

Webinar Highlights CMOs' Struggles to Grow, Meet Mission

Charter school management organizations (CMOs) are under pressure to expand their success, but they are running into the headwinds of tight finances and lack of facilities, limits on the availability of staff, and concern about maintaining quality and how well students are being prepared for college.

The issues were among those discussed during an Oct. 27, 2010 National Charter School Resource Center webinar that focused on findings so far in The National Study of Charter Management Organization Effectiveness. Robin Lake, a Resource Center advisory board member and associate director of the Seattle-based Center on Reinventing Public Education, co-authored an interim report on the study and led the webinar.

CMOs are not-for-profit organizations that provide central office-like services for individual schools in their network. Most serve a few schools and are concentrated in underserved urban areas. The study has involved surveys of 43 CMOs (about half of all CMOs), visits to central offices and schools, examination of financial data, as well as interviews with district officials. Key data are presented in webinar slides.

As they attempt to scale, there are some very serious growth challenges, Lake said of CMOs, adding that the CMOs in the study will, optimistically, only add 336 schools by 2015. "If we are serious about creating large numbers of new schools over time we may want to think about alternative scale strategies that can complement CMO growth."

CMOs typically rely significantly on philanthropy, in addition to management fees from schools in the network, and many are finding that their goal of living without donations is moving farther away. "I think a lot of CMOs have underestimated the cost of growth," Lake said. The pattern has been that the larger the CMO, the larger the percentage of the budget that comes from philanthropy, which is about 16 percent for those with 11 to 25 schools.

"They do face pressure to grow in a lot of ways, from funders who want to see impact quickly, from their own boards who have a reason to serve as many students as possible," Lake said. But they "don't want to grow faster than they can handle."

"Where they really start to get worried is when the funder has an expectation about growth that they don't feel they can sustain," Lake said. A quote from an executive at one unnamed CMO states that one funder pulled their support "because we didn't grow last year."



What I'd like to see in the future is a little more back and forth between the two sectors+so that they are challenging each other rather than setting out growth goals and sticking to them no matter what,+Lake said.

Attrition among teachers at CMOs varies widely, with some having very little and others running above 30 percent. Teachers, many of them young, may be attracted to long, intense work days. But the commitment may wane as they mature. It's a real struggle for CMOs and the teachers because they know their kids are so far behind. They want to do everything to make it work. At the same time, people have to have lives.+

Organizations such as Teach For America, a not-for-profit alternative training program that has drawn many graduates from top universities and dispatched them to work in charter schools, fill many slots in CMO classrooms. But, according to the study, almost 60 percent of the teachers at CMOs come from traditional education programs and local school districts.

The education programs for students may be inadequate. More experienced CMOs are starting to worry that test scores alone are not going to be preparation enough for college+and they're working on ways to move students into the higher level skills, Lake said. Lake said academic programs are typically tightly structured. Most CMOs assess students at least quarterly, and almost a third assess every 6-8 weeks.

The kids don't have a lot of wiggle room and haven't done a lot of independent work,+ she said, making it a difficult switch to taking more responsibility for their own learning in college.

Lake said the findings suggest the need for more productive collaboration with traditional school districts, greater use of technology, and better access to facilities.

The study began in 2008 and is expected to end in mid-2011. We have a lot of work to do to really understand what's working and what's not,+Lake said.

