to that of their peers and from the opportunity for additional instruction before confronting more challenging material. They also contend that the threat of being held back and the creation of grade cohorts that are more homogenous in ability could yield benefits even for higher-performing students. In the 1960s, however, concerns that retention

hinders the social, emotional, and cognitive development of at-risk students led many educators to call for students to be advanced to the next grade with their peers regardless of their academic performance. Although systematic data are scarce, this push for so-called “social promotion” appears to have reduced the incidence of retention nationwide. Conversely, retention rates increased with the advent of standards-based reform in the 1980s and again in some school systems in the wake of the No Child Left Behind Act of 2001.

The most comprehensive information on the incidence of retention at present comes from just-released data from the U.S. Department of Education’s Office of Civil Rights (OCR). In 2009-10, OCR for the first time included the number of students retained at each grade level as an element of the data it collects at regular intervals from a large share of the nation’s school districts. Although not a complete census, the nearly 7,000 school districts that participated in the OCR data collection serve more than 85 percent of students in American public schools.

The OCR data indicate that 2.3 percent of all students in these districts were retained in the same grade at the close of the 2009-10 school year. However, much of this overall rate reflects retention in high school, when many students fail to accumulate enough credits to advance their academic standing but often repeat only specific courses as a result. Roughly one percent of students were retained in grades K-8, with the largest numbers repeating kindergarten or the first grade. The OCR data also confirm that retention rates are highest among traditionally disadvantaged minorities, who are most likely to suffer from low academic performance. The respective rates for black and Hispanic students were 4.2 percent and 2.8 percent, as compared with just 1.5 percent for whites.

Retaining a student in the same grade is a costly educational intervention, if students (as intended) spend an additional year in full-time public education as a result. Given average per pupil spending of roughly \$10,700 (the most recent national estimate), the direct cost to society of retaining 2.3 percent of the 50 million students enrolled in American schools exceeds \$12 billion annually. This estimate excludes the cost of any remedial services provided specifically to students repeating a grade, as well as any earnings foregone by retained students due to their delayed entry into the labor market.

It is perhaps surprising, then, that consensus is lacking as to whether retention yields any benefits at all for students that could offset these costs. Critics of retention contend that students are actually harmed by the trauma of being held back, the challenge of adjusting to a new peer group, and reduced expectations for their academic performance on the part of teachers and parents. They also argue that, once in high school, being over-age for their grade makes students more likely to drop out. As noted above, a large majority of existing studies confirm that students who have previously been retained are at elevated risk for low academic achievement and early dropout. Ernest House of the University of Colorado-Boulder concluded in 1989 that “It would be difficult to find another educational practice on which the evidence is so unequivocally negative.”

To the extent that much of the evidence available on a topic suffers from a common flaw, however, a consistency of findings should not increase confidence in their validity. In the case of grade retention, the central challenge facing researchers is to distinguish the effect of being retained from the effects of those factors that triggered the retention decision in the first place. With few exceptions, the available studies of retention have attempted to meet this challenge by comparing the outcomes of retained students to those of equally low-performing, demographically similar students who were promoted. Yet the very fact that a different decision was ultimately taken on whether to retain the student in the same grade casts doubt on the usefulness of these comparisons. For example, educators may be more apt to hold back a student who performs poorly on a standardized test if they believe that the test is an accurate indicator of their true ability than if they believe the student simply had a bad day. Given the stigma associated with repeating a grade, more involved parents may also be less likely to acquiesce in a school’s recommendation that their child be held back. Although speculative, these and many other possible sources of bias make studies relying on standard observational methods an unreliable guide for policy.

Fortunately, recently enacted policies tying retention decisions explicitly to performance on state tests provide an opportunity to generate more rigorous evidence on retention’s consequences for

low-performing students. Under these policies, students with test scores just below the standard for promotion face a far greater likelihood of being retained than students who met the standard exactly. And because there is considerable measurement error in individual student test scores, these differences in retention probabilities are nearly as good as would be achieved by randomly assigning low-performing students to be either retained or promoted. By comparing the outcomes of students with test scores in a narrow region around the promotion standard, researchers are therefore able to discern the causal impact of being retained for those students. First used in evaluations of a test-based promotion policy adopted by Chicago Public Schools in the mid-1990s, this quasi-experimental approach to the study of retention has recently been applied in a series of studies of test-based promotion in Florida. Because the Florida policy has served as a model for other states, evidence on its implementation and impact on retained students is of considerable interest.

Test-based Promotion in Florida

In 2002, the Florida legislature mandated that third grade students scoring below level two (of five performance levels) on the Florida Comprehensive Assessment Test in reading be retained and provided with intensive remediation unless they qualify for one of six “good cause exemptions.” The policy’s exclusive focus on third grade reading distinguishes it from many earlier programs with retention gates based on reading and math achievement at multiple grade levels. This focus reflects the accumulation of evidence that acquiring basic reading proficiency in the early grades is critical for later performance across disciplines. Many educators characterize third grade in particular as a key transition point from “learning to read” to “reading to learn.” In reality, this transition is a gradual one and the decision to focus on third grade is in large part a reflection of the fact that it is the lowest grade included in the state testing program.

Florida schools may exempt low-performing students from the retention requirement if they fall into any of the following categories: students with disabilities whose Individualized Education Plan indicates that the state test is an inappropriate measure of their performance; students with disabilities who were previously retained in third grade; Limited English Proficiency (LEP) students with less than two years of instruction in English; students who were retained twice previously; students scoring above the 51st percentile nationally on another standardized reading test; and students demonstrating proficiency through a portfolio of work. In light of these exemptions, calling the Florida policy “test-based promotion” may be a misnomer. It would be more precise to say that, for students not in special education, a low test-score shifts the burden of proof such that educators need to make an affirmative case that the student should be promoted. Across the first six cohorts of third graders impacted by the policy, a slight majority (52.2 percent) of students failing to meet the promotion standard received an exemption.

Even so, the policy sharply increased the number of students held back in third grade. The number of Florida third graders retained jumped to 21,799 (13.5 percent) as the policy was implemented in 2003, up from 4,819 (2.8 percent) the previous year. Consistent with national patterns, the students retained under Florida’s test-based promotion policy are disproportionately black and Hispanic. Black students represented just 22 percent of Florida third graders between 2003 and 2008 but fully 40 percent of those who were retained. Hispanics accounted for 24 percent of all third graders but 29 percent of those retained. The over-representation of blacks and Hispanics among retained third graders reflects the fact that students in these groups are more likely to have reading test scores below the promotion standard. In fact, controlling for reading performance, black and Hispanic students are two percentage points less likely than white students to be retained.

As noted above, the Florida policy also includes provisions intended to ensure that retained students acquire the reading skills needed to be promoted the following year. First, retained students must be given the opportunity to participate in their district’s summer reading program. Schools must also develop an academic improvement plan for each retained student and assign them to a “high-performing teacher” in the retention year. Finally, retained students must receive intensive reading interventions, including ninety uninterrupted minutes daily of research-based reading instruction (a requirement that has since been extended to all students in grades K-5).

The degree to which schools comply with these requirements varies considerably across the state. Nonetheless, it is important to note that existing evaluations of the Florida policy capture the combined effect of retention and these additional measures.

The latest research on the Florida policy examines its impact on students retained in 2003 for six subsequent years, by which time students retained only once as third graders had reached eighth grade; students retained in later years are followed for shorter periods of time. The best evidence of retention's short-term impact on student achievement comes from comparing the performance of retained students in grade four (two years after the retention decision) with that of their promoted peers in grade five, which is possible due to Florida's use of vertically aligned tests that place the achievement of students in different grades on a common scale. Comparing retained students to promoted students at the same grade level would conflate the effects of retention with any benefits of being a year older. Moreover, in the retention year itself, the test scores of third graders could be inflated due to their prior exposure to the same content and the additional stakes attached to the test.

After two years, students retained under Florida's test-based promotion policy outperform comparable students who were promoted by substantial amounts in both reading and math. The positive impact of retention on reading achievement is as large as 0.4 standard deviations, an amount which exceeds a typical year's worth of achievement growth for elementary school students. The impact of retention on math achievement is roughly half as big, perhaps because the remedial services provided to students before and during the retention year focus primarily on reading.

These short-term improvements in achievement, although dramatic, diminish over time and become statistically insignificant by the time retained students reach the seventh grade. The fade out of test score impacts is a common pattern in research on educational interventions, including interventions such as early childhood education and higher-quality kindergarten classrooms which have been shown to generate lasting impacts on such long-run outcomes as college enrollment and earnings. Whether students retained in Florida will also experience long-run benefits remains uncertain. However, it is worth noting that the retained students continue to perform markedly better than their promoted peers when tested at the same grade level and, assuming they are as likely to graduate high school, stand to benefit from an additional year of instruction. These factors may increase the likelihood of enduring benefits.

Third-grade retention in Florida has no impact on student absences or special education classifications, but it sharply reduces the probability that the student will be retained in a subsequent grade. Specifically, retained students are 11 percentage points less likely to be retained one year after they were initially held back and roughly 4 percentage points less likely to be retained in each of the following three years. As a result, students retained in third grade after five years are only 0.7 grade levels behind their peers who were immediately promoted to grade four. This implies that one important consequence of the introduction of the test-based promotion policy was to expedite the retention of many students who would have eventually been retained in a later grade. It also suggests that the costs associated with policies that increase retention rates in the early grades are less than is typically assumed because many of them would have received an additional year of schooling anyway as a result of being retained later in their educational careers.

The results for low-performing readers in Florida compare favorably to those observed under a similar policy in Chicago that has been studied using similar methods. Introduced in 1995, Chicago's program combined test-based promotion gates in both math and reading at grades three, six, and eight with mandatory summer school for students failing to meet the promotion standards. These requirements generated small short-term improvements in the achievement of students in grade three but not for those in grade six. Retention in grade eight also increased students' probability of dropping out, while retention in grade six again had no impact. These mixed results imply that retention requirements do not necessarily translate into gains for retained students. They also suggest that early grade retention may be more beneficial for students than retention in later grades. To the extent that this is true, Florida students retained in the third grade who otherwise would have been retained later may have particularly benefited from the state's test-based promotion policy.

Policy Implications

Reducing the number of students who do not acquire basic reading skills in the early grades remains an urgent priority for American public education. According to the 2011 National Assessment of Educational Progress, one third of all fourth grade students, and fully half of black and Hispanic fourth graders, fail to demonstrate even a basic level of reading proficiency. Improving on this record will require that states provide students at risk of reading difficulty with access to high-quality early childhood education programs, help districts develop early identification systems so that struggling readers can be targeted for intervention, and take steps to improve the quality of instruction in grades K-2. Although often overlooked, this latter issue is critical given evidence that schools often assign less experienced and less effective teachers to those grades, which are typically excluded from state accountability systems.

Policies encouraging the retention of students who have not acquired basic reading skills by third grade are no substitute for the development of a comprehensive strategy to reduce the number of struggling readers. Yet the best available evidence indicates that policies that include appropriate interventions for retained students may well be a useful component of a comprehensive strategy. There is nothing in the research literature proving that such a practice would be harmful to the students who are directly affected, and some evidence to suggest that those students may benefit. Test-based promotion policies may also create new incentives for educators and parents to improve student reading skills prior to third grade. Interestingly, after the initial spike to 21,799 (13.5 percent) retentions, the number of Florida students retained in third grade fell steadily in the six years following the introduction of its test-based promotion policy, reaching 9,562 (5.6 percent) in 2008. This decline was due primarily to a reduction in the number of students failing to meet the promotion standard.

Test-based promotion policies are most likely to be successful if they are accompanied by specific requirements that retained students be provided with additional, research-based instruction in reading and adequate funding to implement those requirements. The apparently positive effects of the Florida reform reflect the combined effect of retention and the remedial services made available to retained students, and common sense suggests that retention should not imply an exact repetition of what came before. Policymakers must also take care to provide local educators with sufficient discretion to make decisions they believe are in the best interest of the child without compromising the goal of increased accountability and access to focused support. Finally, continued research is needed to document the effects of test-based promotion policies on the long-run outcomes of retained students and on the quality of instruction available to all students in the critical early grades. Evidence on these issues is essential in order to determine how the benefits of test-based promotion policies compare to their costs.

Author

Martin R. West is an assistant professor at the Harvard Graduate School of Education and deputy director of Harvard's Program on Education Policy and Governance.

The views expressed in this policy brief are those of the author and should not be attributed to the staff, officers, or trustees of The Brookings Institution or the other sponsors of this policy brief.

Additional Reading

Brian A. Jacob and Lars Lefgren, "Remedial Education and Student Achievement: A Regression-Discontinuity Analysis," *Review of Economics and Statistics* 86, no.1 (2004): 226-244.

Brian A. Jacob and Lars Lefgren, "The Effect of Grade Retention on High School Completion," *American Economic Journal: Applied Economics* 1, no. 3 (2009): 33-58.

Catherine E. Snow, M. Susan Burns, and Peg Griffin, *Preventing Reading Difficulties in Young Children* (Washington, D.C.: National Research Council, 1998).

Chiharu S. Allen, Qi Chen, Victor L. Willson, and Jan N. Hughes, "Quality of Research Design Moderates Effects of Grade Retention on Achievement: A Meta-Analytic, Multilevel Analysis," *Educational Evaluation and Policy Analysis* 31, no. 4 (2009): 480-499.

Jay P. Greene and Marcus A. Winters, "Revisiting Grade Retention: An Evaluation of Florida's Test-Based Promotion Policy," *Education Finance and Policy* 2, no. 4 (2007): 319-340.

Jay P. Greene and Marcus A. Winters, "The Medium-Run Effects of Florida's Test-Based Promotion Policy," *Education Finance and Policy* 7, no. 3 (2012): 305-330.

Jennifer Sloan McCombs, Sheila Nataraj Kirby, and Louis T. Mariano, *Ending Social Promotion Without Leaving Children Behind: The Case of New York City* (Santa Monica, C.A.: RAND Corporation, 2009).

Martin R. West and Guido Schwerdt, "The Effects of Early Grade Retention on Student Outcomes Over Time: Regression Discontinuity Evidence from Florida," (Working Paper, Program on Education Policy and Governance, Harvard University, 2012).

Philip Babcock and Kelly Bedard, "The Wages of Failure: New Evidence on School Retention and Long-Run Outcomes," *Education Finance and Policy* 6, no. 3 (2011): 293-322.

For more information on the Center on Children and Families, including briefs, publications, and upcoming events, visit www.brookings.edu/ccf.