14

Does Mission Matter?: Exploring a Typology of Charter School Orientation

Jeffrey R. Henig, Natalie Lacireno-Paquet, Thomas T. Holyoke, and Heath Brown

ABSTRACT

Much of the literature on charter schools treats them as an undifferentiated mass. Here, we present a typology of charter schools that is grounded in the norms, traditions, and perspectives of the founding organization or organizers. We suggest that there are two broad categories of charter founders—those who are more *mission* oriented and those who are more *market* oriented—and we further disaggregate these categories into subtypes. Using data from a multistate survey of charter schools we present descriptive data to support our typology of charter schools based on their founding situations. Further, we present descriptive statistics to show that the behaviors of different charter school types may be related to such things as choosing a

theme and targeting, deciding upon the size and grade configuration, and the marketing and market research behavior.

Like the proverbial blind men encountering an elephant, those writing about charter schools provide a curious and contradictory set of accounts. Social scientists using similar data and similar research designs issue sharply different reports, with some declaring confidently that charter schools are performing poorly compared to comparable public schools (e.g., Nelson et al. 2004) and others declaring just the opposite (e.g., Hoxby 2004). Numerous anecdotal and heartwarming accounts circulate about charter schools turning around the lives of students, while others tell horror stories about amateurish and short-lived efforts, fiscal shenanigans, inflated promises, and dismal test results.

One explanation for these inconsistent findings is that "charter school" is an umbrella term that can apply to a wide range of organizational missions, backgrounds, and behavioral tendencies. With this in mind, a few recent studies have begun to unearth systematic differences across types of charter schools. Some find differences, for example, based on whether or not charter schools are associated with for-profit educational management organizations (EMOs) (e.g., Bulkley 2001; 2002; Lacireno-Paquet et al. 2002; Miron and Nelson 2002; Brown et al. 2004; Lacireno-Paquet 2004). Others have found differences between charter schools started *de novo* and long-standing public schools that converted to charter schools (Fuller et al. 2003; Zimmer et al. 2003). Others suggest that there may be systematic differences between charter schools authorized by local districts and those authorized by states or other bodies (U.S. Department of Education 2004). But almost no effort has been made to probe for finer distinctions within these categories and there have been only limited efforts to link these typologies to broader theoretical foundations about organizational differentiation, behavior, and change.

In this chapter we seek to probe deeper and explore this variation with charter schools by offering a typology that distinguishes broadly between those that by virtue of their experience, norms, and organizational structures are more oriented toward markets and those that pursue more purposive and philanthropic missions as seen in the nonprofit sector. Because types of philanthropic missions may also vary significantly, we draw further distinctions among those following missions of educational professionalism, social services, and grassroots community or economic development. We then test the hypothesis that these organizational types make a difference in how charter schools define, pursue, and respond to their intended consumers with data drawn from a survey of charter schools operating in Arizona, Michigan, Pennsylvania, and the District of Columbia.

A TYPOLOGY OF CHARTER SCHOOLS
BASED ON ORGANIZATIONAL ORIGIN

Charter schooling is just one example of a growing tendency of government to experiment with variations in public-private delivery mechanisms for providing public services (Salamon 1987, 1995; Kettl 1993). The most authoritative proponents of privatization (e.g., Friedman 1962; Savas 2000) have relied on the language of economics to account and argue for this shift in policy direction, suggesting that competitive markets ensure that service providers will be more innovative, responsive, and efficient than government "monopolies." But some favor privatization with a different vision in mind. When they think about private sector alternatives to government, their favored vehicles are not for-profit corporations but community-based organizations and social service agencies. Rather than responsiveness to external signals of supply and demand, this form of privatization is premised on the belief that the social good could be best achieved by tapping into the intense internal commitment found among leaders and supporters of nonprofit organizations motivated by mission, not markets (Henig et al. 2003).

Rooted, as they are, more in civil society than competitive markets, we expect that charter schools founded by mission-oriented organizations may behave differently from those spawned by for-profit corporations. Empirical comparisons of nonprofit and for-profit behaviors in noneducation arenas like health care, nursing homes, and childcare have found evidence that nonprofits often appear to make systematically different choices than for-profits in staffing, pricing, screening of customers, and selection among alternative delivery mechanisms (see Weisbrod 1998; Mark 1995, 1998; Bushouse 1999). The entrance of large for-profit educational management organizations (EMOs) into the charter school area is relatively recent and still not well researched, but some early studies suggest that the market vs. mission distinction may help to explain what are otherwise bewildering inconsistencies in charter school reports. Lacireno-Paquet et al. (2002) found that market-oriented charters serve somewhat less disadvantaged students than do other charter schools. Henig and MacDonald (2002) found that in the District of Columbia market-oriented charter schools were more likely to locate in neighborhoods with high home ownership rates than in areas where there were high concentrations of Hispanic residents. Finally, Brown et al. (2004) found evidence that charter schools initially launched by EMOs are larger and less likely to delegate to the individual schools decisions regarding curriculum, testing, discipline, and facilities.

Nor is it the case that all nonprofits are cut from the same cloth. Some charter schools have been launched by teachers animated by particular pedagogical visions; some by social service organizations that see an opportunity

to expand the help they already provide to high-need populations; some by parents unhappy with homogenizing and bureaucratic rules and regulations; some by local businesses that see school reform as a key to stronger economic development. Because such organizations tend to draw their ideologies and staff from distinctly different cultures, the result can be a variety of beliefs, norms, and missions that may translate into different kinds of organizational choices and strategies.

Social service, or "helping," organizations are oriented around missions of providing help to needy populations. This category, which includes organizations that run food pantries, provide job training, work with delinquent youth, etc., is perhaps what most people have in mind when they think of the nonprofit sector. Some long-standing social service agencies were quick to realize that charter school legislation provided opportunities for them to expand the range of services they could offer and simultaneously open up a major new source of funding. For example, the Next Step charter school in Washington, D.C., was established by a nonprofit with a larger mission of providing counseling, training, and support services to primarily Latino single mothers and young adults who have dropped out of public education.

Because social service organizations have clearly defined, highly needy clients, we expect the charter schools they launch to focus on populations defined by particular categories of need and to put more emphasis on effective provision of services than on growth and expansion. Because they and their members are accustomed to relying on philanthropy and government contracts as revenue sources, we might also expect them to be less attuned to conventional marketing strategies, to be more likely to partner with various foundations, and to invest more resources in monitoring developments within the public sector than surveying potential new clients or the activities of competitor schools.

By design *professionally defined organizations* seek to embody the values, body of knowledge, and preferred practices of a profession in the services they produce. Educators' claim to professional status has been more contested than many "higher status" occupations so perhaps for this reason their formal collective organizations—such as the National Education Association and the American Federation of Teachers—have straddled the boundary between professional association and labor union and have invested considerable political capital in traditional systems of public education. As a result, though teachers unions have occasionally launched charter schools, educators who have done so are more likely to have acted individually, or as a small collection of individuals, animated by a shared vision of what good schooling entails. Examples of these schools would be those launched by teachers who are tired of fighting school district bureaucracy and wish to implement new programs aimed at particular types of students.

Because they are invested in the notion that they possess a special expertise that legitimates particular ways of doing things (a "one right way") we might expect charter schools launched by education professionals to be less likely to adapt and change in response to market signals. But unlike charter schools affiliated with social service nonprofits, because they typically claim that key decisions require the exercise of "professional judgment," of which they are the sole or primary arbiters, we might expect such organizations to be less likely to engage in partnerships that entail a sacrifice in their autonomy.

Grassroots community-based organizations are formed to pursue the interests of geographically defined groups of citizens sharing common interests and values relating to ethnicity, race, housing tenure, and socioeconomic class. Typically these are less formally structured than social service or professional organizations, and may even be *ad hoc* single-issue (e.g., "stop the highway") groups that dissipate once their goals are achieved. In fact, these types of community-based organizations primarily tend to adopt more formal structures when doing so facilitates a desired ability on their part to pursue grants and contracts or play official or advisory roles in governmental proceedings (Berry 1999).

Grassroots community charter schools started by groups of parents or neighborhood leaders discontented with the traditional school system might be linguistically, culturally, or ethnically oriented schools, perhaps focusing on Armenian culture and language, or Afrocentric schools. Because their mission is linked to small and relatively well-defined groups of individuals, we expect charter schools founded by grassroots, community-oriented organizations to also be relatively small, less likely to advertise widely, and less likely to have plans to expand.

Finally, some nonprofit charter schools are founded by *local business and economic development* organizations, such as chambers of commerce or downtown business associations. Of all the types of charter schools we discuss, this one seems least likely to differ in orientation and behavior from for-profit EMOs and, by extension, differ considerably from other mission-oriented schools. Nonetheless, there are at least two reasons why charter schools launched by such organizations may behave more like mission-oriented than profit-oriented ones. First, what typically motivates local business organizations to sponsor charter schools is not profit—a private and material good—but the long-term economic health of the immediate community, a conventional collective good (Peterson 1981).[1] A second reason that charter schools founded by such organizations may tend to behave more like other mission-oriented, rather than profit-oriented, organizations is that the local business leaders who are the members of the chamber or business association may have only a very arm's-length relationship with the charter school itself. After helping to set broad goals, local business organizations often hire conventional educators or others with nonprofit and social service backgrounds to manage the school on a day-to-day basis.

Yet, compared to other mission-oriented groups we would expect charter schools launched by these nonprofits to be more business-like and efficiency-oriented in their approach. We expect them to focus more on providing job skills to potential entry-level workers; thus, compared to others, these charter schools might be more likely to operate at the secondary school level and to organize themselves around a career or vocational theme. We expect them to be less likely to target populations whose special needs make them potentially less desirable as employees. For instance, in the District of Columbia, one local hotel firm has helped operate a school oriented toward the hospitality industry.

DATA AND METHODS

In January 2002, we sent a survey to all charter schools in Arizona, Michigan, Pennsylvania, and the District of Columbia. These states were selected because each had charter school policies in place for several years and because each was host to at least some charter schools run by EMOs. We included only schools that were open as of the 1999–2000 school year and verified that schools opened before 1999–2000 were still in operation whenever possible. We received a total of 270 completed surveys for a response rate of 35 percent. Comparison on comparable dimensions to charter schools in the 1999–2000 Schools And Staffing Survey (SASS), conducted by the U.S. Department of Education, provides some reassurance that our sample is representative.[2]

Distribution of Schools by Type of Founder

In the school survey, we asked respondents: "Thinking about the individuals and organizations that played central roles in starting your charter school, please indicate which of the following best apply." The question was followed by a list of possible founder types including EMOs and mission-oriented nonprofits.[3] Based on their responses, we categorized each school into one of the seven organizational types discussed above. Figure 14.1 illustrates the percentage of charter schools in each of the seven categories. Seventeen percent of the responding schools were founded by an EMO, either on their own (10.67 percent) or operating along with other organizations (6.67 percent). The remainder of schools, which we categorize broadly as "mission-oriented," include those formed by educators (40.32 percent)[4], those formed by social service or nonprofit organizations (13.44 percent)[5], community and parent groups (9.09 percent)[6], those founded by local business groups (6.72 percent)[7], and those that checked more than one option but not including an EMO (13.44 percent).
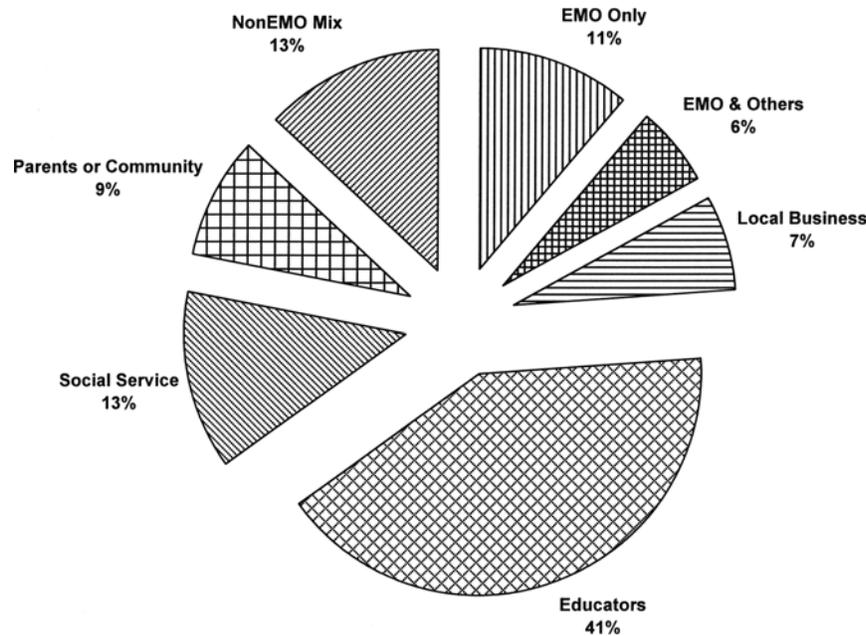
Figure 14.1.   Pie Chart [AU: DO YOU HAVE A NAME FOR THIS?]

Overall, most charter schools in our sample are found in central cities (61.63 percent), a tendency particularly evident for those founded by local business groups or social service agencies (figure 14.2).[8] Educators and EMOs appear more likely than others to start charter schools in the suburbs. Of the seven types of charter founders, only parent/community-based groups have a significant presence in rural areas.

The seven types of charter schools are not evenly distributed over the four jurisdictions. Michigan by far had the largest concentration of EMO-affiliated schools and two-thirds of all EMO-only founded schools were there as well. On the other hand, only five percent of schools in the District of Columbia reported some type of EMO affiliation.[9] Former educators were important founding groups in all of the jurisdictions, but especially in Arizona, where they constitute almost 55 percent of the responding schools. The District of Columbia had the highest concentration of charter schools founded by social service/nonprofit organizations (30 percent).

Some have suggested that the first types of operators to enter the charter industry would be those with missions of philanthropy or other altruistic goals, followed later by those with profit-oriented ambitions (Solmon et al. 1999). Essentially, more risk-averse for-profits would be waiting to see how
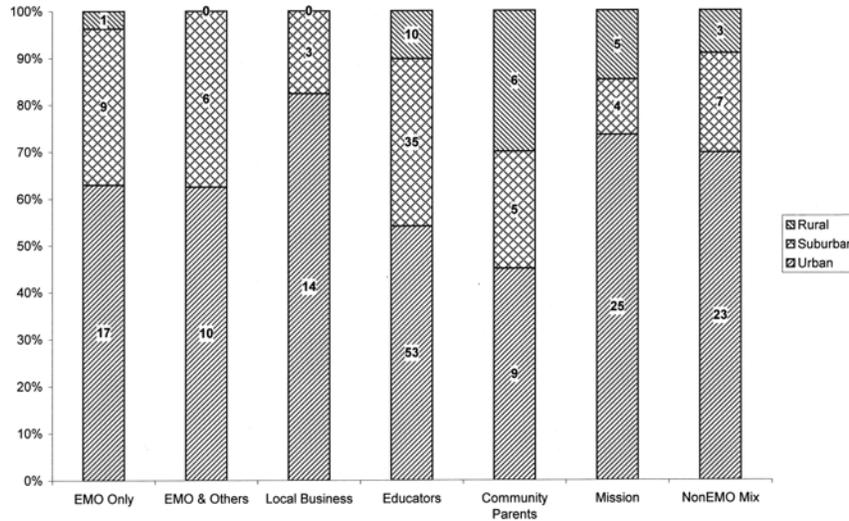
Figure 14.2.   Location of Charter Schools by Founder Type.

the pioneers did and what models show the best signs of promise. Our findings regarding the age of existing charter schools appears to bear that out. Schools founded by community-based organizations, parents, or social service agencies tended to have been in operation for about four and a half years in January 2002 when we conducted our survey. The newest entrants, those founded solely by EMOs, came onto the scene, on average, more than a year later.

Theme and Target Population

What do these differences in organizational type mean in terms of actual school behavior? Two of the most important questions a charter school founder makes at start-up are whether to feature a special curricular "theme" and whether to target special populations of students such as those at-risk or teen parents. These decisions establish broad parameters that in turn, we suspect, affect the size, location, teacher recruitment and development needs, grade configurations, and even the kind of facility that a school will need.

If founding organizational structures and norms matter, we can expect charter schools founded by educational professionals and parent groups to be the least likely to engage in curricular or student niche approaches: educators because they have training and experience in offering a general education (they would prefer to compete based on quality of service rather than product differentiation) and parent/community groups because their orien-

tation is often around a specific and spatially defined set of families. More market-oriented, EMO-associated schools, because they would be interested in the potential for developing a broad consumer base, would be most likely to aim for the median student; although emphasizing a fairly broad theme that might appeal as a marketing tool, they would be less likely to target a niche population unless it was one that had a particularly favorable revenue-to-cost ratio. Schools with a social service background would define their audience around a high-need population. Local business groups might be most likely to adopt a particular theme, tied to vocational or technical skills. To gauge whether this is true, we asked schools in the survey:

- Does your school target a particular type of student (e.g., at-risk, special needs, gifted, juvenile offenders)?
- Does your school's curriculum focus on a particular theme (e.g., character education, public policy, cultural heritage, technology, vocational, service industry)?

Schools that responded "yes" were asked to specify their target population or theme. As the results in table 14.1 suggest, despite many analysts' concern that charter schools might systematically target the most advantaged students (Kahlenberg 2000; Rothstein 1998; Fiske and Ladd 2000), more than half of all the schools that said they *did* target a group indicated that they targeted at-risk students. Overall, social service–initiated charter schools appear much more likely than others to engage in student targeting, with about 53 percent doing so, and their target audience is almost always students with high needs.

Charter schools in our sample were twice as likely to say that they emphasized a curricular theme as they were to identify a target student group (just fewer than two out of three do so overall). Emphasizing a theme was most common among community-based and local business–originated charters and least common among those initiated by social service or nonprofit groups (77.3 percent, 76.5 percent, and 47.1 percent respectively). Community- and local business based–schools differed, though, in the type of theme they emphasized, with business tending to focus on career- or trade-specific themes and community/parent-based schools more likely to emphasize themes that have more to do with symbolically affirming community aspirations (college preparatory; character education) than filtering demand based on particular skill.

Scale of Operation

Early proponents of charter schools envisioned them as intimate communities in which students would get more individualized attention (Kolderie

Henig, Lariceno-Paquet, Holyoke, and Brown

Table 14.1.   Target Group and Curricular Themes

	Have Target Group	Target Population: At Risk	Have Curricular Theme	Three Most Common Themes
		Number in Each Category (Row %) (Column %) (N=253)		
Founded by EMO Only	5 (18.52%) (6.02%)	4 (80.00%)	17 (63.96%) (10.18%)	Back-to-basics; character education; technology/ computers
Founded by EMO and others	3 (18.75%) (3.61%)	2 (66.67%)	9 (56.25%) (5.39%)	Technology/computers; business; back-to- basics
Founded by Local business	5 (29.41%) (6.02%)	1 (25.00%)	13 (76.47%) (7.78%)	Career path; trade or specific job; liberal arts; technology/ computers
Founded by Educators	30 (29.41%) (36.14%)	18 (66.67%)	61 (59.80%) (36.53%)	Back-to-basics; technology/ computers; other
Founded by Social Service	18 (52.94%) (21.69%)	15 (88.24%)	16 (47.06%) (9.58%)	Character education; ethnic/identity; technology/computers
Founded by Parents or Community	4 (17.39%) (4.82%)	2 (50.00%)	17 (77.27%) (10.18%)	College prep; character education; other
Founded by NonEMO Mix	11 (32.25%) (13.25%)	5 (50.00%)	25 (73.53%) (62.08)	Trade or specific job; liberal arts; career path
Totals	83 (30.74%)	53 (68.83%)	167 (62.08%)	

1990; Nathan 1991), and the evidence to date tends to confirm that charter schools are substantially smaller in scale than the traditional public schools. RPP International (2000), for instance, reported that charter schools had a median enrollment of 137 compared to 475 in traditional public schools. But, because market-oriented schools may be more concerned about achieving economies of scale, we expect that this vision of intimate communities may more accurately describe mission-oriented than EMO-initiated charter schools.

In figure 14.3 we present data on the average size of schools by different types of founders. As the data suggest, schools associated with EMOs are significantly larger on average than are charter schools with other types of founders, with EMOs often exceeding others by well over a hundred stu-
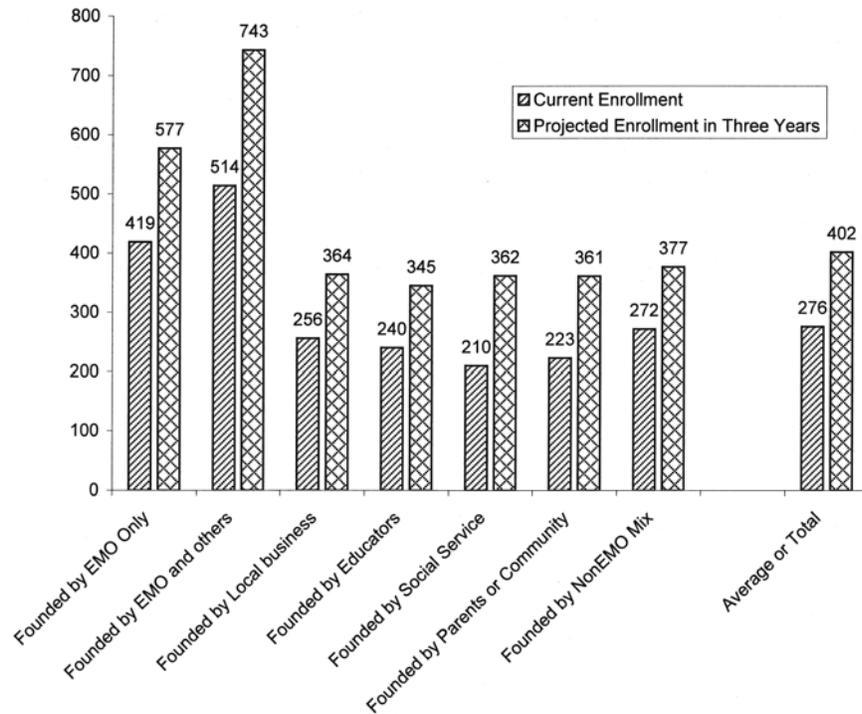
Figure 14.3. Current and Projected Enrollment by Founder Type

dents. It is also interesting to see if these differences are expected to continue into the future. To that end, we asked each school to estimate their enrollment three years down the road. While all types of schools plan to grow, those founded by EMO-only or EMO and others anticipate growing the most and plan to remain significantly larger than the other types.

Another aspect of scale is the grade structure offered by schools. There has been some criticism that charter schools predominantly serve lower grades because these students are easier and less expensive to educate. In figure 14.4 we present the percent of schools, by founder type, that do *not* offer high school grades. Over three-quarters of the EMO-only founded schools do not offer the high school grades while schools founded by social service nonprofits were the most likely to offer high school grades. Grades offered by charter schools are not necessarily static; many charter schools hope to expand the number of grades they offer in the future. Thus we asked respondents to project three years into the future and tell us whether they planned on offering other grades. The pattern, however, remained the same, with EMO-only-founded schools remaining the least likely to offer high schools grades and social service–founded ones to be the most likely.
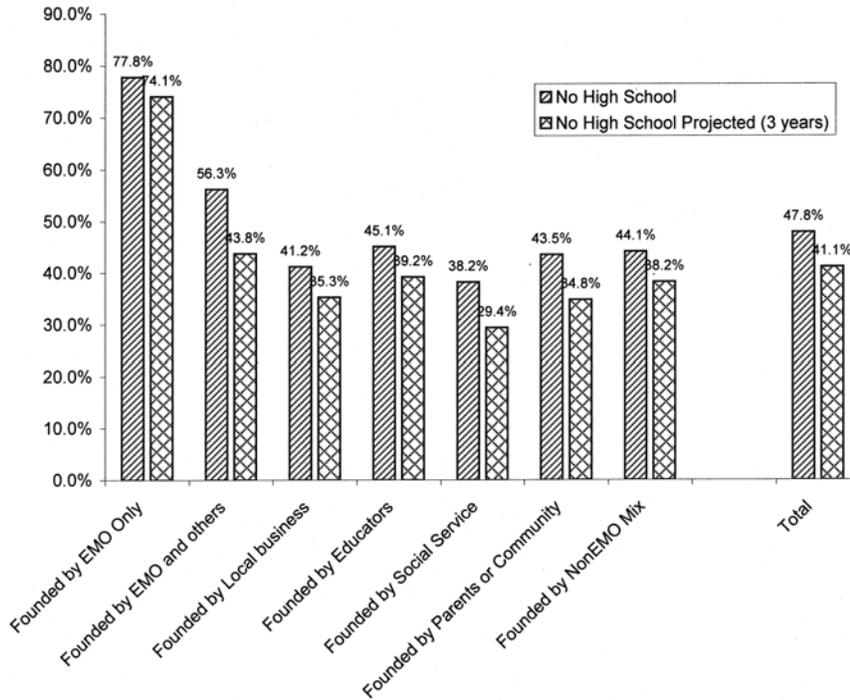
Figure 14.4.   Percent *Not* Including or Projecting High School

Marketing and Market Research

We have already demonstrated that EMO-originated charter schools in our sample are larger than other types. Seeking to achieve economies of scale it is logical that these schools would market themselves aggressively and widely, using traditional forms of recruitment and advertising. This is not to say that mission-oriented schools may not seek to aggressively recruit; nonetheless, seeking to maintain smaller, more intimate communities, these schools are likely to be more inclined to recruit through informal channels. They are also more likely to lack the management expertise and capital to allow them to grow rapidly, further encouraging a modest and informal recruitment approach. Parent and community-based charters in particular we expect to limit recruitment to more localized and informal arenas.

To test this proposition we asked each school if they regularly, occasionally, or never used any advertising or promotional methods in student recruitment. Somewhat surprisingly, EMO-initiated charter schools were only marginally more likely to use expensive strategies like paid advertisements, websites, and radio (see table 14.2). At the same time, these schools were no

less likely than others to rely on informal and cheaper options like word of mouth or flyers. Similarly, though we expected community-based organizations to be the most likely to rely on informal and lower-cost practices such as open houses, EMO- and local business–related schools also appear among the most likely to say they use these tools for recruitment as well. Schools initiated by educators tend to use the fewest number of recruitment strategies. There are several possible explanations. Some critics of the professional education community suggest that a history of monopoly status combined with a professional ethos that celebrates their own expertise have led teachers to adopt a "take it or leave attitude" toward consumers; if deeply enough engrained, such an orientation might even be carried by the presumably more entrepreneurial subset that has self-consciously opted to move to the more market-sensitive arena of charter schools. More likely, perhaps, is the possibility that, because they often are headed by principals and teachers already familiar to the local community, educator-initiated schools may feel less of a need to advertise. Schools founded by a mix of partners (whether or not including an EMO) are also significantly less likely than EMO-only-initiated charters to use three or more marketing tools.

Table 14.2. Percent of Schools "Regularly" Using the Following Methods of Advertising/Recruitment

	Paid Ads	Flyers	Web Site	Word of Mouth	Radio	Open House	Average Number of Tools Used Regularly
Founded by EMO-Only	29.6%	44.4%	63.0%	85.2%	14.8%	48.2%	3.04
Founded by EMO-Mix	25.0%	37.5%	62.5%	100.00%	6.3%	43.8%	2.88
Founded by Local business	23.5%	58.8%	41.2%	100.00%	11.8%	70.6%	3.35
Founded by Educators	16.7%	29.4%	43.1%	92.2%	8.8%	28.4%	2.33
Founded by Social Service	26.5%	47.1%	52.9%	100.00%	5.9%	35.3%	2.76
Founded by Parent or Community	21.7%	21.7%	56.5%	95.7%	4.4%	52.2%	2.73
Founded by non-EMO-Mix	17.7%	35.3%	52.9%	91.2%	8.8%	32.4%	2.65

Note: The row percentages do not add to 100 percent because many schools use more than one advertising or recruiting tool.

Finally, if EMO charter schools are interested in continuing to grow and reap greater profits, we would expect them to be more attuned to what parents and students—current and prospective—are looking for. In general, we would expect EMO-originated firms to be the most inclined to engage in such market research, while schools started by educators the least. Indeed, because EMO-originated charter schools might be aiming at more upscale consumer groups, we anticipate that they would be more likely than others to monitor other private and charter schools.

To get at this issue empirically, we asked schools about the frequency with which they conducted surveys of both current and prospective students and their parents. The results are presented in table 14.3. Overall, when it came to actively engaging in market-side research, the only types of charter school that really approached the idealized image of a competition-savvy market actor were those started by local business organizations. As we expected, charter schools founded by educators or community-based organizations were relatively disinterested in carrying out market research on both demand and supply-side issues. Surprisingly, though, EMO-affiliated schools, particularly those with an EMO as their sole founder, were also among the least likely to systematically collect supply-side information, though it is possible research

Table 14.3.   Percent of Schools Regularly Surveying Parents or Collecting Information about Competitors

	Demand Side				Supply Side Competition		
	Current Students	Current Parents	Prospective Students	Prospective Parents	Traditional Public Schools	Other Charters	Private Schools
Founded by EMO Only	26.9	51.9	11.1	15.5	14.8	29.6	20.0
Founded by EMO-Mix	40.0	62.5	18.8	37.5	50.0	33.3	13.3
Founded by Local Business	70.6	70.6	35.3	35.3	52.9	58.8	25.0
Founded by Educators	36.4	47.5	21.8	25.7	25.7	28.4	10.1
Social Service Founders	56.3	58.8	12.1	11.8	32.4	35.3	11.8
Founded by Parents or Community	39.1	47.8	18.2	17.4	39.1	34.8	13.6
Founded by Non-EMO Mix	45.5	55.9	14.7	23.5	20.6	26.5	15.2

being done is carried out at the corporate level. EMO schools also were relatively disinterested in monitoring the competition, but to the extent they did pay attention they were more likely than other types of charter schools to look at private schools and least likely to monitor the conventional public schools. Though charter schools started by social service nonprofits were as disinterested as the EMO charters in surveying prospective students and parents they did closely monitor their current consumer populations.

CONCLUSIONS: ACCOUNTING FOR ORGANIZATIONAL DIFFERENTIATION AND CONVERGENCE

Much of the existing literature on charter schools treats them as an undifferentiated mass. Even those who note that the umbrella term "charter school" encompasses a diverse array of organizations typically have not elaborated typologies to create a more meaningful framework for analyzing the charter phenomenon. We attempt to develop such a typology grounded in the proposition that the norms, traditions, and perspectives of founding organizations may bear upon the kinds of decisions that charter schools make. In several of the decision arenas we examined we found evidence of a sharp distinction between charter schools at least partially founded by EMOs and other types of charter schools. Specifically, there is strong evidence that EMO-initiated charters are much less likely to offer high school grade levels and are often considerably larger than other charter school types. Furthermore, EMO-initiated charter schools appear less likely to target particular subpopulations At the same time, EMO-initiated schools were not substantially more likely to aim at a median student, aggressively advertise, engage in market research regarding present or potential customers, or monitor competitors.

Expectations based on very simple models of market-oriented vs. mission-oriented behavior are hazardous, but we find enough evidence of patterned differences to retain our belief that making distinctions within the community of charter schools can be elucidating. That for-profit EMOs may behave differently from other charter schools comports with the evidence emerging from other studies (Lacireno-Paquet 2004; Lacireno-Paquet et al. 2002; Miron and Nelson 2002; Brown et al. 2004). The theoretical case for charter schools has too often been based on market-laced notions of efficiency, innovation, and competition. At the same time, much of the political rhetoric designed to reassure critics relies on anecdotal accounts of mission-oriented schools providing nurturing environments designed to lessen social inequities rather than driven solely by profit-making motivations. Both arguments have some merit, but this can only be seen if one looks inside the traditional black box of the charter school community. To the extent that the EMO model for charters

is different, legislators, charter authorizers, and charter regulators may need to develop policy instruments designed to acknowledge such distinctions. This is especially the case in light of the apparent trend toward greater involvement by for-profit EMOs, both as founding partners and as new partners for mission-oriented charters that find they need the capital and management expertise EMOs appear to provide. If these schools gradually muscle aside smaller and frailer mission-oriented schools, some attributes evident in the charter school movement as currently constituted may prove short-lived.

We draw our chapter to a close on a new thought. Though significant differences clearly do exist among charter schools, it is possible that a blurring of types may occur in the future, at least partially because external environments matter as much as internal organizational structures and behavioral norms. Regardless of the different reasons founders may choose to charter a school, it may be that the basic task of operation is relatively uniform and competitive pressures so severe that entrepreneurs adopting novel themes and targeting small, unique populations cannot survive for long. DiMaggio and Anheier, for instance, suggest that "differences in the behavior of [nonprofit] and other firms in the same industry often flow from industry composition . . . e.g. degree of government involvement in regulation etc" (DiMaggio and Anheier 1990, 150). Also muddying the distinction between for-profit and nonprofit is the fact that some charter schools that were initiated by mission-oriented nonprofits have subsequently contracted with or otherwise allied with EMOs, and while the originators in principle are still setting the goals of the organization, it is an empirical question whether they may lose control of the reins in such relationships.[10] Convergence is also possibly shaped or unwittingly encouraged by the regulatory and policy environment (Witte, Shober et al. 2003; Wohstetter, Malloy et al. 2004 **[AU: PLEASE ADD TO REFERENCES]**). Charter authorizers, for example, play a key role in accepting and rejecting charter school proposals and thus shape what the population of charter schools look like in each state or jurisdiction. Testing requirements, a feature of all charter school legislation, also may lead to convergence in terms of what schools are teaching and how, even if the organizational structure (for-profit or nonprofit) varies. What will matter most are environmental factors such as the intensity of competition, the nature of consumer demand, the preferences of foundations and other sources of philanthropic support, and the funding and regulatory regimes of state and local governments.

NOTES

1. Local business groups often turn to education reform after "cutting their teeth" on more conventional urban revitalization efforts: promoting downtown redevelop-

ment, building convention centers, attracting professional sports teams, and the like (Stone et al. 2001).

2. In our survey the responding schools had a mean enrollment of 276 students, comparable to the mean enrollment of 220 in the SASS data set for the same jurisdictions; 62 percent of the schools responding to our survey reported offering a theme, while 56 percent of the SASS charter schools reported that they offered "programs with special instructional approaches." Although the wording in SASS and our survey is not identical, along several important measures the two groups of charter schools surveyed are broadly similar. Our survey asked two slightly different questions about EMO affiliation. The first asked whether the school was *founded by* an EMO (16.3 percent), and the second asked whether the charter school had *collaborated with or received support from* a for-profit EMO (23.3 percent). The SASS asked whether charter schools were *managed by an organization that manages other schools but was not a school district*, to which 21.6 percent of the schools in the four jurisdictions responded as being managed by for-profit EMOs. Since our "collaboration" question may imply a less formal relationship than the "management" wording used by SASS, and in light of the fact that our later survey might have been expected to find a higher level of EMO involvement, we conclude that our sample may underrepresent the EMO-associated charter schools to a slight degree. We did find possible differences in grade-level configuration; for example, 26 percent of the schools in our sample are high schools, a lower percentage than in the SASS population (36 percent).

3. They were presented with the following options and told to check all that applied: converted from a traditional public school; converted from former private school; extension of an existing social service organization; founded by former public school teachers; founded by a for-profit education management organization; founded by a group of parents; founded by the local business community; other (please specify). Of the 253 respondents with codable answers, 49, or slightly fewer than 20 percent, checked more than one option. For those that checked only the "other" category," we examined the name or description of the founding group and recodified the organization, where it was possible, into one of seven categories.

4. Including public school conversions, private school conversions, those founded by former public school teachers, and those who checked "other" but indicated they were formed by private school teachers or administrators.

5. Including those formed as an extension of an existing social service organization and those that checked "other" but listed a nonprofit organization, religious institution, or religious leader.

6. Including those founded by a group of parents and those that checked "other" but indicated they were formed by "a community organization" a "community-based organization," or a particular community organization.

7. Including those founded by local business groups and those that checked "other" but listing particular corporations or local business sponsors.

8. We matched schools to their census area using the common core of data (CCD). CCD defines its MSC1 category as comprising districts that primarily serve a central city of an MSA.

9. The 5 percent figure understates EMO penetration in D.C. in at least a couple of ways. None of the Edison Schools in D.C. responded to our survey (Edison Schools did respond elsewhere), and two other schools that have had EMOs as major

partners from the beginning nonetheless did not mention them among the founders. We know this because we have been following the D.C. charter school situation carefully, and have conducted interviews at these schools. We chose not to recodify these schools here, since we do not have comparable depth of knowledge about the situations in other states.

10. Rather than look at the nature of the founding organizations, we could have opted to build our typology based on whether the charter schools are currently linked to EMOs. In this analysis, though, we were particularly interested in the question of whether difference in founders' organizational traditions and norms would continue to shape the schools' behavior regardless of whether they later find it more practical to seek EMO services. It is an important question, though, whether mission-oriented charter schools lose their distinctive character when they subsequently ally with EMOs and this is something that we hope to explore further in future analyses.

REFERENCES

Berry, Jeffrey M. 1999. *The New Liberalism*. Washington, DC: Brookings Institution Press.

Brown, Heath, Jeffrey R. Henig, Thomas T. Holyoke, and Natalie Lacireno-Paquet. 2004. "Scale of Operations and Locus of Control in Market- vs. Mission-Oriented Charter Schools." *Social Science Quarterly* 85, 5 (December): 1035–51.

Bulkley, Katrina. 2001. *Balancing Act: Educational Management Organizations and Charter School Autonomy*. CPRE Educational Issues in Charter Schools Conference, Washington, DC.

———. 2002. *Recentralizing Decentralization? Educational Management Organizations and Charter Schools' Educational Programs*. National Center for the Study of Privatization in Education.

Bushouse, Brenda K. 1999. *Motivations of Nonprofit and For-Profit Entrepreneurs in the Child Care Industry: Implications for Mixed Industries*. Annual Conference of the Association for Research on Nonprofit Organizations and Voluntary Action, Arlington, VA.

DiMaggio, Paul J., and Helmut K. Anheier. 1990. "The Sociology of Nonprofit Organizations and Sectors." *Annual Review of Sociology* 16: 137–59.

Fiske, Edward B., and Helen F. Ladd. 2000. *When Schools Compete: A Cautionary Tale*. Washington, DC: Brookings Institution Press.

Friedman, M. 1962. *Capitalism and Freedom*. Chicago: University of Chicago Press.

Fuller, Bruce, Marytza Gawlik, Emliel K.Gonzales, and Sandra Park. 2003. *Charter School and Inequality: National Disparities in Funding, Teacher Quality, and Student Support*. Berkeley, CA: PACE Center**,** 32.

Henig, Jeffrey R., and Jason MacDonald. 2002. "Locational Decisions of Charter School: Probing the Market Metaphor." *Social Science Quarterly* 83, 4 (December): 962-80.

Henig, Jeffrey R., Thomas T. Holyoke, Natalie Lacireno-Paquet, and Michele Moser. 2003. "Privatization, Politics, and Urban Services: The Political Behavior of Charter Schools." *Journal of Urban Affairs*.

Hoxby, C. M. 2004. "Achievement in Charter Schools and Regular Public Schools in the United States: Understanding the Differences." Harvard University Program on Education Policy and Governance working paper, December 2004, at www.ksg.harvard.edu/pepg/pdf/HoxbyCharters_Dec2004.pdf.

Kahlenberg, R. D. 2000. *All Together Now: Creating Middle-class Schools through Public School Choice.* Washington, DC: Brookings Institution.

Kettl, Donald F. 1993. *Sharing Power: Public Governance and Private Markets.* Washington, DC: Brookings Institution.

Kolderie, Ted. 1990. *Beyond Choice to New Public Schools: Withdrawing the Exclusive Franchise in Public Education.* Washington, DC: Progressive Policy Institute.

Lacireno-Paquet, Natalie, Thomas T. Holyoke, Jeffrey Henig, and Michele Moser. 2002. "Creaming versus Cropping: Charter School Enrollment Practices in Response to Market Incentives." *Educational Evaluation and Policy Analysis* 24, 2 (Summer): 145–58.

Lacireno-Paquet, Natalie. 2004. "Do EMO-operated Charter Schools Serve Disadvantaged Students? The Influence of Policy." *Education Policy Analysis Archives*, vol. 12, no. 26 (June 15).

Mark, Tami L. 1995. "Psychiatric Hospital Ownership and Performance: Do Nonprofit Organizations Offer Advantages in Markets Characterized by Asymmetric Information?" *The Journal Of Human Resources* XXXI, 3: 631–49.

Mark, Tami L. 1998. "Analysis of the Rationale for, and Consequences of, Nonprofit and For-Profit Ownership Conversions." *Health Services Research*: 83–101.

Miron, Gary, and Christopher Nelson. 2002. *What's Public About Charter Schools: Lessons Learned About Choice and Accountability.* Thousand Oaks, CA: Corwin Press.

Nathan, Joseph. 1991. *Free to Teach: Achieving Equity and Excellence in Schools.* New York: The Pilgrim Press.

Nelson, F. Howard, Bella Rosenberg, and Nancy Van Meter. 2004. *Charter School Achievement on the 2003 National Assessment of Educational Progress.* Washington, DC: American Federation of Teachers. Available at: www.aft.org/pubs-reports/downloads/teachers/NAEPCharterSchoolReport.pdf.

Peterson, Paul. E. 1981. *City Limits.* Chicago: University of Chicago Press.

RPP International. 2000. *The State of Charter Schools 2000: Fourth Year Report.* Washington, DC: Office of Educational Research and Improvement, U.S. Department of Education.

Rothstein, Richard. 1998. *The Way We Were?* New York: The Century Foundation.

Salamon, Lester. 1987. "Partners in Public Service: The Scope and Theory of Government-Nonprofit Relations." *The Nonprofit Sector*, ed. W. W. Powell. New Haven, CT: Yale University Press**,** 99–117.

———. 1995. *Partners in Public Service: Government-Nonprofit Relations in the Modern Welfare State.* Baltimore, MD: Johns Hopkins University Press.

Savas, E. S. 2000. *Privatization and Public-Private Partnerships.* New York: Chatham House.

Solmon, Lewis C., Michael K. Block, and Mary Gifford. 1999. "A Market-Based Education System in the Making." Accessed online: www.azschoolchoice.orgs/pubs/06.htm.

Stone, C., J. R. Henig, et al. 2001. *Building Civic Capacity: Toward a New Politics of Urban School Reform*. Lawrence, KS: University Press of Kansas.

U. S. Department of Education. 2004. *Evaluation of the Public Charter Schools Program: Final Report*. Washington, DC. (Prepared by SRI International).

Weisbrod, Burton A. 1998. "Institutional Form and Institutional Behavior." *Private Action and the Public Good*, ed. W. W. Powell and E. S. Clemens. New Haven, CT: Yale University Press**,** 69–84.

Witte, John F., Arnold F. Shober, and Paul Manna. 2003. "Analyzing State Charter School Laws and Their Influence on the Formation of Charter Schools in the United States." Paper prepared for the American Political Science Association 2003 Annual Meeting, Philadelphia, PA, August 28–31, 2003.

Zimmer, Ron, Richard Buddin, Derrick Chau, Glenn Daley, Brian Gill, Cassandra Guarino, Laura Hamilton, Cathy Krop, Dan McCaffrey, Melinda Sandler, and Dominic Brewer. 2003. *Charter School Operations and Performance: Evidence from California*. Santa Monica, CA: RAND.