READY TO SCALE:
A READINESS ASSESSMENT TOOL FOR
CHARTER SCHOOLS AND CHARTER ORGANIZATIONS

by

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ABSTRACT

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Since their inception nearly three decades ago, charter schools have played a critical role in the reform of our nation’s public education system. As the charter movement has progressed, many single-site schools have evolved into charter management organizations (CMOs) responsible for operating networks of several campuses with the hope of increasing the number of quality seats available to students and families. Growing to scale is often challenging for single-site schools and small CMOs. In order to execute expansion successfully, this study sought to answer the overarching question, “How does a charter school or small CMO know that it is ready to grow?” The study’s findings demonstrated that, in order to evaluate readiness for scale, charter/CMO leaders must consider several key internal and external factors. The internal factors are: (a) “The Why” (primary reason or motivation for scaling), (b) Organizational Identity, (c) Human Capital, (d) Governance, (e) Fiscal Health, (f) Infrastructure, and
(g) Growth Mindset and Strategy. The external factors are: (a) Need and Demand; (b) Funding; (c) Facilities; (d) Political Context, Policy, and Climate; (e) Parent and Community Relations; and (f) Collaboration and Competition Inside and Outside the Sector. The research and findings from this study also informed the development of a workbook for charter/CMO leaders seeking to evaluate their organization’s proficiency in internal factors and optimality of external factors in order to determine their readiness to scale.
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Over thirty years ago, my parents, Eul and Mallac, made a conscious decision to relocate to the highest quality public school district in our home state. They left both family and familiarity behind so that my brothers, Mark and Joseph, as well as myself, could receive a world-class education. Their selflessness and sacrifice represent what so many families today seek for their children – a promising future and a fulfilling, productive life. This work is for my father and mother, who planted the humble and hopeful seeds that have grown into my fervent desire to help others in achieving their dreams and goals through a meaningful, quality education.

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Chapter I

INTRODUCTION

The charter movement is one of the most profound changes in American education—bringing new options to underserved communities and introducing competition and innovation into the education system. Across America we see great charter schools, from Noble Street in Chicago to IDEA Academy in Texas, Inner-City Education Foundation and Partnerships to Uplift Communities in Los Angeles and Friendship Public Charter Schools in D.C. . . . We have great charter networks like Aspire, KIPP, Achievement First, and Uncommon Schools. You’re steadily getting to scale. (Duncan, 2009, pp. 1, 4)

Throughout the last two decades, public charter schools have become key players in bringing about change and producing improved educational outcomes for America’s students, especially those faced with challenging socioeconomic circumstances in urban, suburban, and rural settings. Charters were not always praised or acknowledged as major players, as former Secretary of Education Arne Duncan suggested in his statement above. The development of the sector has had a varied and sometimes rocky history. However, since 1991, the year in which Minnesota passed the first law allowing charter school operations, nearly 43 states and the District of Columbia have adopted similar legislation, leading to the present-day 6,723 charter schools that serve nearly 2.9 million students (Mead, Mitchel, & Rotherham, 2015). In 2000, there were just over 2,000 schools serving roughly 750,000 students (Mead et al., 2015). The charter sector’s rapid expansion should indicate its ability to yield student success consistently, as measured by achievement on
standardized assessments and graduation rates. However, current research has suggested that charters actually continue to produce mixed achievement results compared to their peers—traditional public schools (Buckley & Schneider, 2007; Center for Research on Education Outcomes [CREDO], 2013; Frumpkin, Manno, & Edgington, 2011).

Despite these inconsistent outcomes across the sector, charters still market themselves as a high-quality alternative to a family’s neighborhood school, offering parents and students more instructional time via a longer school day and school year, personalized attention for the individual student through smaller class sizes, myriad methods for parents to become more involved in the school community, and (depending on the charter school/organization’s external partnerships) the opportunity to engage in internships and college-level coursework and programs. Most importantly, most charters have the autonomy to design their own curriculum and, as a result, guarantee families that their students will graduate “college and career ready” thanks to a rigorous academic program (Frumpkin et al., 2011).

**Context and Demonstrated Need**

While some charters over-deliver on these lofty promises and others fail to meet these expectations, the demand by parents and the broader community for “better-than-the-neighborhood school” education options has rapidly intensified, as demonstrated by the lengthy wait lists of many charter schools. According to the National Alliance for Public Charter Schools (NAPCS, 2013), in Summer 2013, the total number of students on charter wait lists across the country was 920,007. In 2013, sector experts projected that this number would continue to grow and likely exceed one million in 2014 (NAPCS,
A report from the same organization in 2014 confirmed that the charter wait list had broken the million mark, totaling 1,043,311 names (Kern & Gebru, 2014). A recent parent survey from the NAPCS (Kern & Gebru, 2014) also found that families were astutely aware that the number of charter seats was limited and, in turn, sought to increase their child’s chances of obtaining one of those seats by placing themselves on several wait lists.

In response to this extraordinary stakeholder demand, single-campus charter schools (referred to as “charters” throughout this study), as well as charter management organizations (CMOs), have realized the need to grow, as indicated by parents and families voicing and exercising their rights to pursue the limited number of quality seats currently available across the public school sector. In conjunction with this realization, charter authorizers have also felt the pressure to directly address parents who have continued to exercise their right to choose the public schools that best meet the needs of their children. In turn, almost all states that have adopted charter laws have also updated their legislation to allow authorizers to grant replicating charter agreements.

It is important to note that charter schools and CMOs approach growth differently. While there is a perception that all charters and CMOs aggressively pursue expansion, some organizations take a “premeditated” approach, while others take an “organic” approach (Farrell, Wohlstetter, & Smith, 2012). The premeditated method involves careful planning and often inclusion of the goal to replicate in the organization’s vision (Farrell et al., 2012). The organic approach is much more emergent, where an organization allows “growth plans [to] develop in response to changing internal pressures or demands” (p. 12).
CMOs: Emergence Within the Charter Movement and Defining Characteristics

Early on in what has now become known as the “charter school movement,”
many charter schools were the product of a collaborative effort between local
stakeholders such as teachers, parents, and community members, many of whom sought
to create an alternative quality choice to neighborhood or traditional public schools
(Farrell et al., 2012; Huerta & Zuckerman, 2009). In the subsequent 25 years, single-site
charter schools and operators have continued to innovate around methods for scaling
successful school models and organizational practices—both instructional and
operational—that support high levels of student achievement (Huerta & Zuckerman,
2009). The motivation for “think[ing] beyond the ‘one school-one community’ ideology
that dominated the first decade of the movement” (Farrell, Nayfack, Smith, Wohlstetter
& Wong, 2009, p. 3) was and continues to be driven by several critical factors. The speed
at which quality charters were opening and impacting children and families was far too
slow to have a true sector-wide, transformational effect (Farrell et al., 2012; Huerta &
Zuckerman, 2009). In tandem, charter leaders sought to be much more competitive with
traditional district schools and to enact reform not just via a single-site school, but also in
the broader communities that housed these sites (Farrell et al., 2009; Huerta &
Zuckerman, 2009). Additionally, operating a single site presented a number of
operational, facilities, and financial challenges, threatening the long-term sustainability of
a charter school. Thus, operating under such circumstances—in isolation—became
increasingly difficult for many charter schools (Farrell et al., 2009). These factors drove
the emergence and continue to drive the ongoing evolution of the CMO.
CMOs are still relatively new organizational/governance structures within the charter sector (Farrell et al., 2009; Farrell et al., 2012; Huerta & Zuckerman, 2009; Lake, Dusseault, Bowen, Demeritt, & Hill, 2010). In the early 2000s, as opportunities for replicating charter schools to obtain both federal and foundational funding continued to multiply, the New Schools Venture Fund coined the term CMO, primarily to designate the CMO as a nonprofit entity rather than the more common education management organization (EMO) (Farrell et al., 2012; Huerta & Zuckerman, 2009; Wohlstetter, Smith, & Farrell, 2013). Unlike their EMO counterparts, “CMOs . . . offer a way to replicate ‘what works’ in a school model without the demand of generating profits for shareholders” (Farrell et al., 2012, p. 6).

It is important to note that since, even at present, CMOs are continuing to evolve, there are varying definitions of the CMO and the role it plays in the charter movement (Farrell et al., 2012; Lake et al., 2010). According to Huerta and Zuckerman (2009), CMOs provide management oversight for networks comprised of several charter schools and are geographically situated in either a single region or state; in addition, CMOs develop, promote, and enforce a specific, common vision for instructional excellence and model for achieving student results across the multiple schools within their networks. Similarly, Farrell et al. (2012) and Wohlstetter et al. (2013) delineated four defining characteristics for CMOs:

1. CMOs are not-for-profit entities;
2. CMOs operate and manage several charter schools;
3. CMOs foster both a collective vision and approach to instruction; and
4. CMOs provide continuous support for their schools via a central office.
This final characteristic supports Huerta and Zuckerman’s (2009) argument that “[b]y organizing centrally, CMOs can leverage their size and resources to help charter school principals and teachers overcome the entrepreneurial challenges of building and sustaining new schools in the complex environment of public education” (p. 420). This particular study attempted to define CMO according to the four aforementioned characteristics.

Prior to CMOs, individual charter schools became singular pockets of success in relation to surrounding traditional district schools. Still, many early charter practitioners, especially the founders of some of the movement’s most successful schools, aspired to achieve change on a much larger scale at a much faster pace (Whitmire, 2016). In turn, the birth and accelerated growth of CMOs within the charter school movement stemmed from lack of “…the rapid, large-scale, systemic impact originally intended by charter reformers” (Farrell et al., 2015, p. 5). While the movement intended for systemic change to occur through single charter sites, authorized one by one, early practitioners began to brainstorm how to achieve better academic outcomes for more students and families (Whitmire, 2016). As a result, charter school laws across a variety of jurisdictions and states evolved, with strategic work and advocacy on the part of charter leaders at the time, to allow for the unanticipated establishment of the CMO.

Most prominently, with immediate scale in mind, Aspire Public Schools fought for the passing of a state law in California that allowed a group of charter schools to be governed by a single board of directors, transforming itself into the nation’s first CMO. In 2007, the California State Board of Education granted Aspire a “statewide benefit charter,” in effect allowing the CMO to open schools in any jurisdiction within the state
and *without* local approval (California Charter Schools Association, 2010). The law further detailed its stipulations for replication:

> The State Board of Education may authorize, under Education Code Section 47605.8, a five-year charter for the operation of a charter school that will “provide instructional services of statewide benefit that cannot be provided by a charter school operating in only one school district, or only in one county.” Statewide benefit charters must adhere to all other charter laws with the exception of geographic limitations. They must open at least two new sites/schools in different counties in areas with struggling schools. After the first two sites have operated for two years and met performance objectives, operators may open two additional sites each year. (California Charter Schools Association, 2010, p. 2)

This advancement in the law allowed the nation’s first CMO to pursue scale in an unprecedented manner.

In 2009, 10 years after Aspire Public Schools began operations (Farrell et al., 2012), CMOs had become a leader in opening and managing multiple school sites. According to Miron and Urschel (2010), 137 CMOs managed nearly 800 charter schools that educated over 200,000 students in 26 states. Other already successful CMOs such as Uncommon Schools, Achievement First, and Green Dot continue to pursue aggressive growth plans with the full support of philanthropic and foundational funding from organizations specifically dedicated to the support and expansion of charter schools, especially as incubators for public education innovation including the Gates Foundation, the Walton Foundation, the Broad Foundation, the Charter Schools Growth Fund, and the aforementioned New Schools Venture Fund (Farrell et al., 2012; Huerta & Zuckerman, 2009; Wohlstetter et al., 2013).

In addition to CMOs, or networks of schools, attracting numerous funding opportunities and, in turn, increasing the potential for long-term financial sustainability, the CMO structure itself has fostered a support structure that provides the type of
environment needed to create more than just one high-performing charter school. Ironically, the centralized (similar to traditional) public school district model that the large majority of CMOs enact is key to consistent academic results: that is, accountability for well-aligned instructional practices and fidelity to a particular academic/curricular program “[provide] charter leaders with the organization structure to build not just one school, but an entire charter school system” (Huerta & Zuckerman, 2009, p. 421).

The process of charter school replication, including the opening and expansion of CMOs, requires its own oversight and accountability parameters. While varying from state to state, each jurisdiction designates an authorizer or set of authorizers to provide governance for the opening, expansion, and, in some cases, even shuttering of charter schools and CMOs due to consistently low academic performance.

**Charter Replication and the Role of Authorizers**

The practice of authorizing charter schools is only 20 years old—about the same age as the inception of the charter sector itself (National Association of Charter School Authorizers [NACSA], 2012). A number of entities serve as authorizers, including local education agencies, most commonly traditional school districts; state education agencies; higher education institutions; not-for-profit organizations; and independent chartering boards (NACSA, 2012). Besides parent demand and the advocacy for expansion that charter schools and CMOs continue to enact, authorizers “have a tremendous opportunity to build portfolios of high performing schools” (NACSA, 2010, p. 1). Many sector leaders claim this prospect is a key lever to advancing the nation’s continued efforts to reform its public education system. In turn, replication has become a forceful sub-movement within the broader charter movement over the last several years. As
replication laws and policies have evolved, authorizers and charter schools/CMOs alike have seen a pathway to increasing their positive influence and have dramatically increased charter expansion activity in an unprecedented manner (NACSA, 2010).

According to the NACSA (2010), charter school replication is defined as “a package deal that includes all elements necessary to allow a freestanding charter school to reproduce its core features in a distinctly separate context” (p. 2). The same definition also applies to CMOs, where an executive leadership team, rather than a school leadership team, engages in the process of recreating its school program/model in a new context. At present, a number of states have laws that “[allow] school developers to open and operate more than one school under a single charter agreement awarded to a single entity with one corporate structure and a single board of directors” (NACSA, 2010, p. 4)—an agreement more commonly known as a replication charter. More specifically, this type of agreement allows the education organization to grow its academic model to scale by opening multiple campuses within the same jurisdiction or across several jurisdictions over a defined period of time, usually 3 to 5 years. This organizational expansion widens the charter organization’s positive impact as it grows to serve more students and families.

**Replication and Charter/CMO Consideration of External Factors**

In addition to parental/community demand, authorizers and charter schools/CMOs often consider a number of other *external* factors that directly influence the decisions of charter boards and executive leaders to scale, as well as authorizers’ decisions on whether or not to approve a charter replication request. These factors are briefly detailed in the following paragraphs. It is important to note that these factors are delineated here in

**Federal and state charter policy environment.** Broad, overarching federal policies often impact charters in both similar and different ways as compared with traditional district schools. The Elementary and Secondary Education Act (ESEA) (formerly No Child Left Behind [NCLB]) can support replication if the single-site school or schools in a smaller CMO are all meeting or exceeding performance indicators; however, these same policies can pose an obstacle to growth when a single-site school or some of the schools in a smaller CMO demonstrate inconsistent or poor academic results (Farrell et al., 2012). In these instances, single-site operators or CMOs invest time and resources in correcting mediocre performance rather than focusing on continuing or pursuing their designated replication plans.

Charter and CMO growth decisions, especially as related to geographic decisions (i.e., what states or regions to expand to), are often informed by how amenable a state’s charter laws and policies are (Farrell et al., 2009). Charter leaders consider not only the actual level of autonomy, but also processes that both support and hold charters and CMOs accountable, including appeals processes in the case of corrective action from the designated authorizer (Farrell et al., 2009). In addition, the cap on the number of charter schools in a certain region or jurisdiction is another factor that impacts the growth plan of a charter or CMO, as well as the per-pupil funding formula (Farrell et al., 2009).

**Authorizer context.** Since the authorizer provides direct accountability to charters and CMOs, the authorizer’s policies, as well as the number of authorizers available within a state, region, or jurisdiction, are critical factors for replication (Farrell
et al., 2009). Authorizers with sound policies and processes for new school application, approval, and opening are ideal, as are authorizing entities such as private institutions (i.e., local university) that do not have a competing interest throughout the authorization process (i.e., the local school district, whose schools are competing for the same financial and facilities resources and student enrollment) (Farrell et al., 2009).

**Market demand.** Once again, the “market demand” for new, high-quality public education in a specific state, region, or jurisdiction often dictates a charter’s or CMO’s growth trajectory (Farrell et al., 2009). In Farrell et al.’s interview with the leader of a large CMO, the executive simply stated: “Our CMO has grown in response to what the community and the parents have asked us to do. With this approach, we’ve ensured that students will show up the first day the school opens” (p. 20).

In addition, charters and CMOs often seek to align their growth decisions with the critical issues within traditional public schools, other than the quality of educational services, including the alleviation of school overcrowding. Several larger urban districts/authorizers, such as the Chicago Public Schools, continue to allow charters and CMOs to replicate in city neighborhoods where district schools are over-enrolled and class sizes have become too large.

**Potential funding opportunities and investor disposition.** Monetary incentives are offered by state and local jurisdictions as well as private organizations seeking to expand parent choice through the creation of portfolio districts that offer quality seats across different types of schools. Examples of these types of incentives include school start-up grants from the local school district, school expansion grants from the state education agency, and large multiyear grants from organizations such as the Gates
Foundation and New Schools Venture Fund. These incent a collaborative portfolio approach to education reform between the local traditional public schools and charter schools/CMOs in a specific jurisdiction.

Oftentimes, despite being nonprofit entities, scaling charters or CMOs can encounter pressure from private investors to expand the influence and impact of their dollars (even if they are not making a profit). If charters have garnered financial support in the form of bonds or other significant non-philanthropic investments, these financial entities may push for a charter’s or CMO’s expansion according to the entities’ interests, including increasing the reach of the school’s services or replicating in jurisdictions the school/CMO might not have originally considered.

**Political and community interests.** Political dynamics, including pressure from powerful stakeholders (e.g., mayors, city/town council members, etc.), are another significant external factor that shapes a charter’s or CMO’s plans for replication. While the National Resource Center for Charter School Finance and Governance champions the practice of charters lobbying for improved charter legislation that will positively impact schools and students, it also advises charters and CMOs to refrain from any type of political activity (Farrell et al., 2009). Still, charter school and CMO leaders must continue to know and understand their political landscape and ethically address pressures in order to continue to operate successfully. This can be especially challenging if the board or organizational leadership is any way affiliated with the jurisdiction’s key political players.

**Facilities.** The availability of low-cost/low-maintenance school-ready facilities is another key external factor. Unlike traditional public schools whose district governance
guarantees a physical plant for each campus, charters and CMOs must often pursue alternative means, including their own financing, to secure buildings that will house their schools (Farrell et al., 2009). These methods include cohabitating in a single facility with a district public school, renting a separate facility from the district itself or other private entities, or even engaging in the process of constructing a brand-new facility either on its own or with the support of limited public capital funding.

**Prospective partnerships.** Charters and CMOs are also intentional about considering potential partnerships when scaling (Farrell et al., 2009). Partnerships that build the capacity of the organization, such as those with local universities or institutions of learning, provide direct talent pipelines and ready access to research and resources to improve teaching and learning (Farrell et al., 2009). In addition, other partnerships can enhance a charter’s or CMO’s reputation; with additional credibility via such relationships, charters and CMOs can strategically expand the number of key allies needed to pursue an aggressive growth plan (Farrell et al., 2009).

Given the complexity of these factors and the competing interests they present, the decision to scale is not easy for charter and CMO boards and leaders to make. A number of organizational theories have cited how an organization survives by responding to exterior dynamics in the broader environment (Daft, 2008). More specifically, resource-dependent perspective theory details how an organization’s external environment is the “source of scarce and valued resources essential to organizational survival” (p. 158). This particular perspective characterizes the organizational reality for many charters and CMOs, whose outlook and potential for successful replication depend on the aforementioned external factors.
Replication and Charter/CMO Consideration of Internal Factors

While charters must carefully consider these issues outside of the organization, the researcher argues that it is equally, if not even more, important for charters to reflect on internal factors as well when considering replication. In order to answer the question “Are we ready to grow?”, charter and CMO leadership must become much more introspective, also evaluating several critical organizational components.

Mission and identity. Charters and CMOs contemplating replication need to ensure they have a clear, compelling mission in place. If an organization does not understand its identity—what it is, what it seeks to accomplish, and which population it seeks to serve—its leadership will likely face difficulty in managing the organization’s daily operations, let alone investing all stakeholders in a plan for the school/CMO to grow (Frumpkin et al., 2011). In addition to being a guiding beacon when external forces challenge the organization, a compelling mission also fuels the development of an organization’s values and broader culture—foundational elements that must be fully functional and in place for successful growth (Frumpkin et al., 2011). A clear mission also lays the groundwork for the school/CMO to develop clear non-negotiables for the team—an unwavering programmatic and operational framework within which replication can take place (Farrell et al., 2009). Additional research has strongly suggested that schools and CMOs looking to replicate design or update their mission in such a way that actually shapes the course for the organization’s future growth and provides clear organization direction (Farrell et al., 2009).

Board governance and organizational structure. High-quality board governance continues to be a challenge for charters and CMOs across the sector. In order
to grow, schools and CMOs need to ensure their boards are sustainable by ensuring effective board composition and providing proper training for all board members in their respective areas of responsibility (Butler, Smith, & Wohlstetter, 2008). Schools and CMOs must also work to ensure that sustainable governance is accompanied by sound, sustainable organizational structure. According to Higgins and Hess (2009), “[w]ise growth begins with smart organizing” (p. 10). More successful replication charters tend to steer clear of completely bureaucratic, corporate, or cooperative structures and instead gravitate toward the clan organizational model (Higgins & Hess, 2009). Organizations adopting this structure are “highly stable, elite . . . [and also] have low formal centralization with empowered principals and teachers” (p. 10). Even within this model are clear systems for accountability, communication, and decision making, whose effectiveness is bolstered by “intense employee commitment, strong organizational culture, and superb quality control” (p. 10).

Finance. Another internal component critical to the type of organizational stability that prepares a charter school/CMO for replication is its finances and operations. Growth can eventually become a source of financial security, allowing the organization to utilize economies of scale to its advantage (more schools equate with an increase in per-pupil revenue from local and/or state education agencies). However, schools and CMOs need to create a diverse funding portfolio of strategies that is aligned with its replication goals (Aldeman, Carey, Dillon, Rotherham, & Tucker, 2009; Farrell et al., 2009). A school’s/CMO’s financial savvy—including its ability to create cost savings—is directly tied to its ability to invest strategically in the development of operational systems that are well-equipped to support a growing network of schools (Aldeman et al., 2009;
Farrell et al., 2012). More specifically, “[l]ack of systems is a barrier to the growth of the best charter operators, but the obstacle is primarily financial: finding enough funding to build systems for handling student data, instructional content, human resources, and a range of financial and back office operations” (Hassel, Hassel, & Ableidinger, 2011, p. 27). Efficient back-of-the-house operations allow board and executive leadership to remain focused on academic outcomes and continue the creation of new campuses (Aldeman et al., 2009; Farrell et al., 2012).

**Academic model and program.** Schools and CMOs must ensure that their academic program and school model have a proven track record before attempting replication (Lake, 2007). A quality model should contain clearly defined frameworks for curriculum, instruction, assessment, and ongoing professional development for teachers (Lake, 2007; New Schools Venture Fund, 2006). Without this clear definition, often enacted as a set of non-negotiables and operation systems, the school/CMO will likely find it difficult to replicate its academic program with fidelity across more than one school (Lake, 2007). This fuels a decline in quality as growth increases—the exact opposite of the desired outcome for replication, which is to produce high student achievement at scale (Lake, 2007; New Schools Venture Fund, 2006).

**Human capital.** In order to replicate successfully, schools and CMOs also need top talent, especially for principal and teacher positions (Farrell, Nayfack, Smith, Wohlstetter, & Wong, 2013). A number of researchers in the field have indicated that human capital is one of the primary drivers beyond the pace at which a charter expands; in fact, the better the talent, the more accelerated the organization’s growth (Farrell et al., 2013; Higgins & Hess, 2009). Assessing the current state of the organization’s human
capital potential certainly includes evaluating current and future pipelines for recruitment with external partners. However, in keeping with internal reflection, schools and CMOs should also determine the level of talent within and develop strategies to cultivate that talent (Farrell et al., 2013). Promoting qualified instructional and operational leaders from within saves both time and money when it comes to organizational induction and indoctrination, and these resources are better spent on other means for driving replication forward (Farrell et al., 2013).

**The Need for Internal Organizational Assessment and Consideration of Critical External Factors When Considering Replication**

Educational Leadership Constituent Council (ELCC) Standards 3 and 5 require district leaders to manage their organizations both efficiently and ethically, for the good of all students and the district’s entire learning community. Charters do not adhere to this charge when they scale without proper internal assessments and preparations. In fact, charters demonstrate extreme educational irresponsibility by choosing a “We’ll figure it out as we go along approach”—or an emergent approach—which puts children and youth at even more risk than they already are in the current high-stakes environment of public education.

**Purpose.** The purpose of this study was to produce an organizational assessment tool, entitled *Ready to Scale: A Readiness Assessment Tool for Charter Schools and Charter Management Organizations*, that will assist charters and CMOs in answering the question “Are we ready to grow?” The product itself is a workbook with a protocol that charter organizations should utilize to evaluate their organizations internally, as well as the environment in which their organizations are situated. The internal factors for
consideration are: (a) The “Why,” (b) Organizational Identity, (c) Human Capital, (d) Board Governance, (e) Fiscal Health, (f) Infrastructure, and (g) Growth Mindset and Strategy. The external factors are: (a) Need and Demand; (b) Funding; (c) Facilities; (d) Political Context, Policy, and Climate; (e) Parent and Community Relations; and (f) Collaboration and Competition Inside and Outside the Sector. If a charter or CMO is adequately prepared (organizationally healthy with favorable environmental factors in place) to grow, this strengthens the chances for successful replication, during which the quality of student outcomes is not undermined by the increasing quantity of campuses.

**Target Audience**

The target audience for this research and the assessment tool produced consists of the following individuals: leaders at the executive and senior management levels of: (a) single campus charters (again, referred to as “charters” throughout the study) and (b) smaller CMOs (organizations that operate/manage either one or two schools). A number of these leaders work across the country in a variety of contexts, including urban, suburban, and rural environments.

**Research Questions**

This study and the development of the *Ready to Scale* assessment tool were grounded in three primary research questions:

1. To what extent do charter school and charter management organization leaders value the notion of “readiness” when growing to scale?
2. Which internal organizational components and external factors have the greatest impact on a charter school’s or charter management organization’s readiness for replication?

3. How do we define proficiency in those internal organizational components and optimality in those external factors that are crucial in determining a charter’s/CMO’s readiness to scale?

**Organization of the Study**

This study is comprised of five chapters.

Chapter I – Introduction: This chapter provided critical introductory information and important context for understanding charter replication, as well as the demonstrated need for the product, the purpose of the study, the target audience for whom the study and product are intended, the research questions that shaped the study and the product’s development, and additional background information that prepares the reader for a review of the literature.

Chapter II – Literature Review: This chapter comprehensively reviews the small body of relevant research and literature that currently exists on charter and CMO preparedness to grow to scale. This review considers the following areas: (a) mission, mission management, and organizational identity; (b) quality board governance; (c) financially sustainable charter schools and CMOs; (d) replicating school models and maintaining school quality; (e) human capital challenges and opportunities; (f) federal and state charter policy environment; (g) authorizer context; (h) market demand; (i) funding opportunities and investor disposition; (j) political and community interests;
(k) facilities; (l) prospective partnerships, (m) prevalent causes for failed charters and CMO replicators; and (n) general principles of organizational health and assessment.

Chapter III – Research Methodology: This chapter describes the qualitative research approach to this study and details the methods that were used not only to conduct research, but also to develop and validate *Ready to Scale: A Readiness Assessment Tool for Charter Schools and Charter Management Organizations*.

Chapter IV – Findings and Analysis: This chapter provides an overview of the research results, highlighting major themes and findings as well as an analysis of the product validation survey, expert panel validation, and how the survey results and panel feedback assisted the researcher in refining *Ready to Scale*.

Chapter V – Validated Product: This final chapter presents the final, complete version of *Ready to Scale: A Readiness Assessment Tool for Charter Schools and Charter Management Organizations*. Charters and CMOs that utilize this tool will be able to effectively assess those internal organizational components and those external factors whose proficiency and optimality are critical for successful pursuit of scaling efforts. The study’s implications on the charter sector are also discussed, and recommendations for future research and studies are offered.

**Conclusion**

Parents continue to “vote with their feet” as they enroll their children in charter schools in the hopes of receiving a better product than they would at their neighborhood traditional public school. This demand has led to the rapid growth of the country’s charter sector, with charter schools projected to serve 26 million students across the nation by
2025 (Hassel et al., 2011). This external pressure to grow has prompted many charters and CMOs to pursue hasty replication. While authorizing entities are responsible for approving charter expansion, policies and standards for replication vary from state to state and have led to inconsistencies in authorizing practices. As such, charters and CMOs should not rely solely on external guidance or allow only external factors to control the decision to grow their organizations to scale.

By using the growth readiness assessment tool produced as a result of this study, charters and CMOs can take control of their growth trajectories, conduct a thorough internal evaluation to assess their organizational health, evaluate thoroughly the external landscape and, in turn, their own readiness to expand. More specifically, this evaluation will help charters and CMOs gather and analyze the types of evidence and data necessary to determine proficiency in those major organizational components that have the greatest impact on an organization’s capacity to grow. As well, it will determine the optimality of those external environmental components that also deeply and directly affect an organization’s growth trajectory. The more prepared charters and CMOs are from an organizational health perspective and a risk-assessment perspective regarding external factors, the more likely the charter/CMO can increase the quantity of schools it operates without sacrificing quality.
Chapter II

REVIEW OF LITERATURE

Recent research has provided the basis for the present study’s claim that charters must be “organizationally healthy” in specific internal areas in order to scale their models successfully. While the experiences of already established CMOs provide a case for the key role that external factors play in influencing and shaping replication, a small body of literature has suggested that specific internal factors have a significant impact on a charter’s ability to both grow and strive to become better.

Sutton and Rao (2014), experts in the field of scaling organizations especially in the private sector, asserted that while “replication and repeatability will always be part of the scaling equation . . . effective scaling isn’t simply a matter of running up the numbers by replicating the same old magic again and again” (p. xiii). Instead, organizations and companies that scale successfully must be intentional as they seek to “spread and sustain excellence” and must always possess an urgency to innovate or, in other words, to improve continuously while increasing their size and impact (Sutton & Rao, 2014). This notion is especially critical for charter organizations: the more campuses they open, the greater the risk that the quality of teaching and learning will decline, sometimes very rapidly. Charter organization leaders who reflect on and assess in depth the organizational components defined in the following sections can become a preventative
measure to ensure that their “product”—student achievement—will be optimized as they pursue “intentional evolution” and increase the number of students served (Kahan, 2010). The organizational components discussed in the following sections are also represented in this study’s conceptual framework (Version 1), which the researcher further details at the end of this chapter.

**Internal Factors That Potentially Impact Growth**

**Mission, Mission Management, and Organizational Identity**

On a broader level, a mission is a “clarion call” or an agenda that signals the values and aspirations of an organization (Frumpkin et al., 2011; Minkoff & Powell, 2006). It is difficult to imagine any type of charter school or organization, including a CMO, without a mission. Charters are often founded on the premise that the educational services they will deliver will serve an even broader purpose: improving a community and the lives of its residents, uniting a community divided over specific issues through a high-quality academic program, or even changing the trajectory of a community that is facing specific challenges. Whatever the vision for the CMO, it should be crafted in such a way that it provides coherent direction for the entire learning community, including a clear instructional and curricular approach (Frumpkin et al., 2011). Frumpkin et al. asserted that the key to a successful mission is that it is never seen as completely fulfilled or absolute. Rather, it becomes a “constitution of sorts and a basis for decision making when the school [or organization] faces unforeseen circumstances and crisis” (p. 7). This use of mission—or mission management—prepares an organization to be flexible: a key characteristic of organizations that contemplate a growth trajectory (Farrell et al., 2009;
Frumpkin et al., 2011). This internal component is designated in the study’s conceptual framework (Version 1) as “Mission and Identity”.

Effective charter organization missions have several common components.

According to Frumpkin et al. (2011):

A mission begins with a statement of general values. These values explain the orientation of the school and provide an underlying coherence to various aspects of school operation, including curriculum, administration, and people’s dealings with one another. Many charter schools are founded to realize a particular educational vision, but all charter schools need a mission that defines an educational approach—a plan for how students will learn. At a discipline-focused school, learning might emphasize student drills, hard work, and frequent student assemblies. A more open school might adopt a progressive or constructivist approach. Other charter schools could take a technology-based tone, emphasizing computer literacy. A mission also identifies the target student population. This means limiting the school to certain grade levels and identifying a pool of potential students: Does this charter school plan to concentrate on at-risk youths, students for whom English is a second language, or students returning to school after having dropped out? (pp. 5-6)

Further, an effective and, more importantly, clear mission also establishes the CMO’s organizational identity. According to Farrell et al. (2009), a CMO’s clear communication of its identity leads to the formation of its brand. Ensuring that all internal stakeholders—current school leadership/staff and newly recruited staff—understand the brand guarantees a consistent level of quality as the organization grows (Farrell et al., 2009). Solidifying the brand is also a preventative measure, decreasing the chances that the organization’s vision and mission will be diluted and increasing a sense of cohesive community as new employees join the team (Farrell et al., 2009). This course of action should dovetail with the practice of ensuring brand consistency across every campus in the CMO. All internal actions (e.g., messaging, regular written communication, individual conversations between team members and CMO leadership) should emulate the organization’s mission and brand (Farrell et al., 2009). CMO leadership should
continue to reflect on critical questions regarding the mission and brand of the organization, including, “Do our actions and messaging as CMO leaders ensure that staff across schools are developing a sense of belonging and internal stakeholder interest in the fulfillment of our vision and the preservation of our brand?”

Growing to scale or “scaling up” is often a longer-term, transformational, and significant process that will present a number of challenges to the organization’s mission and intentions (Frumpkin et al., 2011; Kahan, 2010). However, Kahan argued that:

At the center of [any] dramatic growth is [the] organization’s mission. It will guide every choice that is made, both strategic and tactical, as [it] scales up to deliver broader and deeper impact. It must be clearly understood and stated explicitly as the [organization’s] compass. This is especially true in times of stress or when tough decisions are called for. (p. 2)

The act of scaling up is directly tied to a charter organization’s positioning within its organizational life cycle (Frumpkin et al., 2011; Minkoff & Powell, 2006). Frumpkin et al. (2011) claimed that of the three stages of organization specific to charters—the startup phase, the expansion phase, and the institutionalization phase—it is during the expansion phase that the mission is often most critical. During expansion, the process of mission creep or mission drift causes an organization to stray from its original purpose and values for the sake of achieving the goal of either growing larger or surviving the external or governance-related obstacles often faced during a scale-up. This process threatens the charter organization’s overall direction (Frumpkin et al., 2011; Minkoff & Powell, 2006). An excerpt demonstrating this process comes from Minkoff and Powell’s (2006) interview with an organizational leader who pursued new and innovative methods to increase revenue in order to generate funds to expand to another region:

You get in a financial situation like we are, and you tell yourselves it’s okay to change our mission somewhat to include the possibility of operating a for-profit
grocery store to generate some revenues. So then the mission changes and the reason why the agency was originally started has gotten watered down. You learn that you’ve changed the whole nature of the organization without really knowing it, and the mission has become much more diffuse. It happens a lot, it’s very seductive. (p. 592)

These claims, however, should not go so far as to suggest that a charter’s mission become totally inflexible. In fact, “managing the mission of a charter school requires a willingness to never view the mission as immutable or every fully completed” (Frumpkin et al., 2011, p. 7). While always providing clear expectations for all stakeholders regarding the academic, curricular, and character education experience students and families will receive, leadership must ensure that the mission not become ossified over time (Frumpkin et al., 2011). In fact, “mission management by its very nature must assume that refinement and improvement are both possible and desirable” (p. 7).

It is important to note the authorizer’s expectation regarding a charter organization’s mission, especially because the organization has to be prepared to obtain the authorizer’s approval for replication. While student achievement (both growth and attainment) are critical factors in an authorizer’s decision for charter expansion, so too is the organization’s accomplishment of mission-specific goals (NACSA, 2013). These types of goals are often characteristic of charter organizations that seek unique outcomes or whose mission has established a less common model for educating students (i.e., dual language immersion, alternative education, virtual charter school, etc.) (NACSA, 2013). In turn, a significant part of mission management, especially during replication/expansion, is ensuring that clear non-negotiables are established and adequate resources are provided to fulfill this portion of the mission.
Quality Board Governance

High-quality board governance continues to be a challenge for single-campus charter schools and CMOs across the sector. However, the charter concept, grounded in site-based decision making and autonomy around curriculum and instruction, also provides a means for education leaders to reform traditional school governance structures in order to achieve better outcomes for students (Smith, Wohlstetter, & Brewer, 2007). In order to grow to desired scale, charter organizations need to ensure their boards are sustainable by enacting effective board composition and providing the proper training for all board members in their respective areas of responsibility (Butler et al., 2008).

Oversight via a board of directors is especially critical as “[m]ost charter schools fail for non-academic reasons such as operational mismanagement and financial difficulties. Creating an effective organizational structure is critical to charter schools’ survival and success” (Smith et al., 2007, p. 17). This internal component is designated in the study’s conceptual framework (Version 1) as “Board Governance”.

According to the national not-for-profit organization Charter Board Partners (CBP) (2014), which specializes in assisting charters and CMOs in building high-quality governance structures, Best Practices in charter school and CMO board governance are grounded in several standards:

- **Standard 1 - Focus Relentlessly on Student Achievement**: Charter boards must both take ownership of and regularly evaluate progress through use of sound data and evidence.

- **Standard 2 – Recruit and Retain Exceptional Leaders**: Whether a school leader or executive director at a single campus charter, or an executive officer at a
CMO, charter boards must recruit, hire, and partner collaboratively with charter leadership to execute upon mission and key strategies, as well as develop clear expectations for performance and methods for holding these leaders accountable.

- **Standard 3 – Invest in Exemplary Governance**: Charter boards must develop effective strategies for recruiting and engaging competent directors with a wide range of skills and implement a structure for its own effective operation of meetings and fulfilling its own goals and objectives.

- **Standard 4 – Act Strategically and Hold the Board Accountable**: Charter boards must avoid micromanagement of day-to-day operations and instead lead the development and implementation of a strategic plan and hold itself accountable for performance against this plan.

- **Standard 5 – Raise and Use Resources Wisely**: Charter boards must align the management of all resources in alignment with strategic priorities and determine a variety of methods for which directors can contribute to the organization’s long-term financial viability.

- **Standard 6 – Commit Steadfastly to Legal and Regulator Compliance**: Charter boards must be proactive in managing risk for the organization, while also remaining compliant with authorizer regulations.

These Best Practices frame the review of the existing research on quality charter as well as general school board governance that follows.
Student Achievement

The relationship between the board’s actions and its charter school’s performance in the realm of student achievement seems nebulous at first. In fact, when it comes to the structure of most school boards—whether public charter, public traditional, or private—very few members actually have educational expertise (Butler et al., 2008; Smith et al., 2007). Moreover, while some charter boards allow school leaders or even teachers to be board members, many boards often struggle with understanding how student achievement is measured, let alone setting realistic but academic expectations for charter and CMO leadership (Butler et al., 2008; Smith et al., 2007). This common occurrence hinders the board’s ability to take the ownership and execute the accountability called for by Standard 1 of CBP’s best board practices.

While boards are responsible for providing oversight and claiming ownership for school and student outcomes, it is often charter and CMO leadership that must proactively close the gap of understanding around student achievement for its board of directors—both what it consists of and how it is measured (Drucker, 1990; Eadie, 2003; Marzano & Waters, 2009). Charter and CMO leadership must educate board directors on specific indicators of student achievement—those that are required by federal and state regulations (i.e., state exams, National Association of Education Progress [NEAP] testing, etc.) as well as the internal means for assessing growth and attainment (i.e., charter-specific interim benchmark assessments, etc.), especially in critical subjects like Math and Reading (Eadie, 2003). Once board members possess comprehensive knowledge of these indicators, they can work closely with charter/CMO leadership to execute effective “governance-management” by developing and prioritizing the strategic
goals/actions and policies that shape both non-negotiables for instruction and achievement (Eadie, 2003; Marzano & Waters, 2009). While it may not be at the top of many charter board agendas, the board of directors has the authority to influence the formation of the types of policies holding teachers and students not only to high academic expectations, but also to rigorous instructional classroom practices, while maintaining the school and charter executive autonomy necessary to make day-to-day operational decisions tailored to students’ needs (Marzano & Waters, 2009; Washington State School Directors’ Association, 2014). Furthermore, board members can also begin to put together a framework for determining the methods and cycle/timeline they will utilize to evaluate student progress regularly. The accountability and transparency created by these actions further build the credibility of both the board and the charter/CMO leadership it is responsible for supervising (National Consensus Panel on Charter School Operational Quality, 2009). In turn, with the proper collaborative planning with charter/CMO leadership, charter boards of directors can actively take part in contributing to the continued growth of students, even when an organization is undergoing change, such as replicating its academic model across multiple campuses and increasing the size of its overall operations.

**Hiring and Retaining Exceptional Leaders**

Charter and CMO boards tend to be structured in one of three ways: (a) school committee or council composed of parents, teachers, and others; (b) owner/operator, either for-profit or nonprofit foundation, with or without a formal board committee; and (c) a board of directors with a structure of officers, by-laws, and delegation of management to a principal, chief administrator or chief executive officer, or a head of
school (Grignano, 1999). The last structure, which is similar to that of traditional public school boards as well as board governance in the private and not-for-profit sectors, is considered a best practice, according to the CBP (2014). With this structure, it is the board’s responsibility to hire either a single campus leader/executive director or an executive officer for the CMO. Boards encounter several common challenges when looking for the right leader that are directly linked to their actual mismanagement of the recruitment and selection process. Often, boards will engage in the following practices which limit their ability to attract the best candidates: “[1] Failing to determine and understand the needs of the school or CMO; [2] Casting too narrow of a net, especially in the geographic sense; and [3] allocating inadequate time and funding to the search, as typical executive searches often require upwards of $100,000” (American Institute of Research, 2012, p. 5). Boards are also notorious for the mis-structuring and mismanagement of the leader hiring committee, which leads to poor decision making through the following actions:

1. Disregarding relevant data during the hiring process, such as candidates’ previous track records of student and school achievement in previous roles;
2. Overlooking selection criteria and standards that are aligned with school or CMO goals;
3. Failing to clarify roles and responsibilities within the committee itself; and
4. Hiring for just the position [in the case of school leaders], and not the organization, as school leaders are often asked to lead projects and initiatives at a higher, broader level. (American Institute of Research, 2012, pp. 5-6)

Bringing the right leader or executive into the organization requires rigorous reflection and decision making on behalf of the board and consists of several key practices, including but not limited to establishing consistent criteria based on the charter school’s or CMO’s needs and goals, conducting an anonymous review of applications, and having finalist candidates visit schools within the organization so the hiring
committee can assess the candidate’s goodness of fit for the organization’s context and environment (American Institute of Research, 2012). When the right leader or executive has been brought in, the board’s work does not end: it must establish clear expectations regarding performance monitoring as well as evaluation, both formative throughout the year and summative as an annual occurrence (National Consensus Panel on Charter School Operational Quality, 2009).

**Exemplary Governance**

Recruiting top talent for charter and CMO leadership is challenging enough for boards of directors. As for the composition of the board itself, the same dilemma often applies. Charters and CMOs not only struggle with recruiting directors who are familiar with the public education sector, but also find it challenging to successfully secure directors with general board governance experience (Butler et al., 2008; Grignano, 1999; Smith et al., 2007). Board leaders must ensure that they attract and retain directors with the appropriate technical competencies, especially in the areas of finance, management, and administration, as well as with tight mission and values-alignment (Butler et al., 2008; Eadie, 2003; Grignano, 1999). It is often difficult to pinpoint talented leaders who have the time, desire, and stamina necessary to manage through the change that a growing charter/CMO is pursuing. In addition, the policy and political environment for charters continues to become increasingly complex, as do the internal politics of many charter/CMO boards. These are sometimes plagued by competing individual interests, especially when there is confusion about roles and responsibilities or deliverables with a corresponding timeline for board directors (Butler et al., 2008; Grignano, 1999; Smith et al., 2007). Some research has suggested that in order to alleviate the issue of onboarding
qualified people, local charter authorizers should appoint board directors or at least assist in creating a qualified pool of potential candidates (Butler et al., 2008). Other experts in the field have argued that this practice directly conflicts with the spirit of charters, which seek autonomy from the political and nepotistic patronage of traditional school district governance (CBP, 2014). While this patronage can and does exist in charter and CMO boards regardless of which board members join the organization, charter and CMO leadership is fundamental in driving the board to be as positively impactful as possible.

Once again, charter and CMO leadership must closely partner with board leadership to drive the development of a streamlined system that will support the board in operating effectively (CBP, 2014; Eadie, 2003). Smith et al. (2007) went so far as to suggest that such collaboration results in actual individual and collective training via either an internal or external source for board members, especially in the areas of bylaw compliance, fiscal oversight, and fundraising (Grignano, 1999). Perhaps even more importantly, charter and CMO leadership should invest a significant amount of time in building out a formal, comprehensive program for board partnership (Eadie, 2003). In other words, organizational leadership needs to “manage up” effectively to the board by developing a division of labor and a committee structure that turn planned priorities into actions and, thus, create a board that provides oversight (a traditional approach to governance) and positively benefits the organization and its current and future plans for growth (Eadie, 2003). Training and preparation of board members at the onset of their tenure with the charter or CMO are also preventative measures for board oversight issues, which can lead to school/CMO failure and even closure (Butler et al., 2008).
Strategic Thinking and Accountability for the Board

Charter and CMO boards must avoid another pitfall in practice—over-involvement in the day-to-day operations of and programmatic implementation within the school or CMO (Eadie, 2003; Grignano, 1999). Rather, boards must always plan and execute strategically, both in the traditional sense (formulating a strategic plan) and in a broader sense (consistently thinking strategically outside the formal planning process) (Grignano, 1999). The strategic planning process, especially for schools, consists of several steps. Assuming that mission and vision exist, conducting a needs analysis is key for understanding the organization’s strengths and areas for improvement and ensuring alignment between the strategic priorities or goals it will create over the course of the next 3 to 5 years (Eadie, 2003; Grignano, 1999). From there, the board must establish not only the strategies or overarching methods to accomplish its goals, but also the objectives or annual action plan to implement strategies and set timelines for evaluating progress against these goals and objectives (Eadie, 2003; Grignano, 1999). Frumpkin et al. (2011) argued that the systematic use of the balanced scorecard is a method of tracking key quantitative metrics and qualitative indicators commonly used in the private sector; it is also one of the most effective ways the board can hold itself accountable to strategic goals and objectives. Important to keep in mind is that annual board evaluation, which differs from regular progress monitoring via the balanced scorecard, is best executed every 2 to 3 years: according to Schlesinger (as cited in DeHoff, 2011), “Board self-assessment is too comprehensive of a process to be carried out every year. Performance assessment can be particularly useful just before the board engages in strategic planning or prepares for a major campaign [or] after a major crisis” (p. 336).
In formulating a board that is well equipped to think and act strategically, board and school/CMO leadership should consider providing additional training to transform board members into visionary strategic thinkers who embody and emulate several important character traits: board members ought to be (or be open to developing in such a way that they become) forward-thinking, entrepreneurial systems-thinkers who are inclined to take (calculated) risks and communicate effectively (Grignano, 1999). Board members must also be keenly aware that the lens through which they strategically think and execute reflects not only the context of the charter school/CMO nonprofit but also the public sector, because of the public funding the organization receives to educate students (Butler et al., 2008). Awareness and understanding of this dual identity of the charter school or CMO can better prepare directors to strategize through the complicated issues that this duality often triggers related to governance. These prepared directors can then also fit more effectively into the broader public education context and relationships with external partners/authority figures, such as the authorizer (the state-recognized local education agency or school district, etc.); government entities (i.e., the mayor’s office, the city council, etc.); and funders (i.e., investors, private foundations, etc.) (Grignano, 1999).

**Resource Allocation and Fiscal Management**

Charter and CMO boards must also provide careful oversight and accountability for the allocation of resources and general fiscal health (Frumpkin et al., 2011; Grignano, 1999; NACSA, 2013). Allocations and/or spending should be aligned with the organization’s strategic priorities, emphasizing a direct link between spending and students at the classroom and building level (Frumpkin et al., 2011; NACSA, 2013).
Regarding fiscal health, management and oversight are twofold: board members must consider “near-term” measures and long-term sustainability measures (NACSA, 2013). Near-term measures include “current ratio (assets divided by liabilities),” cash balances, the impact of enrollment fluctuation on revenue (since students are often transient during the school year), and any default issues regarding debts to lenders or creditors (Frumpkin et al., 2011; NACSA, 2013). Sustainability measures include “total margin (net income divided by total revenue),” the ratio between debt and assets, “cash flow,” and debt service (Frumpkin et al., 2011; NACSA, 2013). Information from annual and more frequently occurring audits, as well as quarterly and monthly financial statements, are the best means by which the board can review both near-term and long-term metrics that are indicators of fiscal health (Asae, 2009; NACSA, 2013).

Board members must also realize the importance of creating clear goals, along with a clear structure and strategy, for fundraising (Grignon, 1999; New York City Center for Charter School Excellence, 2006). A diverse board should have an extensive network that enables access to a variety of financial resources; monetary and in-kind support should come from a number of different types of donors, partners, companies, and organizations (Grignon, 1999; New York City Center for Charter School Excellence, 2006). Board members should also organize themselves in such a way that they either directly engage in grant writing or support a member of the organization’s staff in this particular funding stream (Grignon, 1999; New York City Center for Charter School Excellence, 2006).
Legal Oversight and Compliance Monitoring

Members of a charter school or CMO board are the ethical and legal stewards of the organization (Frumpkin et al., 2011; Grignano, 1999). Oversight related to legal matters and compliance with the authorizer’s regulations varies from charter to charter depending on state and local policies; however, most boards provide oversight in the following areas under the legal and regulatory umbrella: “(1) Corporate law, internal policies, and procedures and contracts with third parties; (2) Local, state, and federal laws and regulations; and (3) Risk management” (Grignano, as cited in DeHoff, 2011). Additionally, as is standard across corporate law for 501(c)(3) organizations, all board members must adhere to and exhibit the duties of care as an advocate for and champion of the organization, obedience as a means of compliance with all rules and regulations, and loyalty to the organization as it makes decisions in the best interest of the students and families that the charter school/CMO serves (CBP, 2014; Grignano, 1999).

These six standards for quality charter governance should support the board as it seeks to make strategic decisions about the type of organizational structure that will produce the best outcomes for students. While the pioneers of the charter movement first began the work of creating an alternative choice to traditional school options available to families, they likely imagined small learning communities in intimate school settings. However, with single-campus charters seeking to replicate and smaller CMOs ambitiously planning to expand the number of campuses in the networks they support in what seems like a relatively short span of time (a few years at most), organizational structure—especially through the lens of teaching and learning quality—becomes a challenge.
Research from the National Study of Charter Management Organization (CMO) Effectiveness (Lake et al., 2010) framed organizational structure as a spectrum of autonomy along which single-campus schools and CMOs move, depending on the authority and oversight of the organization’s central office and the range of site-based decision making afforded directly to individual school leaders and their teams. There is a cause-and-effect relationship between quality board governance and effective school/executive management. The relationship is to be collaborative and strategic rather than characterized by micromanagement, and often the stronger the strategic collaboration is, the better the performance of the school/executive management is. As for school administrators and CMO senior leadership, more detailed oversight and direction (not necessarily micromanagement) tend to come into play as most of these leaders lean toward a “prescriptive” approach rather than a “permissive” one (Lake et al., 2010). The prescriptive approach provides detailed directives across a school or network of schools, with all teachers/teacher teams utilizing the same curriculum, instructional resources, interim assessments, social-emotional learning strategies, and systems for behavior management and discipline; the permissive approach allows individual sites the freedom to choose how to teach and what resources to use (not necessarily what to teach, since the curricular scope and sequence are fundamental to a charter’s/CMO’s academic model) (Lake et al., 2010). Charter and CMO boards have the authority and responsibility to influence and advise upon organizational structure—the continuum of autonomy for site-based decision making—as needed, and they often base their decision making on performance data and desired results (Marzano & Waters, 2009).
Financially Sustainable Charter Schools and CMOs

The Financial Risks and Benefits of Growing to Scale

The public perception that charters steal students and, in turn, money that rightfully belongs to traditional public schools in the local district or jurisdiction is gravely incorrect. Charters open doors to some of the most significantly behind students, yet the irony is that local policy already puts charters behind financially—at a deficit (Aldeman et al., 2009; Frumpkin et al., 2011). Obstacles include a reduced amount of state revenue, a reduced amount of facilities funding, and increased restrictions on spending at the mercy of local politics and anti-charter interests (Frumpkin et al., 2011). As Frumpkin et al. noted, “According to the Center for Education Reform, charter schools across the United States receive state funding at only 61 percent of the amount received by their district counterparts, averaging $6,585 per pupil compared to $10,771 per pupil at conventional district public schools” (p. 115).

With less coming in, charters carry a heavy financial burden as their operations costs become ironically greater—lack of cost sharing for back-office operational support that exists in traditional systems; increased fixed costs since most charter philosophies believe in smaller class sizes for better academic results (charters actually lose money on small schools); a demand for wraparound services given the immense needs of serving an already severely underserved population; and higher legal expenditures to navigate unfavorable legislation, negative press, and lawsuits (Aldeman et al., 2009; Frumpkin et al., 2011). Charters also miss out on special subsidies for capital money to build new facilities, student transportation, and ELL and special education (Aldeman et al., 2009; Frumpkin et al., 2011). Ongoing financial challenges and continuous unknowns driven by
inequities in state policy and the instability and hostility of the local political landscape leave charters and CMOs searching for answers to the financial sustainability question. This issue of financial sustainability and the following discussion regarding charter school finance comprise the internal component that is designated in the study’s conceptual framework (Version 1) as “Finance”.

One of the top solutions for developing long-term financial viability is to grow to scale, to replicate the number of campuses in order to increase the number of students and, in turn, the amount of per-pupil funding received. This then can greatly increase a charter’s or CMO’s ability to cover overhead operating costs, pay for capital improvements, and even offer competitive compensation for teachers (Farrell et al., 2009; Frumpkin et al., 2011; Wohlstetter, Smith, Farrell, Hentschke, & Hirman, 2011). The long-term planning for growing to scale over the course of 7 to 10 years is inherently risky, as the charter or CMO takes on significant debt or practically usurps what little cash reserves it has to open more campuses and creates a central office that supports the growing network in implementing the academic program and day-to-day school operations between the third and fifth years (Aldeman et al., 2009).

This model/action plan assumes that funds spent on all the start-up costs can be recovered via aggressive fundraising and the courting of corporate and individual donors between the fourth and sixth years (Aldeman et al., 2009). In Years 5 through 7, the addition of even more campuses, while still spending as leanly as possible per student, assumes that all schools combined will finally, for the very first time, yield a cash surplus. After the seventh year, the network of schools generates an even greater positive cash flow; overhead operating costs, including the central office, are less than 10% of the
organization’s total revenue, and minimal fees charged to students’ families pay for the cost of opening any additional new campuses or expanding operational, plant-related, or information technology infrastructure (Aldeman et al., 2009). Current practice includes the pursuit/receipt of funds from several sources, including federal, state, local LEA, and school sites—sources that are governmental (Wohlstetter et al., 2011).

**Major Funding Streams in Charter School Finance**

Several reports and peer-reviewed research articles have indicated that charters and CMOs have sought significant support and are sometimes over-reliant on philanthropic funds (Farrell et al., 2011; Frumpkin et al., 2011; Wohlstetter et al., 2011). With “[a]t least 9 of these CMOs spend[ing] more than $1,000 per pupil beyond the amounts allocated from public sources and four CMOs spend[ing] more than $4,000 per pupil more” (Lake, Bowen, Demeritt, & Hill, 2012, p. 19), the significant dependence on private monies to supplement the often inequitable per-pupil amount received from the state or local LEA is justified. In fact, the primary funding source for replication and expansion for charters and CMOs continues to be private and foundational gifts, including those from national foundations like Broad, Charter School Growth Fund, the Gates Foundation, New Schools Venture Fund, and the Walton Foundation, as well as state or local foundations, private and corporate giving, and individual gifts (Wohlstetter et al., 2011).

Fortunately, foundations and private donors are perhaps the strongest advocates for the work of charters and CMOs, other than parents and employees of the charter organizations themselves. This advocacy is evidenced by the millions of dollars that foundation and private funders have funneled to the sector, including the New Schools
Venture Fund’s charter accelerator investment totaling upwards of $40 million over the course of only 24 months in the early 2000s (Lake, 2007). Some charters and CMOs indicate that a particular giving stakeholder is denoted as the primary or “anchor funder” (Aldeman et al., 2009; Wohlstetter et al., 2011).

The variety of funding sources does not necessarily guarantee that funds from particular donors, foundations, or other sources last indefinitely; in fact, there is great uncertainty and anticipation around philanthropic giving regarding the status of its frequency as well as its amount (Wohlstetter et al., 2011). Frequency can range from a single gift or grant, to a gift given over a prescribed period of time or given provided the charter or CMO re-apply (as in the case of foundational funding) (Wohlstetter et al., 2011). Donations also vary by amount, from a few thousand dollars to millions (Wohlstetter et al., 2011). The fluctuation makes the charter budgeting process very unpredictable; thus, making projections often seems futile because any number of external or internal factors, as well as funder agendas, interests, requirements, expectations—essentially the “strings” tied to the donations, directly impact financial planning.

These funding restrictions are especially daunting given that funders sometimes make demands that philosophically conflict with a charter’s or CMO’s general approach to education and sometimes even with its mission, thereby causing the aforementioned notion of mission creep or mission drift. A number of restrictions or requests often accompany a grant or gift. Donors concerned about how the charter/CMO is spending its money request that they be granted membership on the organization’s board of directors (Wohlstetter et al., 2011). Foundations often stipulate that their funding only be used for
capital projects—either the construction of a brand new building or the addition of a new building wing—rather than for operational costs, which is one area where charters and CMOs often incur their greatest expenses (Frumpkin et al., 2011; Wohlstetter et al., 2011).

Other gifts and/or the reoccurrence of the donation are directly tied to organizational performance—namely student achievement, with a heavy emphasis on dramatic growth required in a shorter span of time (Wohlstetter et al., 2011). Even so, donors and foundations have demanded that specific start-up strategies be implemented in creating new schools, including the full all-grade enrollment of a school in its first year, despite research suggesting that growing new schools a few grades at a time is better for student achievement (Wohlstetter et al., 2011). Even government agencies have had specific stipulations at a level of detail that directly, and sometimes negatively, impact enrollment and lottery procedures as well as the ability of students to move up to middle and high school campuses located in the same network of schools (Wohlstetter et al., 2011).

**Achieving Sound Financial Management and Stability**

Faced with the added complexity produced by restrictions, along with the uncertainty around amounts and funding streams, it is easy for charters and CMOs to become easily caught in financial pitfalls. However, there are several recommendations for behaviors and strategies that promote sound financial management and develop the financial stability that many charters and CMOs so fervently seek and that is absolutely necessary when an organization attempts to grow to scale (Farrell et al., 2009; Frumpkin et al., 2011).
An intentionally thorough financial planning process is imperative and should include “multiyear budgeting and cash flow forecasts, annual audit, and monthly careful review of the three critical financial statements: income statement, balance sheet, and cash flow statement” (Frumpkin et al., 2011, p. 117). Charters and CMOs must also exercise prudence and maintain a conservative approach in “managing costs, incurring major expenses only after the revenue picture is sufficiently strong to keep the school on a sound financial footing or after financing is available on competitive terms” (Frumpkin et al., 2011, p. 117). Some charters and CMOs have even gone so far as not to budget grant money received—“surplus” monies used for supplemental purposes only (Farrell et al., 2012; Wohlstetter et al., 2011). Financial officers and business administrators should pay careful attention to factors that have the greatest impact on the organization’s outlook, including changes in incoming revenue and expenditures, as well as any budget variances, fluctuations in student enrollment figures, and annual increases that inevitably occur as the organization grows to serve more students. This then will require additional teacher salaries, additional instructional and curricular resources, and funds for innovative initiatives that accompany the opening of new schools or the scaling of an academic model/approach (i.e., technology devices utilized for a blended learning pilot, etc.) (Frumpkin et al., 2011). According to Frumpkin et al. (2011):

Sector research also suggests that [s]ince charter schools operate in an environment of financial constraints as well as political uncertainty and risk, administrators need flexibility in making resource allocation decisions that reflect the actual needs and dynamics of the school and judgments about how they can most effectively focus resources to “move the needle” on student achievement. (p. 118)

A number of studies also underscore the importance of diversifying funding (Aldeman et al., 2009; Farrell et al., 2009; Frumpkin et al., 2011). Again, dependency on
any one funder or small group of funders threatens the long-term financial viability of the organization because funds are not always guaranteed, especially in light of the nation’s continued recovery from the economic recession of the last several years. Since government funds will not satisfy the financial needs of charters and CMOs, they must ensure that their overall funding strategy considers multiple funding opportunities from a variety of sources, including individual, foundation, corporate, and nonprofit organization donations, as well as potential income earned through the sale of services or goods (i.e., renting school gymnasium or auditorium facilities to outside entities in the evenings and on weekends, providing curricular consultation services to other education organizations, etc.) (Farrell et al., 2009; Frumpkin et al., 2011).

As mentioned in the previous section on board governance, charters and CMOs must invest board members in actively contributing to the long-term financial health of the organization, whether through direct fundraising or leveraging other partnerships or relationships with the potential to generate revenue or garner monetary support (Eadie, 2003; Farrell et al., 2009). Charters and CMOs must also discern the types of funds they want to pursue in such a way that funding strategies are aligned with the organization’s mission, vision, strategic priorities, and especially students’ needs (Farrell et al., 2009; Frumpkin et al., 2011; Smith et al., 2007). Frumpkin et al. (2011) suggested a specific set of criteria for charter leaders to utilize when considering whether or not a certain funding opportunity is a good fit for the organization:

- Level of Freedom in Use of Funds: How able the [organization] is to do what it wants with the revenue.
- Level of Reporting Required: How much the giver of the revenue wants reports back on the use of funds.
- Reliability: How ongoing the revenue stream, once acquired, is.
• Tendency to Cause Mission Drift: How likely the revenue stream will cause the [organization] to move away from its core mission in [future] pursuit of additional revenue from the source.
• Resources Required to Pursue: How much time, effort, and money [are] required by the organization to pursue the revenue item. (pp. 119-120)

Furthermore, regarding mission drift, experienced charter financial executives should avoid the practice of “chasing money and changing our strategy” (Farrell et al., 2013, p. 90).

Charters and CMOs must also assess the financial and social implications/impact of the initiatives and programs they undertake in order to develop an effective strategy for resource allocation. Those initiatives and programs that have both a high level of financial impact (generates revenue for the organization) and a high level of social impact (directly strengthens or contributes to positive student outcomes) are those which greatly benefit the organization (and its funders that invest in them) (Frumpkin et al., 2011). Other financial best practices that charters and CMOs should apply include building up a significant cash reserve (up to 6 months’ worth of cash) over time in case unforeseen expenditures arise. Moreover, they should ascertain that any debt (often incurred with the construction of new facilities) does not impede the organization’s ability to prioritize spending in such a way that supports the effective implementation of the academic program (National Consensus Panel on Charter School Operational Quality, 2009).

Financial stability is a driver for operational stability, especially when an organization finally achieves economies of scale. The “back office” or central office in a charter or CMO is often lean, but the operational infrastructure and systems these teams build are critical for schools. They allow school leaders to focus less on administrative responsibilities and truly fulfill their role as instructional leaders by spending the majority
of time coaching teachers to improve classroom effectiveness and create a positive school environment that nurtures and encourages student learning (Lake et al., 2010).

The Relationship Between Charter/CMO Finance and Facilities

Even when charters and CMOs reach a certain level of operational stability, the greatest unknown within their operations revolves around the physical plant—facilities (Aldeman et al., 2009; Farrell et al., 2012; Frumpkin et al., 2011; National Consensus Panel on Charter School Operational Quality, 2009). Both finding and funding a space to house a school often become a problematic process for charters and especially CMOs since they are multi-campus operators. In the same way that either the availability or scarcity of financial resources directly impacts an organization’s planning, the search for and acquisition of a building or buildings has a similar effect. Research has shown that the lack of a facility can cause the organization to delay a new school’s opening by as much as 2 years or to relocate a campus geographically to a new neighborhood—both possibilities being disruptive to continuity of learning and school environment for students (Aldeman et al., 2009; Frumpkin et al., 2011).

The National Consensus Panel on Charter School Operational Quality (2009) encourages organizations to design and do their best to adhere to a master facilities plan in order to align funding strategy to rental needs, capital improvement projects, and new construction initiatives. Charters and CMOs place great value on constructing their own facilities, thus eliminating the uncertainty that can sometimes accompany acting as a lessor in a rented space (Farrell et al., 2009).

Financing the building for its own facilities usually includes courting prospective private investors (i.e., hedge funds, capital venture funds, etc.) and exploring the option
to utilize not-for-profit bonds as another means to obtain the revenue needed up front to construct a new school plant (Farrell et al., 2009; National Consensus Panel on Charter School Operational Quality, 2009). In states and jurisdictions where they are available, new market tax credits, which create incentives for investors who are willing to fund real estate projects in underserved communities, are another means for financing new construction (Farrell et al., 2009; Internal Revenue Service, 2010).

When new construction is not an option, other means for acquiring space for school include collaborating with the authorizer, local education agency (local school district), or another external partner to either cohabit and share space with another program or charter school, or petition the local school district for the use of an unassigned school facility that would otherwise remain empty (Farrell et al., 2009). These particular methods often require a memorandum of understanding or contract that stipulates terms of use as well as responsibilities for facilities maintenance, utilities, and upgrades.

**Ongoing Challenges and Issues in Charter School and CMO Finance**

At this stage in the charter movement, charters and CMOs still continue to grapple with several relevant issues as they seek to grow. While one of the key ideas behind CMOs was to improve the capacity of education reform leaders to replicate successful charter schools, fiscal factors (as detailed in the next section) continue to be one of the primary obstacles to realizing this vision (Lake & Demeritt, 2011). Not one single charter school or CMO in the United States can claim that it is financially self-sustainable: even if there were other more efficient and reliable ways to fund replication, many charter leaders and experts in charter finance diligently argue that inequities in start-up, per-pupil, and growth funding in general causing such a substantial dependence on
philanthropic dollars would never be tolerated or implemented in other sectors (Lake & Demeritt, 2011).

In replicating, charters and CMOs also aspire to achieve economies of scale. However, Lake and Demeritt (2011) described how exponential growth leads to the unintended consequence of behaving and executing much more like a traditional public school district. This occurs in the development of a larger central office that serves schools with top-down directives that are usually a “one-size-fits-all” solution or strategy failing to take into account school and learning community-specific contexts and needs. The danger of old school bureaucracy is imminent as the diseconomies of scale plague not so much the fiscal health of an organization, but rather its ability to deliver the type of high-quality support services that ensures the organization’s primary service—teaching and learning—is effective and highly impactful (Lake & Demeritt, 2011).

While funding and facilities inequities between charter and traditional public schools remain a topic of major contention and debate, it is still not clear whether public funding levels are the sole cause of challenges in the scaling-up process (Lake & Demeritt, 2011). Charters and CMOs have much to improve in the area of efficient and effective spending as well as basic money management. The most extreme argument suggests that the issue of funding inequity is no longer relevant, especially for charter schools and CMOs that are determined to serve large numbers of students in the current, tumultuous policy environment (Lake & Demeritt, 2011). Other sector experts have advocated for figuring out the maximum number of schools a CMO could effectively operate without reaching diseconomies of scale in order to project costs more accurately
and collaborate with funders and investors around a more finite plan (Lake & Demeritt, 2011).

CMO practices and policies, as well as their funding strategies and financial planning, are so vastly different that it is difficult to determine any real costs or benefits to the approaches leaders continue to take in managing schools and growing to scale (Lake & Demeritt, 2011). From student enrollment (growing grade by grade versus opening full enrollment), to human capital strategy (hiring younger, less seasoned teachers because their salaries are lower), to length of school day and school year (extended day and year versus a traditional day and year), it is not likely that CMOs will move to align their practices soon. However, experts and leaders agree that some sort of analysis comparing similar practices and their costs and benefits will be helpful for planning the fiscal future of the entire charter sector and the growth expected by a variety of stakeholders, from parents to funders (Lake & Demeritt, 2011).

**Replicating School Models and Maintaining Quality**

Replication is the process of opening new schools based on a single-school model or academic program (NACSA, 2009). Single-campus charters and CMOs seeking to replicate must possess a proven model evidenced by a significant track record of student achievement results (Aldeman et al., 2009; Lake, 2007; NACSA, 2009). This internal component is designated in the study’s conceptual framework (Version 1) as “Academic Program”.

Because of the autonomy afforded to them via federal/state law and local regulations, charter education leaders pride themselves on the development of academic
and school models that are characterized as much more rigorous and demanding than the average traditional public school and that aim to close the achievement gap by creating “targeted instructional programs to [specific, high-needs] groups of students” (Wohlstetter et al., 2013, p. 71; also see Lake, 2007). Some of the foundational components of charter school academic models that produce higher numbers of students who have grown to meet or exceed expectations on standardized assessments (the primary indicator of student growth and attainment) include more months during the year spent in school and more hours than a typical school day, coupled with inquiry-based and project-based approaches to learning and effectively differentiated instruction (Aldeman et al., 2009; Frumpkin et al., 2011; Wohlstetter et al., 2013).

A small body of research has shown that while these models consistently produce results that have created pockets of success nationwide in the form of high-performing CMOs like KIPP, Achievement First, and YES Prep, charter models are not as innovative as the sector’s reputation and self-proclaimed overall mission lead one to believe (Frumpkin et al., 2011; Wohlstetter et al., 2013). Consistent implementation, greater time allocation to learning, and rigorous expectations, as well as partnering more closely with parents, are often the driving factors in effectiveness. Otherwise, some of the practices of the sector’s best schools and networks are relatively similar to those of the traditional schooling structure that has followed society into the 21st century (Lake, 2007; Wohlstetter et al., 2013).

**Maintaining Quality of School Model and Academic Program During Replication**

In addition to presenting mission, governance, and financial challenges, replication also brings about a number of issues related to the recreation of the school
model and its academic program across multiple new sites. One of the most serious obstacles in this part of the replication process is ensuring that:

the original design or model school is replicated faithfully. In many cases, organizations fail to insist on faithful replication and struggle with how much to allow sites to adapt the model to fit local desires. As a result, “replicated” charter schools are often of uneven quality, reflecting poorly on the original school or on the umbrella management organization. (Lake, 2007, p. 2)

It is important to note that fidelity to the model is not just for the sake of continuity or general quality, but most especially for consistency of results (Center on Reinventing Education, 2007; Lake, 2007). When school leaders and teachers have difficulty understanding the school model and academic program, they begin to change it, as commonly occurs in other sectors as well (Center on Reinventing Education, 2007; Lake, 2007). Lake (2007) encouraged charters and CMOs to examine the practices of other sectors, namely the private/corporate sector, to better understand successful practices for carefully contemplating and executing replication. Surprisingly, the corporate sector’s many encounters with attempts at replication and expansion have demonstrated that: (a) the act of actually pinpointing an effective organization’s “DNA” is a challenging task in itself, and (b) stakeholder mindsets and dispositions towards the act of replication are actually more critical than the replication process itself. In this case, overconfidence can act as a means for model drift, as people begin to change and adapt the model in order to “improve” it (Lake, 2007).

Lake’s (2007) research presented five key “lessons” for effective business replication. First, “Make sure you are trying to replicate something that can be copied and is worth copying” (p. 3). In business, data and metrics are used to determine the company’s actual track record, the importance of its contributions relative to the industry,
and whether or not the model needs to be tweaked to achieve even better results (Lake, 2007).

Lake (2007) also suggested that leaders “[o]bserve the original model directly” (p. 3). While founding leaders may seem like the best resource for understanding what practices and organizational components have led to the company’s success, those contemplating replication must see this for themselves in order to conduct a sound evaluation that will act as a springboard for their replication plan (Lake, 2007).

As a third lesson, it is imperative to copy the original model in as exact a manner as possible (Lake, 2007). While replicating organizational components is necessary, more paramount is copying exactly how these foundational elements fit together. By doing this, the lead replicator increases the opportunity of the new site team to examine more closely the less obvious ways in which elements interact (Lake, 2007).

Fourth, replication leaders should only adapt the model after they have accomplished acceptable results (Lake, 2007). According to Lake, “[c]ustomizing or adapting might be acceptable and even appropriate given local contexts, but the template must be right before adapting it” (p. 3).

The final lesson for consideration suggests that as replication leaders eventually move into the adaptation phase, they should never disregard the original model’s “template” or blueprint (Lake, 2007). Mistakes and less-than-perfect outcomes are almost guaranteed throughout this process because a misstep was likely in the “copying” process. Thus, leaders should use the model’s blueprint to engage in troubleshooting and close these performance gaps (Lake, 2007).
Given these lessons from the private sector, charters and CMOs should execute the following:

• Insist on third-party evaluations and test-score analysis before investing in replicating what appears to be a success story for the students currently enrolled.

• Consider pairing founders with outside observers to identify successful practices.

• Outline the expected level of fidelity to the original model in a school’s charter, contract, or memorandum of understanding, and also create sufficient flexibility to allow for “tinkering” with the model when it is appropriate.

• Emphasize the point that innovation should never be for the sake of innovation alone, but only to improve on what others have failed to achieve. In that way, the right to innovate should be earned and justified on the basis of better student outcomes.

• At least initially, insist that charter replication efforts involve hard-nosed critiques and objective analyses to identify whether and how a replica school has strayed from the original model. (Lake, 2007)

By considering institutional knowledge and foundational practices while being open to adaptations after fully implementing the model, charter schools and CMOs can increase their capacity to grow to scale without sacrificing quality or stifling innovation.
Human Capital Challenges and Opportunities

The Human Capital Challenge

Staffing, especially at schools, of building leaders, teachers, and instructional and administrative staff, is the most significant expense for charters and CMOs, averaging about 80% of overall spending in the course of a single school/fiscal year (Aldeman et al., 2009). Other than financial capital, human capital, or people, are the organization’s most valuable asset. However, the most serious challenge here is that there is simply not enough talent available for charter schools and CMOs in the midst of rapid replication (Aldeman et al., 2009; Chadwick & Kowal, 2011; Doyle & Steiner, 2011; Farrell et al., 2013). “Human capital demands have been identified as a critical factor that sets the pace for growth of high performing charter operators” (Farrell et al., 2013, p. 9). In fact, access to a pool of high-quality or attractive candidates often shapes or informs a charter’s or CMO’s actual overall growth strategy—especially the timeline for opening new campuses or increasing central office capacity (Chadwick & Kowal, 2011; Doyle & Steiner, 2011; Farrell et al., 2013). This internal component is designated in the study’s conceptual framework (Version 1) as “Human Capital”.

Insufficient Talent Pools

While single-campus charters and CMOs differ in academic model and general plans for growth, research has highlighted a trend among replicating organizations regarding the criteria that signify a “highly qualified” candidate (Doyle & Steiner, 2011; Farrell et al., 2013). Attractive candidates include Teach for America (TFA) corps members, who enter with limited training and experience but who are aggressively
recruited from competitive universities and are required to commit to a 2-year residency in the classroom. Other desirable candidates have matriculated from highly-selective undergraduate institutions and graduate schools of education, especially those serving in education leadership positions within charter schools or CMOs (Doyle & Steiner, 2011; Farrell et al., 2013).

One of the most common challenges of human capital for charters, then, becomes the often limited pool of talent. The scarcity of these candidates leads charters within the geographic region (often a city) to compete for top talent. This competition plays out as prospective teachers and school leaders navigate a rigorous application and selection process that weeds out lower-quality candidates while engaging and motivating higher-quality candidates to succeed through the selection stage (Chadwick & Kowal, 2011; Doyle & Steiner, 2011; Farrell et al., 2013).

**Job Sustainability and Retention**

Other human capital challenges have less to do with availability and accessibility of top talent. Instead, charters and CMOs face the problem of ensuring that the work of teaching and providing support to schools is sustainable and not mutually exclusive of people’s other life goals. This capacity challenge often arises when staff members become too thinly spread across a wide range of responsibilities, not only at the building level but most especially at the home or central office (Chadwick & Kowal, 2011; Doyle & Steiner, 2011; Farrell et al., 2013).

Closely related to capacity is the challenge of retaining the most talented team members in the wake of burnout, work-life imbalance, the demands of a rigorous academic model, and other districts offering compensation at a much higher level than
what charters and CMOs can afford (Chadwick & Kowal, 2011). Maintaining staff morale and investment to prevent turnover is difficult, even from a financial standpoint. It is simply less expensive to hire younger, less experienced teachers (Chadwick & Kowal, 2011; Higgins & Hess, 2009; Lake & Demeritt, 2011). Charters and CMOs must determine how to make working in their organizations more manageable, especially in relation to the division of labor between providing operational leadership and instructional leadership and particularly at the building level (Chadwick & Kowal, 2011). Whether via central office support or site-based supports, the organizations that assist school leaders and teacher teams with budget management, procurement, facilities, and compliance-reporting support often succeed in creating a working context that can sustain instructional staff and allow them to focus on strengthening teaching and improving learning (Chadwick & Kowal, 2011). In the long run, high turnover continues to hurt charters and CMOs because of the high cost of continuously recruiting, inducting, and indoctrinating new teachers every year (Chadwick & Kowal, 2011; Higgins & Hess, 2009; Lake & Demeritt, 2011).

**Opportunities to Overcome Human Capital Challenges**

Despite the myriad human capital issues charters and CMOs face, these organizations can pursue several opportunities that will better prepare them to recruit and retain the talented leaders they need to sustain the organization throughout the replication period. Organizations should staff earlier on in order to prepare for scaling; they should avoid the commonplace last-minute, rushed decision making that leads to poor hiring choices (Chadwick & Kowal, 2011; Doyle & Steiner, 2011; Farrell et al., 2013). This strategy should not only apply to the central office but also to schools. While it may
appear more costly to bring on teacher candidates well in advance of the upcoming school year, this is a good up-front investment to give leaders adequate time to prepare and select their own teams carefully (Chadwick & Kowal, 2011; Doyle & Steiner, 2011; Farrell et al., 2013).

**Building Talent Pipelines**

Charters and CMOs need to ensure that they build strategic pipelines of talent, both externally and most especially internally. Partnerships with schools of education, teacher training programs, and other teacher recruitment organizations are often beneficial for increasing the size of the candidate pool, but do not automatically guarantee quality (Chadwick & Kowal, 2011; Doyle & Steiner, 2011; Farrell et al., 2009, 2013).

As a result, many charters and CMOs have invested in creating internal leadership pipelines, designed not only to retain top-performing teachers but also to mold them as the organization’s future leaders, especially at the school level (Chadwick & Kowal, 2011; Doyle & Steiner, 2011; Farrell et al., 2009, 2013). The benefits of growing and cultivating talent from within, whether via a residency program or a mentoring partnership program, include developing the type of quality leader who is completely aligned with the organization’s mission and values and already indoctrinated with the organization’s norms, systems, and overall organizational culture (Chadwick & Kowal, 2011; Doyle & Steiner, 2011; Farrell et al., 2009, 2013).

The pinnacle of human capital innovation in charters/CMOs transcends the aforementioned development of internal talent pipelines. Some organizations have invested resources in the creation of their own accredited and internal institution of
higher education. For instance, High Tech High, a network of 13 charter schools in California, houses “a comprehensive adult learning environment including a Teacher Credentialing Program and the High Tech High Graduate School of Education, offering professional development opportunities serving national and international educators” (High Tech High, 2017, para. 1). The Graduate School seeks to unite theory and practice through learning that takes place on site for adult students across the CMO’s 13 campuses (High Tech High Graduate School of Education, 2017). In addition, the Graduate School offers a fellowship for aspiring school leaders who wish to open their own charter school based on High Tech High’s values of equity, deeper learning, and shared leadership (High Tech High Graduate School of Education, 2017).

Similarly, in 2005, Uncommon Schools co-founder Norman Atkins and KIPP co-founder David Levin established the Relay Graduate School of Education (Whitmire, 2016). With intentions to train teachers and leaders to lead students in urban schools successfully to excellent learning outcomes, the Relay method for assessing its pupils’ preparedness for the classroom was grounded in demonstrated mastery of proven teaching techniques rather than an accumulation of course credits, proving somewhat controversial among traditional schools of education across the country (Whitmire, 2016). Yet, in the spirit of the charter school movement’s roots, both High Tech High’s Graduate School of Education and Relay have continued to innovate around adult learning and development specifically for educators.

**Organizational Culture as a Means of Attracting and Retaining Talent**

Charters and CMOs need to build a positive, growth-oriented, and dynamic organizational culture that will attract the most talented candidates and retain effective
teachers and leaders (Higgins & Hess, 2009; Kardos, Johnson, Peske, Kauffman, & Liu, 2001). A culture that focuses not only on long-term professional growth but also on building its team members’ capacity across a wide range of skills is one of the most effective internal organizational contexts that charters and CMOs can create. This is especially critical for human capital issues that the charter sector continues to face (Higgins & Hess, 2009; Kardos et al., 2001).

More specifically, charter and CMO missions often create not only a well-defined brand, but also a very precise set of characteristics and behaviors that all team members across the organization harbor—also known as an “organizational career imprint” (Higgins, 2005; Higgins & Hess, 2009). These qualities—a certain set of “capabilities, connections, confidence, and cognitions” (Higgins & Hess, 2009, p. 2)—is almost like an organizational “DNA” of sorts (Higgins, 2005). As charters and CMOs seek to grow to scale and consider the potential of its current human capital, replicating this DNA becomes critical in ensuring that a single campus or small network of schools that has produced outstanding results can be scaled successfully to a number of campuses that can do the same (Higgins, 2005; Higgins & Hess, 2009).

**External Partnerships, Competing High-Quality Charters, and Pipelines**

Charter organizations should also garner the support of a “facilitator” to prioritize the talent pipeline (Doyle & Steiner, 2011). A facilitator is “a city-based entity that funds and coordinates human capital initiatives, identifies gaps in the talent supply for charter schools, and launches initiatives to fill those gaps” (p. 2). Nonprofits or charter support/advocacy organizations often fulfill the role of talent facilitator in urban settings with charter schools and CMOs that are growing to scale (Doyle & Steiner, 2011).
In addition to working to establish its own pipelines, charters and CMOs should partner with local and national talent providers such as Teach for America (TFA) and The New Teacher Project (TNTP) because these organizations seek to attract exactly the type of high-quality candidates that many organizations want (Chadwick & Kowall, 2011; Doyle & Steiner, 2011). Because of their size and national reputations, organizations such as TFA and TNTP tend to offer additional supports for developing talent after they have secured employment; these supports include executive coaching, instructional coaching, and even principal preparation (Doyle & Steiner, 2011).

As another opportunity/strategy, growing charters and CMOs should rally around the results of their high-performing, more established peers in the jurisdiction (Doyle & Steiner, 2011). The presence of charters with proven track records that are both regionally and nationally recognized drives talented candidates to gravitate to the general geographic area—the types of candidates that are game for innovation and hungry to make significant professional contributions in a reform-oriented environment/context, especially through the incubation of new schools (Doyle & Steiner, 2011).

Aligning Resource Allocation With Talent Pipeline Development

In the previous section detailing charter finance, best practices regarding philanthropic support encouraged charters/CMOs to seek out funding for a specific purpose. Another opportunity to address the talent gap is guiding funders in understanding that “human capital development” is one primary way they can support charter organizations, especially those in the process of or contemplating replication (Chadwick & Kowal, 2011; Doyle & Steiner, 2011). More specifically, charters and CMOs should ask funders to do the following in order to build talent pipelines:
“(1) Create new, local organizations that help build a talent pipeline within the sector;
(2) Fund external talent providers to directly recruit talented teachers and leaders; and
(3) Become a catalyst for new solutions by conducting research, holding conferences, and
networking with other organizations that are committed to improving the talent pipeline”
(Doyle & Steiner, 2011, p. 8).

The more a charter or CMO does to invest in its human capital capacity—even
prior to team members coming on board, as evidenced in the opportunities/strategies
described above—the better it prepares itself for the rate at which it desires to grow. This
is because talent has an immense influence on the organization’s ability to scale.

**External Factors That Potentially Impact Growth**

**Federal and State Charter Policy Environment**

Broad overarching federal policies often impact charters in both similar and
different ways compared with traditional district schools. The ESEA (formerly NCLB)
can support replication if the single-site school or schools in a smaller CMO are all
meeting or exceeding performance indicators. However, these same policies can pose an
obstacle to growth when a single-site school or some schools in a smaller CMO
demonstrate inconsistent or poor academic results (Farrell et al., 2012). In these
instances, single-site operators or CMOs invest time and resources in correcting mediocre
performance rather than focusing on continuing or pursuing their designated replication
plans.

Charter and CMO growth decisions, especially as related to geographic decisions
(i.e., what states or regions to expand to), are often informed by how amenable a state’s
charter laws and policies are (Farrell et al., 2009). Charter leaders consider not only the actual level of autonomy, but also the processes supporting and holding charters and CMOs accountable, including appeals processes in the case of corrective action from the designated authorizer (Farrell et al., 2009). In addition, the cap on the number of charter schools in a certain region or jurisdiction is another factor impacting a charter’s or CMO’s growth plan as well as the per-pupil funding formula (Farrell et al., 2009). This external factor is designated in the study’s conceptual framework (Version 1) as “Federal and State Charter Policy Environment”.

Since 1991, states across the country have created and enacted charter school laws, some more quickly than others. At present, 44 states and the District of Columbia have laws in place allowing for charter school operations and, in several of those states, charter school replication and expansion (NAPCS, 2018). In 2009, Todd Ziebarth of the NAPCS created the report *A Model Law for Supporting the Growth of High-Quality Charter Schools*. The purpose of *A Model Law* was to identify a set of fundamental components that shape the ideal environment for the most effective charter schools to flourish, regardless of jurisdiction:

- Supportive laws and regulations (both what is on the books and how it is implemented);
- Quality authorizers;
- Effective charter support organizations, such as state charter school associations and resource centers;
- Outstanding school leaders and teachers; and
- Engaged parents and community members. (Ziebarth & Palmer, 2018, p. 5)

Starting in 2010, Ziebarth began to release an annual report evaluating each state’s policy “performance” against the criteria set forth in *A Model Law* (Ziebarth & Palmer, 2018). It is important to note that in 2016, Ziebarth and NAPCS published a
second edition of *A Model Law*, emphasizing that the best policy environment for charters/CMOs promoted “equitable support for charter school students, more flexibility for charter schools, and strengthened accountability for charter schools and their authorizers” (Ziebarth & Palmer, 2018, p. 8). In addition, Ziebarth (2018) asserted that there are 21 essential components comprising what he termed a “strong charter school law”; of note, especially for this study on charter replication and expansion, are no cap on the number of charter schools in a state (Component One); the allowance of multi-school charter contracts under the governance of a single board (Component Fifteen); equitable funding for operations (Component Eighteen); and equitable access to facilities and capital funding (Component Nineteen).

The 2018 report delineated that 23 of 44 states currently have no cap on charters, while only 19 states allow multi-school charter contracts (Ziebarth & Palmer, 2018). In addition, last year, only four states enacted laws that promoted equitable funding for operations, and only eight states had regulations in place for equitable access to facilities and capital funding (Ziebarth & Palmer, 2018). The report also assigned a point value to each individual state according to a rubric based on the 21 components. In 2017, Indiana ranked number one with the strongest charter law, while Maryland ranked in last place (Ziebarth & Palmer, 2018).

**Authorizer Context**

Since the authorizer provides direct accountability to charters and CMOs, the authorizer’s policies as well as the number of authorizers available within a state, region, or jurisdiction are critical factors for replication (Farrell et al., 2012). As Farrell et al. elaborated:
CMOs in certain states found it easier to grow to scale when the state law allowed for multiple authorizers instead of a single authorizer. Particularly, if the single authorizer was not charter-friendly, CMO leaders reported having difficulty opening new schools. . . . On the other hand working with multiple authorizers, particularly when paired with a multi-district or multi-state approach can be challenging as well. (p. 515)

Authorizers with sound policies and processes for new school application, approval, and opening are ideal, as are authorizing entities such as private institutions (i.e., local university) that do not have a competing interest throughout the authorization process (i.e., the local school district where schools are competing for the same financial and facilities resources as well as student enrollment) (Farrell et al., 2012). However, some charter schools and CMOs have found it valuable and even beneficial for replication through authorization via the local school district. In these cases, likeminded leaders across both entities were able to create a broader platform and universal agenda for education reform within a specific region, city, or jurisdiction (Farrell et al., 2012). This external factor is designated in the study’s conceptual framework (Version 1) as “Authorizer Context”.

**Market Demand**

Charters and CMOs often do careful research—“market analysis”—to gauge the need and desire for a school in a specific community or neighborhood (Farrell et al., 2009, 2012). The strategy around these decisions is not solely based on increasing the number of schools within a charter organization by a certain date according to a strategic plan. Rather, many CMOs evaluate their concrete ability to make a direct impact on students immediately. CMO leaders reflect upon such questions as “Should we move into a smaller community, where we have an immediate impact, or do we stay in larger
districts where there’s still plenty of need but we may serve only one to two percent of the population?” (Farrell et al., 2012, p. 19). The “market demand” for new, high-quality public education in a specific state, region, or jurisdiction often dictates a charter’s or CMO’s growth trajectory (Farrell et al., 2009; Frumpkin et al., 2011). In Farrell et al.’s (2009) interview with the leader of a large CMO, the executive simply stated: “Our CMO has grown in response to what the community and the parents have asked us to do. With this approach, we’ve ensured that students will show up the first day the school opens” (p. 20).

In addition, charters and CMOs often seek to align their growth decisions with the critical issues in traditional public schools other than the quality of educational services, including the alleviation of school overcrowding. Several larger urban districts/authorizers, including the Chicago Public Schools, continue to allow charters and CMOs to replicate in city neighborhoods where district schools are over-enrolled and class sizes have become too large. This external factor is designated in the study’s conceptual framework (Version 1) as “Market Demand”.

**Funding Opportunities and Investor Dispositions**

Depending on a charter’s or CMO’s financial model and access to varied funding streams, many charter schools and CMOs depend on philanthropy for a significant amount of their incoming revenue, some as much as 13% of their total operating costs (Wohlstetter et al., 2011). While finances and financial sustainability can be considered internal factors for a charter or CMO, there are two notable external controls around the money that organizations provide to support expansion and replication. First, finite foundational funding that will end after a certain period of time often drives charters and
CMOs to determine their own timelines for becoming financially self-sustainable. This has fueled what has become a constant search for new funders and regular changes in funders that characterize a charter’s or CMO’s financial operations (Frumpkin et al., 2011; Wohlstetter et al., 2011). Second, the dispositions or preferences of specific funders and investors often drive how charter schools and CMOs utilize monetary donations. In this case, leaders adjust strategic plans and even initiatives that directly impact the classroom to cater to the detailed restrictions or directives—“the strings attached”—that come with philanthropic and sometimes even public funding/financial support (Frumpkin et al., 2011; Wohlstetter et al., 2011).

Of additional critical note is the per-pupil funding amount that charters and CMOs receive as public education institutions. However, in most cases, local policies dictate that charters and CMOs will only receive a certain percentage (often less to significantly less) of the standard per-pupil allocation allotted traditional public schools (Farrell et al., 2013; Frumpkin et al., 2011). Charters and CMOs are more inclined to scale successfully from a financial standpoint if the per-pupil allocation in a particular state, region, or jurisdiction is robust enough to support growth (Farrell et al., 2013).

Despite historically heavily reliance on philanthropic funding, the federal government has also played a major role as a robust funding source for charter schools and CMOs, especially those seeking to scale. The federal Charter Schools Program (CSP) was established in 1994 as an amendment to the Elementary and Secondary Education Act (ESEA) (U.S. Department of Education: Charter Schools Program Grants for Replications, 2017). The CSP has sought to provide significant financial support for not only charter school incubation and start-up, but also CMO growth through its grants for
replication and expansion of high-quality charter schools (U.S. Department of Education: Charter Schools Program Grants for Replications, 2017). Since 2010 through 2017, CSP has awarded 61 grants (each award dispersed over a 5-year period) to CMOs across 18 different states and the District of Columbia, which when all periods are fulfilled will total nearly $525 million dollars solely for replication and expansion (U.S. Department of Education: Charter Schools Program Grants for Replications, 2017).

The CSP’s Grants for Replication and Expansion of High-Quality Charter Schools noted several characteristics critical for its applicants. The grant’s “absolute priorities” are “experience operating or managing high-quality charter schools” and service for a “low-income demographic” (“Application for New Awards,” 2017). The CSP also seeks applicants who already have an established track record of academic results with underserved students and families (“Application for New Awards,” 2017). Additionally, the application gives “invitational priority” to those charters/CMOs that are “novice” and “engage in rigorous internal evaluation” (“Application for New Awards,” 2017). While the CSP has certainly awarded a number of grants to top-performing, multi-state/region CMOs across the country, it also has a vested interest in those charter organizations that have not yet applied to pursue the funding that is available (“Application for New Awards,” 2017). Finally, the CSP promotes ongoing evaluation of internal practices, both instructional and operational/fiscal, which aligns with this dissertation study’s primary finding (further discussed in Chapter IV) regarding the need for CMOs to engage in an in-depth assessment of its proficiency in a number of internal factors that are critical for successful scaling (“Application for New Awards,” 2017). The CSP also operates programs that grant funds to external organizations and state education agencies (SEAs)
to provide technical and financial assistance in the form of sub-grants to charter schools and CMOs, especially as it pertains to facilities acquisition or construction of new facilities (U.S. Department of Education: Charter School Program State Education Agencies, 2017).

With the establishment of the ESSA (Every Student Succeeds Act), significant charter sector investments are scheduled to continue through the end of the current decade. In fiscal year 2015, CSP was funded at $253.2 million, and the following year, 2016, at $333.2 million (National Alliance for Public Charter Schools, 2016b). CSP has also been funded for 2017 and 2018 at $270 million and at $300 million for 2019 and 2020 (National Alliance for Public Charter Schools, 2016b). The ESSA has also impacted the CSP in programmatic ways. SEAs, which provide oversight for charter authorizers in their states, now have flexibility to utilize funds to support quality authorizing practices (U.S. Department of Education: Charter School Program State Education Agencies, 2017b). As well, state charter boards and state governors are now eligible to apply for funds to support the replication and expansion of charter schools and CMOs (U.S. Department of Education: Charter School Program State Education Agencies, 2017b).

According to the NAPCS (2014), other federal laws and policies have also played a role in spurring charter and CMO expansion. The Race to the Top and Investing in Innovation (i3) grant programs, as well as the All Students Achieving Through Reform Act, promoted (a) charter/CMO incubation of innovative educational practices, (b) eventual scaling if these innovative practices were proven effective, and (c) charter expansion by taking over failing schools, including traditional district schools (NAPCS, 2014). In addition, the Empowering Parents Through Quality Charter Schools Act (2011)
laid the foundation for updates to the CSP to streamline the program’s dissemination of funds for replication and expansion.

Another major source of federal legislation, the New Markets Tax Credit Program (NMTC, 2017), has also served as another incentive for charter school expansion and replication. Established in 2000 under the Community Tax Relief Act, the NMTC program provides tax credit incentives to those entities or organizations, including charter schools and CMOs, seeking to revive communities or neighborhoods stricken with poverty (NMTC, 2017). According to the New Markets Tax Credit Coalition, approximately 4% of the financing available via the NMTC program is allotted to charter schools or CMOs (NMTC, 2017). Both charters/CMOs, as well as the aforementioned external organizations that provide charters with technical assistance, have benefited from the nearly 40% return on investment in those communities most in need (NMTC, 2017). This external factor is designated in the study’s conceptual framework (Version 1) as “Funding Opportunities and Investor Disposition”.

Political and Community Interests

According to Farrell et al. (2012):

> education has long been governed by local actors and policies. . . . CMOs [often] identified a wide range of local actors who were instrumental in helping their CMOs expand, including district superintendents, local school board members, mayors, county supervisors, city councilmen, and community and church leaders. (p. 18)

Of notable positive impact are mayors and other governing administrations, especially in jurisdictions where mayoral control of the local traditional school district and the mayor’s 100% support for charter schools equated to a replication-friendly environment (Farrell et al., 2012; Frumkin et al., 2011). Those community leaders with heavy, positive
influence were also able to champion the expansion cause for a number of charters and CMOs seeking access to a new community or neighborhood (Farrell et al., 2012).

However, charters and CMOs have also faced great opposition to their growth plans from politicians, local traditional school district officials, and community leaders with whom developing relationships has been difficult or the charter or CMO is competing for resources, including facilities and especially bodies (not just classroom teachers but also actual students for enrollment) (Farrell et al., 2012; Frumpkin et al., 2011). CMOs have often had to navigate the ever-changing local context when broader changes, like a new mayoral administration or a new school district superintendent, suddenly shift general attitudes towards charters from positive to negative and vice versa (Frumpkin et al., 2011). This external factor is designated in the study’s conceptual framework (Version 1) as “Political and Community Interests”.

**Facilities**

As the number of charters and CMOs seeking to replicate expands in those areas where market demand is most promising, these organizations often begin competing not only with the traditional school district for sound facilities to house schools, but also begin to contend with each other for physical plants that need little repair and are available at a relatively low cost for rent or purchase. Charter and CMO leaders have said the availability of facilities in ideal locations—those fostering the organization’s capacity to become a true anchor in the community or neighborhood where it seeks to serve families and children—often dictates timelines for expansion as well as geographical decision making for replication (Farrell et al., 2012). Because of the aforementioned competition in addition to the financial costs that come with re-purposing, renovating, or
overhaul repairing spaces to make them into schools, facilities are one of the most significant obstacles to replication. Even the purchase of facilities or the construction of new school buildings presents its own challenges because these particular strategies absolutely demand that charters meet or preferably exceed their student enrollment projections in order to generate enough revenue to pay mortgage costs or finance other forms of debt service (Farrell et al., 2012). This external factor is designated in the study’s conceptual framework (Version 1) as “Facilities”.

**Prospective Partnerships**

*Scaling Up Charter Management Organizations: Eight Key Lessons for Success* elaborates on charter schools and CMOs building relationships—specifically those that will support the replication of the organization (Farrell et al., 2009). There are three key areas for partnership development: (a) other education organizations or institutions, (b) public-private relationships, and (c) connecting with other organizations who will make “good planning partners” (p. 44).

According to Wohlstetter and Smith (2010), “[e]xemptions from many district and state regulations enable charter schools to seek partnerships more readily than traditional public schools can” (para. 3). Charter schools and CMOs can benefit from the very valuable fiscal, human, political, and organizational resources that non-traditional partners offer (Wohlstetter & Smith, 2010). These partners are considered non-traditional in that they may be private and hence have little to no experience in the public (education) sector; however, many community-based, for-profit, and faith-based entities have found that partnership with public charter schools can be mutually beneficial (Wohlstetter & Smith, 2010). Beyond these concrete benefits, innovative public-private
partnerships often result in a level of technical support and capacity building within the organization that not only helps the charter/CMO achieve results, but also enables organizational growth and expansion (Wohlstetter & Smith, 2010).

Partnerships with other education organizations or institutions, especially universities and other institutions of higher education, provide a source of ongoing professional development for both instructional staff like teachers and administrative staff, including school leaders. In addition, these types of partnerships often create a direct “pipeline” for human capital, as the charter school or CMO hires teachers and leaders trained in the university’s education program (Farrell et al., 2009, 2012).

A robust combination of private or public relationships—those with private sector companies, not-for-profit organizations, and even government organizations—can also drive and support charter and CMO replication (Farrell et al., 2009, 2012). These types of relationships often provide charters and CMOs access to a variety of donated resources that can be utilized directly in the classroom. They can also offer membership in a broader national web of CMOs that can provide support and guidance for one another, working jointly to promote the replication of high-quality charter schools across the country (Farrell et al., 2009, 2012). Some CMOs have even formally partnered with labor organizations to build credibility with and garner support from local and national teachers’ unions, who have traditionally vehemently opposed the expansion of charter schools (Farrell et al., 2009, 2012). Moreover, partnering with any other type of public or private organization also seeking to grow to scale, such as a community-based organization or foundation, can provide the charter or CMO access to operational resources, facilities, and funding opportunities (Hassel et al., 2011).
Finally, creating connections with consulting companies that can advise the growing organization on overarching strategy, infrastructure, operations, and communications—the business components of operating a charter or CMO—can also foster successful replication (Farrell et al., 2009). These types of partnerships have ensured the sustainability of many charters and CMOs through change management situations and crises, as well as assisted organizations in proactively planning ways to avoid the common pitfalls that come with scaling school/smaller organizational models (Farrell et al., 2009). This external factor is designated in the study’s conceptual framework (Version 1) as “Prospective Partnerships”.

**Prevalent Causes for Failed Charters and CMO Replicators**

While more and more charters and CMOs seek to replicate, the sector continues to experience closures of single campuses and (less frequently) small networks of schools. The Center for Education Reform has cited that historically, the annual rate of charter closure has held steady at nearly 15% (2011). These closures underscore several prevalent causes for charters and CMOs that are seeking to replicate, especially in the areas of effectiveness of academic program, fiscal oversight, and board governance. Charters and CMOs must continue to hold themselves internally accountable in these areas, rather than rely on the oversight that most charter authorizers are required to provide by law (Center for Education Reform, 2011). It is important to note that the causes that follow are embedded in this study’s conceptual framework (Version 1), more specifically the internal components “Academic Model”, “Finance”, and “Board Governance”.
**Poor Academic Performance**

Lack of student achievement and, in turn, the quality and effectiveness of the academic program trend as the leading causes of charter and CMO failure (Carpenter, 2008; Center for Education Reform, 2004; Gau, 2006). The challenge of academic impact is even more tenuous for smaller CMOs, who must set up systems and support to ensure consistent results in their own networks of schools. Whether single campus or CMO, consistent underperformance—not meeting the expectations for student growth and attainment on state-mandated tests—over the course of several years causes authorizers to revoke the charter organization’s contracts (Carpenter, 2008; Center for Education Reform, 2004; Gau, 2006). Financial troubles, both mismanagement and malfeasance, have been another driver for charter and CMO shuttering, with 41% of closures attributed to this particular factor (Carpenter, 2008; Center for Education Reform, 2004; Gau, 2006).

**Poor Fiscal Management**

Charter organizations who do not have a long-term financial plan in place or proper oversight structures intact begin to spiral towards closing for a number of reasons. These reasons include lack of leadership capable of managing finances; lack of infrastructure to manage basic financial business processes such as accounts payable, poor credit ratings, and debt management (for organizations that have sought financing to fund new construction for school facilities); and even serious ethical infractions (i.e., embezzlement, conflicts of interest regarding vendors, etc.) (Carpenter, 2008; Center for Education Reform, 2004). Some charters and CMOs simply cannot maintain consistent revenue for operations, which is usually tied to low enrollment coupled with the
aforementioned inequities that exist in charter funding in most states across the country (Center for Education Reform, 2004).

**Poor Board Governance**

Finally, ill-governed charters and CMOs have also faced closure (Carpenter, 2008; Center for Education Reform, 2004; Gau, 2006). Carpenter (2008) explained that boards with the following characteristics had an overall negative impact on the organization and its performance, both academically and financially:

- dominated by founder or management company;
- infractions against bylaws detailing duties of loyalty, obedience, and/or oversight;
- lack of internal cohesion and/or role confusion;
- excessive board member turnover; and
- unprofessional behavior (micromanagement) towards organization’s staff.

It is important to note that for both charters and CMOs, some have actually been able to replicate and open more campuses even while facing difficulties in the areas of performance, finance, and governance (Center for Education Reform, 2004; Gau, 2006). Again, while some would hold that authorizers are responsible for allowing this to occur, these particular cases highlight the responsibility that charters have to assess their own organizational health frequently, especially when contemplating and/or planning for scale.
General Principles of Organizational Health and Assessment

The researcher believed it was necessary to include this brief overview of organizational health and assessment since the study’s conceptual framework (both Version 1 at the end of this chapter and Version 2 in Chapter 5) represent the evaluative process so critical to charter/CMO decision making regarding readiness for scale.

Organization Basics

Daft (2008) defined the organization as a social entity that is goal-oriented and structured in such a way that it achieves both its goals and purpose. The term structure implies specific design components or structural dimensions—the internal components of an organization, including:

- Formalization: The amount of documented policy and procedure;
- Specialization: The division of labor among teams, groups, or departments;
- Hierarchy of authority: The amount of control management possesses;
- Centralization: The level at which decision-making authority lies;
- Professionalism: The credentials, experience, and track records of team members;
- Personnel ratios: The number of people assigned to specific functions. (Daft, 2008)

Organizations measure success or effectiveness based on how well they perform against their goals (Daft, 2008; Keller & Price, 2011; Lencioni, 2012; Stanford, 2013). In the case of nonprofit organizations, the category into which most charter schools and
CMOs fall, success is also defined by the fulfillment of the organization’s mission (Daft, 2008; Stanford, 2013).

**Organizational Health**

The concept of organizational health falls within the broader field of organizational theory and design (Keller & Price, 2011; Stanford, 2013). Field experts, including those who study organizations rooted in the private sector, have described organizational health in a variety of ways. The Organizational Health Development and Diagnostic Corporation asserted that “[o]rganization health is an organization’s ability to function effectively, to cope adequately, to change appropriately, and to grow from within” (Stanford, 2013, p. 9). Keller and Price (2011) explained that “[h]ealth is the ability of an organization to align, execute, and renew itself faster than the completion so it can sustain exceptional performance over time” (p. 5). Lencioni (2012) shared that healthy organizations possess minimal politics and confusion, low levels of turnover, and high morale and productivity, all driven by a set of very specific behaviors that include establishing a unified leadership team working to ensure clarity of direction and expectations as well as clear communication. The unifying idea among the various research studies that exist is that the healthier an organization is, the better its performance and the more likely it is to achieve its desired outcomes (Keller & Price, 2011; Lencioni, 2012; Stanford, 2013).

Healthy organizations also tend to succeed not only in meeting their goals, but in achieving maximum efficiency in a number of areas elsewhere in the organization, including branding, finance, and its members’ capacity to innovate and contribute to the organization in new ways exceeding the requirements of conventional duties and
expectations (Lencioni, 2012). From an organization’s start, establishing long-term health should be a goal of its leaders—board members, executives, and managers alike (Keller & Price, 2011; Lencioni, 2012; Stanford, 2013). This laser focus on organizational health greatly increases the organization’s sustainability, in turn lengthening the life cycle and strengthening the capacity of the organization to expand (Keller & Price, 2011; Lencioni, 2012; Stanford, 2013). In the case of charters and CMOs, this focus allows them to grow to scale through replication.

The integration of an organization’s major structural components, from mission/vision to people (human capital) and the systems which comprise these components, is paramount to long-term health (Keller & Price, 2011; Stanford, 2013). The longer an organization remains in existence, the greater the likelihood that it will need to continue to change. This change often brings about the unintended consequences of dysfunction, confusion, and bureaucracy, leading to the breakdown of the aforementioned components and their corresponding systems (Daft, 2008; Keller & Price, 2011; Stanford, 2013).

While the components and systems that are indicators of health vary from organization to organization (arguably, a very specific set of components related to charters and CMOs, as discussed in Chapter I), an organization’s leaders must know “the indicators of good health and how to optimize these, [as well as] understand where poor health is developing and the extent of any presenting health issues” (Stanford, 2013, p. 23). Leaders develop this level of understanding when they are open to learning and adapting their practice (Keller & Price, 2011; Stanford, 2013). Stanford (2013) cited how this cycle of learning and adaptation is often reactionary and occurs in response to a
particular event, especially in times of crisis. However, it is much more beneficial to be proactive when it comes to organizational health. In fact, “a better approach is to introduce a rigorous process for regularly accessing health in order to take any action to prevent untoward events occurring . . . regular organizational health assessment leads to actionable information” (p. 23).

**Organizational Assessment**

Organizational assessment is one of the most useful tools, not only for diagnosing health but also for charting a course for transformation, which often includes growth or expansion (Keller & Price, 2011; Levinson, 2002; Perkins, Nightingale, Valerdi, & Rifkin, 2010; Stanford, 2013). Keller and Price (2011) took the notion of organizational assessment one step further. They highlighted that after an organization determines where it wants to go (in the case of charters and CMOs, an aggressive growth goal), it must also check if it is actually ready to begin pursuing that path. Assessment ensures that an organization not only has the “skills” but also the actual “will”—the authentic desire—to reach its transformative destination (Keller & Price, 2011). Organizations must be both prudent and deliberate when contemplating growth as it relates to organizational health:

For most leaders, once they’ve set their performance and health goals, it’s tempting to move straight into action . . . this is seldom wise, and often counterproductive. Organizations that succeed in their change efforts take the extra time to assess how ready they are for change. That means working out whether they have the capabilities and mindsets to fulfill their performance and health aspirations. . . . [O]rganizations that rigorously assess their change readiness as part of their transformation effort are 2.4 times more likely to be successful than companies that skip this change. Here’s further evidence that slow means fast when you’re laying the groundwork for a successful transformation. (Keller & Price, 2011, p. 79)
Organizational health assessments vary widely in both method and form (Keller & Price, 2011; Levinson, 2002; Lowman, 2005; Perkins et al., 2010; Stanford, 2013). Assessments can be executed/administered in a number of ways. First, they can be solely through an external entity that already possesses a prefabricated diagnostic tool, like a consulting company. Second, they can be in partnership with an external entity, which creates a hybrid type of dynamic where the organization is much more involved in shaping the development of the diagnostic tool as well as the process for administration. Finally, they can be through self-assessment, which allows an organization to drive the entire process, often including the creation of the diagnostic tool and both the development and coordination of the administration process (Perkins et al., 2010; Stanford, 2013).

Assessment form, or the scope of the diagnostic tool, ranges from more traditional formats that compartmentalize and assess specific organizational components, to less traditional formats whose design acknowledges the fluidity existing among the components of an organization as a dynamic organism (Perkins et al., 2010; Stanford, 2013). Assessments can also be brief in their form, assessing more superficial elements, or they can be extremely detailed and specifically tailored to either certain individual organizational components or the unhealthy parts of the organization (Levinson, 2002; Lowman, 2005; Perkins et al., 2010). The most comprehensive form of this diagnostic tool calls for an inclusive health assessment that examines several major organizational components, including beliefs and goals, structure, and care for team members (Levinson, 2002; Lowman, 2005; Perkins et al., 2010; Stanford, 2013). Additionally, the type of data that an organizational assessment seeks to gather can be qualitative and/or
quantitative; either way, an in-depth analysis must be performed to make interpretations and determine readiness for transformation/growth (Levinson, 2002; Lowman, 2005; Perkins et al., 2010; Stanford, 2013).

While organizational health assessment is a positive, proactive tool, implementation is not without its own set of obstacles (Lowman, 2005; Perkins et al., 2005; Stanford, 2013). Since the needs and aspirations—specifically for charters and CMOs, the desire and preparation for replication—differ greatly among various organizations, many entities, especially those with unique missions or goals, are hesitant to engage in the assessment process for fear that a general diagnostic tool will fail to measure its strengths and weaknesses adequately (Perkins et al., 2010). Additionally, within organizations, various members place value on different components or characteristics related to performance and health. This can sometimes cause conflict or disagreement among members (and sometimes the external partner who leads or assists with assessment administration) throughout the process (Lowman, 2005; Perkins et al., 2010).

Another added layer of complexity that the health assessment process incites is the conflict that can actually begin to occur between an organization’s leadership and the assessment tool. As Perkins et al. (2010) stated:

Organizational assessment may highlight different foci than the leadership intends, or may be tailored or executed in a way that simply reflects the leadership’s desired outcome. Hence an important challenge to good assessment is commitment at multiple levels of the organization, both to the assessment tool and its role in the broader transformation process. (p. 3)

In many ways, organizational health assessment is analogous to a family therapy session. Smaller organizations (like a charter or CMO) harbor similar characteristics to the family
unit, including authority and hierarchy issues, as well as threat to loss of power or status, especially in front of other family members or, in this case, colleagues or subordinates (Levinson, 2002; Lowman, 2005).

After completing the assessment, interpreting the results also raises the issue of whether the findings can be linked directly to any particular cause (i.e., certain events, specific decisions, organizational habits or practices, etc.) (Levinson, 2002; Lowman, 2005; Perkins et al., 2010). Organizations engaging in a health assessment must examine results through a correlative lens rather than a causal lens. Trends or patterns of relationships often exist between healthy/unhealthy components in the organization and typical organizational behaviors. However, it is often difficult to determine the exact link between a weakness/strength and a precise cause (Levinson, 2002; Lowman, 2005; Perkins et al., 2010).

**Conceptual Framework**

This study’s conceptual framework takes the form of a logic model. Similar to a decision-making tree, the model is oriented toward two ultimate outcomes: the charter/CMO is either ready or not ready to scale. To arrive at one of these outcomes, the charter organization needs to conduct both an internal and an external assessment, a thorough investigation to determine: (a) its health or proficiency in the five major internal components the framework presents, and (b) the optimality of the six major external components the framework presents. As the review of literature suggested, there are various relationships among the five internal components as well as among the six external components, as depicted in Figure 1 by the two-way arrows between them.
Proficiency or maximum health in all internal components, combined with optimality within the external factors, indicates that the charter or CMO is prepared to begin the replication process. Lack of proficiency or unhealthiness in any of the five

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**Figure 1. Conceptual framework—Version 1**
internal components, as well as non-optimality in the six external components, indicates that the charter or CMO is not prepared to begin the pursuit of a growth plan. Instead, it must take measures to become healthier in the designated component(s) and/or predict the timing of or attempt to influence optimality in the external factors in order to move forward with expansion.

The researcher purposefully utilized a logic model to highlight the linear nature of deciding readiness for replication and to underscore that any ambiguity or uncertainties should be explored and any areas that lack proficiency and/or optimality be remedied in order to execute replication successfully. It is important to note that the researcher created a second version of the conceptual framework, which is included in Chapter V. This updated version was designed to represent the study’s findings, detailed in Chapter IV.

**Conclusion**

Tom Torkelson, Founder and CEO of IDEA Public Charter Schools—a network of schools founded as a single campus in 1998 that has grown to scale and now encompasses 30 campuses serving over 15,000 students across central Texas and the Rio Grande Valley—acknowledged the direct impact that becoming a healthy organization can have on students and their achievement. As he stated, “Our work around organizational health is literally giving kids the opportunity to go to college. We finally have the team, the culture, and the systems in place to work through the inevitable challenges we must overcome to achieve our goals” (Lencioni, 2012, Real World Testimonials section, para. 11). A number of research resources have further emphasized the need for charters and CMOs to assess systematically and reflect on their own internal
health in those key areas—mission and identity, board governance, finance, academic program, and human capital—that are most critical not only to an organization’s overall sustainability but also to its readiness for expansion and growth. Additionally, research resources have also underscored the importance of the optimal state of certain external factors—federal and state charter policy environment, authorizer context, market demand, funding opportunities and investor dispositions, political and community interests, facilities, and prospective partnerships—that allow charters and CMOs to be well-poised for successful scaling.
Chapter III

RESEARCH METHODOLOGY

Education leaders consistently seek to improve their practice via a wide range of methods, including the utilization of qualitative research (Merriam, 2009). Qualitative research provides a systematic approach to the collection of data so that the researcher can make meaning of a specific context or phenomenon that the study’s subjects are experiencing (Merriam, 2009). While the research in Chapter II indicated that charter schools and CMOs do not necessarily engage in the innovative practices to which the sector’s reputation lays claim, the spirit of the charter movement still aims to build an alternative, high-quality system of public education. To create a system requires scaling, and to scale effectively, charter organizations must assess their health, as well as factors in their external environment, to determine if they are fully prepared to grow. The relatively young charter sector has witnessed both success and failure when it comes to scale, and there is much to be learned, examined, and explored from the practitioners in the field who have achieved the level of scale to which many single-campus charters and smaller CMOs aspire. Since the design of this particular study’s product—*Ready to Scale: A Readiness Assessment Tool for Charter Schools and Charter Management Organizations*—was grounded in the proven practices of such accomplished practitioners and organizations, a qualitative study was the primary method for research and
interpretation. Once again, sector and education experts have viewed authorizers as the primary entities responsible for holding charters and CMOs accountable, and have seen external factors as the primary drivers that shape a charter organization’s trajectory. An organizational assessment tool specifically designed according to the needs of charters and CMOs—the first of its kind—calls on charter organization leaders to take ownership of the growth process by also carefully considering and inspecting a number of internal indicators whose health will promote not only successful replication, but also responsible replication.

**Research Questions**

This study and the development of the *Ready to Scale* assessment tool were grounded in three primary research questions:

1. To what extent do charter school and charter management organization leaders value the notion of “readiness” when growing to scale?

2. Which internal organizational components and external factors have the greatest impact on a charter school’s or charter management organization’s readiness for replication?

3. How do we define proficiency in those internal organizational components and optimality in those external factors that are crucial in determining a charter’s/CMO’s readiness to scale?

This chapter details the major components of this qualitative study, including (a) research design, (b) study participants, (c) data collection methods and instruments, (d) data
analysis, (e) limitations and delimitations, and (f) the researcher’s ethical considerations for the process.

**Research Design**

This qualitative study’s design, as well as the development of *Ready to Scale: A Readiness Assessment Tool for Charter Schools and Charter Management Organizations*, were based on a modified version of Borg and Hall’s (1989) Educational Research and Development (R&D) cycle. This version of R&D requires the researcher to conduct preliminary field testing and operational field testing while also engaging in operational product revision and final product revision. The steps of this adjusted version of R&D are as follows:

- **Step 1:**
  - Research Information Collection
    - Literature Review
    - Interviews
    - Research Analysis
- **Step 2:**
  - Product Planning
  - Product Design
- **Step 3:**
  - Preliminary Assessment Tool Development
  - Prototype of Assessment Tool
• Step 4:
  o Field Testing for Validity
  o Survey to Collect Assessment Tool Feedback

• Step 5:
  o Assessment Tool Revision
  o Defense and Dissemination

The timeline for the researcher’s execution of these steps was January 2014 through May 2017.

The researcher completed a portion of Step 1 by conducting a thorough review of the small body of literature currently existing on charter and CMO readiness to scale. While the researcher explored several internal and external factors believed to be critical for successful charter and CMO replication in Chapter II, she also continued to note other important factors for consideration as common themes and ideas emerged throughout the process of conducting the study and writing the remaining chapters.

Step 2 required the researcher to consider the design, structure, format, and administration process of other research-based organizational health assessment tools that exist not only in the field of education but also in other fields, including the private and government sectors. The researcher considered the major elements of the following organizational health assessment tools already in existence:

• Good to Great Diagnostic Tool (based on Jim Collins’s 2001 publication *Good to Great: Why Some Companies Make the Leap . . . and Others Don’t*)
• McKinsey & Company’s Organizational Health Index Tool
Most importantly, the themes that emerged from data collected from interviews also informed the researcher’s determination of the major components that the product will assess regarding both organizational health (internal factors) and external factors.

Step 3 required the researcher to determine whether the assessment tool would be solely rubric-based or if the tool would require the development of some sort of scoring formula to indicate level of health (i.e., poor, basic, average, excellent, etc.). Additionally, the researcher considered whether the tool needed to be housed through an application, whether an online survey application or Microsoft Excel. It is important to note that, based on her findings, the researcher’s design evolved from a rubric to a guiding protocol in workbook format.

Step 4 required the researcher to compose and administer a survey of the assessment tool’s usefulness and applicability in the context of charters and CMOs that are aspiring to scale. This survey was administered via an online application utilizing a Likert-type scale for end users to rate not only the tool’s helpfulness, but also its format and structure, its content (the specific internal and external factors the tool seeks to assess), and its process for administration. A section of this survey also allowed end users to provide additional comments on any of the aforementioned characteristics of the assessment tool. Step 4 also required the researcher to conduct an expert panel as a second round of validation to gather even more detailed, nuanced feedback from sector specialists regarding specific portions of the tool.

Finally, Step 5 required the researcher to take into account the feedback from Step 4’s validity survey and expert panel in order to improve the assessment tool and make final preparations for the defense of this study and the product itself. The researcher
possesses a fairly extensive network of charter practitioners and plans to share the final product with those charters and CMOs that are contemplating the pursuit of replication in the 2017-2018 school year and beyond.

**Study Participants**

As delineated in Step 1 of the process, the researcher needed to solicit and secure the participation of those charters and CMOs in the United States that have successfully grown to scale. In the context of this study, she considered three factors when determining “successful scaling”: (a) the number of years the charter/CMO has been in existence (at least 5 years); (b) the number of campuses the charter/CMO currently operates (at least 10 schools); and (c) the organization’s overall academic performance against national standards (including making AYP on state assessments). Participants included the following high-performing charters and CMOs; these particular organizations vary in community context, most being situated in urban environments. The researcher determined whether any high-performing charters or CMOs have successfully scaled in suburban or rural contexts and sought those organizations out as well.

After finalizing which organizations would participate in the study, the researcher also determined the key team members to interview at each organization. While each organization likely possesses different structures, the researcher focused on interviewing individuals who were in executive leadership or senior management roles, such as chief executive officer, chief operating officer, chief financial officer, chief human capital officer, chief academic officer, and chief of strategy, as well as regional directors or
officers who provide oversight and support to a cluster of schools in a specific geographic region. Additionally, if the founder or co-founders were no longer employed at the organization, the researcher attempted to seek out these individuals for interviews, given their roles in starting a charter or charter management organization. The researcher also attempted to engage the president or chairperson of an organization’s board of directors, but only with permission from or at the recommendation of the organization’s executive leaders. It is important to note that the researcher’s intent was to focus primarily on those individuals in the organization who not only had authority/decision-making jurisdiction over issues of growth, replication, and scale, but also provided day-to-day management and leadership.

**Interview Methods and Questions**

Regarding interview methods, because prospective study participants were dispersed across the country, the researcher conducted interviews via online video conferencing or telephone. Participants received all interview questions at least one week in advance as well as a summary of the study, including purpose, major research questions, and an overview of the literature on charter and CMO readiness for replication. With the permission of all participants, all interviews were audio-recorded and lasted approximately 45 to 90 minutes.

The study’s three major research questions shaped the development of the following interview questions and prompts:

- What has your role been in the growth—specifically the increase in the number of schools operated and students served—of the organization?
• At what point in the organization’s strategic planning did growth become a priority and why?

• What role, if any, did the board of directors play in determining the organization’s growth trajectory?

• How important (if at all) was the organization’s internal readiness for growth in your planning of the timeline for expansion?

• If internal readiness was a factor, how did you know that the organization was in fact ready for replication? What internal factors/areas or evidence acted as indicators of readiness? How did you measure proficiency within these areas?

• At the time that you decided to pursue a growth trajectory, what were the organization’s strengths?

• At the time that you decided to pursue a growth trajectory, what were the organization’s weaknesses?

• What short-term and long-term impacts did/do these strengths and weaknesses have on the actual execution of the growth plan?

• What interventions, if any, were put into place to address weaknesses?

• As an executive/senior leader of a charter organization, how do you define organizational health in the particular context of operating charter schools?

• Have you ever conducted or considered conducting an organizational health assessment? Why or why not?

• Has replication had any impact on your organization’s health? How so?

• How did the state of the mission and/or the organization’s identity affect your capacity to replicate?
• How did the state of board governance affect the organization’s capacity to replicate?
• How did the state of the organization’s finances affect your capacity to replicate?
• How did the state of the organization’s academic model/program affect your capacity to replicate?
• How did the state of the organization’s human capital affect your capacity to replicate?
• Reflecting on your organization’s growth experience to date, is there anything you would have done differently in regards to internal organizational components, systems, or structures?
• If you could give two to three pieces of advice regarding internal readiness to single-campus charters or small CMOs that are contemplating replication, what would you share?
• Are there any other lessons learned regarding readiness to replicate that you would like to share?

Data Collection

After the proposal was approved, the researcher obtained permission from the Institutional Review Board (IRB) at Teachers College to begin conducting the study’s research. The researcher corresponded with prospective study participants via e-mail and telephone to gauge their willingness to participate. Once the final list of participants was solidified, the researcher scheduled all interviews and conducted them according to the
methodology mentioned in the previous section. Permission was obtained to use participants’ or organizations’ names as needed in the research, findings, and implications sections of the study.

**Data Analysis**

During each interview, the researcher took detailed notes. In addition, with the permission of the study participants, each interview conversation was recorded. The interviews were then transcribed verbatim by an outside professional transcriber. Next, the researcher performed a detailed analysis of the data according to standard methods in qualitative research (Merriam, 2009) by reviewing and coding both notes and transcripts. She then searched for patterns and trends in the participants’ responses that signified the primary themes the researcher planned to highlight in the findings section of this study and utilize to build the organizational assessment tool. These themes also assisted the researcher in determining the major internal and external charter/CMO components the tool was meant to evaluate as related to preparedness for growth and expansion.

**Survey Instrument and Expert Panel for Product Validation**

The researcher invited a wide range of charter and CMO practitioners to contribute to the validation of the study’s product, *Ready to Scale: A Readiness Assessment Tool for Charter Schools and Charter Management Organizations*. She sent these invitations via email and included the link to the online survey in order to collect the validators’ specific feedback.

The survey asked the validators to consider several questions about each section of the assessment tool, which was aligned to the internal and external factors from the
researcher’s findings. The researcher’s internal factors were: (a) The “Why,”
(b) Organizational Identity, (c) Human Capital, (d) Board Governance, (e) Fiscal Health,
(f) Infrastructure, and (g) Growth Mindset and Strategy. The researcher’s external factors
were: (a) Need and Demand; (b) Funding; (c) Facilities; (d) Political Context, Climate,
and Policy; (e) Parent and Community Relations; and (f) Collaboration and Competition
Inside and Outside the Sector. As the validators reviewed each section of the assessment
tool, they rated the section according to the prompts/statements below via a 5-point
Likert-type scale with the following designations: [1] Strongly Disagree, [2] Disagree,

• This section adequately covers and discusses topic.
• This section’s guidance is relevant and helpful.
• This section is well organized.
• This section is clear and easy to read.
• Based on my knowledge, the material in this section is accurate.
• The product’s overall organization and design ensure that its users will have
  the opportunity to meaningfully reflect on each factor.

The survey also included a section in which validators were encouraged to respond to the
following open-ended questions:

• Which portion of the section is most helpful?
• Which portion of the section is least helpful? How can this portion be
  improved?
• Please share any specific questions that were confusing or leading.
• Please share any other comments or feedback that you think will be helpful.
The researcher also conducted an expert panel as a second round of product validation. The expert panel was comprised of individual interviews that lasted up to 60 minutes each. The researcher facilitated interviews utilizing the following questions:

- Which portion(s) of the introductory section best describes the need for this type of tool for charter organizations that are considering growth? Why?
- How clear or unclear are the definitions of proficiency and optimality? Explain. If unclear or too general, how can these definitions specifically be improved for the product’s users?
- What other elements, if any, could be added to strengthen the *Guidelines for Implementation of Workbook Protocol* section? Why?
- After reviewing the introduction, what portion(s) can still be improved? Be specific.
- To what extent is it helpful to include the list of possible growth team members in this section? Explain.
- Are there any specific questions in this section that are problematic? If so, please designate and share how the question can be re-tailored for improvement.
- What other elements, if any, could be added to strengthen this section? Why?
- Each internal factor in this section contains example *indicators* of proficiency.
- After the user answers the set of *questions* for each internal factor in this section, do you think it is helpful for the user to conduct an analysis of the organization’s overall strengths and weaknesses for the designated factor? Why or why not?
• What other elements, if any, could be added to strengthen this section? Why?

• Each external factor in this section contains example *indicators* of optimality.

• After the user answers the set of *questions* for each external factor in this section, do you think it is helpful for the user to conduct an analysis of opportunities and threats for the designated factor? Why or why not?

• What other elements, if any, could be added to strengthen this section? Why?

• Are there any portions of this section that may cause confusion for the user? If so, which ones and why? What can be done to improve these portions?

• What other elements, if any, could be added to strengthen this section? Why?

• Given the product’s purpose, to what extent is this section helpful? Explain.

• Are there any portions of this section that cause confusion? If so, which ones and why? What can be done to improve these portions?

• What other elements, if any, could be added to strengthen this section? Why?

• As a charter expert, to what extent do you believe the product will be useful to fellow practitioners in the field? Explain.

• There may be other similar tools already in existence to support charters in the growth decision-making process. What, if any, elements make this product unique or more useful than other similar tools? Explain.

• As a charter expert, what about this product appeals to you the most? Why?

• As a charter expert, what can be changed or adjusted to make the product more helpful?

• As a charter expert, would you recommend that fellow practitioners utilize this tool for their growth decision making? Why or why not?
• What specific problems might charter organizations encounter when using this tool? Explain.

**Limitations and Delimitations**

It is necessary to keep in mind that the research methods for this study have both limitations and delimitations. Regarding limitations, the researcher’s previous professional experiences in scaling charter organizations had the potential to create a certain level of bias and subjectivity, especially in determining the organizational components that *Ready to Scale* will assess. This same subjectivity may also impact the analysis of the data collected and, in turn, the development of the organizational assessment.

This study’s delimitations were twofold. First, at present, all study participants were charters or CMOs existing in primarily urban environments. The researcher was not able to find or solicit a broad enough assortment of charters or CMOs that operated in rural or suburban environments.

Also, the time needed for those individuals taking the validation survey was a delimitation as well. The window for the survey’s administration should be sufficient, but ensuring that validators had enough time to consider the questions for each section of the assessment tool carefully was challenging.

**Ethical Considerations**

The researcher willingly complied with all Teachers College ethical requirements in conducting this study and in building the final assessment tool. As previously mentioned, the researcher began the research and data collection only after being granted
IRB approval from Teachers College. She also completed the online IRB training requirements to further ensure an ethical approach to the study and the human subjects that the research encompassed.

In addition, the researcher purposefully ensured that all individuals participated in this study of their own volition. Each participant provided consent via the appropriate forms, which also stipulated the terms of participation, including that subjects would not be compensated in any way for their involvement in the study.

If at any time during the study a participant requested anonymity in relation to the future publication or dissemination of the study’s findings, the researcher honored this request. All individuals who completed the validation survey also remained anonymous; the researcher created the survey and utilized privacy controls in the online application to ensure this. All data collected, including notes and recordings, were stored in either a secured Cloud application or on the researcher’s PC hard drive.

Summary

The researcher aimed to develop Ready to Scale: A Readiness Assessment Tool for Charter Schools and Charter Management Organizations utilizing R&D qualitative research methods. She followed an ethical course of action throughout the study, including obtaining IRB approval from Teachers College in order to conduct research. The primary method for conducting research was interviews with the study participants who were executive leaders and senior managers at charters and CMOs who have successfully scaled and indicated their willingness to engage via informed consent.
The researcher carefully organized all data collected and performed an in-depth analysis to discover any emerging themes. The analysis and themes, along with a very brief of examination of already-established organizational health assessment tools from other sectors, provided the foundation on which the researcher then developed the *Ready to Scale* assessment. She also conducted a survey to validate this assessment tool, collecting detailed feedback in order to improve the product, ensure its usefulness and relevance for the field, and prepare it for final defense and dissemination.
Chapter IV
FINDINGS

The purpose of the *Ready to Scale* study was to create an assessment tool that will enable charter and CMO leaders to determine the proficiency of critical internal factors and the optimality of external factors when deciding whether to begin expansion—opening additional campuses to a flagship in order to create a network of schools. While the currently existing literature highlights a general group of organizational components and external factors that impact a charter’s/CMO’s capacity to scale successfully, the researcher conducted a qualitative study to collect the specific insights of 12 current or former executive-level leaders from successful CMOs across 10 different states regarding the study’s primary research questions:

1. To what extent do charter school and charter management organization leaders value the notion of “readiness” when growing to scale?
2. Which internal organizational components and external factors have the greatest impact on a charter school’s or charter management organization’s readiness for replication?
3. How do we define proficiency in those internal organizational components and optimality in those external factors that are crucial in determining a charter’s/CMO’s readiness to scale?
Many of these leaders were often the founders of their CMOs; some were actually the original principals of flagship campuses anywhere from 5 to 19 years ago. Table 1 provides more information about these leaders as well as their respective organizations, including years of operation, the current number of schools in their CMOs, and the current number of students their CMOs serve.

**Table 1**

*CMO Leaders and CMO Characteristics*

<table>
<thead>
<tr>
<th>Leader</th>
<th>Leadership Position (Current or Former)</th>
<th>Years of CMO Operation</th>
<th>Current Number of Schools in Network</th>
<th>Current Number of Students Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CEO</td>
<td>17</td>
<td>18</td>
<td>11,000</td>
</tr>
<tr>
<td>2</td>
<td>CEO</td>
<td>15</td>
<td>10</td>
<td>4,200</td>
</tr>
<tr>
<td>3</td>
<td>CEO</td>
<td>19</td>
<td>14</td>
<td>8,900</td>
</tr>
<tr>
<td>4</td>
<td>CEO</td>
<td>18</td>
<td>16</td>
<td>11,600</td>
</tr>
<tr>
<td>5</td>
<td>Co-CEO</td>
<td>18</td>
<td>32</td>
<td>10,000</td>
</tr>
<tr>
<td>6</td>
<td>Chief of Staff</td>
<td>19</td>
<td>15</td>
<td>8,000</td>
</tr>
<tr>
<td>7</td>
<td>CEO</td>
<td>16</td>
<td>6</td>
<td>1,700</td>
</tr>
<tr>
<td>8</td>
<td>CEO</td>
<td>19</td>
<td>40</td>
<td>16,000</td>
</tr>
<tr>
<td>9</td>
<td>Chief of Schools</td>
<td>15</td>
<td>4</td>
<td>600</td>
</tr>
<tr>
<td>10</td>
<td>Executive Director</td>
<td>5</td>
<td>2</td>
<td>800</td>
</tr>
<tr>
<td>11</td>
<td>CEO</td>
<td>16</td>
<td>51</td>
<td>30,000</td>
</tr>
<tr>
<td>12</td>
<td>CEO</td>
<td>11</td>
<td>3</td>
<td>500</td>
</tr>
</tbody>
</table>

**Interview Analysis**

The researcher conducted 12 interviews with the aforementioned leaders either via videoconference or telephone. After the interviews were transcribed, the researcher performed a detailed analysis of the data according to standard methods in qualitative research (Merriam, 2009). This method included reviewing and coding both notes and transcripts. The researcher then reviewed the collection of codes compiled and the
corresponding data, searching for patterns and trends in participant responses in order to
determine the primary themes that are highlighted throughout this chapter.

**Are We Ready?**

When the researcher inquired about level of readiness for CMO growth during the
opening of each interview, leaders agreed that preparing was incredibly important, but
responses were mixed regarding the actual process of preparing. While some leaders of
CMOs pursued growth aggressively with a “figure it out as we go along” approach,
others shared that they intentionally waited for 5 or more years to ensure they were
“getting it right” at their flagship campuses before considering scaling. One founding-
principal-turned-CEO mentioned that she did not want any other CMOs to make the
“massive mistakes” she had committed while increasing the number of schools in her
network, which was precisely why she agreed to participate in the *Ready to Scale* study.
Some of these missteps led to schools in her network where student achievement results
were not as strong as they should have been in their first several years of operation.

Other leaders expressed how expansion work was still new in their particular
jurisdictions a decade or more ago, and so in some ways, it was almost impossible to
actually prepare at a level that would have made the process much more efficient. One
leader shared, “[I]t was the wild west, nobody had figured out the rules. . . . [W]e didn’t
know what we were doing at all, and we were lucky that nobody else did either. And so
we just figured it all out.” Another leader stated, “[T]here were times that we opened up a
school kind of by the seat of our pants. I mean, we opened up eight [schools] in five
years, and I don’t think that people knew if they were coming or going. And I guess you
could say that it was like a restaurant where the kitchen is chaos, yet all the plates are getting out.”

Another CEO’s reflection indicated that he might not have chosen to grow his CMO given the numerous obstacles he has faced over the last 15 years, including a critical new school construction project running several months behind with the first day of school only a few weeks away: “Well, in hindsight, I was completely naïve (laughs) of the challenge, and if we had known how hard it was going to be, we probably wouldn’t have done it all.”

As leaders shared their various expansion experiences, which are further discussed in the sections that follow, it became evident that these individuals had made conscious efforts to contemplate the decision to grow carefully. They had also taken stock of the limited margin for major mistakes, given the educational needs of their students. One leader shared, “We wouldn’t have wanted to expand before we were ready . . . in fact, we didn’t expand until our sixth year because there were so many elements to ensure we had in place to do right by kids.” Another leader in the same city declared: “[Y]ou only have one, in my opinion, shot at this. You must get out of the gate strong. Otherwise, if you have a hiccups along the way and you’re really small, it’s hard to recover.” This final statement highlights the urgency around preparing for scale.

**Critical Factors for Growth Planning and Execution**

The researcher asked leaders to offer and justify factors, both internal and external, that mattered most as they created and executed growth plans for their respective organizations. Throughout the interviews, leaders candidly shared a variety of lessons learned and gave examples from their own histories, including successful
strategies as well as failed practices pertaining to each of the factors below. The researcher also asked leaders to define proficiency and optimality as they discussed their factors throughout their respective interviews.

**Internal factor 1: The “why.”** The common and critical theme of intent was prevalent among the interviews. Leaders certainly highlighted overflowing waitlists and lack of seats to offer families during annual lotteries, which is categorized as an external factor (Demand and Need) later in this chapter. However, all 12 leaders emphasized how transforming the quality of public education in their city, their state, or their geographic region of the country was “the why” for deciding to grow their organizations:

I think the decisions have to be very deliberate. They can’t be accidental. They can’t be because someone else wanted you to do it. And they can’t be because someone’s paying you to do it. It has to be in the core of you and your people at your school, wanting to replicate for the right reasons. Money is not the reason, power is not the reason, politics is not the reason. National exposure, notoriety, fame are not the reason. The reason is you are going to go in and challenge the status quo in order to serve more underserved kids better.

Common values across the school or CMO supported its teams in further clarifying “the why” for growth. CEOs stressed how they truly valued educational choice for families in their respective cities, states, and regions. One leader asserted that he found it hard to remain a single-campus operator while so many students suffered through what he deemed a “sucky public education.” Other leaders expressed a deep organizational value for creating competition within the current system of public schools, encouraging other schools to raise academic expectations and outcomes for students.

While “the why” applied across an entire organization, the connection between expansion and a leader or group of leaders’ ties to a specific city, state, or region was another prevalent theme across interviews. These leaders chose to pursue expansion in
geographic areas in which they had familial roots, taught in the classroom, or encountered other formative experiences. One co-founder shared that she and her colleagues, who have been working together for almost two decades, shared a collective desire to effect change in a specific area of the New England region where they started their very first school:

I live here in [this city]. We started here [in this state]. Emotional is not the right word, but it’s close enough to describe our regional commitment to this place. And that has driven a strategic decision that we think we can have more impact by going deep in our communities and being real community partners and institutions instead of spreading ourselves out. So I think we are a particular, major force in [our state] as it relates to education reform and advocacy and that’s because we’re in the big three cities where we serve almost half of the charter school kids in the state. . . . I mean, kids now—families have multiple choices of high-quality schools and more and more kids are going to schools with a track record of closing the achievement gap. I mean that—just our hope over time is, if you believe as we do in the power of education to be transformative, that over time that we’ll be transformative not just for the individual kid but for the whole communities of [these cities].

The notion of intent is not only “the why,” but is also directly connected to the scale of impact a charter organization aspires to have from its very inception. While most of the leaders included in this study opened one school first and then eventually considered and pursued expansion, one founding CEO stated how his organization was built to grow from “the get-go”:

So when we built the organization, we didn’t build an organization where we built one school and then tried to figure out how to do two schools. We built our original business plan to grow a hundred schools. That was the idea. So our conversation in the very early days was do we do one school in a hundred different cities [across our state] or do we do ten schools in ten different regions of [our state]. So we knew from day one that the only way to make an impact in a state like [ours] is to really sort of drive towards what we thought was a tipping point.
“The why,” especially the values that drive an organization’s intentions to grow and open more schools, is closely related to the next internal factor, which many leaders described as “who we are.”

**Internal factor 2: Organizational identity.** Beyond “the why,” leaders were emphatic regarding a CMO’s organizational identity and offered several key elements to consider when ensuring that the organization has firmly established “who” it is. These elements include, once again, common values as well as the organization’s brand, organizational culture, school design/academic model, academic quality, and a common understanding of which areas the CMO is willing to be flexible in (if at all), should any type of change to its model be necessary (which all 12 leaders cited would definitely occur during the scaling process).

**Mission, vision, and values.** As one leader put it, “Know who you are, period.” Lack of a clear understanding about the organization’s mission, vision, values, norms, and even organizational culture often led leaders to experience intense internal conflict, especially among executive management and middle-management team members. One CEO regretted not calibrating with her team more before starting the scaling process: “I wish we had done more thinking together as a team about what’s important to us. I think it would have saved us some really painful staff transitions.” According to leaders, rifts over organizational identity among staff and “mission creep” would have been avoidable if teams intentionally set aside time to ensure a common understanding of values and had continued to facilitate these discussions on a cyclical basis as their respective organizations encountered growth challenges. One leader shared that she hosted “mission dinners” several times a year, to which she invited school leaders and other team
members to share problems with implementing the CMO’s mission and model. In this way, she was able to keep the dialogue and calibration going.

**Brand.** In addition to mission, leaders emphasized the importance of the organization’s brand. Leaders learned that throughout the expansion process, they needed to work to ensure that the entire organization understood and could articulate the CMO “elevator speech.” Some CMOs developed and ingrained into its employees (and students) slogans or mantras that were representative of their mission and values, such as “College for Certain” or “Academic success is not a hope; it is an expectation.” Other CMOs constantly reiterated to internal stakeholders (and held them accountable to) those pillars or anchor characteristics that were fundamental to their identity, such as small schools or a highly structured but warm school culture.

As one leader, who has been with her CMO for over 10 years, stated, the school or schools need to have their brand absolutely solid from an internal standpoint. This allows the organization to offer itself as a true quality choice from among all the options families have for their children’s education. She went on to assert that the more work leaders do on the brand internally—ensuring that everyone in the CMO understands “how your organization does school” and then actually executes it that way—the stronger it should become as the network expands and adds more campuses. Families will seek and expect a specific brand of school experience for their children, regardless of individual campus.

**Organizational culture.** Another common sub-theme of identity that several leaders highlighted was organizational culture. Defined in the interviews as the “people culture” or the way in which colleagues work and build relationships with one another,
organizational culture should be established and “indoctrinated” into everyone on the team, regardless of their roles. One founding CEO underscored the importance of building and fervently maintaining a culture that was student-focused and, in turn, drove excellence in people and in schools:

We had a pretty clear picture of how important culture was, and that in our minds, culture was essentially everything. If you don’t get culture right and you don’t get it right early and you don’t protect it jealously throughout the growth of your organization, you wind up with all kinds of challenges that you could avoid. So we were very clear about this, and I’ll tell you how clear we were. I mean, I gave up a four-year rollover contract as a superintendent and we all became at-will. This was all about the kids we wanted to serve, and I’ll give you some examples of that. We were very clear from day one that we were a team, not a family, and we made a very clear distinction between the two, and that in a family, you will always be loved and there’ll always be a place for you. At [our CMO], we’ll always love you but there might not be a place for you (laughs). You are relentless in the interest of the kids and in the interest of others, and we built a culture that said everyone worked to make sure that every single person in our organization was a stunning colleague.

Across their respective organizations, leaders made similar efforts to build organizational cultures where trust, respect, and open communication characterized interactions between employees. Additionally, the ideas of teamwork and collective problem solving also drove the development of positive collaboration among adults.

Leaders shared that every action on their part was a strategic way to “drive home” other critical elements of their organization’s culture. Competitions among teachers for the best student-centered alternative assessment drove innovation and creativity. Teacher-leaders executing professional development for peers at other campuses in the network established a community of learners. Creating smaller networks of schools within the broader CMO encouraged knowledge sharing among school leaders and prevented schools from “reinventing the wheel.” Inviting staff to give input on critical, high-level decisions fostered ownership of CMO-wide actions and results.
A few CEOs underscored that even language, the way employees spoke to one another, was crucial to developing and promoting the organization’s culture. One leader referred to “plusing,” which was a method his team used to engage with one another: “If you and I were in a conversation and you spoke and I was going to follow your thought, I started by complimenting what you said and then built off of it, so that we showed each other that we listened and that we cared, which was important to our culture.”

In terms of scale, leaders also connected organizational culture to human capital (another internal factor that will be discussed in the next section). One leader stated:

Culture is truly the identity of who you are, and I think that organizational culture has to be strong because that’s going to drive who the people are that are going to come in and work for your organization and be part of that expansion. If there’s not a defined culture, then how can you evaluate someone for the right fit? I don’t think you’re going to get the right people in place to help you with the expansion, the kind of people you really need.

Leaders charged themselves and their executive teams, as well as middle managers, like principals, as “curators of organizational culture,” especially during scaling when new talent would inevitably need to be brought into the CMO to staff additional campuses or support them centrally. According to one founding CEO, the executives on his team who supported expansion were those team members who “bled purple, who bled our organizational culture.”

**Academic model and quality.** Another organizational identity element that was common across interviews was academic model and quality. As one leader put it, “What are you trying to replicate and is it good enough to actually replicate?” Academic models across each leader’s CMO incorporated not just curriculum and pedagogical components, but also school design elements. All of these pieces were “non-negotiables” and leaders
noted that they made every effort over the expansion period to keep them in place:
college preparatory curriculum, project-based modules, inquiry learning, highly-
structured school culture, socio-emotional learning integrated into daily classroom
instruction, extended day and year, and so on. Some leaders shared they learned the hard
way that their original academic models were not easily scalable due to their complexity
or to the needs of various groups of students as more campuses were added to the
network of schools. One West Coast CEO highlighted this:

We built our model on a sort of very constructivist project-based learning,
multi-age structure . . . which is very difficult to do. We built it on a set of
interdisciplinary units that we developed. We did a rite of passage experience at
various stages in students’ lives. And a twelfth grade Capstone project with an
early college model. Today, all of our high schools still have early college, but we
have had to make some other shifts elsewhere as we moved to opening three to
five schools at a time, as we were growing. And let me tell you some of the shifts
we made were painful, but they were what we had to do.

He went on to note, as did several other leaders, that he was able to keep early college
and other foundational elements of his academic model in place over the course of 16
years, with front-loaded intensive training for school leaders and teachers; heavy
coaching through frequent school walkthroughs with clear “look-fors”; detailed
handbooks that described the design of the model and provided technical guidance for
school-based teams regarding implementation; and finally, some “tinkering.”

Tinkering was best defined across the leaders’ interviews as continuing to
improve the implementation and effectiveness of their respective academic models.
Leaders and their teams worked to address gaps in curriculum quality and add elements
to their academic model to serve new populations, such as English Language Learners,
who entered into their student body as their CMOs continued to grow in number of new
schools.
The quality of academic models was the primary driver for the tinkering, adjustments, and shifts. Results seemed to trump actual design in this case. One Midwest region CEO supported this with his statement: “It does not necessarily matter what the model is, but what matters is that you have it defined, that its scalable, and most importantly, that it works.” Leaders cautioned that academic quality was not just about their CMO’s current results and student achievement averages. Rather, quality was defined by excellent results over a prolonged period of time. Another Midwest region CEO shared:

Academic quality can be measured in a lot of different ways, but I think that there needs to be a proven track record of producing results that you have promised within the mission of your school. I think it’s debatable on how long you need to have proven those results. I would say one year is not enough. You have to be able to show over time that you have quality instruction based on outcomes.

A CMO leader who grew a network of high schools added to this idea of results over time, quantifying student achievement over a 4-year stretch:

We needed four years to see the results. If we had expanded in our second year, we never even would have graduates from our system in this state. We had to make sure our students were successful, so we looked at our results at the beginning of the fifth year actually. . . . Our first class had graduated and gone off to college and we felt confident about these results.

Beyond academic quality over time, leaders stressed the need for CMOs to define academic quality, not just by averages of test scores across a group of schools, but by the individual results produced at each campus, as well as how students fare in the long term beyond high school graduation. One Mid-Atlantic CEO stated:

To be completely candid . . . it’s not just test scores. You know, we’ve been at this long enough that it’s about the long-term success of our kids primarily in college, but also in life, and that is it. And I think in the context of our network of schools, its ability to do that, we have to have high levels of performance across
all the schools. And so even if you have an average that’s high but a third of your schools are really not great for kids, that’s a tremendous failure.

Leaders concluded that academic quality was directly connected to the effectiveness of their academic models and the fidelity with which school-based teams implemented them. This notion of fidelity was another common theme among interviews, which revealed that leaders differed in their thinking and experiences regarding replication.

**Replication: Starbucks or McDonalds?** While all leaders acknowledged adjustments in their academic models over time in response to student achievement data and student needs, a sub-group of leaders insisted that the time for model changes in their CMO’s existence had passed. These leaders believed that, at this point in their growth trajectory, time and effort should be spent on effective implementation of their model’s non-negotiables. One Southwest region CEO asserted:

> We’re not just opening a new school. We’re replicating an existing model and we have a very tight model that we are trying to replicate *exactly*. . . . We’re very clear with people that we have a highly specific program model, the course sequence is very specific, the syllabus is really specific, the assessment, the data gathering tools . . . that’s just part of how we do things at [our CMO]. . . . I’ve seen other organizations where every school was kind of the same and all teachers kind of did their own thing and everything was kind of like a reinvention of the wheel, and to me, that didn’t make any sense. Like I don’t know why you’d bother growing if you’re not replicating your actual program model. . . . I think that’s like a fool’s errand, right? . . . Starbucks is Starbucks, no matter what city you’re in . . . the product, like our results, is the same.

Another sub-group of leaders stressed the importance of autonomy for school leaders and their teams. After creating a framework of “must haves,” these leaders allowed flexibility and creativity because they believed this would enable school teams to adapt to the detailed needs of the communities in which their schools were located. As one leader put it, in the spirit of the charter movement, teachers and leaders could
innovate their own ways to best engage and teach the students in those communities and, in turn, produce outstanding outcomes.

Another leader, who has worked at the executive management level in two different CMOs that both implemented growth plans during her tenure, shared an analogy to highlight the decision facing leaders when expanding the number of schools in their networks:

There are two kinds of philosophies. When you want to replicate what you do, think of a Starbucks. We have a recipe, it’s award-winning. You go to any part of this world . . . and order a pumpkin spice latte, and it tastes exactly the same! Because Starbucks transports everything to ensure the same exact ingredients are used. Nothing changes. Everything is tempered and you apply the exact same process. You’re going to get the exact same product. The other philosophy is you’re going to be more like a McDonald’s. We have some standard things on the menu, but you’re going to use local grown ingredients and you’re going to have some specialty items on the menu. At Starbucks, you get the same product and it tastes good. At McDonalds, you get a little bit of a different product, but it tastes just as good . . . Are you going to be a Starbucks who’s going to replicate everything exactly cookie-cutter? Or are you going to allow for a McDonald’s and allow some components to be flexible and cater to the environment that your new school is in? . . . Both types of systems can be successful at the end of the day if there’s a tight accountability system in place for the students, teachers, school leaders, and central office.

This leader’s analogy and the notion that both products “taste good” were supported by the fact that two of the CMOs who participated in this study—one a “Starbucks” and the other a “McDonald’s”—have both won the prestigious Broad Prize for Public Charter Schools, which recognizes CMOs for best practices that promote student success.

Regardless of replication philosophy, another founding CEO claimed that growth and expansion would inevitably change a CMO as it shifts from a “one-school identity” to a “replication identity”:

We’re settling into our replication identity, as I like to call it. Like identity as a network, which is very, very different than one school . . . so when you start one school, and I think this is important . . . I had no thoughts about growing one
school into many. Back in 2006 when we opened [our first campus], I just wanted to make a good school for kids that nobody had bothered to pay attention to before in this way, and I wanted to create, you know, I was really mission-driven, which I think a lot of founders are. Like I wanted to create a college prep model for an alternative high school . . . and I wanted to get them into community college and kind of show the world that it’s possible to serve alternative kids in a different way. And we only cared about that, and I kept my head down. And then, I think what happened, that happens a lot, is we were successful with these kids. And then you’re really at a critical point when you’re successful with your mission at first. You can either continue to try to do it and try to get your numbers, results, profits, whatever you do, better. You can expand it and sort of footprint it out there and try to do it exactly the way that, you know, you’ve done it in the first place to serve more people. In our case, we wanted to serve more off-track youth. Or you can leverage what you’ve created to try to start asking interesting questions and try to do different things. We have now moved beyond the one-school identity into a “Hey, wait a second, we’re actually an organization that cares about producing the best results for off-track youth, and we want to start schools in different areas that need a school for off-track youth, that need kind of a model for thinking about these young people differently.” This replication identity, mission, compels us, to think outside of the charter box.

Several leaders affirmed this shift in identity. This change did not necessarily occur with regard to specific components of their CMO model, but rather, as one leader stated, it was “a change in how you view the world and the system your schools are in.” From this particular theme, leaders delved into growth mindset and organizational evolution during the scaling process, which the researcher highlights later in this chapter as a separate internal factor.

**Internal factor 3: Human capital.** Human capital was one of the most dominant and robust overarching themes across interviews. CMO expansion is absolutely impossible without the type of talent that is needed to drive and sustain it at every level of the organization, from executive leadership, to teachers, to employees in support roles such as operations. One leader summed up the interviewees’ attitude towards future and current employees: “It’s all about talent. We are obsessed with talent.” Leaders shared a variety of talent philosophies and strategies across four major sub-themes. They invested
significantly in (a) recruitment and selection as well as (b) retention and development. Additionally, leaders were particularly concerned with two types of key people who directly contribute to a CMO’s scaling process: (c) principals and (d) executive leaders, especially CEOs.

**Recruitment and selection.** Leaders cited that when expanding, the candidate pool for school leaders and teachers was a critical factor in determining whether or not their CMO could successfully open a new campus. Some leaders shared that limited talent pools actually delayed the opening of a campus in their respective networks, underscoring, as one Southwest region CEO stated, “the supposition that your success is based on the quality of your people, and that the quality of your people is not just a stroke of luck or having the good fortune of just hiring the right people.” In turn, the majority of CMOs invested significant financial and human resources into building external pipelines with local and national education schools and alternative certification programs to get the highest-quality adults into their buildings. In addition, leaders mentioned how their recruitment teams used the “prestige” of their CMO brands, their track records of results, competitive compensation and benefits packages, an emphasis on upward mobility, and even referrals from current employees to attract and acquire external top talent.

A sub-group of leaders cautioned against using external talent pools for key positions (founding school leaders, executive leaders) during the scaling process due to the lack of new employees’ understanding of mission, brand, identity, organizational culture, and academic model. But others offered that external pools and pipelines were beneficial as long as CMOs utilized them strategically. For example, one leader shared that because his CMO was expanding into a completely new state and city, it made much
more sense for him to hire a founding, experienced principal with “deep roots and community connections” in that particular jurisdiction rather than bring in an “outsider” from the CMO’s home state.

This notion of experience in a CMO’s talent pool also highlighted leaders’ thinking around the number of years a candidate has in a classroom teacher role or leadership role, as well as whether or not the candidate has taught in a charter school setting or a traditional district setting. While some leaders valued years of experience, others were more concerned with work ethic and capacity for being open to and adopting the CMO’s mission:

If you’re hiring, as we are right now, young green but eminently trainable, work their ass off, like twenty- to thirty-year-olds including school leaders, they don’t know what they’re doing, but they’ll do it, you know? . . . But if you want to hire seasoned leaders, one of the problems is can you get them in line with your mission if it’s controversial, which ours is? It’s easier to get the younger crowd on board.

Beyond work ethic and “coachableness,” leaders delineated key characteristics and attributes of the ideal candidate such as grit, flexibility, and integrity, as well as qualifications such as certification and college or advanced degrees. Most importantly, leaders had worked with their human capital teams to ensure that their selection process screened for these attributes and qualifications, and for candidates who would be the “best fit” for their organizations. A few leaders mentioned the implementation of more unconventional strategies to attract and hire new employees. One leader shared how his CMO allowed candidates to apply in pairs, assuming that one talented candidate would beget a peer who was equally capable. Another leader described how important it was for his school leaders to see teacher candidates in truly authentic settings. Rather than having
the candidate come to campus to teach a sample lesson, school leaders would travel to the
candidate’s current school and classroom to evaluate teaching ability and fit.

**Retention and development.** Leaders expressed that once talented people were
hired into the organization, another set of resources and strategies were employed to
retain and build the capacity of these team members. One leader said that executive peers
at other CMOs were in disbelief at the number of financial resources he invested in
building a team dedicated to the development of school leaders and teachers through
large amounts of targeted coaching, feedback, and consistent evaluation. He believed,
however, that the return on investment was worth it, especially to help team members get
better at their jobs more quickly and move out those employees who were not effective:

> It’s a really significant investment in terms of people and, you know, man
> hours, and financial resources. . . . [We’ve been] intentionally building and
> training and supporting and coaching, and having a really specific way of
> evaluating people to identify the best . . . but also to identify the least effective
> people and bombard them with high-quality coaching . . . and if they’re not
> improving with the coaching, we’re cutting them loose because . . . we just can’t
> waste our time on people who are not going to improve. But [we] have lots of
> evidence of people improving quite rapidly and they always get to stay with [our
> schools]. . . . Our focus on people is not about firing, it’s about wanting our
> people to become more effective with lots of coaching and support.

Other leaders emphasized the amount of time and energy invested in intensive
professional development that is tailored specifically to the implementation of their
academic models and curriculum. Teachers and school leaders in these CMOs responded
positively to moving beyond general pedagogy and working with training teams to
become content and inquiry experts.

Several leaders connected employee retention to organizational culture. Through
the use of surveys and brown-bag lunch sessions, leaders learned what principals,
teachers, and central office staff valued the most and then worked to ensure those
elements were incorporated into the overall “people culture” of the organization. Some of these common elements among the interviews included an environment characterized by respect in which teachers could truly be instructional leaders in their classrooms, in addition to an open, productive working relationship with an employee’s direct supervisor at every level of the organization.

Beyond ensuring that staff turnover in schools remained minimal for students and families, talent retention and development were especially important to leaders growing their CMOs to scale. Leaders emphasized the crucial need to develop an internal pipeline of future school leaders and teacher-leaders who would comprise the founding teams at new campuses and the CMO staff who would support those new campuses. The majority of leaders explained how their internal pipeline programming operated. The process included the selection of the highest performers (usually according to individual student achievement results) and then inviting them to apply to selected tracks. One track was for aspiring school leaders, while another track was for a group of leaders who wanted to lead as dean or curriculum director. Accomplishment of these tracks included participants’ successful completion of some type of “scope and sequence” over the course of 2 to 3 years before CMO leadership evaluated their level of readiness for a new school or other leadership role.

Leaders also highlighted that internal pipeline programs underscored the extent to which their organizations valued talent development and talent sharing. One CEO explained:

We are an organization that really hone's in on talent. So . . . if you want to be promoted as principal . . . one of the biggest requirements [of the school leader] is that you are an exporter of talent. [As a school leader], you should be growing your assistant principals to be principals one day. . . . We do a lot to recognize
and reward and encourage just that sort of attitude. . . . You don’t create [this type of] positive culture so that people want to hide their good people because they don’t want you to take them away to launch new schools. . . . So we’ve really worked to get people bought in to this idea that it’s a success if your school produces new assistant principals or future principals every year.

Even in creating such complex, robust systems for internal talent development, leaders worried that such programming was not enough to meet the rate at which their CMOs were growing to scale. In turn, leaders expressed the need to continue expanding the internal talent pool by inviting in external providers, thereby adding more capacity to internal pipeline development, especially for future founding school leaders.

**Key people: Principals.** Of the numerous people it takes to plan and implement a CMO’s expansion, interviewees resoundingly expressed that the school leader was paramount to the opening of a new school in their networks. One East Coast region co-CEO, who was the founding principal of her CMO’s flagship campus, underscored the power of the principal:

> As hard as we worked on [our CMO’s] core program and curriculum, as well as specific strategies we use at schools, the truth is that a great principal still makes or breaks whether a school is going to be successful. . . . [It is] important that we have a principal that we have a high level of confidence in and who has completed our two-year principal-in-residence program. . . . There’s been times . . . that we have not opened new schools we otherwise intended to open because we felt we didn’t have a principal who was ready.

Other leaders shared a common urgency around principal preparation and creating a strong pool for future campuses, with several noting that they currently had 15 or more principals-in-residence. Leaders partnered with graduate programs, bringing them in to offer principals-in-residence master’s degrees in education leadership. One CEO expressed how principals always take precedence even in the face of financial limitations:

> “Even in the context of constrained budget resources, the number one thing we will still
fund is a principal pipeline.” Another leader, who was also the former founding principal of his CMO’s flagship campus, detailed how much of his own time he dedicated to principal recruitment and retention while leading a network of 18 schools. He evaluated their capacity for entrepreneurial leadership, called their references himself, and even shadowed them for a whole day during the interview process.

This same leader said he believed principal retention was also critical to ensuring the long-term success of new campuses. In his case, he used autonomy as one of his primary principal retention strategies. Another CMO leader shared that one of the key components to executing her scaling plans so quickly was a 90-plus percent principal retention rate: “That is a huge part of how come we’ve been able to get bigger and better at the same time. I think without that, we would have had to stop growth altogether.” Leaders worked hard to support founding principals so that these individuals would stay in their roles for at least 5 years, stabilizing their schools, ensuring a positive record of academic results, and anticipatorily training and readying an internal successor. Those leaders whose CMOs have been in existence for over 10 years acknowledged that they were now grappling with how to promote founding principals systematically into senior-level management roles, while also ensuring the smooth transition of the successor at their respective campuses. These leaders have had to begin yet another cycle of talent development to prepare their most effective principals for senior or executive leadership within their CMO. Fortunately, with their CMOs’ continued pursuit of fairly aggressive expansion goals, current leaders discovered that their best founding principals were prime candidates for new regional superintendent roles.
Key people: CEO and executive leadership team. Several of the leaders who participated in this study were the founders of their current organizations, either as principals, executive directors, or CEOs. When pursuing expansion, these leaders shared how their role, as well as the role of their currently existing executive team or the one they had built, were also critical to scaling successfully. Leaders actually assessed their own readiness for this work with their boards of directors. One founder provided more insight into this process as well as into the characteristics she believed are necessary to make the leap from founder to CEO:

[The founder] has to continue to be excited about the work . . . my job has dramatically, like seismically changed over the past eleven years. Now, today, I’ve got to deliver fifty thousand dollars’ worth of investment towards this [fundraising] match we’re driving towards. I didn’t have that pressure on me before. . . . We had a conversation at the board level about whether you could go from me, an executive director, on-the-ground founder, to being a CEO who could grow the organization. . . . [U]ltimately, we decided that we were going to let me try and I was successful. . . . But if you don’t have a leader that is interested in growth, is a little arrogant, very tenacious, and is able to take a few blows, you’re not going to grow (laughs). . . . It’s awful and you have to raise a lot of money and sometimes chameleon yourself into a lot of different sorts of characters to get people on board to do the work of growth.

Other leaders who were founding principals and executive directors-turned-CEOs highlighted that the “heavy lift of scaling” could not have been done without bringing aboard other key members of their senior leadership teams. One leader explained how founder thinking is often characterized by this notion of “I can just keep pulling this off, me and my band of believers,” which can only bring the organization to a certain point. Scale requires sophisticated thinking and individuals in roles like the chief operating officer, chief financial officer, and chief strategy officer to “complement founder thinking.” Another leader echoed the importance of his executive team and how he
invests time and effort in his working relationships with them in order to ensure his CMO not only grows but also improves its operations and outcomes:

I’m only as good and I’m only as effective as my senior leadership team, so I spend a lot of time with my direct reports, and I got a lot of people reporting to me . . . like ten . . . and other people are like “Oh, that’s too many people,” but the way I manage them and . . . create an environment where everybody on the senior team works exceptionally well together . . . This trickles out to how they lead their teams, too, making us better overall.

Ever anticipatory, although they did not indicate that they were leaving their CMOs anytime soon, the CEOs who participated in interviews also highlighted the importance of training their own successors and creating a good “bench” of talent among middle-managers, like highly effective principals, to move into senior and executive positions when the time came.

**Internal factor 4: Governance.** Depending on a CMO’s board composition, this group can provide what one leader termed the “money, power, and permission” necessary to grow an organization, especially at the ambitious rate that so many leaders who participated in this study already have. Leaders reiterated that the types of individuals on their boards and their dispositions, as well as the manner in which their boards provided oversight, accountability, and support, had a direct impact on their expansion.

**Board composition and attributes.** One founding leader explained that he built his board to be full of “stars”—successful individuals who were “a remarkable group of entrepreneurs, venture capitalists, and educators” to ensure that as he grew the CMO, the organization would remain “smart.” Other leaders echoed similar efforts, working to recruit professionals from a variety of sectors who were “area experts” who could advise and provide guidance for the CEO, especially throughout the growth process. For
example, one leader shared how his board brought on a particular type of expert when his CMO was planning to open schools in a new geographical region:

One of our board members said to me, “A plane is not a car. You are going to have to begin flying back and forth. This is multi-regional retail, and we don’t have anyone on our board who understands it. So let’s find someone who is experienced at multi-regional retail who can show us how to get to this new region.” So I went out and found a guy who grew a donut company from four to forty. He came on our board and he basically taught us how to do multiple regions. He listed fifteen things we should do. We did thirteen of them and they all worked perfectly and our first expansion into a new region was a success because of it.

Another leader praised the financial and business acumen that several of her board members provided, given that managing a multi-million dollar operation was very different than the $800,000 budget she first began with as a founding principal.

Beyond individuals, leaders shared several common board member attributes or dispositions that they believed supported successful organizational expansion, including mission alignment, accessibility, investment, temperance, and loyalty. One leader spoke to the difference her board chair made in her leadership of the organization and her professional growth:

I love my board. Our chair . . . his loyalty and commitment to me have really sort of been the wind on my back. He’s also tough, real tough, and he’ll tell me when I’ve made a bad decision, but he also provides wise counseling that has gotten me and the organization through some really tough situations.

Another leader shared that he, too, had an outstanding board that was “very involved and invested,” to the point that board members would tour prospective new geographical regions with him.

The sub-theme of board member tenure was also another common connection among interviews. While some leaders heavily praised founding board members for their
dedication to the organization, one leader in particular warned that an original board could actually stifle a CMO’s expansion and improvement:

Founder boards are great, I had one, but you keep a founder board and they just do whatever you want to do as the founder. So the CEO gets all kinds of leeway and sometimes they get too much leeway and you don’t feel the discipline for growing . . . don’t keep your founder board around for as long as you might normally think.

**Board operations.** In addition to the aforementioned high levels of interaction, leaders distinguished between the particular ways their boards operated, governing rather than managing. Along with oversight, several leaders mentioned how their boards protected them, especially when making a decision that was in the best interest of students but perhaps not as popular with the general public. Advocacy in the political arena as well as crisis prevention were also characteristic of leaders’ board operations. One CEO described how his board operated using fatal flaws theory:

[F]atal flaws theory is a philosophy that inside any organization is a flaw, which if you don’t find, it will kill the organization. Like if you don’t get it, if there’s something going on in your system and it’s going to erode you or destroy you, you have to find out where it is . . . so our board always focused on that and advised me on how to design our policies and operating procedures to avoid lawsuits and even terrible, ridiculous real estate deals.

Other leaders shared how they worked with their board chairs to keep their boards “in shape,” putting into place a set of operating norms and strict structures to keep the board focused on mission and strategic goals. Finally, leaders highlighted how critical it was to ensure that they educated their boards about growth and executive management’s rationale for expansion plans, including moving to new cities or states or opening more than one new school at a time. These high levels of transparency around decision making continued to build board confidence, allowing leaders even more autonomy to continue executing their plans to scale.
**Internal factor 5: Fiscal health.** The leaders who participated in this study cited their fiscal responsibility for annual budgets ranging from ten million to just over four hundred million dollars. However, even the leaders with the largest budgets were adamant about maintaining not just good, but “superb” financial health as an organization that is scaling. One CEO summed up how important money management is: “It takes a significant amount of *cash* to grow.”

The most prevalent sub-theme for this internal factor was the need for CMOs to keep a certain amount of cash on hand and actually build a significant reserve. One CEO stressed:

> Reserves are a very important concept. We have them because at [our CMO], we budget to a surplus, not to break even or to a deficit. People think ‘cause you’re a nonprofit, that means you spend everything you make, right? So if you’ve got a million dollars that come in, you spend a million dollars out? No, absolutely not. You need that to produce a surplus to build your cash reserve. . . . What you don’t realize is that as you grow, you’ve actually got to create more cash because, guess what? Your fixed costs are significantly higher over time.

Across interviews, leaders recommended having at least 2 to 3 months of cash reserves to address “unanticipated expenses.” For example, one CMO decided to build a new facility from the ground up; however, the construction was not completed in time and that CEO had to use his reserves to secure a rental space so that students could start the school year on schedule.

Leaders also shared that they maintained excellent fiscal health during expansion through a few other key practices. Working with their boards and finance teams, leaders established several consecutive years’ worth of “clean” financial audits, free from any serious discrepancies in spending and totally compliant with financial guidance provided by federal, state, and local entities. Additionally, leaders evaluated their budget-to-actuals
annually, assessing how well the CMO had met the budget it had committed to and targeting any areas of over- or underspending.

Finally, several leaders stressed the importance of creating 3- or 5-year financial projections on an annual basis. The frequency of this process allowed CMOs to ensure alignment between financial planning and enrollment projections, actual student enrollment, and student retention tracking from year to year. One leader in particular shared that “economies of scale are deceptive.” He claimed that a CMO that was adding additional campuses did not necessarily mean its revenue was actually increasing or even remaining the same, especially if the organization’s student enrollment and retention showed any signs of trending negatively.

**Internal factor 6: Infrastructure.** A CMO’s infrastructure must also grow to scale as the organization adds more schools, more school-based employees, and more students. A few leaders admitted being so focused on staffing and opening new schools that they failed to address the operational, human resource, fiscal, and programmatic support that many schools need even before they begin their site operations. Eventually, leaders determined how to meet schools’ needs by further defining the role of the CMO’s central office, developing sound standard operating procedures and systems, and, finally, expanding the organizational chart to include positions that would assist schools in the midst of continued expansion.

**Role of CMO as central office.** As the number of schools increased, leaders indicated that CMOs became a central “hub” or “the central office” that supported not only operational and financial functions for schools, but also curricular and programmatic execution at individual school sites. This frequently led to two particular types of conflict
leaders had to address: a centralized versus a decentralized system and support versus accountability.

Some leaders shared that because of internal talent development and pipelines, most employees, including school leaders, responded well and with fidelity to the central office directive: “Implement this model.” One leader noted that he began to allow a bit more autonomy to higher-performing schools, but this created a dynamic in which other school leaders questioned equity and began to push for more decentralization—an unintended consequence of his action. At the other end of the spectrum, those leaders who allowed for decentralization and more autonomy for schools explained that their central offices still provided the framework within which their schools were to operate and could innovate.

Regarding support versus accountability, leaders indicated that the central office was first and foremost a support entity for individual campuses. One leader shared how she made this clear to central office staff because the principal role in her CMO is especially challenging:

We call our central office the network support team. . . . It’s a real support orientation, we’re very clear that the default answer to principals should be “yes.” We talk a lot about how hard the principal job is. We have also over-resourced our regional suites and really prioritized getting the [school-network support office] relationship right. We have a twice-a-year survey of all of our principals . . . we ask them to rate every department in the network support team, like operations or finance or external relations or curriculum . . . and then I respond with an overall memo from me, and then specifically to every single principal comment that was direct to a specific team. . . . I think when you’ve gotten to our size, it’s just, it’s just really important that the school network relationship be strong.

Other leaders shared a similar philosophy, especially regarding the role of the central office in school-based staff’s job satisfaction and performance. One Midwest region CEO
said that the central office’s role—his role—was to enact good management by clearing any obstacles that principals might encounter, such as breakdowns in operations or community relations. Another CEO said she responded to principals sharing with her that their jobs were “crushing” them, so she added as much support as her budget would allow. Full-time school operations directors allowed principals to focus on instructional leadership, and regional superintendents provided not only technical support but also coaching and emotional support to help school leaders do their jobs well.

**Systems.** CMO infrastructure was not only comprised of central office staff, but also of the systems that made daily operations for schools much more efficient. Central office teams were responsible for building standard operating procedures for procurement, building maintenance, food service, and even student transportation.

Leaders stressed they also needed to build out systems and develop standard operating procedures to implement their curriculum and academic program. One CEO explained the need for a common system to measure academic quality across the growing number of schools in his network; in turn, he pulled together a “hedgehog team” and developed a network-wide set of robust interim assessments in order to assess growth and academic improvement over time. Another leader, in her role as chief of staff, collaborated with the chief talent officer to establish not only a clear rubric for teacher coaching and evaluation, but also a system for collecting teacher classroom observation data for mid-year and end-of-year performance appraisals. In conjunction with the CMO’s data director, she built out teacher and principal/school dashboards with key student growth and attainment metrics so that campus-based teams could easily access data for instructional decision making, and the central office could conduct regular
progress monitoring during monthly principal check-ins. Partnering with the chief academic officer, she vetted and selected online applications in which to house the CMO’s curriculum maps and unit plans for every grade and content area, as well as to systematically administer CMO-created interim assessments tri-annually.

Another leader shared that he believed his CMO was one of the most well-managed charter organizations in the country because of a system of protocols he established for the organization’s strategic work as well as day-to-day transactional work. He described his “operating system,” which he had actually presented to peer CEOs at a recent gathering organized by a funder:

My system is a set of protocols. I have one specific protocol for surfacing the top issues with my management team and ensuring those issues get solved. . . . For my one-on-one check-ins with my senior team, I have a very, very specific protocol for how we spend that hour together and it’s super, super, super effective. . . . I’ve even got a really specific protocol around dealing with strategic issues on a monthly basis, as well as a protocol for what I do once a quarter for two days with the senior leadership team, and a follow-up looking at data and prioritization. Without my little operating system, there’s no way we could be growing to scale. . . . Because of our protocols, we’re able to always be focused on execution, execution, execution, and problem solving. . . . Our funders believe that this is what has enabled us to grow so quickly.

**Staffing and organizational chart.** Another element of infrastructure that leaders had to consider was their actual organizational chart. All CMOs eventually added new positions to their organizational charts, both school-based and central office-based, depending on the needs of schools. Several leaders prioritized a recruiter for human capital purposes, while others opted for a director of external relations to execute community outreach in preparation for future school sites. Other leaders selected finance and accounting specialists to ensure the aforementioned need for maintaining fiscal health.
Several leaders highlighted the financial challenges of adding central office staff when growing from one or two schools to at least five or six. At this point in a CMO’s financial modeling, there usually are not enough revenues to justify overhead costs like a recruiter, a curriculum writer, or a special education director, even though schools need this support. In turn, these leaders shared how a few employees who served multiple functions manned their “very lean” central offices. One leader shared how, even at present with 16 schools in operation, her CMO still cannot afford a chief strategy officer or an innovation manager, which means she and several other colleagues “execute our regular jobs during the day, and switch into the growth and expansion strategy team between 6 p.m. and 6 a.m.”

**Internal factor 7: Growth mindset and strategy.** The final overarching theme across interviews for internal readiness was growth mindset and strategy. Leaders defined growth mindset as a willingness to not just continue to “tinker” for improvement, but to truly evolve to serve students in the best way possible using ethical or culturally considerate practices. Regarding strategy, leaders indicated that CMOs did need to have some type of concrete plan in place to guide their growth trajectory. In addition, leaders emphasized that growth happens in phases that CMOs must consider in creating their growth plans. Finally, leaders offered examples of concrete strategies that their CMOs enacted as part of their broader growth strategy.

**Growth mindset.** Several leaders cautioned that, ironically, CMO expansion could cause an organization to become stagnant in its practices. Such practices might also actually be more harmful to students and communities in the long term, despite a CMO’s
track record of academic success. One Southwest region CEO explained this phenomenon:

I think a lot of CMOs . . . they have this formula from when they first started that they think works, and to go outside of that model or formula seems very foreign or risky because they’ve always been successful doing it this way. But as we’ve seen historically over the charter movement in our country, there’s a lot of qualms with some of those approaches . . . like the number of disproportionate Black boys that are suspended each school year . . . or kids that are expelled from charter schools at age four. . . . These practices are problematic. . . . We as [CMO leaders] have got to lead our organizations in abandoning those practices. . . . those practices that at the time we put in place ‘cause we thought that’s what we needed to do, but now we realize there’s some negative effects and that they’re actually not good practices or culturally competent at all. . . . How will we evolve to find better practices to serve our kids?

Along similar lines, other leaders shared how they believed it was their responsibility to address one of the prevailing criticisms of charter schools—that charters exclude specific sub-groups of students in their service populations. A leader reflected on this particular point, explaining how he committed to improving his programs in order to serve special education students, immigrant students, and even undocumented students. Several leaders said that historically, their schools had served either a predominately Latino or African American population, and their future growth plans included expansion into new neighborhoods or cities with a different ethnic demographic make-up, in an effort to serve all students.

**Plans and phases.** All leaders agreed that their teams needed to create some type of roadmap for scaling that included, at minimum, overarching goals and timelines. However, leaders had different responses about the level of detail to include in these plans. One leader expressed the need for decreased effort in planning and increased effort in problem solving during the actual scaling process:
I’ve seen a lot of people put tons of energy into these really detailed growth plans and they’re like ninety pages, a hundred pages, and they’ve got all this info about what they’re going to do in the future. I’ve just never seen us as able to do that. I mean, we put a plan together because everybody who gives us money wants to see it. But I don’t look at that plan. I look at the number of schools we’re going to have, the number of students we’re going to serve, and when we’re running up against obstacles, it’s like, oh, what’s the root cause of this? How do we have to change to be more efficient or effective here? This is the real planning, in real time we are creating plans that are solving real problems and real issues that we’re having.

Whether a CMO’s plans were complex or more streamlined, leaders acknowledged that growth happens in a series of phases. During the exploratory phase, the CMO conducts research on the need for its school and community outreach. The design phase includes any adjustments to the school or academic model for the purpose of improving student achievement outcomes. Implementation is the actual opening of the new school(s).

CMOs who were further along in the execution of their plans and moving towards increasing their number of schools to a total of 20 or more in the next 2 to 3 years noted that they are moving into another type of phase, one focused on capacity building across the organization. One CEO explained this growth stage in more detail: “It feels like another founding stage in a way . . . our goal is to pull off a better replication that feels easier for all the staff involved.”

Several leaders noted that their CMOs had to set aside additional financial resources for the growth planning process, especially in acquiring the external support or technical assistance of a consultant or firm to aid in the process. As one leader said, “You have to figure out a way to pay for all of the actual steps leading up to that first opening day of your new buildings!”
**Concrete strategies.** Some leaders highlighted how specific strategic approaches fueled the successful execution of their broader expansion goals. One leader reiterated her CMO’s commitment to a specific geographical region; because of a well-reputed record of academic results, other communities in the same region have welcomed new schools opening in their neighborhoods. Another leader sought out neighborhoods in which other charter schools have actually failed, citing that families are mostly eager for a quality option.

Regarding the actual preparation to open a new school site, another CEO shared his “launch pad” strategy:

The launch pad is really like all systems are a go, we’re ready to launch, the conditions are green. So about four years out, after some preliminary community work, as opposed to only a year out, we begin to negotiate the property and facility to ensure we pick the best one for the best price. We spend two years on that, and from there, we have another two years and we put together a plan to identify a leader and continuously engage the community. . . . This is a much better model than what we were doing before, which was like we only have a year, let’s just work like crazy to try to open a school.

**External factor 1: Need and demand.** Leaders acknowledged that they had an obligation to address the educational needs of students and families in historically underserved areas. Through demographic research and the analysis of local school district data, students and families in need were either currently attending overcrowded neighborhood schools or experiencing a true lack of quality schools in the community. These needs led to demand. Several leaders shared their recollections of stressful lotteries, including one of the CEOs who had also been the flagship principal:

We were getting about eight applications for every open seat. So the lotteries—before computer-based lotteries, back then we were still in the old school version of putting all the names in a big box and shaking them up and pulling them out in front of a room full of people, and it was just awful to go through the process every year.
Other leaders shared common sentiments, including a profound disappointment that so many families wanted an education at their schools but might never be able to get it. One leader in particular challenged the notion of demand as it pertained to charter schools, emphasizing that demand might not always be authentic:

   It’s easy to canvass places and get people to sign off and say that they want a CMO to come in and open a school . . . and if you hire the right people to do that, they can get the signatures of anyone they want. . . . I think real demand is to look at your waitlists and see exactly how many people want to be in this school you’ve created.

One leader indicated that it was not only his flagship school’s waitlist of hundreds of students that indicated to him that he should grow; it was actually the fact that so many of the families on the list were from neighboring communities. These families were willing to travel to his school. To him, this was demand, the impetus to grow.

   Demand beyond families and students. Other CEOs shared how the idea for growth was either ignited or fueled when they were approached by an external entity. In the case of one Midwestern CMO, the philanthropic community, including the Walton Family Foundation and the Bill and Melinda Gates Foundation, offered a significant amount of funding for the single-site operator to begin scaling.

Another CEO shared how the superintendent of a traditional school district who desired to use charters to build a portfolio of high-performing schools invited her to be part of his citywide reform:

   I think the real decision to open more schools came when we met the chancellor of New York City, and he, along with Mayor Bloomberg, in his words set out to make New York City the Silicon Valley of education. . . . He was the one who proactively reached out to us and said, “You know, would you be interested in expanding to New York?” And when we understood what he was willing to offer in terms of funding and facilities and support at the highest level, it became clear that these were conditions for scaling success.
Another leader recalled receiving a call that he was glad he did not send to his voicemail:

So in 1997, I was sitting in my office and my secretary said, “I think you ought to take this phone call.” And I said, “Who is it?” And she said, “It’s the White House.” . . . And indeed it was the Clinton Administration wanting to sign a piece of legislation that was going to create federal powers to help grow charter schools. So that September, the President, First Lady, and a variety of high-powered Dems came to [our school] and we did a national town hall with the press.

This event led this particular leader to cross paths with his future partner who would help him actually shape state legislation (discussed in a later section in this chapter) and create the first-ever CMO in the country, which at present day operates 40 schools.

**External factor 2: Funding.** While working internally to obtain fiscal health, CMOs also secured revenue from external sources to fund their school and operational expenses. There was alignment in how leaders distinguished between two major funding streams and major challenges of bringing in money from each: public and private.

**Public dollars.** Leaders matter-of-factly acknowledged that their jurisdiction’s school funding formulas, especially per-pupil allotments, dictated that charter schools would receive less money than traditional district schools. Some CMOs included in this study received nearly $3,000 less per student than their peer schools in the local district. A few leaders also acknowledged that they received little to no funding for facilities acquisition or capital expenses. One CEO shared how she and other CMOs in her city were “at the mercy” of the local district’s multi-million dollar budget crisis:

Whenever there was any type of budget cut, we’re talking fourteen percent, the funding disparity for the charters in the city became even more pronounced and we all had to operate even more leanly. We executed reductions-in-force at the central office and even had to take certain positions off of school budgets, which was a direct hit to classrooms and kids.
Another leader in the same city lamented: “Our state was broke. Our city was broke. Our district was broke.”

Leaders shared similar thinking around the extent to which a CMO could truly rely on public dollars. For example, one leader shared how the local district and state provided school start-up funds for CMOs that were scaling and opening new schools. For years, her CMO relied on this $300,000 per new campus as a funding springboard to launch a new site. Then, one year, the district and state abruptly ended this offering. This delayed the CMO’s ability to open two new schools that fiscal year.

Given the costliness of expansion, CMOs had to determine how to generate enough revenue for growth while also growing their cash reserves (or not, which leaders acknowledged as a significant negative effect on their organization’s financial sustainability). This led many leaders to pursue private dollars aggressively.

**Private dollars.** Fortunately for many CMOs that participated in this study, the philanthropic community was eager to provide financial support specifically for scale. As an example, the Charter School Growth Fund and New School Venture Fund, both nonprofit ventures, proactively sought out several CMOs to assist with financial needs. In addition, these organizations also provided technical assistance in financial modeling to set CMOs on a “rapid growth trajectory,” enabling CMOs to open multiple schools a year. Many leaders shared a common set of well-reputed foundations that served as a major source of private fundraising for their CMOs, including the Bill & Melinda Gates Foundation, the Walton Family Foundation, and the Ford Foundation.

Leaders acknowledged that either they or a key member of their senior leadership team, in conjunction with their boards, planned and executed a set of fundraising
strategies, applying for private grants and conducting appeals to individual donors. Fundraising anywhere from half a million to 50 million dollars required a significant investment of time and additional resources, and leaders acknowledged that, similar to public dollars, private dollars were not a “sure thing” either. For example, one leader noted that early on in her CMO’s existence, “we had very generous donors at the time and they said they’d cover the philanthropy gap, money we still needed to raise. . . . They did for the first three or four years, and now they don’t (laughs).” Another leader underscored her CMO’s strategic efforts to ensure a balance between revenue streams, building a financial model that did not rely too heavily on one stream or the other.

**External factor 3: Facilities.** Facilities acquisition is, as one leader described it, “one of the most painful parts of being a charter, especially when you are trying to add more campuses to your CMO.” Several common sub-themes emerged from facilities as an external factor. Leaders agreed there has been and always will be a shortage of sound buildings in which to open new schools. CMOs also had to determine which approach they would take to finding and securing facilities. Some CMOs shared or rented space. Others chose to purchase and finance already existing buildings or construct new facilities after purchasing property.

**Shortage all around.** Leaders highlighted a few external factors that led to an “all-around shortage” of quality, affordable facilities. Whether renting or buying, prices were exceedingly high, even in high-needs urban communities. One leader shared:

> Our original plan was to open in Oakland. And then we realized we couldn’t afford to open in Oakland because the real estate market was so high. . . . We couldn’t afford to do it. So this forced us to look into other locations. We ended up finding a grocery store [in a neighboring community with similar needs] that we could lease. . . . We actually got four or five renewable leases for twenty-eight
cents a square foot, as opposed to Oakland, where one lease was a dollar thirty-five a square foot.

Other leaders shared that they could afford to lease or buy some buildings, except that they were in very poor condition and would require significant investment just to bring them up to code for occupation. CMOs were also faced with external stakeholders like ward council members or aldermen who politically blocked their acquisition of a particular building for a variety of reasons, including solidarity with the local teachers’ union or commitment to a different CMO.

Leaders acknowledged that, when hard-pressed to open a new school due to long waitlists or pressure from funders, they found themselves considering facility availability over community need or demand. Poor in hindsight, leaders assumed they could easily transport students from the adjacent neighborhood into the community that had the right building. However, they encountered great resistance from the community that housed the building, citing how residents and other stakeholders said they did not need another school or did not want kids from another area of the city coming into their community.

**Share or rent.** CMOs whose financial models allowed them to share or rent space proactively pursued partnerships with local school districts or other charter schools with currently existing buildings that were in good shape. While co-location was not ideal, especially due to differences in the way schools enact their academic and culture models, leaders explained some of the benefits of sharing space. Sharing space was often less expensive than renting space, allowing funds to be reallocated towards direct student costs rather than facilities. In addition, sharing space meant cost sharing for a variety of expenses, like utilities, waste disposal, and custodial services, generating additional cost savings. CMOs that rented space said one of the primary benefits was the ability to
negotiate ownership of capital improvements and building maintenance to the building owner—another significant cost savings.

Several leaders mentioned pursuing relationships with their local Catholic archdiocese. Even with multiple buildings available, CMOs that pursued this facilities acquisition route acknowledged that they often ended up responsible for capital improvements, including costly renovations that ensured the school was handicap-accessible or had an operable elevator.

**Purchase, finance, and/or build.** CMOs whose financial models allowed them to purchase, finance, and/or build new construction schools shared that they wanted to be in total control of their facilities. One CEO explained how his facilities acquisition approach has allowed him to be independent while also taking advantage of lower interest rates when financing new construction projects:

> We’ve been able to access the capital markets. . . . We finance all of our facilities construction from the ground up. We have an investment group rating from Standard and Poors. Our bonds are at a two or three percent rate and we just build our buildings from scratch. . . . We don’t have to go to districts for space. We’re not trying to find donated space . . . we’re just taking [facilities] on, we are able as an organization to fuel the expansion and make sure we have the funds to do it through our own fundraising of seventy million dollars of private money over the last seven years.

Regardless of approach, leaders concluded that having a senior leadership team member or board member with facilities and real estate acumen sooner in their growth process would have prevented several mistakes. Leaders referred to “sunk costs” that were unrecoverable in buildings they occupied for only a short time. Others had difficulties in finding lenders who would be willing to finance renovation projects. Those who pursued new construction struggled to navigate the zoning and permit process. One CMO noted that it prematurely purchased buildings or property they would never use.
**External factor 4: Political context, policy, and climate.** While operating in a variety of different contexts depending on geographic location, CMO leaders acknowledged how political trends, local and state policy, and general charter climate in their respective jurisdictions sometimes supported growth or provided significant obstacles to scaling. In addition, leaders provided insight into the authority of and relationships with their authorizing entities. Another common sub-theme was the role that CMOs played in influencing politics and driving pro-student, pro-charter policies in their cities, states, and regions.

*Political context, policy, and climate for charters.* The political arena is a complex web of power, relationships, and interests. Like it or not, CMOs have to understand how to navigate this dynamic web to actually survive, let alone grow. As one CEO from Chicago put it, “Politics can kill you.” Without cultivating the right relationships with “key players” and garnering “powerful allies,” several CMOs believed they would not have been able to pursue their expansion plans successfully.

For those CMOs in mayoral-controlled contexts, this meant being in good standing with the city’s leader and members of the mayoral cabinet, including the local school district superintendent. One Midwestern CMO highlighted how his flagship school’s high-performing results won the attention and accolades of the mayor, effectively setting his CMO up to open several new schools with relatively little to no opposition:

Mayor Washington and [Superintendent] Smith created a climate that was ripe for [charter] expansion in [our city]. . . . Smith was bullish about our CMO growing . . . and because of Mayor Washington’s leadership and style, no one questioned him and everyone in the city followed his lead. . . . Back then, if Washington said this was happening, it was happening, of course because he controlled the schools. . . . I didn’t really even have to interact with aldermen or
other political stakeholders. . . . Everyone immediately got on board with [our] expansion.

Another leader in a different part of the country explained that a public figure pushing for CMO expansion was a “positive,” even if the organization was not ready internally and since timelines “can always be negotiated.” This support provided a certain level of credibility and access to other political allies that he could call on when the CMO was finally ready to launch new school sites.

The dynamics in a CMO’s political context often dictated what the policy environment and the general climate was for charters as well. Leaders shared how policy and climate impacted capacity to scale, their academic programs, and even some very organization-specific practices. For one CMO, her state education agency took over a district and offered her the opportunity to open a new school by acquiring a turnaround campus. Several leaders referred to charter caps at the state and municipal levels. As a result, new school contracts that a CMO’s authorizer had already granted were suddenly moot. One leader shared how his college preparatory model and demanding graduation requirements conflicted with his state education agency’s refusal to adopt Common Core Standards. In turn, his school leaders needed to figure out how to keep students from transferring to their neighborhood high school where the graduation requirements were not as robust. CMOs also found that their school discipline practices and level of compliance with teacher certification requirements also caused friction between their organization and their state-level agencies, forcing some CMOs to make adjustments to their models and operations.

Leaders generally referred to the climate in their jurisdictions as either “charter-friendly” or “anti-charter.” Those in anti-charter climates highlighted how negative
narratives around charter schools and CMOs have provided non-allies with the political capital to form an organized opposition. Such narratives include, once again, that charters work to serve only a certain type of student or rob local schools of fiscal resources. The organized opposition for CMOs in this study included groups of anti-charter elected officials as well as local teachers’ unions. One leader cited that in recent years, these oppositional groups have become even more radical because CMOs like his, which went from serving 1,000 students to 10,000 students in his city, are now perceived as a threat in an already-unstable public education environment.

**Authorizers.** Another sub-theme that emerged across interviews when discussing political context was the CMO’s authorizer. Whether the local school district, the mayor, a university, or the state, leaders identified authorizer relationships, replication process, accountability, and level of autonomy as major elements that affected their expansion plans.

CMOs utilized positive authorizer relations to speed up their scaling process. One leader, whose schools are state-authorized, shared how easy it was for him to grow because of the relationship with the state education agency:

> We have a very positive authorizer environment in [our state]. . . . We can pretty much open schools whenever we want and we’re charted directly by the state, so we don’t have to worry about districts getting in the way and meddling. . . . And because our performance is so high, we’re on this little fast track where we basically make a phone call and we can open up a school the next year. I mean, it’s a little bit harder, yes, but not much harder. This has been so helpful for growing quickly.

Another CEO expressed difficulty in developing a relationship with his authorizer because of the instability within the entity. Since starting his schools 15 years ago, the head of his authorizer, the local school superintendent, had changed eight times: “With so
much change, it’s hard to navigate . . . sometimes the new sup loves charters, the next person hates charters . . . and their policies for growth and oversight are always changing.” Other leaders shared similar accounts of changes in how their student achievement metrics were calculated or the process of applying to open additional schools. These fluctuations sometimes stalled CMO execution on new school openings.

**CMOs influencing politics and shaping policy.** At some point in their growth trajectory, CMO leaders decided to increase their direct involvement in influencing the politics within their contexts. In addition, leaders made efforts at the state and local levels to shape the policies that directly impacted their organization’s capacity to open more school and serve more students, including equitable funding for charters. One CEO improved his ability to garner political support and become one of the key players in his arena by investing money and time to implement some specific strategies:

> The reason we have such great political support isn’t just because we sat back and said, “Oh, we hope the people will keep supporting charters.” We hold fundraisers for elected officials, we tour them on our schools, we assign board members to manage relationships with them . . . a favorable [political] environment might be part luck, but you’ve also got to cultivate it. . . . Our team does specific political mapping where we rate every elected official from a negative three to a positive three. Negative three means they hate charters . . . in those cases, we’ve funded candidates to run against people who have not been supportive of us. . . . I realized that running schools was not enough. . . . The other side is relentless, methodical, and obsessed with killing charters. . . . We’ve got to be just as sophisticated as them. . . . I can’t be a boy scout with a knife while everyone else has hand grenades and machine guns.

Leaders also pinpointed how they shared a valuable constituent group with their elected officials—parents. In turn, CMOs invested financial and human resources in organizing parents and even students to neutralize oppositional elected officials and advocate for pro-charter legislation at the local and state levels. When parents and students testified at the state legislature, some CMOs actually gained traction with
increased equitable funding, underscoring one CEO’s statement that “the political environment directly impacts money for charters.”

Another CMO worked at the state level to create a clear policy path for charter schools to replicate. This CMO’s founder explained how he and his co-founder filed a 501(c)(3) nonprofit political organization for an initiative: “The bill that we created would change the state Constitution to allow for an infinite number of charter schools . . . and it actually passed eighty-nine to seven.” The growth process pushed CMO leaders to move beyond school operations and into advocacy.

External factor 5: Parent and community relations. Leaders were aligned in their reflections on community and parent relations as another critical external factor that could accelerate or stall growth. There was a common conclusion among leaders that they should have prioritized community engagement much earlier on in the replication process. One leader explained how just in the last year, he finally hired a permanent director of community engagement. He executed this decision in response to feedback from families in one particular community that his CMO took a “We’re going to bring [our school] to you and do it our way” approach. He and his team realized that they needed to create a way to give the community a voice; his director of community engagement began to work on establishing a whole program anchored by an advisory board of diverse community leaders and a listening tour. These listening sessions with parents would ask for actual parental input and ideas with the hopes of deepening parental engagement and fostering the start of true parental partnerships. After a pilot, the leader reported that parents’ feedback changed drastically: “People’s feedback was like, ‘Wow, this is the first time a school has ever come and opened here and asked us what
we wanted versus like just coming, opening the school, and then operating the way they want to operate.”

One leader cautioned against being too open to input from community and parents; the purpose of his community engagement was to use data and student and parent testimony to turn parents and the community into “believers” that the CMO’s model could truly work for them, even if the high expectations and standards seemed difficult to adjust to at first.

In the same way that CMOs needed to create internal systems for the development of effective infrastructure, leaders also emphasized the importance of creating systems to conduct an analysis of potential communities that could house a future campus. In addition to demographic information, one leader shared how she worked to create a comprehensive “profile” of prospective communities:

When it came to community, we always started from the top. Who are the leaders in that community? What are the politics like? What sub-groups comprise this community? What is housing like? And then you go into learning more about community agencies that support kids and families. You look at pre-K programs and childcare facilities. You check out local churches and other places of worship . . . you talk to the people at each of these places so you can start piecing together a profile of the community.

Leaders underscored how a thorough, authentic understanding of the community aided in assessing if the school was a good fit for the community and if the school’s model could truly benefit the community.

**External factor 6: Collaboration and competition inside and outside the sector.** Leaders expressed that formal external partnerships with service agencies and community-based organizations outside of the charter sector supported the execution of
their growth plans. One Southwest region CMO established a formal partnership with an advocacy organization that specialized in assisting families in finding the school option that would best meet their students’ needs. As a result, this CMO created an enrollment pipeline; the leader explained that beyond a nominal fee, his team could re-direct some of the time and money spent on canvassing and advertising towards the work of his launch pads, further readying future new school sites.

The founding CEO who partnered with Silicon Valley executives to create and grow his organization highlighted that CMO leaders needed to find ways to connect with other successful professionals from other sectors for synergistic purposes. His work as an education entrepreneur paired well with the venture capitalists who were interested in social entrepreneurship. This collaboration also allowed the CEO access to extensive non-charter networks for the type of funding and innovation backing that he would need to lead the CEO in replicating.

Leaders were also aligned in their view of how fellow CMOs were not just competitors but also cooperative partners. One CEO enthusiastically expressed the knowledge sharing that occurred between him and other CEOs of large CMOs across the country:

It’s great. We share stuff all the time and it’s super helpful. A couple of our biggest funders get together frequently and we have an opportunity to present and discuss a problem of practice and we get feedback from peers. . . . I always call a lot of the other big CMOs. I’m always pumping their principals for information, their executives for information. . . . Whenever somebody’s beating us in a certain score, it’s like, all right what are they doing? Like how do we learn from it? . . . We always try to be as open as we can.
This type of knowledge sharing helped leaders and their CMOs continue to improve, increasing the impact of effective practices on even more students. Another CEO mentioned partnering with the KIPP regional office in his city; combined, the two CMOs served 20,000 students in their jurisdiction alone. The rationale for this collaboration was to offer more quality options to parents in their city and “put collective pressure on the entire district, the entire school system in our city to get better.”

Other leaders did touch on the fact that sometimes CMOs competed for students. In instances where a geographic area was highly saturated with school choices, including multiple charter schools, CMOs found themselves in a “recruitment war.” Leaders said that academic track record did not always win over students and families when choosing between two high-quality options. Other elements like school culture, school discipline policy, extracurricular activities, and even before-and-after care came into play, and some CMOs found themselves having to, once again, evolve to make themselves more competitive with peer charters.

**Internal Proficiency and External Optimality**

One of the most significant insights that leaders offered across interviews was that because growth planning and execution was a complex and meticulous process, it was difficult to pinpoint exactly how to assess readiness for both internal and external growth. While they had offered lessons learned about those aforementioned factors that were key to determining readiness, some leaders voiced that a “cookie-cutter approach” to assess proficiency and optimality might be problematic since various CMOs existed and thrived in such diverse contexts and sets of circumstances. Instead, leaders offered that the key to assessing readiness was to ensure that a CMO defined its own way to do just that.
A few leaders said they were still figuring out the “right formula” for readiness that made sense for their organizations, their political climates, their financial models, their revenues, and the needs of the communities they cared about most. Another set of leaders actually shared examples of readiness criteria or decision-making tools they had defined and created internally, only after several years of scaling and, as one leader termed it, “trial by fire.”

**Green light criteria.** Two leaders explained that they worked with their executive teams and boards to create a set of “green light” criteria. If the organization met, mostly met, or was currently demonstrating strong performance in each criterion area, leaders had the “green light” to move forward with replication to open a new campus. The first leader explained her CMO’s set of criteria: (a) there is a school leader that the organization believes is ready to open a school; (b) the academic results across the network are consistently meeting or exceeding the CMO’s performance expectations; and (c) they are currently able to recruit or retain enough talent to sustain the school.

Another leader’s CMO developed a rubric for its set of green light criteria. In this instance, the CMO utilized the rubric (Figure 2) to assess several elements in order to determine if a new geographic location was a good fit for a new school. This particular CMO’s criteria was as follows: (a) mission: student need; (b) mission: likelihood of catalyzing change; (c) availability of suitable facilities; (d) ease of quality control; (e) availability of philanthropic funding; and (f) favorable chartering environment. The CMO assigned a point value in each of the criteria areas. Additionally, each criterion was weighted according to importance.
Growth discussions and greenlighting framework. Another leader shared a protocol that his CMO followed, entitled “Growth Discussion” (see Appendix A). As CEO, he met with his leadership team frequently to re-evaluate their current scaling plans. Using various data points, the team’s discussion had a clear objective and pushed members to anticipate potential risks and propose methods for potential mitigation. Eventually, the CEO and his team built upon the protocol by adding a scorecard, or what they called a “Greenlighting Framework” (see Appendix A). The CEO reflected on why the team added this tool to their growth discussions: “This scorecard wasn’t always in place, but we added it recently to help us consider our next phase of growth . . . our five-year plan is to get to twenty thousand students.” The CMO team chose the following factors (termed “dimensions”) for its scorecard: (a) system performance (academic results), (b) human capital pipeline, (c) financial sustainability, and (d) new site details. The team also created corresponding concrete “measures” or metrics for each dimension.

![Location Greenlighting Criteria Table](http://www.newschools.org/files/AspireSchoolOpeningCase.pdf)
Finally, the measures were assigned a quantitative value (i.e., greater than 90%, less than 70%) or qualitative status (i.e., Behind, On Track, Ahead). The CEO further explained how each value or status was also categorized according to a color system: red (“No Go”) indicated that the CMO should stop growth; yellow (“Maybe”) indicated that the CMO should slow down and proceed with caution; and green (“Go”) indicated that the CMO should continue to pursue growth. The more measures assigned to the green category, the greater the CMO’s likelihood of success in their pursuit of the growth objective for that particular discussion. This was one of the primary protocols and tools for the CMO’s final growth decision making.

**Continued Growth Plans**

Every CMO that participated in this study indicated that it intended to continue on its respective growth trajectory. One founding CEO highlighted that as long as his results continued to improve, he would continue to lead aggressive expansion:

> We’re at thirty thousand students this fall from, you know, one fifty only fifteen years ago. . . . Very few people have matched that expansion rate. And every year, our student performance has gotten better than the previous year. Our ACT scores are higher, AP scores doubled over the past three years. All of those metrics are heading in the right direction. We’re trying to grow exponentially while growing incrementally.

Regarding “the why” for continued growth, despite some of the challenges and obstacles that come with preparation and execution, leaders expressed a common, still-fervent desire to impact the lives of more and more students positively. Leaders also expressed a general sense of confidence in their organizations’ capacity to sustain and execute successfully another phase of growth, especially with all the “scaling wisdom” they now believed they possessed.
Finally, one leader shared how he was going to continue growing while the growing was good:

We just have this great combination, for now, of a big waiting list, a lot of philanthropy, a great interest rate, a positive external environment. . . . I think we take this for granted. . . . I’m sure there will be a day when we have to figure out how to grow in the face of many more challenges . . . when this power combination of factors no longer exists or the factors just aren’t as positive anymore. . . . But that’s not where we are now, so we’re just gonna (laughs) keep it going ’cause it won’t last forever.

This reasoning is representative of the relationships that exist between the aforementioned internal and external factors. While the researcher highlighted a few of these connections, further exploration of the interconnectedness of factors is briefly discussed in the section on implications for further research in Chapter V.

**First-Round Validation: Survey Analysis**

Based on the study’s findings and the review of the literature, the researcher created an assessment tool for charter school and CMO leaders to utilize in order to help them determine their organization’s readiness to begin the scaling process. To ensure the product’s validity, the researcher used the field-testing method. More specifically, she asked charter school and CMO experts from across the country to conduct a review of a draft of the assessment tool. After this review, the experts provided their feedback, via an anonymous survey, on the tool’s validity and how the tool could be improved.

The researcher sent email invitations to 20 potential survey participants, who included charter and CMO founders, executive leaders, and school-level administrators with founding principal experience. Sixteen of these experts completed the survey.
The researcher designed the tool as a workbook that contains a specific protocol and series of questions. The workbook contains six sections:

- Introduction
- Section A: The Growth Team
- Section B: Internal Factors—Reflection and Analysis
- Section C: External Factors—Reflection and Analysis
- Section D: Determination of Our Overall Readiness to Grow
- Section E: Drafting Our Green Light Criteria

The expert participants reviewed the tool section by section, evaluating each for its level of comprehensiveness, relevance, usefulness, clarity, organization, and accuracy. The participants were required to answer these questions. For each section, they also had the opportunity to provide comments on the most and least helpful components in each section of the tool. Responding to these questions was optional. The final portion of the survey asked participants to provide their overall assessment of the tool and its potential effectiveness in helping future users meaningfully reflect on internal and external factors that are critical to growth preparedness. In addition, participants also had the opportunity to provide any general feedback or comments to help the researcher refine the tool.

The researcher utilized an online survey application to design and administer the survey as well as to compile the results. The design encompassed the use of a Likert scale for the majority of the survey’s questions. Participants responded to these questions by choosing one of the following options: Strongly Disagree (Point Value = 1), Disagree (Point Value = 2), Neutral (Point Value = 3), Agree (Point Value = 4), Strongly Agree (Point Value = 5). The other non-Likert questions were open-ended.
The statements below represent the survey’s overarching findings:

- Charter and CMO leaders will often consider external factors when making decisions about scale, but must also execute an in-depth internal reflection to ensure their organizations can withstand the growth process.
- Charter and CMO leaders can more effectively conduct their assessment of internal and external factors with explicit direction and guidance from a protocol like the one the tool offers.
- Charter and CMO leaders must carefully consider the composition of the team of employees that make a charter’s/CMO’s growth readiness decision, including the areas of expertise and general disposition of each team member towards the organization’s capacity for growth.
- Charter and CMO leaders must have a variety of data on hand—student achievement data, enrollment data, demographic data, financial data, and so on—to support the growth readiness decision-making process.

The following paragraphs contain a more detailed analysis of the survey results according to each section of the tool. Each analysis contains a summary of responses to Likert-scale questions and a corresponding table with these data, as well as pertinent highlights from open-ended questions.

**Feedback Summary for Introduction**

In response to the prompt “Section Adequately Covers and Discusses Topic,” 50.00% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 4.25. In response to the prompt “Section’s Guidance Is Relevant and Helpful,” 56.25% of participants chose “Strongly Agree” and
37.50% of participants chose “Agree,” for a total mean Likert score of 4.31. In response to the prompt “Section Is Well Organized,” 68.75% of participants chose “Strongly Agree” and 25% of participants chose “Agree,” for a total mean Likert score of 4.44. In response to the prompt “Section Is Clear and Easy to Read,” 75% of participants chose “Strongly Agree” and 12.50% of participants chose “Agree,” for a total mean Likert score of 4.25. In response to the prompt “Based on My Knowledge, the Material in This Section Is Accurate,” 50.00% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 4.25. Table 2 summarizes these responses and details the number of participants who responded to each question as well as the mean Likert score for each question.

Table 2

Section: Introduction

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<tr>
<th>Feedback Area</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>No Response</th>
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<tr>
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The mean Likert scores across all sections indicated support for the Introduction’s design, content, and quality. Regarding the open-ended questions, the researcher analyzed these responses to determine any similar themes or other trends.

In response to the question asking participants to designate which portion of the section was most helpful, the overarching theme across comments was that the Introduction provided sound purpose and context for the tool’s need. Supportive feedback included:

- While much data, information, and documents exist from school districts for people seeking to expand/grow charters, none provide explicit guidelines on what to think about and how to organize “preparedness” for growth/expansion.

- The purpose and overview were extremely clear and coherent. The rationale threaded throughout makes a clear case for the background of charters and their strategic positioning for growth.

- The introduction’s context for charter schools growing to scale was helpful to get the user prepared for the sections and exercises that followed.

In response to the question that asked participants to (a) designate which portion of the section was least helpful and (b) provide a concrete suggestion for improving this portion, two comments indicated that it would be helpful for the researcher to include more context on why charters/CMOs fail if they do not adequately prepare for the growth process:

- Inconsistent results of charter schools are discussed but no causes of these inconsistent results are given.

- The overview fails to make a case for why CMOs would need this tool. While I can easily agree that CMOs need a way to determine if they are ready to grow to scale, the overview doesn’t thoroughly make the case. What would be helpful here is information on CMOs that may have attempted to expand and have been unsuccessful in doing so. This would better highlight the “gap” and need for the tool presented here.
In response to this particular piece of feedback, the researcher utilized a portion of the literature review conducted for the study to provide specific reasons for why some charters and CMOs fail during the replication process.

**Feedback Summary for Section A: The Growth Team**

In response to the prompt “Section Adequately Covers and Discusses Topic,” 25% of participants chose “Strongly Agree” and 62.50% of participants chose “Agree,” for a total mean Likert score of 3.75. In response to the prompt “Section’s Guidance Is Relevant and Helpful,” 50.00% of participants chose “Strongly Agree” and 37.50% of participants chose “Agree,” for a total mean Likert score of 4.00. In response to the prompt “Section Is Well Organized,” 62.50% of participants chose “Strongly Agree” and 31.25% of participants chose “Agree,” for a total mean Likert score of 4.38. In response to the prompt “Section Is Clear and Easy to Read,” 62.50% of participants chose “Strongly Agree” and 31.25% of participants chose “Agree,” for a total mean Likert score of 4.38. In response to the prompt “Exercise’s Questions Are Directly Aligned With the Section’s Topic,” 50.00% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 4.25. In response to the prompt “Based on My Knowledge, the Material in This Section Is Accurate,” 50.00% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 4.25. Table 3 summarizes these responses and details the number of participants who responded to each question as well as the mean Likert score for each question.
Table 3

Survey Feedback for Section A: The Growth Team

<table>
<thead>
<tr>
<th>Feedback Area</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>No Response</th>
<th>Mean Likert Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section Adequately Covers and Discusses Topic</td>
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<td>0</td>
<td>1</td>
<td>6.25</td>
<td>1</td>
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<td>10</td>
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<tr>
<td>Section’s Guidance Is Relevant and Helpful</td>
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<td>0</td>
<td>1</td>
<td>6.25</td>
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<tr>
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<td>0</td>
<td>0</td>
<td>1</td>
<td>6.25</td>
<td>0</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Section Is Clear and Easy to Read</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>6.25</td>
<td>5</td>
</tr>
<tr>
<td>Exercises’ Questions Are Directly Aligned With the Section Topic</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>6.25</td>
<td>7</td>
</tr>
<tr>
<td>Based on My Knowledge, the Material in This Section Is Accurate</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>6.25</td>
<td>7</td>
</tr>
</tbody>
</table>

The mean Likert scores across all sections indicated adequate support for Section A’s design, content, and quality. The researcher noted that one participant chose “Disagree” for “Section Adequately Covers Topic,” “Section’s Guidance Is Relevant and Helpful,” and “Section Is Well-Organized.” In turn, the researcher looked to the open-ended questions for more specific feedback regarding this section. First, in response to the question asking participants to designate which portion of the section was most
helpful, participants acknowledged the benefit of including this type of thinking in the growth readiness decision-making process. Supportive feedback included:

- Leaders don’t usually think about who should be on the team until after the growth starts, so making them think about it at the beginning is helpful.

In response to the question asking participants to (a) designate which portion of the section was least helpful and (b) provide a concrete suggestion for improving this portion, the researcher looked for comments that might provide insight for why ‘‘Disagree’’ and ‘‘Neutral’’ ratings were given. Critical comments included feedback on the addition of more specific guidance for the Growth Team’s make-up and dispositions:

- Although the responsibilities of the Growth Team should be determined by the members of the team itself, including examples may help guide the team.

- Add more description of qualities of the team’s members.

- As a school founder, my founding team—we were completely convinced our way was the ‘‘right way’’ and our model was good and that we could do anything—we lacked an impartial or better yet negative perspective about growth and preparedness to expand. I think schools should look for and embrace naysayer—but this would definitely require a strong facilitator to avoid school leader from slipping into defensive mode.

The researcher addressed this feedback by adding more explicit guidance about the potential roles that would work well for the Growth Team’s purpose, highlighting how those team members likely possess area expertise in one or more of the internal and/or external factors. Additionally, the researcher also used a portion of the findings to detail the dispositions of Growth Team members.

Feedback Summary for Section B: Internal Factors—Reflection and Analysis

In response to the prompt ‘‘Section Adequately Covers and Discusses Topic,’’ 43.75% of participants chose ‘‘Strongly Agree’’ and 50.00% of participants chose
“Agree,” for a total mean Likert score of 4.19. In response to the prompt “Section’s Guidance Is Relevant and Helpful,” 62.50% of participants chose “Strongly Agree” and 37.50% of participants chose “Agree,” for a total mean Likert score of 4.63. In response to the prompt “Section Is Well Organized,” 50.00% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 4.25. In response to the prompt “Section Is Clear and Easy to Read,” 62.50% of participants chose “Strongly Agree” and 37.50% of participants chose “Agree,” for a total mean Likert score of 4.63. In response to the prompt “Exercises’ Questions Are Directly Aligned With the Section’s Topic,” 50.00% of participants chose “Strongly Agree” and 50.00% of participants chose “Agree,” for a total mean Likert score of 4.5. In response to the prompt “Based on My Knowledge, the Material in This Section Is Accurate,” 56.25% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 4.56. Table 4 summarizes these responses and details the number of participants who responded to each question as well as the mean Likert score for each question.

The mean Likert scores across all sections indicated adequate support for Section B’s design, content, and quality. Regarding the open-ended questions, the researcher analyzed these responses to determine any similar themes or other trends. In response to the question asking participants to designate which portion of the section was most helpful, participants indicated approval for the inclusion of internal factors in the tool; some also highlighted the inclusion of specific factors. Supportive feedback included:
Table 4

Survey Feedback for Section B: Internal Factors—Reflection and Analysis

<table>
<thead>
<tr>
<th>Feedback Area</th>
<th>Response</th>
<th>N</th>
<th>%</th>
<th>n</th>
<th>%</th>
<th>n</th>
<th>%</th>
<th>N</th>
<th>%</th>
<th>n</th>
<th>%</th>
<th>Mean Likert Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section Adequately Covers and Discusses Topic</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>6.25</td>
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<td>50.00</td>
<td>7</td>
<td>43.75</td>
<td>0</td>
</tr>
<tr>
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<td>Strongly Disagree</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td>6.25</td>
<td>7</td>
<td>43.75</td>
<td>8</td>
<td>50.00</td>
<td>0</td>
</tr>
<tr>
<td>Section Is Clear and Easy to Read</td>
<td>Strongly Disagree</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td>37.50</td>
<td>10</td>
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</tr>
<tr>
<td>Exercises’ Questions Are Directly Aligned With the Section Topic</td>
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<td>8</td>
<td>50.00</td>
<td>0</td>
</tr>
<tr>
<td>Based on My Knowledge, the Material in This Section Is Accurate</td>
<td>Strongly Disagree</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7</td>
<td>43.75</td>
<td>9</td>
<td>56.25</td>
<td>0</td>
</tr>
</tbody>
</table>

- This internal assessment is vital to making a decision for a charter to grow.
- [The inclusion of] [o]rganizational culture. We are always so focused on culture for students that we sometimes neglect the culture for the adults in the building or the company.
- “The why” section [was helpful]. At its core, the organization needs to understand why it’s trying to grow.
In response to the question that asked participants to (a) to designate which portion of the section was least helpful and (b) to provide a concrete suggestion for improving this portion, participants mentioned the density of this section and how that might get the user group off track because of the complexity of all the internal factors. Critical feedback included:

- Section B is very dense. Perhaps splitting the internal factor exercises into two groups might be helpful.
- As with each longer section of this analysis—there may be opportunities to pursue tangential issues and/or areas of consideration. I think some recommendations for how to allow for that and how to pull folks back to be on point would be useful.

The researcher made some slight adjustments according to the constructive feedback, but could not incorporate all suggested changes, given the constraints of the study.

**Feedback Summary for Section C: External Factors—Reflection and Analysis**

In response to the prompt “Section Adequately Covers and Discusses Topic,” 56.25% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 4.56. In response to the prompt “Section’s Guidance Is Relevant and Helpful,” 68.75% of participants chose “Strongly Agree” and 31.25% of participants chose “Agree,” for a total mean Likert score of 4.69. In response to the prompt “Section Is Well Organized,” 62.50% of participants chose “Strongly Agree” and 3.25% of participants chose “Agree,” for a total mean Likert score of 4.38. In response to the prompt “Section Is Clear and Easy to Read,” 68.75% of participants chose “Strongly Agree” and 31.25% of participants chose “Agree,” for a total mean Likert score of 4.69. In response to the prompt “Exercises’ Questions Are Directly Aligned With the Section’s Topic,” 62.50% of participants chose “Strongly Agree” and 37.50% of
participants chose “Agree,” for a total mean Likert score of 4.63. In response to the prompt “Based on My Knowledge, the Material in This Section Is Accurate,” 56.25% of participants chose “Strongly Agree” and 37.50% of participants chose “Agree,” for a total mean Likert score of 4.31. Table 5 summarizes these responses and details the number of participants who responded to each question as well as the mean Likert score for each question.

Table 5

Survey Feedback for Section C: External Factors—Reflection and Analysis

<table>
<thead>
<tr>
<th>Feedback Area</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>No Response</th>
<th>Mean Likert Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section Adequately Covers and Discusses Topic</td>
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<td>0</td>
<td>7</td>
<td>9</td>
<td>56.25</td>
</tr>
<tr>
<td>Section’s Guidance Is Relevant and Helpful</td>
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<td>0</td>
<td>0</td>
<td>5</td>
<td>11</td>
<td>68.75</td>
</tr>
<tr>
<td>Section is Well-Organized</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>6.25</td>
<td>5</td>
<td>62.50</td>
</tr>
<tr>
<td>Section Is Clear and Easy to Read</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5</td>
<td>11</td>
<td>68.75</td>
</tr>
<tr>
<td>Exercises’ Questions Are Directly Aligned With the</td>
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<td>0</td>
<td>0</td>
<td>6</td>
<td>10</td>
<td>62.50</td>
</tr>
<tr>
<td>Based on My Knowledge, the Material in This Section</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>6.25</td>
<td>9</td>
<td>56.25</td>
</tr>
</tbody>
</table>
The mean Likert scores across all sections indicated adequate support for Section C’s design, content, and quality. Regarding the open-ended questions, the researcher analyzed these responses to determine any similar themes or other trends. In response to the question asking participants to designate which portion of the section was most helpful, multiple participants cited the “Need and Demand” factor for various reasons. Supportive comments included:

- “Need and demand” was most helpful. My network opened more schools without any students on our waiting lists, which ended up hurting us in the long run financially.

- The Need and Demand section [was most helpful]. Along with “the why,” assessing need is important for growth.

In response to the question that asked participants to (a) designate which portion of the section was least helpful and (b) provide a concrete suggestion for improving this portion, participants cited that this section would be even more helpful if the workbook suggested what type of data to use for the various analyses throughout the section:

- I would add a data table to this section whereby the group has to record data on recruitment, open seats, demographics of their schools and the nearby schools, something to get the team to “see” the data right in front of them as they make these decisions. To my earlier point that often CMOs want to open schools but the needs of the community or number of students in the district do not support the need to more schools.

- For Need and Demand, perhaps suggest more analysis of demographic data. In response to this feedback, the researcher added a suggested checklist of the types of data (and how many years’ worth) that the user group should have on hand when executing the protocol.
Feedback Summary for Section D: Determination of Our Overall Readiness to Grow

In response to the prompt “Section Adequately Covers and Discusses Topic,” 50.00% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 4.25. In response to the prompt “Section’s Guidance Is Relevant and Helpful,” 51.25% of participants chose “Strongly Agree” and 31.25% of participants chose “Agree,” for a total mean Likert score of 4.06. In response to the prompt “Section Is Well Organized,” 56.25% of participants chose “Strongly Agree” and 37.50% of participants chose “Agree,” for a total mean Likert score of 4.31. In response to the prompt “Section Is Clear and Easy to Read,” 62.50% of participants chose “Strongly Agree” and 37.50% of participants chose “Agree,” for a total mean Likert score of 4.63. In response to the prompt “Exercises’ Questions Are Directly Aligned With the Section’s Topic,” 53.25% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 4.56. In response to the prompt “Based on My Knowledge, the Material in This Section Is Accurate,” 56.25% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 4.56. Table 6 summarizes these responses and details the number of participants who responded to each question as well as the mean Likert score for each question.

The mean Likert scores across all sections indicated adequate support for Section D’s design, content, and quality. Regarding the open-ended questions, the researcher analyzed these responses to determine any similar themes or other trends. In response to the question that asked participants to designate which portion of the section was most
Table 6

*Survey Feedback for Section D: Determination of Our Overall Readiness to Grow*

<table>
<thead>
<tr>
<th>Feedback Area</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
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<th>Strongly Agree</th>
<th>No Response</th>
<th>Mean Likert Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section Adequately Covers and Discusses Topic</td>
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<td>1</td>
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<td>4.38</td>
</tr>
<tr>
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<td>0</td>
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</tr>
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<td>Section Is Well-Organized</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>6.25</td>
<td>4.50</td>
</tr>
<tr>
<td>Section Is Clear and Easy to Read</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>6</td>
<td>4.63</td>
</tr>
<tr>
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<td>0</td>
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<td>0</td>
<td>7</td>
<td>4.56</td>
</tr>
<tr>
<td>Based on My Knowledge, the Material in This Section Is Accurate</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7</td>
<td>4.56</td>
</tr>
</tbody>
</table>

helpful, participants expressed that it was helpful to review a summary of all the factor ratings before making a final decision about growth readiness. Supportive feedback included:

- It was helpful to see all the ratings together in a summarized form to help the users draw a conclusion.
- The consolidation of reasons from the other sections [is] helpful for the team to decide what’s next.
In response to the question that asked participants to (a) designate which portion of the section was least helpful and (b) provide a concrete suggestion for improving this portion, participants were most concerned with the next steps for those users who checked the “no” box. Critical feedback included:

- Interesting moment where “yes or no” is checked after all of the exercise. If no, do we start all over in a year? Do we focus on the specific areas where we aren’t ready?

- Does the overall rating have a corresponding green, yellow, or red light indicator? I see below you provide information for green lighters, however, what are next steps for organizations whose ratings may not be quite green light? What should they do?

**Feedback Summary for Section E: Drafting Our Green Light Criteria**

In response to the prompt “Section Adequately Covers and Discusses Topic,” 50.00% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 4.25. In response to the prompt “Section’s Guidance Is Relevant and Helpful,” 43.75% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 3.94. In response to the prompt “Section Is Well-Organized,” 56.25% of participants chose “Strongly Agree” and 31.25% of participants chose “Agree,” for a total mean Likert score of 4.0625. In response to the prompt “Section Is Clear and Easy to Read,” 56.25% of participants chose “Strongly Agree” and 37.50% of participants chose “Agree,” for a total mean Likert score of 4.31. In response to the prompt “Exercises’ Questions Are Directly Aligned With the Section’s Topic,” 56.25% of participants chose “Strongly Agree” and 37.50% of participants chose “Agree,” for a total mean Likert score of 4.31. In response to the prompt “Based on My Knowledge, the Material in This Section Is Accurate,”
50.00% of participants chose “Strongly Agree” and 43.75% of participants chose “Agree,” for a total mean Likert score of 4.25. Table 7 summarizes these responses and details the number of participants who responded to each question as well as the mean Likert score for each question.

Table 7

*Survey Feedback for Section E: Drafting Our Green Light Criteria*

<table>
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<tr>
<th>Feedback Area</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>No Response</th>
<th>Mean Likert Scores</th>
</tr>
</thead>
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<td>0 0 7 43.75</td>
<td>7 43.75</td>
<td>0 0</td>
<td>4.31</td>
<td></td>
<td></td>
</tr>
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<td>Section Is Well-Organized</td>
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<td>0 0 5 31.25</td>
<td>9 56.25</td>
<td>0 0</td>
<td>4.44</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Section Is Clear and Easy to Read</td>
<td>0 0 0 0 1 6.25</td>
<td>0 0 6 37.50</td>
<td>9 56.25</td>
<td>0 0</td>
<td>4.50</td>
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<td>0 0 6 37.50</td>
<td>9 56.25</td>
<td>0 0</td>
<td>4.44</td>
<td></td>
<td></td>
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<td>Based on My Knowledge, the Material in This Section Is Accurate</td>
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<td>0 0 7 43.75</td>
<td>8 50.00</td>
<td>0 0</td>
<td>4.44</td>
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</tbody>
</table>
The mean Likert scores across all sections indicate adequate support for Section E’s design, content, and quality. Regarding the open-ended questions, the researcher analyzed these responses to determine any similar themes or other trends. In response to the question asking participants to designate which portion of the section was most helpful, participants showed strong support for moving user groups immediately forward into growth planning through the creation of the green light criteria. Supportive feedback included:

- Helping teams recognize that beyond being ready to grow they must also have key factors/components in place to actually grow is important.

- The graphic organizer and criteria for moving forward with expansion gets teams moving on the growth work right away.

- I like the framework for the users to create their own organization-specific criteria.

In response to the question that asked participants to (a) designate which portion of the section was least helpful and (b) to provide a concrete suggestion for improving this portion, participants were concerned about the actual growth process and how organizations would navigate potential obstacles. Others asked for the workbook to designate how many green light factors an organization needed to meet in order to move forward with expansion. Critical feedback included:

- Addressing challenges and solutions that may come up during expansion so there is less delay during expansion might be helpful to include in this section.

- Is there a number of green light factors that schools say they need—a simple majority, 100% or all factors? Are there concrete recommendations about this?

The researcher made several slight adjustments to this section, but did not incorporate all of the feedback, given the study’s constraints.
Feedback Summary for End-of-Survey General Feedback

In response to the prompt “The product’s overall organization and design ensure that its users will have the opportunity to meaningfully reflect on each factor,” 75.00% of participants chose “Strongly Agree” and 25.00% of participants chose “Agree,” for a total mean Likert score of 4.25. Table 8 summarizes these responses and details the number of participants who responded to each question as well as the mean Likert score for each question.

Table 8

End-of-Survey: General Feedback

<table>
<thead>
<tr>
<th>Feedback Area</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>No Response</th>
<th>Mean Likert Scores</th>
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</thead>
<tbody>
<tr>
<td>The product’s overall organization and design ensure that its users will</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td>12</td>
<td>4.75</td>
</tr>
<tr>
<td>have the opportunity to meaningfully reflect on each factor.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>25.00</td>
<td>75.00</td>
<td></td>
</tr>
</tbody>
</table>

Participants also had the opportunity to provide general feedback on the tool overall. They demonstrated support for the clarity of the questions contained in the tool’s exercises, with three reviewers noting this in the positive comments section. Other supportive feedback included:
• The tool is valid.
• I think this kind of reflection is critically important for leaders to undertake.

Regarding overall critical feedback, an overarching theme was the tool’s need to further define proficiency and optimality for the internal and external factors, respectively. Additionally, participants expressed a desire for how to share the results of the protocol with the broader team of employees outside of the Growth Team. Critical feedback included:

• Consider adding a more detailed description of proficient, somewhat proficient, not proficient, optimal, somewhat optimal and not optimal.

• I would like some ideas about how to present the “findings” of this analysis and how to share it with the invested parties so folks can understand how the work they are undertaking will look at the end . . . perhaps the “Green lighting” exercise is the place to expand on this?

• The workbook should require the teams upon completion to publish or present their findings to allow for continual guidance during an expansion process.

The researcher incorporated the piece of feedback on definitions by expanding the tool’s definition of proficiency and optimality section.

**Overall Survey Summary**

Table 9 summarizes the percentage of participants who responded “Strongly Agree” or “Agree” for each feedback area and section. The majority of the percentage figures were above 90%. Additionally, the average of each section’s overall score amounted to 94.46%. This figure indicates overall robust support for the tool and its use in the field by charter school and CMO practitioners.
Table 9  
Percentages of Participants Indicating “Strongly Agree” or “Agree” Across All Feedback Areas and All Sections

<table>
<thead>
<tr>
<th>Feedback Area</th>
<th>Percent Rated Strongly Agree or Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Introduction</td>
</tr>
<tr>
<td>Adequately Covered and Discussed Topic</td>
<td>93.75</td>
</tr>
<tr>
<td>Guidance Is Relevant and Helpful</td>
<td>93.75</td>
</tr>
<tr>
<td>Section Is Well Organized</td>
<td>93.75</td>
</tr>
<tr>
<td>Section Is Clear and Easy to Read</td>
<td>87.5</td>
</tr>
<tr>
<td>Exercises’ Questions Are Directly Aligned With the Section Topic</td>
<td>N/A</td>
</tr>
<tr>
<td>Based on My Knowledge, Material Is Accurate</td>
<td>93.75</td>
</tr>
<tr>
<td>Averages (%)</td>
<td>92.5</td>
</tr>
</tbody>
</table>
Second-Round Validation: Expert Panel Interview Analysis

Rationale and Methodology

The first round of product validation that the researcher conducted was extremely helpful and, in turn, she made several critical adjustments to the first version of the Ready to Scale tool, as noted in the previous section. However, despite the validation survey’s open-ended questions, the researcher and her doctoral advisor discussed the necessity of further ensuring the tool’s credibility and gathering more targeted feedback through a second round of validation. Since scaling is such a nuanced process, as the research has already demonstrated earlier in this chapter, it made sense to utilize a different type of methodology for this second validation. The researcher sought richer conversations rather than a set of Likert-scale ratings to dive more deeply into the complex challenges that scaling presents as it pertains to the internal and external factors that are arguably so critical to the growth decision-making process.

In turn, with her doctoral advisor’s approval, the researcher chose to execute an expert panel. More specifically, she conducted individual interviews with 10 charter/CMO experts from nine different cities/geographical regions across the country. These conversations ranged from 35 to 60+ minutes in length, depending on each expert’s time constraints. Six of the 10 experts had actually participated in the first round of product validation. The researcher’s inclusion of a portion of participants from the first round was intentional, especially to seek in-depth feedback on the additions or changes she made to the first version of the product based on the survey responses. Prior to her conversations with each expert, the researcher shared the revised product for their review and allowed them to preview the interview questions to target their feedback directly to
specific areas of the tool and elicit further suggestions for improvement. The interview questions were as follows:

**Product Introduction**

- Which portion(s) of the introductory section best describe(s) the need for this type of tool for charter organizations that are considering growth? Why?
- How clear or unclear are the definitions of proficiency and optimality? Explain. If unclear or too general, how can these definitions specifically be improved for the product’s users?
- What other elements, if any, could be added to strengthen the *Guidelines for Implementation of Workbook Protocol* section? Why?
- After reviewing the introduction, what portion(s) can still be improved? Be specific.

**Section A: The Growth Team**

- To what extent is it helpful to include the list of possible Growth Team members in this section? Explain.
- Are there any specific questions in this section that are problematic? If so, please designate and share how the question can be re-tailored for improvement.
- What other elements, if any, could be added to strengthen this section? Why?

**Section B: Internal Factors**

- Each internal factor in this section contains example *indicators* of proficiency.
  - To what extent are these sample indicators helpful or unhelpful to the product’s users? Explain.
o Please indicate any specific indicators that are unclear or problematic and then offer specific suggestions for improvement.

o As a charter expert, are there any sample indicators that are missing? Explain.

• After the user answers the set of questions for each internal factor in this section, do you think it is helpful for the user to conduct an analysis of the organization’s overall strengths and weaknesses for the designated factor? Why or why not?

• What other elements, if any, could be added to strengthen this section? Why?

Section C: External Factors

• Each external factor in this section contains example indicators of optimality.

  o To what extent are these sample indicators helpful or unhelpful to the product’s users? Explain.

  o Please indicate any specific indicators that are unclear or problematic and then offer specific suggestions for improvement.

  o As a charter expert, are there any sample indicators that are missing? Explain.

• After the user answers the set of questions for each external factor in this section, do you think it is helpful for the user to conduct an analysis of opportunities and threats for the designated factor? Why or why not?

• What other elements, if any, could be added to strengthen this section? Why?
Section D: Determination of Our Overall Readiness for Growth and Next Steps

- Are there any portions of this section that may cause confusion for the user? If so, which ones and why? What can be done to improve these portions?
- What other elements, if any, could be added to strengthen this section? Why?

Section E: Drafting Our Green Light Criteria

- Given the product’s purpose, to what extent is this section helpful? Explain.
- Are there any portions of this section that cause confusion? If so, which ones and why? What can be done to improve these portions?
- What other elements, if any, could be added to strengthen this section? Why?

It is important to note that the researcher also sought to understand experts’ ideas about the validity of the product given any other similar tools that already existed in the field and to anticipate any potential obstacles the user group might encounter while implementing the product. In turn, the researcher included the following set of overarching questions:

- As a charter expert, what about this product appeals to you the most? Why?
- As a charter expert, would you recommend that fellow practitioners utilize this tool for their growth decision making? Why or why not?
- There may be other similar tools already in existence to support charters in the growth decision-making process. What, if any, elements make this product unique or more useful than other similar tools? Explain.
- What specific problems might charter organizations encounter when using this tool? Explain.
The researcher’s conversation with each expert was robust and she often asked a number of follow-up questions that were not included in the preceding lists in order to evoke the expert’s thinking when affirming or challenging specific portions of the product.

Findings

While each interview was different and experts commented on or responded to various portions of the tool, a number of common and important themes also emerged across the conversations. The following sections not only summarize these shared ideas, but also explain how they support Ready to Scale’s overall validity and justify the revisions made by the researcher, which resulted in the final product presented in Chapter V.

Overall validation: Product usefulness and defining elements. While the researcher asked her general validation questions at the end of each expert panel interview, she included these findings first in the sequence of the second validation summary/analysis to underscore that all 10 experts overwhelmingly confirmed that Ready to Scale was a valid tool for use in the field. Experts expressed key reasons for the product’s usefulness and credibility in the form of several defining elements. First, experts affirmed that the tool is a clear, step-by-step roadmap (the first of its kind, which will be discussed later in this section) to the growth decision-making process that successfully takes the single-site operator or CMO—the user group—through the growth decision-making process from start to finish. According to the panel, the “start” is the user group fully unpacking “the why”—its rationale or motivation for growth—and the “finish” is the preliminary brainstorming of “green light criteria” for opening a new
campus, which begins to lay the groundwork for the actual work of scaling. The roadmap-like structure also ensures that user groups do not become overwhelmed by the intricacies of the growth decision-making process. The tool is navigable and the sequence of its sections seeks to prevent user groups from getting “bogged down” or “stuck.” Experts also confirmed that the tool’s design and structure support the type of organization-wide buy-in needed to (a) make the growth decision and (b) actually execute the growth, as the following comment indicates:

What has to happen is that you have to get everybody in the organization bought in, right? And a defined roadmap is more likely to get people bought in than just presenting a rubric. If not everybody in the organization has bought into the idea of going through a process and really thinking about growth, then it’s not going to work. If you have a tool that’s helpful to get us clearly to a decision, then I think people are more likely to get on board with the idea of replication.

Additionally, experts affirmed that while the tool’s roadmap requires the user group to consider a specific set of internal and external factors, its flexibility—in addition to being a roadmap, it is at the same time a guiding protocol—is responsive to the fact that charter replication is a highly contextualized process that very much depends on a school’s/CMO’s jurisdiction and/or geographical location. One expert in particular insisted that it is possible to implement “a flexible tool with fidelity” and this was especially appropriate for CMOs that sought to open and operate schools across multiple jurisdictions with different per pupil allocations as well as different political and community contexts. Another expert said that a rubric could create user perception that growth readiness decision making is merely a “really, really long checklist”; instead, Ready to Scale requires a charter’s/CMO’s ownership in the growth decision-making process and careful consideration of the many nuances of the replication process.
The third common reason for overall product validity was the way in which

*Ready to Scale* demanded deep and documented reflection. More specifically, panelists alluded to the intentionality of the tool—its sequence, its questions, and its requirement that a charter/CMO set aside time solely dedicated to this type of “self-analysis”:

What you’re doing is you’re forcing people to ask the right questions, and if they don’t ask all of these questions or at least the vast majority of them, I think folks will be going into the growth process without having considered all the possibilities. . . . In the end, it could just have been one question that you could have asked in the planning time, which could have prevented you from making a very big expensive mistake. . . . You have also documented very well the kind of thinking that sometimes a very small group of people do inside their heads and never share with people in the broader organization or community. And they instead announce, “We’re expanding. Surprise!” And I don’t think that’s healthy for an organization. I think it’s healthy to go through this kind of exercise, write it all down, which makes this an even more useful tool.

The majority of experts alluded to the fact that growth decision making is often “rushed” or that growth decisions are made for charter schools or CMOs (which the researcher argues is a problematic perception in the penultimate section of this chapter).

*Ready to Scale* reminds charters/CMOs that setting aside time for authentic self-assessment (or as one expert put it, “self-discovery”) assists in mitigating the myriad risks that replication presents.

To support the product’s credibility further, all 10 experts shared that they would want colleagues in the charter sector to actually implement the tool. Panelists delineated a few common reasons for their rationale to recommend *Ready to Scale* for charter/CMO practitioner use. The tool’s sequence and terminology are user-friendly, especially for organizations contemplating growth for the very first time.

[F]or a newbie, it would be fairly easy to follow without . . . having an MBA or some other like formal training degree-wise. . . . I feel comfortable using this tool with . . . my current staff who are all bright folks and certainly experts in their
craft. But none of which have like any HR training, minimal fiscal training . . . all of those things that are really needed for a strong organization to replicate.

Along the same lines, for single-site operators especially, experts suggested that a smaller school-based team is not likely to have previous experience with or knowledge of all the factors Ready to Scale highlights. Additionally, the product presents a framework that insists on a charter’s/CMO’s readiness to navigate the way in which their organizations will inevitable evolve prior to, during, and even beyond the growth decision-making process. Finally, several experts also commented on the tool’s inclusiveness and attempts to prevent solely top-down decision making about growth. One expert stated:

[D]ecisions are made at the highest level, and I think this tool really allows for a very inclusive process, and I think it shows vulnerability in a field that is just used to a pass or fail [regarding decisions]. Oftentimes, especially in Chicago, what I’ve seen is that a lot of the charter school decisions are made by the founders. The founding principals or the founding EDs, and as time passes, they’re not as, they’re not as tied to the day-to-day operations, so I think that they lose sight of what it means to be a charter school, what it means to operate on a day-to-day basis . . . the tool challenges this.

The way in which the tool addresses top-heavy decision making is addressed later in this chapter in the discussion of expert feedback on the product’s “The Growth Team” section.

The expert panel also confirmed that Ready to Scale fills a gap that currently exists in the charter sector; several experts used the phrase, “There’s nothing like this tool out here.” One expert noted, “I think that there’s nothing really that exists like this out there, or if there is, I haven’t found it yet. . . . I’m still on the board of my old charter school and we are looking to begin our expansion, so as soon as this is published, we need to use this!” Another expert noted that, based on his experience as a charter practitioner and a traditional district authorizer that grants new campuses to
charters/CMOs, he hoped this tool becomes the standard for charter/CMO self-assessment when contemplating growth:

I feel there’s not a high enough bar that says here’s how you grow, here’s how you do it well. I think there are philosophies but nothing that puts you to the test like [your] guide does . . . Without it, people are still left guessing and that’s why we have this wild range of successful and unsuccessful charter schools and charter networks, because there isn’t a playbook in how to begin and prepare for that growth in a meaningful way on the charter side of things. I really want to affirm the fact that this is a tool that could fundamentally redesign the way charters and CMOs expand, and I hope that it becomes something that is prevalent in the literature and in the work out there, so charters get off on the right foot when it comes to replication.

Several panelists actually made more technical recommendations about how to get the tool into the hands of practitioners sooner rather than later. One expert mentioned that, after a fair amount of research on her part, the phrase “Ready to Scale” was not copyrighted or trademarked and recommended that the researcher work to register the product quickly. Several experts recommended the researcher seek services to design the tool as a standalone product and convert it to an online application so that user groups could engage in the protocol electronically. One expert asked the researcher to consider how she would make the tool both accessible and affordable (assuming users would be charged for the product’s use) for single-site operators and small CMOs in particular—the intended audience for Ready to Scale. As this expert stated, “But as I think of our current situation at my single-site and our desire to grow, I can’t just Google your tool and find it. So it needs to be accessible. If you’re not in the charter “big leagues” like us local mom and pop shops, small-time folks, you don’t have access to a tool of this quality.” Lastly, several experts affirmed that Ready to Scale is unique in that the researcher—an actual charter practitioner who has “lived replication” in several jurisdictions—created it. As one expert put it, “I would rather go with someone who has
experience than someone who is just a consultant, as I mentioned earlier. So I think that’s important. I really wanted to call that out because that would be a selling point for me as a potential user.”

While the panel affirmed the tool’s validity, it is important to note that two cautionary themes emerged across the panel on what could either potentially go wrong as charters/CMOs implement Ready to Scale or what some potential misunderstandings may be on the part of the user group. The themes examined the other side of what the panel deemed as one of its defining elements—the tool’s flexibility. The first theme was the potential for a user group’s subjectivity and “groupthink” to impede the honest self-assessment that the tool requires. Experts generally agreed that the tool’s thoroughness and extensiveness helped to mitigate this possible pitfall, but one expert suggested the addition of a “disclaimer”:

People are going to look at this and it’s going to be subjective. . . . You might have to give a disclaimer that while [the tool] has markers for people to self-diagnose if they’re proficient or optimal, there’s a subjectivity based on the context and the setting of each organization.

Experts noted that beyond an explicit statement warning against subjectivity, having an external facilitator to lead the user group through the product’s implementation would be critical in guarding against this phenomenon. The researcher further addresses the need for an external facilitator in the next section as well. Additionally, the second cautionary theme was that, without a visual representation of the decision-making model the tool seeks to enact, user groups might try to “pick and choose” which portions of the tool to use. As a result, the researcher suggested to experts the inclusion of the conceptual framework for the overarching study in the introductory section as a way to address this;
they agreed this would be helpful in preventing lack of fidelity in the tool’s complete implementation.

With this overall validation in mind, the researcher next discussed each major section of the tool with the experts, who still noted a number of elements that could be improved, added, or more explicitly addressed to strengthen the tool and ensure that its design and content would be guarded against possible pitfalls in user group implementation.

**Feedback analysis for introduction section.** For this particular section and in response to feedback from the first round of product validation, the researcher sought to confirm that (a) she explicitly made the case to charters/CMOs for why the tool was necessary to use for growth decision-making and (b) the definitions of proficiency in internal factors and optimality in external factors were clearly articulated and easy for user groups to grasp. Additionally, experts affirmed several elements of the tool’s overarching guidelines for implementation and/or content, while also challenging the proposed guidelines for the facilitator’s role and the amount of time needed to implement the entire tool. As a result of these and a few other challenges, the researcher made several adjustments to the product, as detailed in the last part of this section.

To make a stronger case to charter/CMO practitioners that it is paramount they use *Ready to Scale* for their growth decision-making process, the researcher added a sub-section to the introduction entitled “Prevalent Causes for Failed Charters and CMO Replicators.” All experts confirmed that this was helpful for highlighting the need for this type of tool and, furthermore, intentionally engaging in some type of growth decision-making process in the first place. Several experts further affirmed that during expansion,
charters and CMOs are especially susceptible to failure in the areas of fiscal management, board governance, and, most importantly, academic quality. One expert characterized these “pitfalls” as “effective threats”: “Threats are a real impetus to engage in the Ready to Scale process authentically and shakes teams out of their ‘big dreamer’ or ‘overly ambitious” thoughts—this is a real reality check upfront.” Another expert actually suggested moving the reasons why charters fail, mostly during or after scaling—the rationale for the tool—to the beginning of the introductory section to create urgency. Additionally, several experts suggested a hard statistic of sorts, asking for citations of recent national data on charter school closures to underscore the seriousness of undertaking scale. Another expert also connected this urgency to the fact that, while scaling comes with risks, the charter sector and its funders/proponents offer very attractive incentives for growth:

There are a ton of financial incentives for growth, whether it be from the federal government or from philanthropy. And actually in the last ten years, there was a lot of pressure in the charter community to grow quickly and deal with the consequences later, because the thought process was that charters need to gain enough market share to have relevance to impact policy. And those were all known incentives for growth, whether it’s the money or the relevance or what have you, and to me, those are just as much understood but also dangerous reasons for growth. And those issues are still prevalent and to me, those are additional reasons for why this tool is important.

Still another way to make the case for the product’s use and validity for the user group was to state explicitly that the implications for its use go far beyond the “yes” or “no” in the decision-making process. In fact, the expert emphasized that the tool’s implementation would actually shape eventual growth’s execution and trajectory.

Regarding the definitions of proficiency and optimality, nine of the 10 experts responded positively to the definitions included. Several praised the balance the
definitions created for the user group; once again, the definitions were open-ended enough but also provided adequate guidance to help with the group’s reflection and self-assessment throughout the entire protocol. The one expert who challenged the definitions specifically called into question the “somewhat proficient” and “somewhat optimal” designations, citing that this may be an area in which, once again, the user group’s subjectivity may come into play, causing them to “inflate” their rating for that particular factor. He suggested that the researcher include sample scenarios that clarify the “somewhat” rating for user groups or provide some “guard rails” for use of that particular rating throughout each section/factor of the tool that requires the “self-rating.”

Other elements in the introduction that experts emphasized as strengths included the fact that the tool was a broad survey, forcing user groups out of the day-to-day or “firefighter mode” in order to think more globally and strategically about growth:

[T]he strength of the introduction is that it doesn’t overly emphasize one [factor] over another. It really is about the whole plan and about the whole field, and making sure that your head is thinking in those terms. I think this is very grounding for the people who will be using the tool.

Another expert praised how the tool explicitly calls for use of both quantitative and qualitative data and evidence throughout the protocol, indicative of what he termed “a balanced evidence-based approach” to the growth decision-making process.

While the panel praised the tool’s required facilitator, they challenged the researcher’s thinking and guidance that the facilitator could potentially be an internal team member or board member. Experts universally affirmed that the expert must be external for several reasons. As previously mentioned, the external nature of the facilitator ensured the level of objectivity needed to combat the user group’s potential subjectivity. One expert commented:
The external facilitator guards against “blind justification” by the Growth Team; the external facilitator, although expensive, is representative of responsible decision making on the part of the organization to avoid the pitfall of “we’re ready no matter what the outcome of this reflection and decision making process.”

A subset of the panel agreed that not only should the facilitator be external, but also a “person of authority.” The researcher probed this particular idea to ensure that the tool stayed true to its design and intended use as a self-assessment rather than a tool for the authorizer to determine growth readiness for a charter/CMO. While several experts insisted that funders and investors had both authority and “clout,” citing that these parties have a vested monetary interest in the charter’s/CMO’s success, another expert stated that it might be useful to include funders/investors as potential members of the “Growth Team” instead (this is discussed later in this chapter). While external, funders and investors still have their own interests which are likely “pro-growth” and may not be as objective or neutral as a consultant or other external facilitator.

Another element in the tool’s introductory section that the panel challenged was the tool’s guidelines around timeline for implementing the full protocol. The panel recommended being more specific about possible timeframes for length of implementation to avoid a user group moving too quickly or too slowly. A sub-group within the panel recommended a multiple-day, retreat-like setting, citing the need to set aside not only time but also physical space to be in the right mindset for this critical reflection and self-assessment.

In response to panel feedback and expert recommendations, the researcher made the following changes to strengthen the Ready to Scale product:
• The “Prevalent Causes for Failed Charters and CMO Replicators” was moved to the beginning of the Introduction section to create urgency around the need for this particular tool.

• The most up-to-date data from 2015-2016 on charter closures were included to further make the case for why growth decision making is so important.

• The guidelines for the tool’s facilitator were adjusted to emphasize the importance of utilizing someone external to the charter/CMO for objectivity.

• More potential scenarios were provided for the time required to implement the protocol fully in order to mitigate user groups executing in a reasonable amount of time, given the weight of the decision on the organization’s future.

• A specific section was added as an explicit reminder to user groups to be mindful of subjectivity throughout the protocol; greater emphasis was on the idea that the more objective and evidence-driven the reflection, the more effective the protocol’s implementation.

Feedback analysis for Section A: The Growth Team. This section is intended to provide more guidance for charters/CMOs regarding those team members/stakeholders critical to the growth decision-making process. In response to adjustments to the tool the research made according to the first round of validation, she sought specific feedback on the extent to which the explicit list of potential Growth Team members was helpful for the user group. Additionally, the panel questioned some critical stakeholders that they believed were absent from the Growth Team roster and pushed for clarity on who chooses and builds the Growth Team. These pieces of feedback led to several
adjustments the researcher made to this section in the final version of the tool, as briefly explained at the end of this section.

Five of the 10 panelists affirmed that the list of possible Growth Team members included in the tool’s first revision was satisfactory. A portion of the remaining experts expressed concern that, given the researcher’s proposed list, the Growth Team would become too large for any real reflection or decision making to occur. One possible adjustment to address this would be to call in specific upper- and/or middle-management team members for input on only those factors that directly corresponded with their position’s responsibilities. Another portion of remaining experts opined on the absence of critical stakeholders like parents, students, community members, teachers, other school-based staff, and even key funders. These experts claimed that the list the researcher had added was “too top-heavy.” One expert insisted that it was critical to include these team members because they are the ones who will directly experience either the benefits or the strain of the organization’s growth on a daily basis. Another expert acknowledged that executive and board leadership may not be in touch with the root causes of ongoing issues in school settings as well. Interestingly, the researcher compiled the specific list of potential Growth Team members from her research interviews with charter/CMO leaders; none had mentioned teachers, parents, students, or other stakeholders as members of the Growth Team, but rather acknowledged input from these groups in either internal or external factor areas (i.e., teacher voice in the internal factor of Human Capital, parent/community voice in the external factor of Parent and Community Relations).

In addition to these pieces of critical feedback, a few other experts pointed out that placing board members at the bottom of the Growth Team list might create the
perception that the board is not paramount to the growth decision-making process, when in fact, as a governing body, they should be providing strategic direction. Another expert emphasized explicitly listing the CEO in the table of potential team members and more explicitly defining who selects Growth Team members. A portion of the panel also expressed concerns about how appropriate the list was for single-site operators, in which individual employees may be serving multiple functions.

In response to the panel’s feedback and concerns in this section, the researcher made the following changes to strengthen Section A: The Growth Team:

- adding explicit guidance on the compilation of the Growth Team, citing that the external facilitator should work with the board president, board members, CEO, and other executive team members for the purpose of this tool’s implementation;
- revising the list of potential Growth Team members to be more inclusive of such key stakeholders as teachers, middle managers, parents, students, and community members; however, it was important to note explicitly that for the sake of maintaining a manageable group with the capacity to reflect and make a decision effectively, the user group might consider calling in corresponding stakeholder groups as pertaining to the sections for which they are either responsible or that would be of greatest interest to them;
- moving board members to the top of the list of potential Growth Team members to underscore how crucial they are to the growth decision-making process; and
• adding explicit guidance for single-site operators to ensure that all functions are represented within the user group’s Growth Team (i.e., if there is no Operations Manager or Director, then the Principal or Executive Director should also represent the Human Resource function, the School Operations function, and even the Finance function).

**Feedback analysis for Section B: Internal Factors.** For *Section B: Internal Factors*, the researcher sought panel feedback on the specific factors discussed in this section, as well as their corresponding sample indicators and questions. She encouraged the panel to affirm any portion that underscored the tool’s overall validity as well as to be critical in signaling indicators/questions that were either problematic or missing. Various experts highlighted and praised the inclusion of specific internal factors. In addition, there was some consensus among experts on certain indicators that were missing or should be adjusted to be even more specific/nuanced within the factors of Governance and Fiscal Health.

Several experts confirmed that the user group’s exploration of “the why” factor ensured that the intentions behind the desire to grow were student-/family-focused (rather than financially- or reputation-focused).

Regarding the Organizational Identity factor, several experts highlighted how critical this section was to ensuring that a charter/CMO could actually articulate its model or, as four panelists termed it, “their secret sauce.” Furthermore, experts affirmed the importance of a charter/CMO reflecting on the potential scalability of its model and the potential obstacles that may occur:
Executive leaders need to think through how growing to scale will impact the organizational identity. That’s that secret sauce comment I was making earlier. If your school is modeled on small school, “I know every student’s name, their parents’ name, their cousin’s name, where everybody works,” is that something that’s really scalable? And the kind of scaling you’re considering, is that appropriate? Maybe it is if you make a bunch of small schools, but then you have to have very specific types of people running the small schools to implement something like that. I think this is the time you need to have that conversation. In those instances where I’ve worked with groups trying to expand, it’s been very clear to me that they haven’t thought that through. . . . So I did like that part.

Another expert explained that this section was helpful in pushing charters/CMOs to contemplate how well their model will work beyond their current jurisdiction(s):

Do you have a school model that you believe works in this community and is also going to work in another community? What is it that you have that other organizations don’t have AND how is it that you can put what you have elsewhere successfully? I don’t know if I’ve ever been with a charter that has fully been able to answer that question. And it’s challenging. Look at what has happened to [CMO A] and [CMO B] as they achieved success in [one state] only to encounter complete chaos in a [different state]. And why is that? Part of it is because it’s a completely different market and to do things the same way, they tried to replicate like what they are good at in [their home state], and they took some time to codify what they thought worked, except that it’s a different community where you’re putting it, it’s a different student profile, all that. But that for me is like the, in my experience, like the real big factor that expanding CMOs still can’t seem to get right.

In other words, charters/CMOs must think about how their model, their secret sauces, will be relevant in the potential new markets they seek when contemplating expansion.

Beyond a charter’s/CMO’s model, according to several panelists, the questions in this section also solidified the Growth Team’s common understanding of what the organization’s mission and values were and how to implement them. One expert cited that this was especially important since a charter’s/CMO’s mission and/or values are often challenged at some point during the growth process. Additionally, as it pertained to organizational culture, one expert pointed out the importance of ensuring that the user group further define important norms for work, communication, and collaboration:
I’ve seen the disconnect between what leadership thinks is a norm/expectation and what people on the ground think is the norm/expectation. For instance, what will the organization’s response time be to emails? I witnessed a colleague receive a reprimand for not responding “quickly enough” to an email that was sent at midnight. If rapid response is important, that should be agreed upon and shared across the organization.

Another expert said that organizational norms also included a common “mindset” and a well-defined organizational “ethos.”

This same expert connected this notion of a charter’s/CMO’s ethos to the Human Capital factor, insisting that once the ethos is well defined, every member of the organization should be trained accordingly. Additionally, the content of the employee recruitment and selection process should be anchored in the organization’s ethos to ensure that teachers and leaders are well aligned.

Experts shared very targeted feedback for the “Governance” factor as well. Beyond ensuring that a charter/CMO has the right types of board members in place, the organization and board must commit to preparing for the transition from being a one-school board to managing a network of two or more schools. One expert in particular went on to differentiate between the two types of boards:

[Y]ou’re asked to do very different things on those two different types of boards, so I think there needs to be an explicit communication during this process as to how a board’s responsibilities and maybe even structure might change. . . . Or an acknowledgment that it’s not going to change and we’re just going to try and make do, if that makes sense. There needs to be a very strong discussion about board structure. Not just who’s on it, but what the board’s responsibilities are. And so in the Exercise B.4 Governance section, I think it’s worth having an additional question. . . . Do we have the right corporate structure to do this? Or do we need to change our corporate structure? Which means rewriting our goals incorporation and bylaws and maybe starting another 501(c)(3). I think those are fundamental questions that will determine how any network of schools can be managed. . . . This scaling board requires a different skill set, a different type of vision.
Closely related to this, the same expert who emphasized ethos in previous internal factors went on to challenge the researcher to ensure that board members also shape and, further, model the charter’s/CMO’s organizational ethos. Additionally, since ethos also incorporates core beliefs and mindsets, this expert, along with a few others, emphasized that board members must also be culturally competent and demonstrate more than surface-level understanding of the communities their schools serve: “Schools are deeply embedded in communities and there are expectations that come with that, a cultural awareness that’s needed to understand this. . . . Both of these are the responsibility of being a board member in a charter school since kids are at stake.”

Regarding the Fiscal Health factor, several experts provided feedback to expand on the existing sample indicators and questions in this particular section. One panelist underscored that a charter/CMO must do more than engage in the sound fiscal habit of creating 5- and 10-year financial projections. The organization should produce a set of projections categorized as “best, middle, and worst.” Additionally, the charter/CMO must also have in place a sound protocol for analysis to accompany its financial forecast reports: “The question really is what is the impact on our five-year projection of increasing enrollment? . . . Like what are the actual dollars and cents of these projections?” Also, when an organization is responsible for multiple schools, regarding fiscal health, a charter/CMO must decide how it will manage money across a network. Three experts underscored determining the course of action when a school is underperforming financially or when one school is not funded at the same per-pupil allocation as another (in the case of schools in different jurisdictions). In these cases, the panel insisted that it was critical to determine up front, before encountering these
particular challenges, whether or not the organization will subsidize the school with
either another school’s funding or tap into the reserves for a bounded period of time until
the school becomes financially stable again (reaches or exceeds full enrollment). Experts
also honed in on the importance of aligning financial projects with realistic and attainable
fundraising targets.

For the Infrastructure factor, beyond determining the level of autonomy that
schools have in relation to the network’s central office (decentralization versus
centralization), several experts underscored the need for explicit systems for
organizational decision making. One expert called for a charter/CMO to create an actual
decision-making matrix or tree to clarify who has a say in what as the organization
expands:

It’s just the importance of having an organization that’s got a clear sort of
decision-making tree. . . . I’m not advocating for a more centralized or more
decentralized option. I think that knowing what everybody’s allowed to opine on
is so important. I have been wrangling with this for years in my own CMO . . .
because as you grow, it’s not four people that can sit around the table and make a
decision anymore. It’s now twelve people, and the decisions are a lot harder to
make. So you have to be clear on whose decision is whose to make.

Other experts supported the idea that the creation of explicit guidelines for organizational
decision making enables leaders to better manage employee expectations, prevent
pushback, and even mitigate against school teams going rogue. This then disregards non-
negotiables that have been put in place with or without their school’s consultation.

Closely related to the notion of a charter/CMO articulating its model and
considering its goodness of fit in potential new communities or jurisdictions, for the
Growth Mindset and Strategy factor, several panelists emphasized that the organization
must unpack any biases and underlying assumptions in “its secret sauce.” This action
enables the charter/CMO to think through the cultural and socio-emotional needs of a prospective new community, in addition to its academic needs.

In response to the panel’s feedback and concerns in this section, the researcher made the following changes to strengthen Section B: Internal Factors:

- adding a question to Exercise B.2, Organizational Identity, that asks the user group to briefly but explicitly define its ethos (core beliefs, mindset, or disposition) separately from its mission, values, and brand;
- adding a question to Exercise B.2, Organizational Identity, to require the user group to define or highlight any norms or organizational habits that further delineate the charter/CMO’s organizational or “people culture”;
- revising question B.3b, Human Capital, so that the user group defines how its recruitment and selection practices are grounded in its organizational ethos;
- adding a question to Exercise B.4, Governance, that asks the user group to consider what its board must do to prepare to move from being a one-school board to a multi-school board;
- adding a question to Exercise B.4, Governance, that asks the user group to assess the board’s current espousal of the charter’s/CMO’s ethos and level of cultural competence as it pertains to the community currently served by the organization;
- revising question B.5d, Fiscal Health, to account for the expert recommendation that a charter/CMO creates a set of three financial projections—best, middle, and worst—for more accurate forecasting and ahead-of-the-curve problem solving;
• adding a sample indicator of proficiency to section B.6, Infrastructure, that designates that a charter/CMO have a clear decision-making matrix, tree, or process in place so team members at every level of the organization understand their role in specific decisions while the organization continues to expand.

Feedback analysis for Section C: External Factors. For Section C: External Factors, the researcher sought panel feedback on the specific factors discussed in this section, as well as their corresponding sample indicators and questions. She encouraged the panel to affirm any portion that underscored the tool’s overall validity and be critical in signaling indicators/questions that were either problematic or missing. While panelists affirmed specific factors, they also suggested additional sample indicators of optimality or questions to further improve this portion of the tool.

Several experts affirmed how the Need and Demand factor requires the charter/CMO to distinguish between proactively approaching a community for expansion exploration or having a community approach them as an organization to explore the possibility of a new school in their neighborhood or jurisdiction. They also emphasized how laying the foundation in a new community, regardless of who initiated the idea for a new school, is still critical (and further highlighted later on in the tool). One expert did note that a charter/CMO must consider feeder systems when thinking about need, demand, and prospective enrollment:

I only say that from experience. Having run a middle school and not having kids ready for my school being fed into my school, as many as I thought. So I made a miscalculation on feeder systems. I thought there were enough dual-language programs that they would feed into my school, and they weren’t, they weren’t old enough. They were all like three, four years old, so then schools with dual-language programs around me only went up to fourth grade. Unfortunately, I
was starting at sixth grade, so I had that gap that was very hard to overcome and required some changes to the educational model.

In addition to figuring out enrollment trends, a charter/CMO should not assume that students will enter its doors with the prerequisite skills required by its school/academic model.

The panel noted that charters/CMOs tend to make numerous assumptions about external factors and their level of optimality, even pertaining to funding—the next external factor included in this section of the tool. Several experts noted that organizations should be mindful of the grant period for start-up funding, which likely does not exceed 2 years:

[M]ost foundations like to do start-ups, but they don’t like to do maintenance. So your plans for scale, and you start talking about this a little bit at C.2.D and C.2.E, you can’t be reliant on public start-up dollars for very long. You have to—if you’re going to scale up, you’ve got to scale up fairly quickly I think to be effective; otherwise, there are a lot of foundations that’ll give you a two-year grant, but if you’re not financially viable or if you don’t have big reserves built up, year three’s going to be tough. And in charter schools, it’s usually year three to five that’s make-or-break. It’s not the first year like a traditional business, so.

In turn, a charter/CMO must examine, arguably during the growth decision-making process, the extent to which its other funding prospects will alleviate the strain that occurs in the first several years of the organization’s replication.

Charters/CMOs must also be careful not to make assumptions about the physical environment, literally the ecological composition, on which its facilities are either located or even newly built. Panelists shared how charters/CMOs are often so preoccupied with the state of the physical plant and any capital improvements needed that they often overlook other critical assessments. One expert shared her experience when opening a new school in a building that she was not aware was located on an old coal shaft; to
alleviate the dangers and harmful effects of coal waste, much more unanticipated work needed to be done, turning a 14-million-dollar renovation of the building into a 28-million-dollar project. Additionally, charters/CMOs should add an additional 6 months to a year onto new construction and/or renovation timelines to account for the aforementioned needs assessments, zoning, and permit acquisition.

For the Political Context, Policy, and Climate factor, experts also affirmed the inclusion of this factor as one of its external elements with which replicating charters/CMOs struggle the most:

[Political dynamics] can be the something that completely throws your charter off kilt, and pushes you out of a community or actually opens up the gates to allow you in. And I think that we don’t always want to believe that it could be a possibility that a school actually closed because of the political climate. It’s really hard to kind of make that concession or bring that to a level of awareness in the field. And so politics is a controversial element and different for every charter, but it’s so helpful that you included because it’s a reality that a lot of schools are facing.

The final portion of this panelist’s statement also supported the notion that charter replication and operation are, once again, very varied across jurisdictions and authorizers. Another expert insisted that a charter/CMO must assess the quality or strength of its authorizer. Rather than capitalizing on a weak authorizer to achieve rapid growth, a charter/CMO must think through the operational support (like start-up funding) and accountability metrics (like growth-oriented goal establishment) that an authorizer will facilitate. A weak authorizer can actually undermine a charter’s/CMO’s ability to grow successfully if authorizer systems regarding funding and policies are non-existent, low quality, or in flux.

Experts emphasized once more how cultural competence comes into play again within the Parent and Community Relations factor. For example, a charter/CMO must
consider the potentially different needs of subgroups within broader ethnic or racial populations that it either serves or seeks to serve as a result of opening new schools. One expert shared how Puerto Rican families bucked against a school and academic model that emphasized how Hispanic immigrants can successfully assimilate into American society: “Of course those families looked at us like we were crazy since they were born U.S. citizens!”

Pertaining to community relations specifically, several panelists suggested that a charter/CMO should determine if there is any correlation between political support and community support and how those dynamics will impact the growth process. One expert gave an example with this scenario: “[W]e notice that it’s optimal that the community is begging us to come here, but politically it’s not a charter-school-friendly place and they’re going to fight us every way. Will we still going to go forward with growth? Is that community support enough for us?” A charter/CMO must consider what strategies it will put in place to navigate any dissonance (or build upon a consonance) between elected officials and the community during the growth decision-making process.

In response to the panel’s feedback and concerns in this section, the researcher made the following changes to strengthen Section C: External Factors:

- adding a question to Exercise C.1, Need and Demand, to ensure that the user group acquires preliminary information on feeder systems in relation to the prerequisite skills/experiences needed for successful transition into their school/academic model;
- revising question C.2d, Funding, to account for the user group’s preliminary analysis of prospective and currently existing funders and how respective
grant periods and donations can help sustain the organization throughout the first several years of replication;

- adding a sample indicator of optimality to section C.3, Facilities, that describes how an environmental needs assessment assures that the physical/ecological grounds are clear for occupation without any additional significant costs;

- adding a sample indicator of optimality to section C.3, Facilities, that describes how the charter’s facility acquisition and preparatory timeline has at least 6 to 12 extra months built in for zoning, permits, and so on;

- revising question C.4e, Political Context, Policy, and Climate, to ensure the user group assesses its authorizer’s strengths and weaknesses in the areas of funding, policy, operational support, and accountability;

- adding a question to Exercise C.5, Parent and Community Relations, to ensure that the user group assesses its level of cultural and contextual (i.e., understanding a certain neighborhood’s history) competence as it pertains to the current community it serves and potential future communities, should it move forward with its expansion plans;

- adding a question to Exercise C.5, Parent and Community relations, that asks the user group to compare political will to community will as it pertains to the organization’s expansion and to assess how the correlation between these two key elements might impact potential replication.

**Feedback analysis for Section D: Determination of Our Overall Readiness to Grow.** For this section, the researcher asked panelists to assess the clarity of its
instructions and navigability. During the first round of validation, survey respondents indicated that this section was much too vague, causing confusion about how to execute its exercises fully and effectively. As a result, the researcher added specific, explicit instructions for this portion of the tool. In turn, the second validation’s expert panel confirmed that this addition was now easy to understand and use. Some experts made a few additional suggestions to improve this part of the tool even further. One expert advocated for the inclusion of a brief note about the tool’s flexibility to remind the user group that it bore the onus of completing honest and authentic reflection:

I would say this is where the organization is going to take it where they want to go with it. And I think that’s fine. Like it’s up to them to sort of say, “Well, we have two things we’re not proficient in, but that’s not going to stop us from growing. That still means we’re ready, right?” But so I think a statement just letting people know it’s okay to be flexible here would help.

In alignment with the “subjectivity disclaimer” in the Introduction, the external facilitator can also be the “check” against the user group’s “pro-growth” disposition.

A subset of the panel insisted that, after compiling the ratings for each section and making the growth determination, it would be beneficial for the user group to literally step away from the process in order to allow the appropriate amount of processing and then return to the decision after having thought through any other potential pitfalls or risks:

Set it aside, let it marinate. We made a decision as a group, but instead of immediately acting on it, let it rest. Then come back . . . and have the same group [Growth Team] act as their own critical thinker. I always like to try to posture myself in a group that seems to be going one way as the critical thinker, that sort of naysayer. I always use my law degree as my excuse. “Well, I’m supposed to worry about risk, so what’s the risk here?” . . . it might lead to a more in-depth discussion about particular risks. Someone may have new ideas about how to solve for those risks. Or alternatively, you might see some risks that you hadn’t otherwise seen, or people were afraid in the first round to say it. So I don’t want it
to be an endless process, but you know, when you’re making such a critical decision, it’s—there’s value in looking at your decision carefully.

Another expert suggested that the group actually physically separate to complete this particular portion of the tool individually first. Growth Team members would then turn their reflections in to the facilitator, who would read highlights of every person’s ideas and thoughts to the entire group and facilitate a discussion and final group-wide determination accordingly. In this way, all voices are heard in the decision-making process; the user groups ensure that even the most reserved team members’ ideas are heard and the facilitator trumps any “existing hierarchies” when briefly sharing each person’s overarching ideas.

In response to the feedback that experts shared for this portion of the tool, the researcher made the following changes to Section D: Determination of Our Overall Readiness to Grow:

- adding a statement, aligned with the Introduction’s caution against subjectivity, that emphasizes the tool’s flexibility and, in turn, the heightened responsibility of the user group to collaborate with the facilitator in order to produce a fair, accurate, and evidenced-based determination of the charter’s/CMO’s readiness for scale;
- adding further guidance that allows the user group to consider completing this section individually and then coming back together to either share out themselves or have the external facilitator share out to the whole group, with the purpose of coming to some consensus on the organization’s readiness to scale;
• adding more guidance that allows the user group to pause after it comes to a consensus, to step away from the protocol, reflect on potential risks or consequences of its growth readiness decision, and return to share potential obstacles and solutions for addressing them proactively.

**Feedback analysis for Section E: Drafting Our Green Light Criteria.** The researcher asked the panel members to share the extent to which they thought it was helpful to include this final section in the tool. The majority of experts agreed that it was useful in providing a “springboard” of sorts for the phase that comes after a charter/CMO makes the growth decision—implementing the scaling process. One particular expert noted how this final section was a “value add” because teams can begin to discuss what is most important to them for opening: whether it is having an internally-grown school leader in place or being in the building before August. Otherwise, if teams are not on the same page about what they value as they begin the scaling process, they can get into what one expert knew from his own experience was:

a frantic tizzy that puts everyone under a lot of unnecessary stress that could have been avoided. . . . The unfortunate and unintended consequence is that all of the other capacity that is actually needed to support your currently existing schools sort of goes by the wayside because everybody’s focused on this new opening fire or this new opening crisis. I think that the more people can be strategic and have plans or blueprints, the better off your replication implementation, while also maintaining what your already established schools will be. Besides, you can’t seek new schools at the expense of your currently existing ones!

Another piece of useful feedback on this section was structural in nature. An expert shared how such a small table with so few rows might unintentionally limit or restrict the ability of the group to truly brainstorm criteria that it can further discuss and eventually pair down. As a result of this highlight, the researcher made a slight change to
this section by adding additional rows to the Green Light Criteria table in the tool to incite more robust thinking and brainstorming.

**Other notable themes.** Three other notable themes emerged from the expert panel interviews conducted during this second round of product validation. First, the majority of experts praised the inclusion of internal factors in the protocol. The panel noted how these factors are often overlooked because the standard indicators of replication readiness over the last 10 to 15 years have been facilities and funding. In her conversations with each expert, the researcher explained that the way she sequenced the factors—internal and then external—was intentional and aligned with how the research subjects responded to questions on internal and external factors. This is further discussed in the final section in this chapter, *Of Critical Note: The Researcher’s Aspirations and Arguments*.

The second theme that emerged can best be described as general skepticism towards charter schools and CMOs regarding their behavioral tendencies in relation to growth decision making. This was fascinating in that the panel experts either currently are or were charter/CMO practitioners. Panelists used numerous words or phrases, as well as posed several questions, that indicated that charters’/CMOs’ desire to grow and even their skewed sense of organizational self overshadow responsible decision making in this instance:

- Will operators and organizations truly take the time?
- Will people on the Growth Team really be honest about their performance and their situation?
- There are charters that really are doing well and then there’s charters who think they’re doing well and use that as justification to grow, even though their results are really mediocre.
• Will people gerrymander this process you’ve created to get what they want? Money to ensure their organizations are financially viable in the long term. . . .

• Will people actually believe in and value the growth decision-making process . . . it’s not about how good your tool is, it’s about the user’s ultimate agenda of growth for money or, frankly, for growth’s sake. . . .

Other words and phrases used in reference to charter leaders and related to the growth process included narcissism, bravado, arrogance, egomaniacal, and undisciplined. Other experts alluded to the fact that charters may not have a say in whether or not they grow:

You have to make quick decisions about growth, really. You’ll get a phone call from the mayor’s office or authorizer saying, ‘Well, we have a building here, do you guys want to replicate?’ or “Politically, we have a twelve-month window where we can authorize a bunch of charter schools. You guys should just replicate while you can.”

These findings are further considered in the final section of this chapter as well.

The last additional notable theme that emerged was the notion that much capacity building needs to be done around ensuring that charters and CMOs develop a full understanding of the preparation needed, through a process like Ready to Scale, to begin contemplating replication. As one expert stated:

There is work to do. There’s education work to do to get schools and organizations to acknowledge the capacity needed to use this type of tool in the first place. Isn’t this the case with most schools . . . that there needs to be incentive, and so . . . I’m focused on is there an education component or is there a hook to this tool’s implementation, meaning wouldn’t it be awesome if like in order to get the federal charter starter money, wouldn’t it be awesome if you had to actually use a tool like this as part of the application process? This tool is scripted enough to be the standard for charter scaling. . . . Why shouldn’t there be something that’s standard [like this tool] out there that covers all the bases? But how do we, how do we incent people to not take shortcuts [when it comes to growth]?
While the researcher agrees that charters and CMOs need to be educated on and have access to a tool, a standard, which Ready to Scale presents, she takes issue with the notion that incentives from an authoritative and oversight-providing body like the U.S. Department of Education must be put in place for responsible growth decision making. This idea is also discussed further at the end of this chapter.

**Expert Panel’s Suggestions and Questions for Further Research**

While conducting the research for this study and validating the Ready to Scale product, the researcher formulated her own ideas for future exploration that are detailed at the end of Chapter V. However, in the expert panel interviews, several interviewees shared ideas for additional consideration beyond this study, which are worthy of consideration and briefly detailed here. First, while the research for this study has provided some preliminary insights, an extension of this work might involve a deeper examination of organizational behavior of replicating charters. As the experts conveyed in the previous section, one of the root causes of the skepticism surrounding charter/CMO capacity to engage in this type of preparation for scale is the uncertainty around whether or not the organization actually has the will or discipline to follow a protocol like Ready to Scale with fidelity.

Second, an extension of this study could further explore the “growth process cycle” within a CMO. After opening three to five schools, should a charter/CMO revisit its Green Light criteria? What are the benchmarks in the growth plan? As the organization grows to scale and more schools comprise a larger network, what happens when the academic results or financial performance of the charter’s/CMO’s established
schools begin to slip? Is this an unintended consequence of scale because leadership and governance are intently focused on newer campuses?

The panel’s additional suggestions pertain specifically to a further refinement of the Ready to Scale tool. One expert shared how it may be helpful in the future (since this is beyond the scope of the present study) to determine through further research which factors, whether internal or external, are the threshold for scaling. For instance, he suggested that if a charter/CMO had optimal conditions in facilities and funding as well as proficient status regarding its academic performance, the organization seemed, at a minimum, ready to scale. Another expert suggested that, in the future, it would be helpful to consider creating the “other volume, the sequel, or Part II”—how to grow to scale. This How to Scale manual would really push the user group to think through every aspect of each of the factors included in Ready to Scale, not through a checklist but, once again, through a series of detailed questions.

Yet another expert suggested that the researcher add a different version of “Part II” to Ready to Scale in the form of several case studies on single-site operators and CMOs that either succeeded or failed in the scaling process. The common thread running through each case study would be an assessment of each organization’s growth readiness decision-making process using the Ready to Scale tool (i.e., How many and/or which factors did each organization designate as proficient or optimal? What was the correlation between these ratings during the decision phase and how did the organization perform when implementing growth?). The same expert went on to say:

No one’s going to knock every one of these [factors] out of the park, right? But I think the goal here, the tool is that it will help tell people where the very bright line between ready and not ready, or between absolutely ready, maybe ready, and not at all ready is when it comes to making this decision.
Moreover, adding several case studies that span a broad cross-section of charters/CMOs also underscores the notion that charter replication is highly contextualized. Therefore, growth decision making using a roadmap like Ready to Scale may be more helpful than a detailed rubric that lacks the flexibility to address the nuances of charter replication.

**Conclusion**

Twelve in-depth interviews with charter and CMO executive leaders from 10 different states yielded a robust set of findings related to this study’s research questions. The study’s first question was: “To what extent do charter and CMO leaders value the notion of “readiness” when growing to scale?” The leaders who participated in this study collectively shared that preparedness to replicate is paramount to the charter’s/CMO’s continued success, especially as it pertains to the organization’s ongoing achievement of academic results. These leaders also expressed that, in hindsight, had their organizations been better prepared for the replication process as it related to the level of “health” or proficiency of certain internal organizational components or response to the external factors that could either help or hurt their growth, some of the obstacles, setbacks, and even failures of their scaling experiences could have been mitigated or prevented altogether.

The study’s second question was: “Which internal organizational components and external factors have the greatest impact on a charter school or charter management organization’s readiness for replication?” The leaders’ interviews revealed that while charters and CMOs differ in terms of organizational make-up and characteristics, there is
a common set of internal factors that matter most for preparedness to scale and future success in these efforts—namely, “the why,” organizational identity, human capital, governance, fiscal health, infrastructure, and growth mindset and strategy. The interviews also revealed that while charters and CMOs operate in varied geographical locations that are characterized by a unique set of political, community, and legislative dynamics, there is a common set of external factors that matter most for preparedness to scale and future success in these efforts—namely, need and demand; funding; facilities; political context, policy, and climate; parent and community relations; and collaboration and competition inside and outside the sector.

The study’s third question was: “How do we define proficiency in those internal organizational components and optimality in those external factors that are crucial in determining a charter’s/CMO’s readiness to scale?” During their interviews, leaders provided several examples of proficiency and optimality that the researcher summarized in the previous sections of this chapter. At the same time, the group shared the idea that pinpointing an exact definition of proficiency or optimality was difficult because the internal conditions and external circumstances for each charter and CMO are so diverse. However, what leaders did emphasize was that charters and CMOs must invest time, thought, and even financial resources in the process of considering each factor and weighing readiness and optimality. Further, these leaders offered insights into their own practice of: (a) selecting a specific set of criteria they believed was critical to growth readiness, and (b) designing and enacting a process that allowed them to evaluate the extent to which they met their selected criteria in order to determine if the organization was prepared to open a new school—to grow. Several leaders used a common term for
this practice—“green lighting” replication. Thus, while the researcher had originally set out to determine more precise definitions of internal proficiency and external optimality, the findings from the study instead offered examples and practices for other practitioners in the field to consider when making their own growth readiness decisions.

The other major goal of this study was to create an assessment tool for charter and CMO leaders to use in determining their organization’s readiness to scale. The researcher utilized both the literature and findings to build this product. She then engaged 16 charter school and CMO experts from across the country in a review of the draft product in order to provide feedback on its validity for future use in the field. Via the survey they took, the experts also suggested concrete ways to improve the product; the researcher took their feedback into consideration and revised the product to make it as comprehensive and useful as possible. The experts’ review of the product also confirmed several overarching ideas. First, charter and CMO leaders will often consider external factors when making decisions about scale, but must also execute an in-depth internal reflection to ensure that their organizations can withstand the growth process. Second, charter and CMO leaders can more effectively conduct their assessment of internal and external factors with explicit direction and guidance from a protocol such as the one the tool offers. Third, charter and CMO leaders must carefully consider the composition of the team of employees that make a charter’s/CMO’s growth readiness decision, including each team member’s areas of expertise and general disposition towards the organization’s capacity for growth. Finally, charter and CMO leaders must have a variety of data on hand—student achievement data, enrollment data, demographic data, financial data, among others—to support the growth readiness decision-making process.
Of Critical Note: The Researcher’s Aspirations and Arguments

This study’s first research question sought to assess the extent to which charter schools, whether single-site operators or charter management organizations (CMOs), value readiness for growth. Throughout the interviews conducted to inform the product’s design as well as the survey and panel that supported its refinement, there was a common underlying theme—as briefly mentioned earlier in the Other Notable Themes section of this chapter—that many charters are going to pursue growth because they have been given an incentive like obtaining a building for $1 (as happens in Chicago) to which they cannot say “no” or being told by the mayor that he can grant 10 new campuses over the course of 5 years (as also happens in Chicago) to which they cannot say “no.” As one expert panelist put it, “We all know charters are going to grow whether ready or not . . . they’re just going to do it anyway.” The researcher has asked herself over the last 3½ years dedicated to completing this study, “Is this indicative of some type of charter or CMO organizational behavioral pattern that has not yet been fully studied or analyzed? Is this behavior not reckless or problematic? Does this stem from the fact that the charter movement is grounded in the notion that we are the ones that have autonomy, that we are the ones that do not have to ‘play by the rules’ that are in place for traditional public schools?” Regardless, in reviewing and re-reviewing the research and findings and then validating the Ready to Scale tool twice now, the researcher has realized a clear aspiration as both a researcher and a practitioner: Regarding readiness for growth, the researcher wants to change charter and CMO dispositions and behavior with the Ready to Scale tool.
Having grappled professionally in her last three leadership roles in CMOs that have scaled for arguably the wrong reasons (i.e., financial sustainability, notoriety, political favors, growth for the sake of growth, etc.), the researcher cannot allow her fellow practitioners to continue making such statements as, “We just kind of fell into the business of running a whole bunch of schools.” Instead, charters and CMOs must realize that no matter how promising the incentives for growth are, our autonomy actually empowers us to make a conscious choice about our readiness to scale and about the actual need for our organizations to grow. Our autonomy affords us the opportunity to say “no” to incentives that may seem promising or to political pressure that may seem threatening in the short term, but whose implications may hurt our deserving students and families as well as our hardworking teachers and leaders in the long term.

The researcher unequivocally states that she is still a proponent of charter and CMO growth. Having led it and lived through its consequences and lessons several times now as a public school educator, it is ingrained in her professional “design” and documented in the way she has worked to form this particular study. In fact, some of the schools in previous CMOs where the researcher has worked are now the top-performing charter schools in their respective cities—definitely worth the literal “growing pains.” But 26 years into the charter movement, the researcher also affirms that we need to move beyond the sole or primary consideration of external factors in growth readiness decision making. In the same way that transformational leaders possess a certain level of emotional intelligence anchored in self-awareness, transformational schools must also possess the organizational version of emotional intelligence in the form of the willingness, the discipline, and the sense of responsibility needed to pursue self-
assessment proactively—not because an authorizer said so or because an incentive is tied to the process, but because it is the right thing to do to ensure that we improve our practice to serve our students and families better. In other words, internal factors matter, maybe even more than external factors do at this point in the rapid expansion of charters and CMOs across the country.

Given that the majority of this study’s interview subjects—leaders of top-performing, large-scale CMOs who are also graduates of the esteemed Aspen Pahara Institute and the highly sought-after Broad Residency—spent time candidly detailing their internal lessons learned to the researcher over the phone, in person, and via FaceTime speaks to the shift that must happen now so that there are no shortcuts to growth readiness (i.e., once I meet the minimum threshold criteria in the authorizer application, I’m just going to go for it!). As the charter leaders and validators/panelists have emphasized in this study, single charter school campuses and even fairly experienced CMOs must consider all internal factors and external factors in order to prepare for effective first-time or ongoing implementation of expansion. While this tool is not a guide to implementation, it provides the preliminary blueprint that has the potential—if used intentionally, authentically, and with fidelity—to set a charter school or CMO up for successful execution. Assessing readiness for scale is the incredibly-hard-but-worth-it-work that all stakeholders—authorizers, elected officials, funders, and, most importantly, families and students—should hold charter/CMO leaders accountable for so that we set all of our kids on a trajectory for lifelong success.
Chapter V

READY TO SCALE: A READINESS ASSESSMENT TOOL FOR
CHARTER SCHOOLS AND CHARTER ORGANIZATIONS

Introduction

Purpose

While more and more charters and CMOs seek to replicate, the sector continues to experience closures of single campuses and (less frequently) small networks of schools. During the 2015-2016 school year, 400 new charter schools opened, but over half of them (272) also closed within that same timeframe (National Alliance for Public Charter Schools [NAPCS], 2016a). The Center for Education Reform (2011) cited that historically, the annual rate of charter closure has held steady at nearly 15%. These closures underscore several prevalent causes for charters and CMOs that are seeking to replicate, especially in the areas of effectiveness of academic program, fiscal oversight, and board governance. Charters and CMOs must continue to hold themselves internally accountable in these areas rather than rely on the oversight that most charter authorizers are required to provide by law (Center for Education Reform, 2011).

Lack of student achievement and, in turn, the quality and effectiveness of the academic program, trends as one of the leading causes for charter and CMO failure (Carpenter, 2008; Center for Education Reform, 2004; Gau, 2006). The challenge of
academic impact is even more tenuous for smaller CMOs, who must set up systems and support to ensure consistent results within their own networks of schools. Whether single campus or CMO, consistent underperformance—not meeting the expectations for Annual Yearly Progress (AYP) for student growth and attainment on state-mandated tests—over the course of several years causes authorizers to revoke charter organizations’ contracts (Carpenter, 2008; Center for Education Reform, 2004; Gau, 2006). Financial troubles—both mismanagement and malfeasance—have been another driver for charter and CMO shuttering, with 41% of closures being attributed to this particular factor (Carpenter, 2008; Center for Education Reform, 2004; Gau, 2006).

Charter organizations that do not have a long-term financial plan in place or proper oversight structures intact begin to spiral towards closing for a number of reasons, including a lack of leadership with the capacity to manage finances; lack of infrastructure to manage basic financial business processes such as accounts payable, poor credit ratings, and debt management (for those organizations that have sought financing to fund new construction for school facilities); and even serious ethical infractions (i.e., embezzlement, conflicts of interest regarding vendors, etc.) (Carpenter, 2008; Center for Education Reform, 2004). Some charters and CMOs simply cannot maintain consistent revenue for operations, which is usually tied to low enrollment coupled with the aforementioned inequities that exist in charter funding in most states across the country (Center for Education Reform, 2004).

Finally, ill-governed charters and CMOs have also faced closure (Carpenter, 2008; Center for Education Reform, 2004; Gau, 2006). Carpenter (2008) explained that
boards with the following characteristics had an overall negative impact on the organization and its performance, both academically and financially:

- dominated by founder or management company;
- infractions against bylaws detailing duties of loyalty, obedience, and/or oversight;
- lack of internal cohesion and/or role confusion;
- excessive board member turnover; and
- unprofessional behavior (micromanagement) towards organization’s staff.

It is important to note that for both charters and CMOs, some have actually been able to replicate and open more campuses even while facing difficulties in the areas of performance, finance, and governance (Center for Education Reform, 2004; Gau, 2006).

Again, while some would hold that authorizers are responsible for allowing this to occur, these particular cases highlight the responsibility that charters have to assess their own organizational health frequently, especially when contemplating and/or planning for scale. This assessment is a rigorous process. It requires leadership and governance to do a careful evaluation of a number of factors that will directly impact their capacity to expand successfully in order to answer the question: “Are we truly ready to grow?”

**Context**

Throughout the last two decades, public charter schools have become key players in bringing about change and producing improved educational outcomes for America’s students, especially those faced with challenging socioeconomic circumstances in urban, suburban, and rural settings. Charters were not always praised or acknowledged as major players. The development of the sector has had a varied and sometimes rocky history.
However, since 1991, the year in which Minnesota passed the first law allowing charter school operations, nearly 40 states and the District of Columbia have adopted similar legislation, leading to the present day’s 5,500 charter schools that serve nearly 1.7 million students (Buckley & Schneider, 2007; Frumpkin, Manno, & Edgington, 2011). The charter sector’s relatively rapid expansion should indicate its ability to yield student success consistently, as measured by achievement on standardized assessments and graduation rates. However, current research has suggested that charters actually continue to produce mixed achievement results in comparison to their peers—traditional public schools (Buckley & Schneider, 2007; Center for Research on Education Outcomes [CREDO], 2013; Frumpkin et al., 2011).

Despite these inconsistent outcomes across the sector, charters still market themselves as a high-quality alternative to a family’s neighborhood school, offering parents and students more instructional time via a longer school day and school year, personalized attention for the individual student through smaller class sizes, myriad methods for parents to become more involved in the school community, and (depending on the charter school’s/organization’s external partnerships) the opportunity to engage in internships and college-level coursework and programs. Most importantly, most charters have the autonomy to design their own curriculum and, as a result, guarantee families that their students will graduate “college and career ready” thanks to a rigorous academic program (Frumpkin et al., 2011).

While some charters over-deliver on these lofty promises and others fail to meet these expectations, parent and broader community demand for “better-than-the-neighborhood-school” education options has rapidly grown, as many charter schools’
lengthy waiting lists demonstrate. According to the NAPCS (2013), in Summer 2013, the total number of students on charter wait lists across the country was 920,007. Sector experts project that this number will continue to grow and likely exceed one million in 2014 (NAPCS, 2013). A recent parent survey from the NAPCS (2013) also found that families were astutely aware that the number of charter seats was limited and, in turn, sought to increase their child’s chances of obtaining one of those seats by placing themselves on several wait lists.

In response to this extraordinary stakeholder demand, single-campus charter schools (referred to as “charters” throughout this tool), as well as charter management organizations (CMOs), have realized the need to grow, as indicated by parents and families voicing and exercising their rights to pursue the limited number of quality seats currently available across the public school sector.

The replication process is multifaceted and requires careful planning and detailed execution; however, before a school or CMO can commence on its growth trajectory, its executive leadership and governance must determine the organization’s level of preparedness for expansion. This determination is not easily made and the stakes are high. As new campuses open, there is no guarantee that those schools will produce the same level of student achievement results. The more prepared charters and CMOs are from an internal standpoint regarding organizational health, as well as a risk-assessment perspective regarding external factors, the more likely the charter/CMO will be able to increase the quantity of schools it operates without sacrificing the quality of its program.
Overview of This Tool and How to Use It

*Ready to Scale* is a growth readiness assessment tool designed to support charter school and CMO leadership teams and boards in this evaluation. The tool itself takes the form of this workbook of sequenced exercises. Its contents are based on an extensive review of current literature on charter and CMO replication, as well as a qualitative study conducted with executive leaders from successful CMOs across the United States whose organizations have grown from one school to upwards of 50 schools over the last two decades. This research highlighted several internal and external factors that are critical to a charter’s/CMO’s ability to grow.

In Section B of the workbook, leaders and board members will work together to determine their level of proficiency in the following internal factors that directly impact expansion. In Section C, they will also assess whether or not the following external factors are optimal for expansion.

Table 10

*Internal and External Factors*

<table>
<thead>
<tr>
<th>Internal Factors (Section B)</th>
<th>External Factors (Section C)</th>
</tr>
</thead>
<tbody>
<tr>
<td>“The Why”</td>
<td>Need and Demand</td>
</tr>
<tr>
<td>Organizational Identity</td>
<td>Funding</td>
</tr>
<tr>
<td>Human Capital</td>
<td>Facilities</td>
</tr>
<tr>
<td>Governance</td>
<td>Political Context, Policy, and Climate</td>
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<tr>
<td>Fiscal Health</td>
<td>Parent and Community Relations</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>Collaboration and Competition Inside and Outside the Sector</td>
</tr>
<tr>
<td>Growth Mindset and Strategy</td>
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</tbody>
</table>
Each internal and external factor includes a brief explanation of its connection to a charter’s/CMO’s readiness for expansion. In some instances, this explanation also details several sub-factors that comprise the overarching factor. Moreover, it contains examples of proficiency or optimality for the user group to consider. Directly following each explanation is a table that contains an exercise. Each exercise includes the following components:

- several key questions that the group completing this workbook should consider and discuss together;
- prompts that allow the group to assess the organization’s strengths and weaknesses for internal factors or potential opportunities and threats for external factors; and
- a concluding question that prompts the group to decide collaboratively the organization’s level of proficiency for internal factors and level of optimality for external factors.

**Methodology for Question and Prompt Design**

Each of the following exercises contains several questions or prompts for the user group. Using the literature and the findings from the Ready to Scale study’s interviews, the researcher composed open-ended questions and prompts to align with their designated internal or external factors. Additionally, the questions and prompts were designed to help user groups engage in a deeper analysis of those factors that specifically pertained to preparing for growth, as detailed in the explanation of each factor that precedes its corresponding set of questions. Some questions also require the user group to be as anticipatory as possible, thinking through possible obstacles they might encounter that
will impede their ability to be ready for growth. Finally, some of the questions include a prompt that signals to the user group that they should use concrete data or evidence to support their responses.

**SWOT analysis.** According to the second bullet on Page 214, the workbook’s exercises incorporate the SWOT analysis protocol. SWOT is an acronym for “Strengths, Weaknesses, Opportunities, Threats.” Originally utilized in the private sector by corporations to evaluate their “core benefits,” their position in the market, and how they could continue to grow, the tool has proved useful in other industries including education (Gomer & Hille, 2015). For Section B, the user group will identify strengths and weaknesses for each internal factor. For Section C, the user group will identify opportunities and threats for each external factor. Including the SWOT analysis protocol is another opportunity for the user group to evaluate its organization’s internal strengths and how optimal external factors are in relation to readiness for replication.

**Definitions and ratings: Proficiency and optimality.** Each of the workbook’s exercises concludes by requiring the user group to assign its organization a rating for each of the aforementioned factors. For internal factors, the ratings are “Proficient,” “Somewhat Proficient,” and “Not Proficient.” For external factors, the ratings are “Optimal,” “Somewhat Optimal,” and “Not Optimal.” According to the literature and the findings of the study conducted with charter/CMO leaders, this workbook offers the following guidance on definitions for “proficient” and “optimal”:

- Proficient: “We consider our organization’s performance to be strong in this internal factor. The current level at which we operate in this factor area will allow us to successfully navigate and sustain the replication process.”
• Optimal: “We consider this external factor to be in our organization’s favor. The external conditions in this factor area will positively support and sustain us throughout the replication process.”

Since many charters and CMOs have unique models and histories, and because they operate in a wide variety of geographic regions, policy environments, and political contexts, leaders and boards will consider their responses to the exercises’ questions as well as their “Strengths-Weaknesses” and “Opportunities-Threats” analyses in order to determine each rating.

Section D engages participants in such a way so that they can accomplish the workbook’s primary outcome: generating consensus based on their assessment of the aforementioned internal and external factors, the group will decide, “Are we ready to grow? Why or why not?” This section also requires the user group to *preliminarily* think through immediate next steps after their determination of readiness, as well as how they might prepare to share their decision and rationale with the broader organization.

If the group determines that its charter/CMO is in fact ready to grow, Section E is a brainstorming exercise in which the group *drafts* a set of *preliminary* criteria that it can use to “hit the go button” and open its next new school.

Again, this workbook serves as an extended protocol, with the decision-making model below as its anchor, to guide teams through a reflection and discussion of internal and external factors in an organized sequence.
Figure 3. Conceptual framework—Version 2 (revised from study findings)
Guidelines for Implementation of Workbook Protocol

The user group will be most successful if it utilizes the following overarching guidelines when executing the workbook’s protocol:

• **Conduct this protocol in a group setting.**

  The protocol’s questions are meant to generate robust and engaging discussion among a group of participants as they move through each section of the workbook together.

• **Ensure that both executive leadership team members and board members participate.**

  Executive management and board members, including the board chair, should be present and actively participate; the literature and *Ready to Scale* findings indicated that board members are key to scaling success given the strategic guidance, support, and resources they provide for the organization’s management team.

• **Be prepared to dedicate a sizable amount of time to conduct the protocol.**

  It will likely take a significant time for participants to generate the consensus needed to achieve the protocol’s aforementioned outcome. One example of managing time for this protocol is for the users to implement it over the course of several days during a senior leadership retreat. Another example of managing time for this protocol is to engage in a day-long session one to two times a week over the course of a period; this allows for conducting focus groups with stakeholders who may not be part of the core Growth Team. It is
recommended that the user group not exceed a month’s time to execute this protocol.

• **Choose an external facilitator.**

The facilitator(s) is/are responsible for leading and moving the group through each section of the workbook while being mindful of time spent on each section. Every facilitator must be a third-party individual external to the organization that emulates objectivity and ensures that all reflection and analysis are evidence-based (using both quantitative and qualitative data). The best example includes a consultant or facilitating expert who is familiar enough with the context of the organization to execute the role effectively and keep the group on track and in check.

• **Choose a recorder.**

All participants have a copy of the workbook in which to write, but a recorder should carefully document the discussion, readiness determination, and next steps.

• **Prepare the group beforehand to bring data and evidence to support the discussion.**

Participants will need access to data and evidence to engage in meaningful discussion with the group. The following is a starter checklist of data/evidence that users should have on hand for the successful completion of this protocol:

a. 4 or more years of student achievement data;

b. financial performance data;

c. 2 or more years of current enrollment data;
d. demographic data for specific geographic areas; and

e. data regarding the performance of competing traditional district and charter schools in these geographic areas.

The group may determine that other sources of data and evidence, even qualitative (i.e., data from stakeholder surveys, performance management data, exit interview data, etc.), should be considered and should make those easily accessible during the protocol’s implementation.

• **Set group norms for authentic, accurate self-reflection.**

The facilitator should work with the group to establish norms for authentic, accurate self-reflection. While the goal is to assess readiness for replication, some team members may have already predetermined, prematurely, that the charter school or CMO will/must grow. The group’s norms should keep the team’s level of subjectivity in check; as a result, the more objective and evidence-driven the reflection is, the more effective the protocol’s implementation will be.
Section A: The Growth Team

The CMOs that participated in the study for the design of this tool cited how important it is for an organization to build a team of people to think about and eventually lead the replication process—the “Growth Team.”

Growth Team Composition and Size

Growth Teams should be comprised of employees who have various expertise areas related to the internal and external factors critical for growth. This expertise-factor alignment will also eventually drive the role that each team member will fulfill if the charter/CMO decides to pursue replication. Beyond the board chair and the executive leader of the organization, like the CEO, executive director, or principal in the case of a single-site operator, the literature and findings from the Ready to Scale interviews are shown in Table 11.

Organizations that are still fairly small, in the case of a single-site charter school, often have a single team member who fulfills several of these roles. If financial circumstances allow, the charter/CMO can fill area-expertise gaps through the onboarding of an external consultant or advisor. If financial resources are limited, the role of board members who can offer support and insight can address any gaps in the team.

An organization’s size will likely determine the size of its Growth Team. The Ready to Scale facilitator should work with the board chair and the CEO to make the final decision about the exact members of the Growth Team. Board chairs and CEOs should remember that they determine not only the size but also the make-up of the group that best allows for effective discussion as well as collective analysis and decision-making.
Table 11

Possible Growth Team Members

<table>
<thead>
<tr>
<th>Internal and External Factor Alignment</th>
<th>Potential Growth Team Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>• “The Why”</td>
<td>• Board Chair/Committee Leads</td>
</tr>
<tr>
<td></td>
<td>• Chief Executive Officer (CEO)</td>
</tr>
<tr>
<td>• Organizational Identity (Academic Model)</td>
<td>• Director of Curriculum</td>
</tr>
<tr>
<td></td>
<td>• Chief Academic Officer (CAO)</td>
</tr>
<tr>
<td></td>
<td>• Director of Data</td>
</tr>
<tr>
<td></td>
<td>• Principals/Middle Managers/Teachers*</td>
</tr>
<tr>
<td></td>
<td>• Parents/Students*</td>
</tr>
<tr>
<td>• Human Capital</td>
<td>• Director of Human Resources/Talent</td>
</tr>
<tr>
<td></td>
<td>• Chief Human Capital Officer</td>
</tr>
<tr>
<td></td>
<td>• Principals/Middle Managers/Teachers*</td>
</tr>
<tr>
<td>• Governance</td>
<td>• Board Chair/Committee Leads</td>
</tr>
<tr>
<td></td>
<td>• CEO</td>
</tr>
<tr>
<td>• Fiscal Health</td>
<td>• Director of Finance</td>
</tr>
<tr>
<td></td>
<td>• Chief Financial Officer (CFO)</td>
</tr>
<tr>
<td>• Infrastructure</td>
<td>• Director of Operations</td>
</tr>
<tr>
<td></td>
<td>• Chief Operating Officer (COO)</td>
</tr>
<tr>
<td>• Growth Mindset and Strategy</td>
<td>• Director of Strategy</td>
</tr>
<tr>
<td></td>
<td>• Chief Strategy Officer (CSO)</td>
</tr>
<tr>
<td>• Need and Demand</td>
<td>• Director of External Affairs</td>
</tr>
<tr>
<td></td>
<td>• Community Engagement Coordinator</td>
</tr>
<tr>
<td></td>
<td>• Parent Liaison</td>
</tr>
<tr>
<td></td>
<td>• Director of Data</td>
</tr>
<tr>
<td>• Funding</td>
<td>• Director of Development</td>
</tr>
<tr>
<td></td>
<td>• Director of Finance</td>
</tr>
<tr>
<td></td>
<td>• Chief Financial Officer (CFO)</td>
</tr>
<tr>
<td>• Facilities</td>
<td>• Director of Facilities</td>
</tr>
<tr>
<td></td>
<td>• Director of Real Estate</td>
</tr>
<tr>
<td>• Political Context, Policy, and Climate</td>
<td>• Board Chair/Committee Leads</td>
</tr>
<tr>
<td></td>
<td>• CEO</td>
</tr>
<tr>
<td></td>
<td>• Director of External Affairs</td>
</tr>
<tr>
<td>• Parent and Community Relations</td>
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</tr>
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<tr>
<td></td>
<td>• Parent Liaison</td>
</tr>
<tr>
<td></td>
<td>• Parents/Students*</td>
</tr>
<tr>
<td>• Competition and Collaboration Inside and Outside the Sector</td>
<td>• CEO</td>
</tr>
<tr>
<td></td>
<td>• Director External Affairs</td>
</tr>
</tbody>
</table>

* Growth Team should consult with the designated stakeholders on an “as needed” basis to ensure that the team remains a manageable size for reflection and decision making.
An asterisk (*) in Table 11 above denotes that the Growth Team should consult with the designated stakeholders on an “as needed” basis to ensure that the team remains a manageable size for reflection and decision making.

**Growth Team Member Dispositions**

The CMO leaders who participated in the *Ready to Scale* study indicated that at least one of the members of their Growth Teams was someone who acted as a “critical friend” to them, as well as other colleagues, as it related specifically to growth planning. Growth Teams can sometimes be overly optimistic and so pro-growth that they fail to be able to truly critique themselves and their practices. One CMO leader explained how her chief operating officer acted as the critical friend who challenged the Growth Team by asking it to think through worst-case scenarios and to anticipate potential obstacles or unintended consequences of replication-related decisions or strategies. In turn, the user group should pinpoint which colleague will play this role when putting together the Growth Teams.

**Exercise A Instructions**

Under the Facilitator’s direction, the user group should refer to the instructions below to complete Exercise A:

- As a group, read Question A.1 together.
- Next, allow 5 to 10 minutes for team members to reflect individually and record their responses in the “Response and Rationale” column in their workbooks.
• After this individual reflection time, come back together as a group to share ideas and supporting rationale.

• The recorder should take written notes on the highlights from the group discussion, and finalize the consensus the group reaches around the response and rationale for each question.

• Repeat this process for Questions A.2 and A.3.

**Exercise A**

**The Growth Team**

<table>
<thead>
<tr>
<th>Question/Prompt</th>
<th>Response and Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.1</td>
<td>Which team members should comprise our Growth Team? What specific data or evidence justifies how they will positively support our assessment of readiness for growth?</td>
</tr>
<tr>
<td>A.2</td>
<td>What areas of expertise are we missing from our Growth Team? How will we account for this and fill the expertise “gap”?</td>
</tr>
<tr>
<td>A.3</td>
<td>Which team member will be the “critical friend” on our Growth Team? Why?</td>
</tr>
</tbody>
</table>
Section B: Reflection and Analysis—Internal Factors

B.1: “The Why”

A charter/CMO must be clear about its true intentions behind its desire to scale, or what CMO leaders who participated in Ready to Scale study termed “the why.” Many organizations in this position cite aspirations to have a broader impact, but the clearer and more concrete the charter’s/CMO’s definition of impact is, the greater the likelihood of being able to achieve it when growing to scale. For example, a charter/CMO can better define its desired impact by giving itself a timeframe in which to accomplish that impact and/or by designating a target service population or specific geographic region for its desired impact. Additionally, decision making around growth is an appropriate time to revisit values and contemplate how growth might challenge those values.

Exercise B.1 instructions. Under the facilitator’s direction, the user group should refer to the instructions below to complete Exercise B.1:

- As a group, read Question B.1a together.
- Next, allow 5 to 10 minutes for team members to reflect individually and record their responses in the “Response and Rationale” column in their workbooks.
- After this individual reflection time, come back together as a group to share ideas and supporting rationale.
- The recorder should take written notes on the highlights from the group discussion, and record the consensus the group reaches around the response and rationale for each question.
- Repeat this process for Questions B.1b through B.1f.
• Question B.1e asks the group to conduct its Strengths-Weaknesses analysis for this factor.

• Under the direction of the facilitator, the group should execute this analysis through a group discussion; team members can take notes in the corresponding columns in Exercise B.1.

• The recorder should take written notes and record the consensus the group reaches on its primary strengths and weaknesses.

• Question B.1f requires the group to determine its final proficiency rating for this factor. The group can refer to the example indicators of proficiency listed below to guide their thinking and articulate their ideas.

• The group can determine the rating using one of the following methods: (a) a majority vote or (b) a group discussion to reach a general consensus.

• During this discussion, the group should be sure to discuss the data or evidence that support its final rating.

**Example indicators: Proficiency in “the why.”** Based on the review of literature and interviews with CMO leaders from the Ready to Scale study, the following are example indicators of proficiency in this factor:

• The Growth Team is “on the same page” regarding its intent to grow.

• The charter/CMO has clearly defined the scope of its impact using time, service population, and geographical descriptors. For example, “By 2025, we will serve an additional 10,000 students from immigrant families on the southwest side of Chicago.”
• All members of the Growth Team share a firm belief in their organization’s values.

• The Growth Team believes the charter’s/CMO’s values will withstand the stresses of the replication process.
# Exercise B.1

## “The Why”

<table>
<thead>
<tr>
<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>B.1a</strong> Why do we want to grow? Be as specific as possible.</td>
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<tr>
<td><strong>B.1b</strong> What specific kind of impact do we want our growth to produce? Why?</td>
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<tr>
<td><strong>B.1c</strong> What are our organization’s values? Are they the same as they were when we first started our organization? Why or why not?</td>
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<tr>
<td><strong>B.1d</strong> How do we anticipate our future growth changing or challenging our values?</td>
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<tr>
<td><strong>B.1e</strong> Given our discussion of the questions in this exercise, how would we describe our organization’s strengths and weaknesses for this internal factor?</td>
<td>Strengths</td>
</tr>
<tr>
<td><strong>B.1f</strong> How do we rate our overall level of proficiency in this internal factor? What data or evidence can we use to support our rationale here?</td>
<td>Rating (Check One)</td>
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</table>

- Proficient
- Somewhat Proficient
- Not Proficient
B.2: Organizational Identity

When considering expansion, charters/CMOs must be clear about who they are. A strong sense of organizational identity strengthens the charter’s/CMO’s ability to operate a consistent program and educational experience for students and families across multiple schools.

**Mission, vision, and values.** A well-defined mission and vision establish organizational identity. According to Frumkin et al. (2011), “A mission begins with a statement of general values. These values explain the orientation of the school and provide an underlying coherence to various aspects of school operation, including curriculum, administration, and people’s dealings with one another” (p. 5). Additionally, the mission describes the organization’s approach to educating students, providing insight into how students will learn and, if appropriate, designates a specific group of students as its target population (i.e., off-track youth, immigrant students, etc.).

**Brand.** When a charter school/CMO possesses a strong organization identity, this also solidifies its brand. The brand is comprised of a number of elements, from slogans that are representative to the organization’s values, like “College for Certain,” to the use of specific logos or other visual representations of the organization. Charter/CMO leaders should work relentlessly to maintain their brand, especially in all internal actions, including messaging, regular written communication, and even individual conversations between team members and CMO leadership, which should emulate the organization’s mission and brand (Farrell et al., 2009).

**Organizational culture.** A charter’s/CMO’s organizational culture is another critical element of identity. Executive leadership should plan strategically for the creation
of a “people culture” that promotes values and attributes that generate excellence among employees. Examples of these values/attributes include trust, respect, open communication, collaborative problem solving, innovation, and creativity. Additionally, executive leaders should charge themselves and their teams, as well as middle managers like principals, as “curators of organizational culture,” especially during scaling, when new talent will be brought into the organization to staff additional campuses or support them centrally.

**Academic model and quality.** Beyond “the why” and in support of “who we are” (identity), charters/CMOs must identify “the what”—their academic model. A quality model usually contains clearly defined frameworks for curriculum, instruction, assessment, and ongoing professional development for teachers (Lake, 2007; New Schools Venture Fund, 2006). Without this clear definition, often enacted as a set of non-negotiables and operating systems, the school/CMO will likely find it difficult to replicate its academic program faithfully and with fidelity across more than one school (Lake, 2007). At the same time, charters/CMOs should evaluate their models for “replicability”; more complex models can sometimes be more difficult to scale.

After defining “the what,” charters/CMOs must then ask themselves, “Are we good enough to grow?” Schools and CMOs must ensure their academic program and school model have a proven track record before attempting replication (Lake, 2007). In turn, student achievement results over a prolonged period of time (more than a single year) should be closely examined to make this determination.

**Model implementation.** The CMOs that participated in the *Ready to Scale* study underscored how executive leaders must decide between two approaches to the
implementation of their model across their growing networks of schools. In the first approach, the model and its guidelines for implementation are highly scripted. In the second approach, the model and its guidelines allow more flexibility and autonomy to school sites for implementation. Whether rigid or flexible, CMOs can still produce high-quality results as they grow; executive leaders of these organizations attribute this to consistent oversight and support for schools.

**The impact of replication on organizational identity.** During the expansion process, charters/CMOs often experience philosophical challenges to their mission, values, or models and challenges in implementation. Executive leaders should think through how growing to scale will impact their organizational identity. The more anticipatory executive leaders are about this now, the better prepared the school/CMO will be to navigate this issue so that their growth plans are not stalled.

**Exercise B.2 instructions.** Under the facilitator’s direction, the user group should utilize the protocol from Exercise B.1 to complete Exercise B.2. As a reminder, the group can refer to the example indicators of proficiency listed below to guide its thinking and articulate its ideas.

**Example indicators: Proficiency in organizational identity.** Based on the review of literature and interviews with CMO leaders from the *Ready to Scale* study, the following are example indicators of proficiency in this factor:

- The organization’s mission and vision are clear and enduring.
- The organization’s brand is well defined and has been well communicated to all stakeholders.
• The charter’s/CMO’s organizational culture is defined by several positive elements that all employees in the organization can easily understand and enact.

• The charter’s/CMO’s academic model (approach to teaching, learning, and curriculum as well as school design) is proven as it relates to consistently high levels of student achievement over time.

• The charter’s/CMO’s academic model is clearly documented; this document also provides guidelines for implementation of the model in schools.

• The organization has decided how its academic model will be implemented at future schools. It will either take a more scripted approach or allow school sites a specific amount of autonomy.
Exercise B.2
Organizational Identity

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<tr>
<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
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<tbody>
<tr>
<td><strong>B.2a</strong> Is our mission and vision clear? Why or why not? What, if any, adjustments need to be made to better establish our organizational identity?</td>
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<tr>
<td><strong>B.2b</strong> How do we define our organizational ethos (i.e., core beliefs or mindsets)? Explain the rationale for the ethos.</td>
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<tr>
<td><strong>B.2c</strong> How do we define our brand and its major elements?</td>
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<tr>
<td><strong>B.2d</strong> How do we define our organizational culture (“people culture”) and its major tenets, including norms for the way we collaborate, communicate, and operate?</td>
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<tr>
<td><strong>B.2e</strong> How do we define our academic model and its major components?</td>
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<tr>
<td><strong>B.2f</strong> Are our student achievement results from the last several years good enough to warrant our expansion? What specific data or evidence do we have that support our thinking here?</td>
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<tr>
<td><strong>B.2g</strong> Regarding the implementation of our model, will our organization take a more scripted or flexible approach? Explain.</td>
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Exercise B.2 (continued)

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<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
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<tr>
<td><strong>B.2h</strong></td>
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<tr>
<td>What challenges do we anticipate in replicating our model across multiple schools? In what other ways might expansion change or challenge who we are? What can we do to mitigate these challenges?</td>
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</table>

| **B.2i**        |                        |
| Given our discussion of the questions in this exercise, how would we describe our organization’s strengths and weaknesses for this internal factor? | **Strengths** | **Weaknesses** |

| **B.2j**        |                        |
| How do we rate our overall level of proficiency in this internal factor? What data or evidence can we use to support our rationale here? | **Rating (Check One)** | **Rationale** |
| | | □ Proficient |
| | | □ Somewhat Proficient |
| | | □ Not Proficient |
B.3: Human Capital

In order to replicate successfully, charter schools and CMOs need top talent (Farrell, Nayfack, Smith, Wohlstetter, & Wong, 2013). A number of researchers in the field have indicated that human capital is one of the primary drivers behind the ability of a charter to expand; additionally, the stronger the talent, the more accelerated the organization’s growth (Farrell et al., 2013; Higgins & Hess, 2009). The CMOs who participated in the Ready to Scale study recommended significantly investing both human and financial resources to recruit, select, retain, and develop the organization’s employees.

**Recruitment and selection.** Charters/CMOs must create a human capital plan that includes strategies for attracting and hiring employees who will be the “best fit” for their organizations. The most useful strategies include the organization’s proactive creation of external candidate pools through partnerships with local universities and even alternative-certification programs for principals and teachers. CMOs should also develop and implement robust processes for screening, interviewing, and selecting final candidates. Finally, charters/CMOs should determine how they can offer salary and benefits packages that are as competitive as possible.

**Retention and development.** Once the right candidates are on board, executive leaders should continue the development of their human capital plans, evaluating the level of talent within their organizations and devising strategies to cultivate that talent (Farrell et al., 2013). Applying a balanced mix of (a) targeted, differentiated coaching/support and (b) clear, streamlined accountability is one of the most effective cultivation methods that executive leaders can utilize. Another best practice that
charters/CMOs enact is the creation of internal leadership pipelines, designed not only to retain top-performing teachers but also to mold them as the organization’s future leaders, especially at the school level (Chadwick & Kowal, 2011; Doyle & Steiner, 2011; Farrell, Nayfack, Smith, Wohlstetter, & Wong, 2009; Farrell et al., 2013).

**Key people: Principals.** The school leader role is absolutely paramount to the successful opening and operation of a new school as an organization grows to scale. Charters/CMOs should expand on their internal principal pipeline strategy to include a principal-in-residence program; this extension allows future school leaders to dedicate their time solely preparing to open a new campus. Executive leaders should also be strategic about founding principal management, providing not only accountability but also extensive coaching and moral support to ensure high rates of school leader retention. These strategies are costly and charters/CMOs should proactively plan for sustainable funding for these programs.

**Key people: CEO and executive leadership team.** Boards should assess if the school’s/CMO’s current leader (often a founding principal or executive director) possesses the capacity, or potential capacity, to lead the organization’s scaling efforts as a CEO. In addition, the CEO must determine how to build out and successfully manage his/her executive team. Roles like a chief operating officer, chief financial officer, and chief strategy officer are integral to ensuring not only that the organization grows, but also improves its operations and outcomes in the process.

**Exercise B.3 instructions.** Under the facilitator’s direction, the user group should utilize the protocol from Exercise B.1 to complete Exercise B.3. As a reminder, the group
can refer to the example indicators of proficiency listed below to guide its thinking and articulate its ideas.

**Example indicators: Proficiency in human capital.** Based on the review of literature and interviews with CMO leaders from the *Ready to Scale* study, the following are example indicators of proficiency in this factor:

- The organization has a clear strategy for funding all human capital initiatives, including the provision of competitive salary and benefits packages.
- The organization has established a strong external talent pool.
- The organization has created and effectively enacts a robust set of recruitment and selection practices.
- The organization has created and effectively enacts a robust set of retention and professional development strategies.
- The organization has established a strong internal talent pool, including pipeline programming and training for future founding school leaders.
- The organization has assessed the capacity of its current executive leader and determined that this individual, as well as his/her senior leadership team, is the right fit for leading the organization through the replication process.
## Exercise B.3

### Human Capital

<table>
<thead>
<tr>
<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
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<tbody>
<tr>
<td><strong>B.3a</strong> To what extent do we currently invest financial and other resources in the development of our current talent? How will we need to change our actions here to create a robust human capital plan to get and keep top talent?</td>
<td></td>
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<tr>
<td><strong>B.3b</strong> What are our current recruitment and selection practices? How do we ensure that our practices are grounded in our organizational ethos? How effective are these strategies and what improvements do we think can be made?</td>
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<tr>
<td><strong>B.3c</strong> What actions have we taken to create an external pool of talent from which to recruit and select future candidates?</td>
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<tr>
<td><strong>B.3d</strong> How do our compensation and benefits packages compare to that of the local school district or other charters/CMOs? How can we increase the competitiveness of our packages?</td>
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<tr>
<td><strong>B.3e</strong> What are our current talent retention and development practices? How effective are these strategies and what improvements do we think can be made?</td>
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Exercise B.3 (continued)

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<tr>
<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
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</table>
| **B.3f**  
Do we have the capacity to design, implement, and fund a principal-in-residence program? If not, how will we mitigate this? What other specific supports will we put in place to ensure the success of founding principals? | |
| **B.3g**  
Does the current leader of our organization have the capacity to “make the leap” to CEO and lead expansion? What data or evidence do we have to support our analysis? | |
| **B.3h**  
Given our discussion of the questions in this exercise, how would we describe our organization’s strengths and weaknesses for this internal factor? | **Strengths** | **Weaknesses** |
| **B.3i**  
How do we rate our overall level of proficiency in this internal factor? What data or evidence can we use to support our rationale here? | **Rating (Check One)** | **Rationale** |
| | | □ Proficient |
| | | □ Somewhat Proficient |
| | | □ Not Proficient |
B.4: Governance

In order to grow, charter schools and CMOs need to ensure their boards are sustainable by pushing for effective board composition and providing the proper training for all board members in their respective areas of responsibility (Butler, Smith, & Wohlstetter, 2008).

**Board composition and disposition.** CEOs and board chairs should strategically target and recruit professionals from a variety of sectors whose areas of expertise are aligned with the charter’s/CMO’s priorities during expansion. For example, a real estate expert can counsel a CEO through facilities acquisition, while a multi-regional retail executive can advise on the effective operation of a larger number schools that span multiple jurisdictions. Board members who can successfully support expansion are also comfortable with risk and innovation.

**Board operations.** CEOs should work diligently to engage and educate board members about growth preparation and expansion efforts. Promoting high levels of transparency around decision making establishes confidence and trust, allowing executive leadership even more autonomy to continue executing their plans to scale. CEOs should also collaborate with board chairs to ensure that board operations are structured and “in shape,” so that the board remains focused on the governance of mission, strategy, and expansion rather than the management of day-to-day issues, which is the responsibility of the executive team.

**Exercise B.4 instructions.** Under the facilitator’s direction, the user group should utilize the protocol from Exercise B.1 to complete Exercise B.4. As a reminder, the group
can refer to the example indicators of proficiency listed below to guide its thinking and articulate its ideas.

**Example indicators: Proficiency in board governance.** Based on the review of literature and interviews with CMO leaders from the *Ready to Scale* study, the following are example indicators of proficiency in this factor:

- The charter/CMO board is comprised of a group of varied experts whose specialty areas align with the needs of the organization, both now and during the replication process.
- The charter/CMO board’s collective mindset is pro-risk and pro-innovation.
- The board has a clear set of operating procedures that allow the governing body to provide strategic direction and guidance to the CEO and senior team.
- The relationship between the CEO/senior team and the board is characterized by high engagement and trust.
**Exercise B.4**

**Governance**

<table>
<thead>
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<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
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<tbody>
<tr>
<td><strong>B.4a</strong></td>
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<tr>
<td>What kind of experts are current members of our board? How aligned are their areas of expertise with the organization’s needs for growth planning and execution? Explain.</td>
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<tr>
<td><strong>B.4b</strong></td>
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<tr>
<td>How open is our board to the risk and innovation that the expansion process will require of the organization? What other collective attributes does our board possess that will support the organization’s growth?</td>
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<tr>
<td><strong>B.4c</strong></td>
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<tr>
<td>What concrete strategies must the board enact in order to begin its evolution into a governing body that serves multiple schools rather than a single campus?</td>
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<tr>
<td><strong>B.4d</strong></td>
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<tr>
<td>What are our board’s current operating procedures? What adjustments need to be made to improve governance?</td>
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<td><strong>B.4e</strong></td>
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<tr>
<td>How well does the board currently espouse our organizational ethos and demonstrate cultural competence regarding the communities/families we currently serve and seek to serve if we replicate?</td>
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Exercise B.4 (continued)

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<tr>
<td><strong>B.4f</strong></td>
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<tr>
<td>What strategies can our CEO utilize to improve board engagement, education, and investment in the expansion process?</td>
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<tr>
<td><strong>B.4g</strong></td>
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<tr>
<td>Given our discussion of the questions in this exercise, how would we describe our organization’s strengths and weaknesses for this internal factor?</td>
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<td><strong>B.4h</strong></td>
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<tr>
<td>How do we rate our overall level of proficiency in this internal factor? What data or evidence can we use to support our rationale here?</td>
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<th>Strengths</th>
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B.5: Fiscal Health

Fiscal health promotes financial sustainability, which is imperative for a charter/CMO undertaking the significant costs that come with expansion. An intentionally thorough financial planning process is imperative and should include “multイヤ year budgeting and cash flow forecasts, annual audit, and monthly careful review of the three critical financial statements: income statement, balance sheet, and cash flow statement” (Frumpkin et al., 2011, p. 117). In conjunction with regular monitoring of spending, several consecutive years of clean financial audits, and a robust reserve, generally at least 3 months’ worth of operating cash are other indicators of a charter’s/CMO’s fiscal health.

Experts also recommended an additional practice to ensure fiscal health: lean spending. Charters and CMOs should exercise prudence, maintaining a conservative approach in “managing costs, incurring major expenses only after the revenue picture is sufficiently strong to keep the school on a sound financial footing or after financing is available on competitive terms” (Frumpkin et al., 2011, p. 117).

Exercise B.5 instructions. Under the facilitator’s direction, the user group should utilize the protocol from Exercise B.1 to complete Exercise B.5. As a reminder, the group can refer to the example indicators of proficiency listed below to guide its thinking and articulate its ideas.

Example indicators: Proficiency in fiscal health. Based on the review of literature and interviews with CMO leaders from the Ready to Scale study, the following are example indicators of proficiency in this factor:
• The organization has a well-defined financial model that will enable it to remain financially viable throughout the replication process.

• The organization has a clear set of financial processes for managing spending responsibility, including an annual audit, monthly review of cash flow and budget to actual statements, and the like.

• The organization maintains a significant cash reserve—3 or more months’ worth of operating expenses.

• The organization has a history of good financial performance, including several consecutive years of “clean” audits.

• The organization conducts regular 5-year financial projections and assesses them annually (or more frequently) for accuracy.
## Fiscal Health

### Question/Prompt

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<thead>
<tr>
<th>Exercise B.5</th>
<th>Reflection and Analysis</th>
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<tbody>
<tr>
<td><strong>B.5a</strong></td>
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<tr>
<td>What are our current financial processes? How frequently and closely do we monitor our expenditures?</td>
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<td><strong>B.5b</strong></td>
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<tr>
<td>How much cash do we have in our reserves? What actions led to the current status of our reserves?</td>
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<tr>
<td><strong>B.5c</strong></td>
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<tr>
<td>Have we successfully obtained clean financial audits over the past several years? What actions led to the status of our audit each year?</td>
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<td><strong>B.5d</strong></td>
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<tr>
<td>How often do we create a 5-year financial projection in three distinct versions/scenarios—best, middle, worst? In examining this projection, how would we assess the accuracy of these forecasts? What actions or events impacted accuracy?</td>
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<tr>
<td><strong>B.5e</strong></td>
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<tr>
<td>Given our discussion of the questions in this exercise, how would we describe our organization’s strengths and weaknesses for this internal factor?</td>
<td>[ ] Strengths</td>
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<tr>
<td><strong>B.5f</strong></td>
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<tr>
<td>How do we rate our overall level of proficiency in this internal factor? What data or evidence can we use to support our rationale here?</td>
<td>[ ] Rating (Check One)</td>
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B.6: Infrastructure

A charter’s/CMO’s infrastructure must grow to scale as the organization adds more schools, more school-based employees, and more students. Schools will need support in several key areas, including operations, finance, human resources, and curriculum. Executive leaders can best meet the needs of schools by further defining the role of the CMO’s central office, developing sound standard operating procedures and systems, and, finally, expanding the organizational chart to include positions that would assist schools in the midst of continued expansion.

**Role of CMO as central office.** Whether the CMO took a more or less centralized approach to the implementation of its model at its schools, the CEOs who participated in the *Ready to Scale* study recommended that the head of the organization ensure that all employees understand the primary role of central office staff is to support schools. CEOs and other executives are also responsible for directing the provision of accountability to school sites.

**Systems.** “Lack of systems is a barrier to the growth of the best charter operators” (Hassel, Hassel, & Ableidinger, 2011, p. 27). Central office teams, under the direction of executive leadership, should be responsible for building standard operating procedures for procurement, building maintenance, food service, and even student transportation. Additionally, academic, professional development, and management systems must also be established and implemented. Examples of these systems include the creation and implementation of a common set of interim assessments across schools; the development of easily accessible data dashboards for principals and teachers; the selection of an online
application to collect and store classroom observation data; and the creation of accountability protocols for schools, school leaders, teachers, and central office staff.

**Organizational chart and staffing.** Charters/CMOs will eventually need to expand their staffing models, adding new positions to their organizational charts to maintain adequate support for schools or assist with expansion execution. For example, a recruiter might be added for human capital purposes, or a director of external relations brought in to execute community outreach in preparation for future school sites. There are financial challenges of adding central office staff when a staff is at two to six schools in its network. At this point in a charter’s/CMO’s financial modeling, there is not enough revenue to justify overhead costs like a recruiter, a curriculum writer, or a special education director. As a result, the central office staff and executive leadership should be prepared to serve multiple functions.

**Exercise B.6 instructions.** Under the facilitator’s direction, the user group should utilize the protocol from Exercise B.1 to complete Exercise B.6. As a reminder, the group can refer to the example indicators of proficiency listed below to guide its thinking and articulate its ideas.

**Example indicators: Proficiency in infrastructure.** Based on the review of literature and interviews with CMO leaders from the *Ready to Scale* study, the following are example indicators of proficiency in this factor:

- The organization has a central office that possesses the capacity (or potential capacity) to provide operational support and accountability for multiple schools.
- School-based employees are clear on how to access central office support.
• The organization has a set of standard operating procedures or systems for school support and accountability in the following areas: operations, human resources, finance and accounting, and academic model implementation (teaching and learning, curriculum, data and assessment).

• The organization’s standard operating procedures and systems are clearly documented.

• The organization has a clear decision-making logic model or matrix so that each employee at every level understands his or her role in specific decisions while the organization continues to expand.
## Exercise B.6

### Infrastructure

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<tr>
<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
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<tbody>
<tr>
<td><strong>B.6a</strong> What does our current infrastructure look like? Is there enough capacity to support one to two new schools in the near future or will we need to make adjustments? If so, what are those adjustments?</td>
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<tr>
<td><strong>B.6b</strong> How does our central office currently provide support and accountability for schools?</td>
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<tr>
<td><strong>B.6c</strong> What systems or standard operating procedures do we currently have in place? How do we categorize these systems (i.e., operations, academics, etc.)? What adjustments will we need to make to prepare for growth?</td>
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<tr>
<td><strong>B.6d</strong> In planning for growth, what positions do we anticipate needing to add to the central office? How will we justify and fund these new positions? How possible is it for a single employee to carry the responsibilities of multiple positions that we need?</td>
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<tr>
<td><strong>B.6e</strong> Given our discussion of the questions in this exercise, how would we describe our organization’s strengths and weaknesses for this internal factor?</td>
<td><strong>Strengths</strong></td>
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<tr>
<td><strong>B.6f</strong> How do we rate our overall level of proficiency in this internal factor? What data or evidence can we use to support our rationale here?</td>
<td><strong>Rating (Check One)</strong></td>
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B.7: Growth Mindset and Strategy

Charters/CMOs will inevitably have to make adjustments to their models and practices in order to be responsive to the needs of students or any performance trends that indicate a need for improvement, especially as the organization grows the number of students it serves.

**Growth mindset.** Growth mindset, as defined by the CMO leaders who participated in the Ready to Scale study, is an authentic willingness to evolve even those practices that are foundational to the organization’s model in order to serve students in ways that are more equitable or culturally competent. Highly successful charters/CMOs can actually become stagnant in their practices. Their results allow executive leaders to justify keeping long-standing practices the same, even if they are inequitable. For example, a no-excuses approach to discipline can lead to the disproportionate out-of-school suspension of Black and Latino boys. The no-excuses approach aids in maintaining an orderly, structured school culture, but there are students who are excluded in the process. Charters and CMOs must be willing to examine their practices and abandon those that can have harmful, long-term effects on children, families, and communities. As Frumpkin et al. (2011) stated, models and practices should never be considered “immutable,” nor should executive leaders allow these organizational strategies to become “ossified over time.”

**Strategic plans for growth.** Charters/CMOs should create a roadmap for scaling. Beyond basic components like overarching goals and timelines, the plan should contain concrete strategies for growth. For example, if the organization makes a strategic commitment to a specific geographical region and continues to produce strong academic
results, other communities in the same region are more likely to welcome new schools to their jurisdictions. Another example is a strategy to intentionally seek out other neighborhoods in which other charter schools have actually failed, citing that families might be more open to another school opening that has demonstrated a better record of success. While plans should be substantially detailed, executive leaders should remember to build enough flexibility into their roadmaps to account for changes and obstacles.

**Exercise B.7 instructions.** Under the facilitator’s direction, the user group should utilize the protocol from Exercise B.1 to complete Exercise B.7. As a reminder, the group can refer to the example indicators of proficiency listed below to guide its thinking and articulate its ideas.

**Example indicators: Proficiency in growth mindset and strategy.** Based on the review of literature and interviews with CMO leaders from the *Ready to Scale* study, the following are example indicators of proficiency in this factor:

- The organization has established a protocol for regularly evaluating its practices for inequity or lack of cultural competence.
- The organization has established a protocol for continued quality improvement.
- The organization demonstrates the capacity to navigate obstacles or challenges with agility.
- The organization has a strong strategic plan in place that includes its preliminary plans and rationale for replication.
Exercise B.7

Growth Mindset and Strategy

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<th>Reflection and Analysis</th>
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<tr>
<td><strong>B.7a</strong></td>
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<tr>
<td>Regarding our current model and practices, are there any signs of inequity or lack of cultural competence? Why or why not? If there are signs, are we willing to change them? Why or why not?</td>
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<td><strong>B.7b</strong></td>
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<tr>
<td>How comprehensive is our preliminary strategic plan for growth? How have we anticipated any obstacles or roadblocks and addressed them in our plan?</td>
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<td><strong>B.7c</strong></td>
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<td>Within our plan, what are the most impactful strategies that will enable us to meet our growth goals successfully?</td>
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<td><strong>B.7d</strong></td>
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<tr>
<td>Given our discussion of the questions in this exercise, how would we describe our organization’s strengths and weaknesses for this internal factor?</td>
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<td><strong>B.8d</strong></td>
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<tr>
<td>How do we rate our overall level of proficiency in this internal factor? What data or evidence can we use to support our rationale here?</td>
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<tr>
<th><strong>Strengths</strong></th>
<th><strong>Weaknesses</strong></th>
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Section C: Reflection and Analysis—External Factors

C.1: Need and Demand

Beyond the demand that lengthy wait lists demonstrate, charters and CMOs should conduct careful research—“market analysis”—to gauge the need and desire for a school in a specific community or neighborhood (Farrell, Wohlstetter, & Smith, 2012; Farrell et al., 2009). Charters/CMOs should also closely examine data from neighborhood schools in the traditional school district; beyond a shortage of high-quality options for families in particular geographical area, schools that are overcrowded also indicate the need for a potential new school. Finally, charters/CMOs should also conduct an analysis of their wait lists, looking for new communities or neighborhoods with the highest representation of students wanting a seat. This could highlight a need that the charter/CMO might not have otherwise realized.

Demand beyond families and students. Charters or CMOs should prepare to respond to the demand of other external stakeholders regarding growth. These stakeholders include politically elected officials, such as a city major; high-ranking municipal leaders, such as the local school district’s superintendent; and even foundations or donors. In the case that these individuals or groups do approach a charter or CMO, offering funding and even facilities assistance for expansion, the organization should revisit its strategic plan for growth and assess how this change impacts its overarching plans to scale.

Exercise C.1 instructions. Under the facilitator’s direction, the user group should utilize the protocol from Exercise B.1 to complete Exercise C.1. As a reminder, the group
can refer to the example indicators of optimality listed below to guide its thinking and articulate its ideas.

**Example indicators: Optimality in need and demand.** Based on the review of literature and interviews with CMO leaders from the *Ready to Scale* study, the following are example indicators of optimality in this factor:

- According to waiting list and lottery data, a particular neighborhood, community, or geographical jurisdiction has demonstrated a substantial demand for the charter or CMO to potentially open a new school.

- According to demographic data and academic performance data from nearby traditional district and charter schools, a particular neighborhood, community, or geographical jurisdiction has demonstrated a substantial need for the charter or CMO to potentially open a new school.

- Because of the charter’s/CMO’s academic results, an influential external stakeholder(s) has extended an invitation and resources (i.e., funding, facilities) for the organization to open in a particular neighborhood, community, or geographical jurisdiction.
# Exercise C.1

## Need and Demand

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<tr>
<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
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<tbody>
<tr>
<td><strong>C.1a</strong> How many students do we currently have on our waitlist(s)? Have we conducted an analysis to ensure that we count families only once who have applied to multiple campuses in our CMO?</td>
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<tr>
<td><strong>C.1b</strong> At last year’s lottery, how many more applications did we receive per total amount of seats? How does this figure compare with previous lottery reports? Are there any positive or negative trends? If so, what does this signify about demand?</td>
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<tr>
<td><strong>C.1c</strong> After studying our wait lists and lottery reports, which communities or neighborhoods are demonstrating the highest demand for us? Are these neighborhoods familiar to us or are there new communities expressing an interest in our schools?</td>
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<tr>
<td><strong>C.1d</strong> After looking at local school district data related to performance and overcrowding, can we conclude that expanding into a particular community will truly fulfill a need for a new school? Why or why not?</td>
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Exercise C.1 (continued)

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<thead>
<tr>
<th>C.1e</th>
<th>Have any other external stakeholders approached us about expansion? If so, who and what are they offering to us if we grow? How does this impact our original strategic growth plan?</th>
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<tbody>
<tr>
<td>C.1f</td>
<td>How do we plan to access and analyze feeder system information as it relates to the prerequisite skills/experiences needed for successful transition into our school/academic model?</td>
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<tr>
<td>C.1g</td>
<td>Given our discussion of the questions in this exercise, what opportunities and threats currently exist regarding this external factor?</td>
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<tr>
<td>C.1h</td>
<td>How optimal are the conditions pertaining to this external factor? What data or evidence can we use to support our rationale here?</td>
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<tr>
<th>Opportunities</th>
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C.2: Funding

The CMO leaders who participated in the *Ready to Scale* study shared a common sentiment about funding and growth: expansion is expensive. Still, organizations must assess the viability of the funding streams they use to generate the revenue needed to operate currently existing schools and execute the opening of new campuses. The federal government, through its Charter Schools Program (CSP) and, more specifically, the grant program for replication and expansion, has proven to be a major source of scaling up support for single site charters and CMOs (U.S. Department of Education: Charter Schools Program Grants for Replications, 2017a). In addition, the New Market Tax Credit (NMTC) Program provides additional financial incentives for charters/CMOs that plan to expand into and invest in low-income communities that continue to be underserved (NMTC, 2017).

Still, in most cases, charters and CMOs are already at a disadvantage because of their state or local jurisdiction’s funding formula for charters. Often times, local policies dictate that charters and CMOs will only receive a certain percentage (often less to significantly less) of the standard per pupil allocation allotted traditional public schools (Farrell et al., 2013; Frumpkin et al., 2011). In order to make up for this shortfall of public dollars, charters and CMOs must seek philanthropic funding.

**Private dollars.** Many charter schools and CMOs depend on philanthropy and fundraising for a significant amount of their incoming revenue, some as much as 13% of their total operating costs (Wohlstetter et al., 2011). However, especially if a charter or CMO has demonstrated academic quality over time, several foundations, venture groups, and even individual donors are willing to provide funding specifically for the purpose of
replication. Charters and CMOs should take caution not to rely too heavily on private money for operating costs because most grants and other support will end after a certain period of time. In turn, charters and CMOs must determine their own timelines for becoming financially self-sustainable and be prepared to engage in a constant search for new funders (Frumpkin et al., 2011; Wohlstetter et al., 2011).

**Exercise C.2 instructions.** Under the facilitator’s direction, the user group should utilize the protocol from Exercise B.1 to complete Exercise C.2. As a reminder, the group can refer to the example indicators of optimality listed below to guide its thinking and articulate its ideas.

**Example indicators: Optimality in funding.** Based on the review of literature and interviews with CMO leaders from the *Ready to Scale* study, the following are example indicators of optimality in this factor:

- A variety of external funding streams, both public and private, are available to the charter/CMO; the organization already successfully accesses several of these streams.
- Of the variety of external funding streams available, several of them provide financial resources specifically for replication.
- Although not equal, the charter’s/CMO’s per-pupil allocation is equitable in relation to the allocation for traditional public schools in their jurisdiction.
- The charter/CMO has an established portfolio of private funders or foundations that are committed to the organization’s replication of schools.
- The charter/CMO has begun planning for self-sustainability in the near term.
### Exercise C.2

#### Funding

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<tr>
<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
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<tbody>
<tr>
<td><strong>C.2a</strong> What external funding streams currently comprise our revenue portfolio?</td>
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<td>What portion of our revenue comes from public dollars? What portion from private</td>
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<tr>
<td>dollars?</td>
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<td><strong>C.2b</strong> To what extent do we meet the baseline requirements for CSP’s grant</td>
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<td>programs that support replication and expansion as well as facilities credits?</td>
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<td>What data or evidence support our level of preparedness to apply and be</td>
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<td>competitive?</td>
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<td><strong>C.2c</strong> What is our organization’s eligibility for the NMTC program? If we</td>
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<td>are not eligible, will we aspire to partner with a charter/CMO support</td>
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<td>organization that can help us acquire NMTC financing? Why or why not?</td>
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<tr>
<td><strong>C.2d</strong> Given how much less our per-pupil allocation is than that of</td>
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<td>traditional district schools in our jurisdiction, how large is the gap (in</td>
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<td>dollars) that we must cover via fundraising?</td>
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<td><strong>C.2e</strong> What is our current fundraising goal? What impact will expansion have</td>
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<td>on future fundraising goals? How will we make sure we have the capacity in the</td>
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<td>central office to meet larger, more ambitious fundraising goals?</td>
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Exercise C.2 (continued)

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<tr>
<th>C.2f</th>
<th>Which donors and foundations have continued to support us over extended periods of time? In addition, what prospective funders will only fund expansion in the short term versus program implementation over an extended period of time?</th>
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<tbody>
<tr>
<td>C.2g</td>
<td>Beyond public and private dollars, to what extent have we explored other revenue options such as venture funds?</td>
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<tr>
<td>C.2h</td>
<td>What kind of planning must we do now to ensure that we become financially self-sustainable in the next 5 to 10 years?</td>
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<tr>
<td><strong>C.2i</strong></td>
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<tr>
<td>Given our discussion of the questions in this exercise, what opportunities and threats currently exist regarding this external factor?</td>
<td>Opportunities</td>
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<td><strong>C.2j</strong></td>
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<tr>
<td>How optimal are the conditions pertaining to this external factor? What data or evidence can we use to support our rationale here?</td>
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C.3: Facilities

In addition to the availability of buildings for new schools, the effective acquisition of sound facilities is crucial to expansion plans. Whether a charter/CMO plans to rent space, share space, purchase a building, or construct a new one from the ground up, facilities obstacles can derail the opening of a new school, even if all other elements for the new site have been already been finalized and secured. Depending on geographic location, neighborhood, or community, and the extent to which other charters are already located in them, schools and CMOs will likely find themselves competing not only with the traditional school district for sound facilities to house schools, but also contending with each other for physical plants that are in need of little repair and available at a relatively low cost for rent or purchase.

Because of the general facilities shortages that many charters and CMOs face, they should be weary of moving into a new community or neighborhood because a great building is available there. In addition, since securing a facility is such a complex process, charters and CMOs should ensure access to real estate expertise, either through their boards or through the addition of a senior or executive leader to their teams. In addition, charters and CMOs should be prepared to conduct their own facilities evaluation (or secure a consultant to conduct one) before securing a space; this ensures as few unexpected repair or renovation costs as possible in the future.

Rent or share. When renting space, charters should be prepared to negotiate responsibility for renovations and capital improvements. Realistically, as a tenant, organizations should plan financially for building maintenance and upgrades. When co-locating with another school, organizations should be sure to negotiate the use of
common spaces, especially as it relates to daily school operations—use of the cafeteria for breakfast and lunch, access to the parking lot for student morning arrival and afternoon pick up, and so on.

**Buy, finance, and/or build.** The benefit of purchasing a facility or building a completely new one, especially at a good interest rate, is that charters and CMOs do not have to depend on a landlord or negotiate with a co-tenant; they are in full control of the space. However, charters should be prepared, once again through access to the aforementioned expertise, to be responsible for all and any issues with new construction, such as schedule delays, as well as capital costs to bring buildings up to code.

**Exercise C.3 instructions.** Under the facilitator’s direction, the user group should utilize the protocol from Exercise B.1 to complete Exercise C.3. As a reminder, the group can refer to the example indicators of optimality listed below to guide its thinking and articulate its ideas.

**Example indicators: Optimality in facilities.** Based on the review of literature and interviews with CMO leaders from the *Ready to Scale* study, the following are example indicators of optimality in this factor:

- Several sound or nearly sound facilities are available in the neighborhood, community, or geographic jurisdiction in which (a) families have demonstrated demand for the charter/CMO or (b) there is a significant need (not enough quality education options or overcrowding).

- The facilities cost is within or under the amount the charter/CMO has budgeted for building acquisition.
• The available facilities are in need of little to no renovations or capital improvements.

• The physical property (environment/land) has passed an environmental assessment and is clear for occupation without any additional significant costs.

• The facility acquisition and preparatory timeline has at least 6 to 12 extra months’ worth of “cushion” built in for zoning, permits, and so on.
## Exercise C.3

### Facilities

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<tr>
<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
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<tr>
<td><strong>C.3a</strong> To what extent have we assessed the availability of sound facilities in the neighborhoods or communities that are in greatest need/demonstrating demand for our schools? How many potential buildings are available?</td>
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<tr>
<td><strong>C.3b</strong> Who do we currently consult with regarding real estate and facilities issues? Are there other experts in our respective networks to whom we can readily gain access?</td>
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<tr>
<td><strong>C.3c</strong> What makes the most sense for our organization and our financial condition—renting space, sharing space, purchasing a building, or constructing a brand-new facility? Why?</td>
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<tr>
<td><strong>C.3d</strong> Are capital renovations or other modifications to facilities a deterrent for us when it comes to securing space for a future new school? Why or why not?</td>
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<tr>
<td><strong>C.3e</strong> Given our discussion of the questions in this exercise, what opportunities and threats currently exist regarding this external factor?</td>
<td>Opportunities</td>
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Exercise C.3 (continued)

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<td><strong>C.3f</strong></td>
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<tr>
<td>How optimal are the conditions pertaining to this external factor? What data or evidence can we use to support our rationale here?</td>
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C.4: Political Context, Policy, and Climate

Charters and CMOs must learn, especially when growing to scale, to navigate the political contexts in which their schools are located. According to Farrell et al. (2012), “education has long been governed by local actors and policies. . . . CMOs [often] identified a wide range of local actors who were instrumental in helping their CMOs expand, including district superintendents, local school board members, mayors, county supervisors, city councilmen, and community and church leaders” (p. 18). The dynamics in a charter’s/CMO’s political context often dictate what the policy environment and general climate are for charters as well.

These same officials and influential individuals also possess the power to cripple an organization’s expansion. Furthermore, when these individuals band together, charters and CMOs are faced with organized opposition, which can produce very harmful anti-charter policy, such as charter caps and the abolishment of start-up and special facilities funding for charters and CMOs. In turn, charters/CMOs should not only proactively develop relationships with key players who will support their schools, but also invest time and financial resources to actually influence and shape the development of pro-charter policy. One example of this strategy is organizing parents and students to testify at the state legislature for more equitable funding for charters. Charters/CMOs share a valuable and very powerful constituent group with elected officials—parents. Through authentic partnership and engagement, charters and CMOs can leverage the influence of their families to create a more charter-friendly climate in their jurisdiction.
From a state perspective, Todd Ziebarth’s annual report *A Model Law for Supporting the Growth of High-Quality Charter Schools* is a useful tool for charters and CMOs to evaluate their state’s policy context.

**Authorizer relations.** Since the authorizer provides direct accountability to charters and CMOs, the authorizer’s policies, as well as the number of authorizers available within a state, region, or jurisdiction, are critical factors for replication (Farrell et al., 2012). As such, charters and CMOs should develop working relationships and open communication with their authorizer. Additionally, executive leaders should be prepared to navigate the challenges that authorizers sometimes present, such as fluctuating accountability metrics or frequent policy changes.

**Exercise C.4 instructions.** Under the facilitator’s direction, the user group should utilize the protocol from Exercise B.1 to complete Exercise C.4. As a reminder, the group can refer to the example indicators of optimality listed below to guide its thinking and articulate its ideas.

**Example indicators: Optimality in political context, policy, and climate.** Based on the review of literature and interviews with CMO leaders from the *Ready to Scale* study, the following are example indicators of optimality in this factor:

- The political dynamics as well as policies in the jurisdiction for potential future schools are charter-friendly.
- There are elected officials and/or high-ranking appointed government officials who are allies that publicly support and endorse the charter/CMO.
- Political “key players” are generally open and responsive when the charter/CMO actively engages them.
• The political “key players,” whether supportive or not, recognize the charter/CMO as an influential force in the jurisdiction.
Exercise C.4

Political Context, Policy, and Climate

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<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
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<tr>
<td><strong>C.4a</strong> How does the state in which we seek to replicate rank against the criteria for Todd Ziebarth’s <em>A Model Law for Supporting the Growth of High-Quality Charter Schools</em>?</td>
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<tr>
<td><strong>C.4b</strong> How do we characterize our current, local political context in terms of charter-friendliness? What evidence do we have to support our thinking around the current context?</td>
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<tr>
<td><strong>C.4c</strong> Who are our strongest political allies (elected officials, etc.) and why? How often do we engage them and what else can we do to strengthen our relationships with them?</td>
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<tr>
<td><strong>C.4d</strong> Who are our staunchest political enemies and why? What strategies can we employ to neutralize them? How well are we keeping a pulse on any other organized opposition?</td>
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<tr>
<td><strong>C.4e</strong> To what extent are we positioned to take a more proactive role in the political dynamics in our jurisdiction? Explain.</td>
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Exercise C.4 (continued)

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<td><strong>C.4f</strong></td>
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<td>How would we describe our authorizer’s disposition towards us? How well have we been able to navigate their oversight to date? Additionally, how would we assess our authorizer’s strengths/weaknesses in the areas of funding, policy, operational support, and accountability? Explain.</td>
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<td>Given our discussion of the questions in this exercise, what opportunities and threats currently exist regarding this external factor?</td>
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<td><strong>C.4h</strong></td>
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<td>How optimal are the conditions pertaining to this external factor? What data or evidence can we use to support our rationale here?</td>
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<td>✓ Not Optimal</td>
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</table>
C.5: Parent and Community Relations

As mentioned in the previous section, parents and community members are another set of extremely valuable external stakeholders with whom charters and CMOs should develop positive working relationships. Charters should invest financial and human capital resources early on to begin parent and community engagement, especially when exploring new neighborhoods or communities for potential future schools. In Farrell et al.’s (2009) interview with the leader of a large CMO, the executive simply stated: “Our CMO has grown in response to what the community and the parents have asked us to do. With this approach, we’ve ensured that students will show up the first day the school opens” (p. 20).

Examples of strategies for deeper, more authentic parent and community partnership include conducting listening tours to give these stakeholders a forum to voice their hopes and concerns for a new school. If the charter/CMO prescribes to a more flexible academic and school model at campuses in its network, then listening tours can also be facilitated in such a way that parents actually give input on the academic programming and extracurricular activities they would like to see the new school offer. Another strategy is the establishment of a diverse community advisory board to provide additional thought partnership and even advocacy within the community, garnering additional support for the charter/CMO as it continues to expand.

**Exercise C.5 instructions.** Under the facilitator’s direction, the user group should utilize the protocol from Exercise B.1 to complete Exercise C.5. As a reminder, the group can refer to the example indicators of optimality listed below to guide its thinking and articulate its ideas.
Example indicators: Optimality in parent and community relations. Based on the review of literature and interviews with CMO leaders from the Ready to Scale study, the following are example indicators of optimality in this factor:

• The majority of parents have indicated to the charter/CMO that they are highly or very satisfied with their children’s educational experience.

• Several influential parents in the charter’s/CMO’s currently existing school(s) have expressed the desire to support and participate actively in replication efforts.

• Several influential community members or leaders have indicated to the charter/CMO that they are highly or very satisfied with the way the organization has benefited their jurisdiction.

• Several influential community members or leaders have expressed the desire to support and participate actively in replication efforts.
## Exercise C.5

### Parent and Community Relations

<table>
<thead>
<tr>
<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>C.5a</strong> Which influential parents or community members are our allies? Why do they support us?</td>
<td></td>
</tr>
<tr>
<td><strong>C.5b</strong> Which influential parents or community members are not as engaged with us? Why?</td>
<td></td>
</tr>
<tr>
<td><strong>C.5c</strong> How satisfied are our current parents and/or influential community members with our model, our practices, and our results? How do we know?</td>
<td></td>
</tr>
<tr>
<td><strong>C.5d</strong> How do we rate our level of cultural and contextual competence as it pertains to the current community that we serve and the potential future community that we seek to serve should we open another school? Explain.</td>
<td></td>
</tr>
<tr>
<td><strong>C.5e</strong> How does community will compare to political will in our current context as it pertains to potential expansion? If there is any relationship between these two elements, how will we navigate the dynamics (polar or aligned) this relationship creates?</td>
<td></td>
</tr>
<tr>
<td><strong>C.5f</strong> Given our discussion of the questions in this exercise, what opportunities and threats currently exist regarding this external factor?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Opportunities</td>
</tr>
</tbody>
</table>
Exercise C.5 (continued)

<table>
<thead>
<tr>
<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>C.5g</strong></td>
<td></td>
</tr>
<tr>
<td>How optimal are the conditions pertaining to this external factor? What data or evidence can we use to support our rationale here?</td>
<td>Rating (Check One)</td>
</tr>
<tr>
<td></td>
<td>☐ Optimal</td>
</tr>
<tr>
<td></td>
<td>☐ Somewhat Optimal</td>
</tr>
<tr>
<td></td>
<td>☐ Not Optimal</td>
</tr>
</tbody>
</table>
C.6: Collaboration and Competition Inside and Outside the Sector

Scaling Up Charter Management Organizations: Eight Key Lessons for Success elaborates on charter schools and CMOs building relationships—more specifically, those that will support the replication of the organization (Farrell et al., 2009). There are three key areas for partnership development: (a) other education organizations or institutions, (b) public-private relationships, and (c) connecting with other organizations who will make “good planning partners” (Farrell et al., 2009).

Charter schools and CMOs can benefit from the fiscal, human, political, and organizational resources that non-traditional partners can offer (Wohlstetter & Smith, 2010). These partners are considered non-traditional in that they may be private and hence have little to no experience in the public (education) sector; however, many community-based, for-profit, and faith-based entities have found that partnership with public charter schools can be mutually beneficial (Wohlstetter & Smith, 2010).

Charter schools and CMOs should also cultivate partnerships that are synergistic, even with other peer charters and CMOs. Collaborating with other charters/CMOs can increase both organizations’ levels of positive impact on students and communities. As an example, two CMO leaders who participated in the Ready to Scale study detailed how they joined forces, serving a combined total of 20,000 students, to put pressure on the local school district regarding student achievement; the leaders believed they would not have been able to do this on their own. Other leaders gave examples of combining their parent groups for a trip to the state capital to advocate for increased facilities funding to aid in expansion.
Charters/CMOs must also be cognizant of those peer schools and organizations with whom they are competing, not only for financial resources and facilities but also for students. Charters and CMOs should carefully assess oversaturation of high-quality choices in a given neighborhood or community to avoid this type of competition.

**Exercise C.6 instructions.** Under the facilitator’s direction, the user group should utilize the protocol from Exercise B.1 to complete Exercise C.6. As a reminder, the group can refer to the example indicators of optimality listed below to guide its thinking and articulate its ideas.

**Example indicators: Optimality in collaboration and competition inside and outside the sector.** Based on the review of literature and interviews with CMO leaders from the *Ready to Scale* study, the following are example indicators of optimality in this factor:

- The charter/CMO has cultivated collaborative relationships with several external partners who add value to the organization’s operations.
- When the organization engages potential external partners, these entities are open and responsive to prospective partnership.
- The charter/CMO has established collaborative relationships with other charter schools or CMOs who can act as thought partners and allies.
- The charter/CMO fully understands and can mitigate any competitive dynamics that exist with other charter schools or CMOs in the jurisdiction, especially as related to student enrollment, financial resources, and access to facilities.
### Exercise C.6

**Collaboration and Competition Inside and Outside the Sector**

<table>
<thead>
<tr>
<th>Question/Prompt</th>
<th>Reflection and Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>C.6a</strong> What external partnerships have we already established with community organizations, government agencies, or private companies? How can these relationships support our future expansion?</td>
<td></td>
</tr>
<tr>
<td><strong>C.6b</strong> Is there an external partnership that we still need to pursue? Why? How open will this potential partner be to collaborating with us?</td>
<td></td>
</tr>
<tr>
<td><strong>C.6c</strong> Who are our peer charter or CMO partners? How often do we engage with them?</td>
<td></td>
</tr>
<tr>
<td><strong>C.6d</strong> Who are our primary charter or CMO competitors? What led us to compete with them? Are we competing for any resources? If so, which ones?</td>
<td></td>
</tr>
<tr>
<td><strong>C.6e</strong> Given our discussion of the questions in this exercise, what opportunities and threats currently exist regarding this external factor?</td>
<td><strong>Opportunities</strong></td>
</tr>
<tr>
<td><strong>C.6f</strong> How optimal are the conditions pertaining to this external factor? What data or evidence can we use to support our rationale here?</td>
<td><strong>Rating (Check One)</strong></td>
</tr>
<tr>
<td></td>
<td>□ Optimal</td>
</tr>
<tr>
<td></td>
<td>□ Somewhat Optimal</td>
</tr>
<tr>
<td></td>
<td>□ Not Optimal</td>
</tr>
</tbody>
</table>
Section D: Determination of Our Overall Readiness for Growth and Next Steps

After discussion and analysis of the aforementioned internal and external factors, the user group will continue to work together to determine its charter’s/CBO’s overall readiness for growth. Exercise D supports the user group in accomplishing the primary goal of this workbook.

Instructions for Exercise D

• Under the facilitator’s direction, the group will complete Section D.1 together. Users should refer to the previous sections to see which rating they checked for each factor and then record the “Rating.” This process should be fairly quick.

• Section D.2 contains questions that the group should complete together, designating how many of its organization’s factors are proficient and how many are optimal.

• Section D.3 asks the group to determine its growth readiness and give its rationale. The facilitator should lead the group in a discussion to come to a consensus and respond “Yes” or “No.”

• Please note: Regarding Sections D.1 through D.3, the group is welcome to conduct individual reflections first for 15 to 20 minutes and then come back together to (a) have the facilitator read highlights from each team member’s reflection and (b) come to a consensus on growth readiness.

• If the group checks “Yes,” the facilitator should move the group to Section E.

• If the group checks “No,” the facilitator should move the group to section D.4.
• Please note that the group can decide to break here for a finite period of time (i.e., an hour for lunch or a few days if need be); the purpose of the short break is for the Growth Team to step away from the protocol, reflect on the potential risks or consequences of its growth readiness decision, and return to share potential obstacles and solutions for proactively addressing them.

• Note: The Growth Team is reminded to remain true to the group norms it set at the beginning of this protocol, in conjunction with the facilitator, that promote authentic and honest self-assessment as pertaining, in this specific section, to the team’s overall readiness determination.
Exercise D

Assessment of Overall Readiness

<table>
<thead>
<tr>
<th>Internal Factors</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Refer to previous sections to record ratings in this table.)</td>
</tr>
<tr>
<td></td>
<td>Key: Proficient, Somewhat Proficient, Not Proficient</td>
</tr>
<tr>
<td>The “Why”</td>
<td></td>
</tr>
<tr>
<td>Organizational Identity</td>
<td></td>
</tr>
<tr>
<td>Human Capital</td>
<td></td>
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<tr>
<td>Governance</td>
<td></td>
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<tr>
<td>Fiscal Health</td>
<td></td>
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<tr>
<td>Infrastructure</td>
<td></td>
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<tr>
<td>Growth Mindset and Strategy</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>External Factors</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Refer to previous sections to record ratings in this table.)</td>
</tr>
<tr>
<td></td>
<td>Key: Optimal, Somewhat Optimal, Not Optimal</td>
</tr>
<tr>
<td>Need and Demand</td>
<td></td>
</tr>
<tr>
<td>Funding</td>
<td></td>
</tr>
<tr>
<td>Facilities</td>
<td></td>
</tr>
<tr>
<td>Political Context, Policy, and Climate</td>
<td></td>
</tr>
<tr>
<td>Parent and Community Relations</td>
<td></td>
</tr>
<tr>
<td>Collaboration and Competition Inside and Outside the Sector</td>
<td></td>
</tr>
</tbody>
</table>
## Exercise D (continued)

### D.2: Analysis of Ratings Summary

<table>
<thead>
<tr>
<th>How many internal factors are proficient?</th>
</tr>
</thead>
<tbody>
<tr>
<td>How many external factors are optimal?</td>
</tr>
</tbody>
</table>

### D.3: Determination of Growth Readiness

<table>
<thead>
<tr>
<th>Are we ready? (Check One)</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Yes</td>
<td></td>
</tr>
<tr>
<td>□ No</td>
<td></td>
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</tbody>
</table>

Given our ratings summary:

Are we ready to grow? Why or why not?

### D.4: Preliminary Planning to Address Gaps

#### Internal Factors:

**Next Steps to Address Lack of Proficiency**

#### External Factors:

**Next Steps to Address Lack of Optimality**

Now that we have determined we are not ready to grow, what are our preliminary next steps to address the gaps that currently exist in internal proficiency and/or external optimality?
Section E: Drafting Our Green Light Criteria

If the team has determined that it is ready to grow based on its analysis and reflection in the previous sections of this workbook, the exercise below pushes the team to draft a set of “green light criteria.” Several leaders who participated in the Ready to Scale study offered the following definition for “green light criteria”: If the organization meets or is currently demonstrating strong performance in each criterion area, executive leaders have the “green light” to move forward with the opening of a new campus. Some examples of criteria are as follows:

- The organization has identified a principal that is well prepared to open a new school.
- The organization has engaged in out-of-sector (public-private) partnerships that provide resources, such as a facility, that are critical for successful scaling.

Instructions for Exercise E

Exercise E requires the team to draft its own green light criteria in relation to both internal factors and external factors.

- Under the direction of the facilitator, the user group reviews Example E below.
- The group engages in a discussion to choose its top three internal factors and corresponding set of green light criteria, providing its rationale in the far-right column.
• The group also determines its top external factors and corresponding set of green light criteria, providing its rationale in the far-right column.

**Example E: Sample Green Light Criteria Aligned With Internal and External Factors**

<table>
<thead>
<tr>
<th>Internal Factor</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Capital</td>
<td>The organization has a principal who is well prepared to open a new school.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>External Factor</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partnerships</td>
<td>The organization has engaged in out-of-sector (public-private) partnerships that provide resources that are critical for successful scaling.</td>
</tr>
</tbody>
</table>
Exercise E

Drafting Our Green Light Criteria

<table>
<thead>
<tr>
<th>Internal Factor</th>
<th>Criteria</th>
<th>Our Rationale for Criteria</th>
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<table>
<thead>
<tr>
<th>External Factor</th>
<th>Criteria</th>
<th>Our Rationale for Criteria</th>
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**Summary**

This workbook is a tool that enables charters and CMOs to carefully consider those internal and external factors that are most critical to their future scaling success. The tool consists of a brief review of internal and external factors, along with corresponding questions and SWOT analyses. By working their way through the protocol for each factor, executive leaders, board members, and other employees who are part of the charter/CMO Growth Team will determine if they are ready or not. If they are ready to grow, the final section of the workbook facilitates the Growth Team’s preliminary brainstorming of the “green light criteria” they can use in the near future to begin their actual replication process.

**Implications for Further Research**

This study and its findings have implications for further research on charter school and CMO expansion. First, while the researcher used the terms *growth* and *replication* interchangeably in this study, one of the leaders interviewed discussed how she believed that replication was one type of growth. She shared that other types of growth could be deepening an organization’s service population or developing a specific population expertise. Further exploration of these different categorizations will help charter and CMO leaders determine how to prepare better for the growth they wish to pursue.

During the study, the researcher highlighted a few connections between internal and external factors that are important for future scaling success. Further research of these connections will also be beneficial to charter and CMO leaders. This future research
will help leaders better understand how their actions in one factor area can positively or negatively impact the proficiency or optimality of another factor. This understanding can also aid in growth planning, especially when creating a strategic plan for growth.

While the researcher noted the charter sector’s aggressive growth, further work could be done in the future to study the authorizer action that continues to happen in tandem with the opening of new schools – the closing of currently existing charter schools. The researcher is curious to learn more specifically regarding authorizer practices as it pertains to closing schools that are apart of already-existing CMOs, as well as approval for a CMO that already operates a fairly large number of campuses.

Finally, the researcher took care throughout the study to stay aligned with the idea of readiness for growth rather than strategies for effective growth. However, these ideas are very much interconnected. Further exploration of best practices and strategies for charters and CMOs on how to execute their growth plans effectively will be helpful in supporting these organizations to take the next step beyond their readiness decision making.

**Conclusion**

In 2000, there were less than 2,000 charter schools in existence; in 2016-2017, the number of schools more than tripled to nearly 7,000 campuses with an enrollment of 3.1 million students across the country (Mead et al., 2015; NAPCS, 2017). Much of this growth can be attributed to charter management organizations continuing to grow, adding new campuses to their portfolios of schools and/or expanding already existing smaller campuses in order to accommodate increased numbers of students (Mead et al., 2015). It
is clear, according to these more recent reports, that the charter sector continues its rapid expansion, despite the mixed academic results among schools, as well as the challenges, both internal and external that come with scaling.

A charter or charter management organization’s readiness for expansion is a complex subject. Readiness is critical for replication success over the long term; several executive leaders of charters and CMOs who have grown their organizations throughout the last two decades confirmed this. When leaders work to consider their organization’s level of proficiency for several critical internal factors and the level of optimality for several external factors, they are able to make sound decisions in response to the question “Are we ready to grow?”

As the leaders who participated in this study indicated, charters and CMOs as a whole have no intention to slow their efforts to open more schools across the country. The researcher’s hope is that this study’s literature review, findings, and Ready to Scale readiness assessment tool will help charters and CMOs that are considering growth. The study aims to aid charter and CMO leaders in realizing the importance of preparation for growth. When the organization is prepared, it can better anticipate the obstacles that growth presents and be more proactive in refining internal operations and influencing external factors. Charters and CMOs must do everything they can to guarantee that their expansion is effective. The lives and futures of the students they serve depend on the quality education these organizations seek to provide.
REFERENCES


High Tech High Graduate School of Education. (2017). Retrieved from https://hthgse.edu


According to the leaders interviewed for this study, charters and CMOs should create a set of green light criteria and a protocol to discuss and determine readiness for growth. This appendix contains a sample discussion protocol and set of green light criteria from a CMO in the Southwest region. This CMO has successfully grown from one to 15 schools over the last 16 years. The sample is in the form of Microsoft Power Point slides. The CMO’s logo was removed from each slide to preserve the leader’s anonymity.
Objective for growth discussion

Decide on a school opening schedule for the remaining 4 schools in the Phase III growth plan
We analyzed the growth question through 2 primary lenses

1. Marginal cost/benefit: For each function, what is the marginal cost/benefit of 2 schools instead of 1?

2. Tradeoff to “launch pad”: To what degree is there a direct tradeoff between investing in a new school launch vs. investing in building our “launch pad?”
Critical issue: As it stands today, our School Director pipeline is less robust than it needs to be

Key Takeaways

Our pipeline is strong for new schools—i.e., new leaders who are ready to lead new, 6th grade only schools

We are more exposed when it comes to succession for sitting SDs who leave their role.

The risk seems manageable in near term but increasing in severity with time
### Greatest risk and mitigation by option

| 2 schools in August 2017 | 1 school in August 2017  
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Risk</strong></td>
<td><strong>Risk</strong></td>
</tr>
<tr>
<td>· School director pipeline. Given that a qualified leader is absolutely essential to success, this risk alone may constitute a show-stopper</td>
<td>· Any change to the status-quo plan will be likely to jeopardize our ability to collect the federal CSP grant that we were awarded in 2014. This represents $4.5MM over 3 years.</td>
</tr>
<tr>
<td></td>
<td>· Any change to our commitment to open the last 4 schools could lead to a small number of donated gifts needing to be returned</td>
</tr>
<tr>
<td><strong>Mitigation</strong></td>
<td><strong>Mitigation</strong></td>
</tr>
<tr>
<td>· Creation of school director cohort with 6 identified cohort members led by Cliff Claflin and Nella Garcia</td>
<td>· Creation and board approval of “greenlighting framework” that will ensure that we quantify progress towards new school openings (see details on slides that follow)</td>
</tr>
<tr>
<td>· Aggressively pursue strong external hires</td>
<td></td>
</tr>
</tbody>
</table>
Current Proposal: Work toward opening both schools in Aug 17 (retaining original timeline), but with an option to fall back to 1 if leadership isn’t there. From a fundraising/financing/facilities standpoint, approach with intention to open 2 schools. Use a greenlighting framework to determine readiness, which would place a tremendous emphasis on talent/leadership

<table>
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<tbody>
<tr>
<td>Status Quo</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Slow by 1</td>
<td>2</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>2</td>
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<tr>
<td>Slow by 2</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td></td>
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</tr>
</tbody>
</table>
## Strawman: Greenlighting framework 2.0

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Measure</th>
<th>No Go</th>
<th>Maybe</th>
<th>Go</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>System performance</strong></td>
<td>- Year prior to launch: % of Scorecard metrics at or above target</td>
<td>&lt; 70%</td>
<td>70 – 89%</td>
<td>&gt; 90%</td>
</tr>
<tr>
<td></td>
<td>- Progess towards 6 year goal (quadruple college-ready seniors)</td>
<td>Behind</td>
<td>On track</td>
<td>Ahead</td>
</tr>
<tr>
<td></td>
<td>- Year prior to launch: annual state accountability rating</td>
<td>Did not meet standard</td>
<td>Met standard</td>
<td>Met exceeded standard</td>
</tr>
<tr>
<td><strong>Human capital pipeline</strong></td>
<td>- Year prior to launch: school director opening to pipeline ratio</td>
<td>&gt; 1 : 1</td>
<td>1 : 1</td>
<td>1 : &gt;1</td>
</tr>
<tr>
<td></td>
<td>- Year prior to launch: C-level openings</td>
<td>&gt; 1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>- Winter before launch: Identified school leader?</td>
<td>No</td>
<td>Yes (with reservations)</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>- Year prior to launch: annual staff persistence</td>
<td>&lt; 70%</td>
<td>70 – 75%</td>
<td>&gt;75%</td>
</tr>
<tr>
<td><strong>Financial sustainability</strong></td>
<td>- Days COH</td>
<td>&lt; 60</td>
<td>60 – 69</td>
<td>&gt; 70</td>
</tr>
<tr>
<td></td>
<td>- At time of property closing: % of total project cost (acquisition and construction) in hand</td>
<td>&lt; 30%</td>
<td>30-40%</td>
<td>&gt; 40%</td>
</tr>
<tr>
<td></td>
<td>- Year prior to launch: Annual CIBT rating</td>
<td>Failed</td>
<td>Met</td>
<td>Superior</td>
</tr>
<tr>
<td></td>
<td>- FY prior to launch: budget variance</td>
<td>Over by &gt; 2%</td>
<td>+/- 2%</td>
<td>Under by &gt;2%</td>
</tr>
<tr>
<td></td>
<td>- If partnership school, 6 months prior to launch: contract approval</td>
<td>No</td>
<td>In progress</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>New site details</strong></td>
<td>- One year from launch: site selected</td>
<td>No</td>
<td>Yes</td>
<td>Under contract</td>
</tr>
<tr>
<td></td>
<td>- Estimated market demand in selected sites</td>
<td>Insufficient</td>
<td>In line with historical</td>
<td>Greater than historical</td>
</tr>
<tr>
<td></td>
<td>- 6 months prior to launch: Construction progress</td>
<td>Not started</td>
<td>On schedule</td>
<td>Ahead of schedule</td>
</tr>
</tbody>
</table>