

SECTION 2:

# NewSchools' Support for Education Entrepreneurs



**The work of an education entrepreneur begins with a vision for how public schooling can be improved.**

Equipped with that vision and relentless determination, entrepreneurs set out to create nonprofit and for-profit organizations that are not beholden to the status quo. They bring fresh thinking to the problems of public education, and invent new ways of organizing schooling around the needs of students rather than the interests of adults.



However, these entrepreneurs need more than a dream and determination. They need seed money to help them build a management team and develop their idea. They need guidance as they develop their plan, and as they begin to execute upon it with that first school, first cohort of teacher trainees, or first product – and especially as they grow in size and scope. They need connections with other entrepreneurs so they can learn from experience and problem-solve together. This is where NewSchools comes in.

NewSchools raises capital from individuals and foundations, partnering and working closely with the country's most talented business entrepreneurs and leaders and leading philanthropic organizations. Like the successful venture capital firms that inspired it, NewSchools then identifies the most urgent challenges in public education and determines which are most ripe for entrepreneurial innovation. This was the case in 1999, when increasing public school accountability and school choice heightened the need to provide parents, community members and policymakers with reliable information and data about their local schools. Seeing these trends,

NewSchools invested in a fledgling organization called GreatSchools, which today operates a Web site that reaches an audience of millions each year with tools and resources about public schools. Likewise, in 2002, NewSchools sought to increase the pace of creating and replicating strong charter schools in urban communities. Through a \$50 million fund focused exclusively on this need, NewSchools was able to foster the development of more than a dozen nonprofit charter school management organizations, or CMOs. These organizations operate multiple charter schools and so are able to more quickly and reliably meet the demand by parents for excellent schools in their communities. Likewise, they can meet the demand by educators for more productive work environments where they can make a difference.

Once such areas of opportunity have been identified, NewSchools engages in a rigorous due diligence process designed to identify the entrepreneurs with greatest potential. By taking into consideration the experiences of the founding team, the strength of the initial business plan and the conditions of the market it is operating in,

NewSchools assesses the organization's prospects for making an impact on a significant number of students and on the system that surrounds them. Those ventures selected for support receive not only funding at the critical first stages of development, but also hands-on help. NewSchools takes a seat on the board of these organizations, and brings to bear the lessons learned from helping dozens of other entrepreneurial organizations grow.

These education entrepreneurs are trying to accomplish audacious goals in the face of a public education system that often resists change. Therefore, it is crucial that these entrepreneurs have opportunities to work together, to share the lessons of success and failure, and to problem-solve alongside some of the brightest minds in the public, private and nonprofit sectors. To address this need, NewSchools hosts an annual Summit to connect these entrepreneurs and leaders. NewSchools also convenes a variety of Community of Practice events that bring entrepreneurial practitioners together to learn from one another and from outside experts.



## REACH OF NEWSCHOOLS VENTURE FUND PORTFOLIO



**Market Concentration:**

Students served by school management organizations in 2009-10

- School management organizations (includes CMOs and district partnerships)
  - + School support organizations
  - ▲ Human capital organizations
- NewSchools target geographies*

**NORTHERN CALIFORNIA**

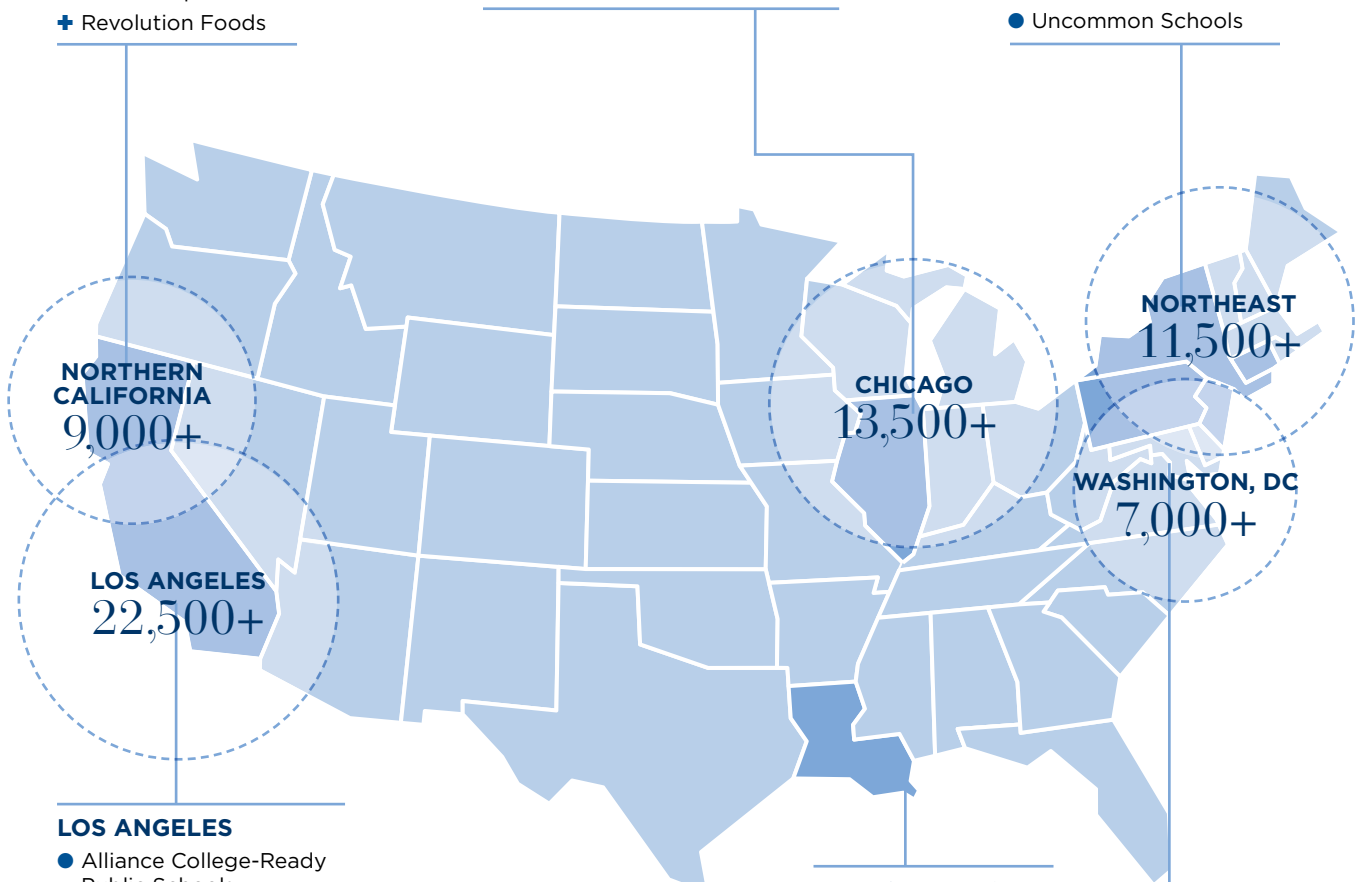
- Aspire Public Schools
- Education for Change
- Leadership Public Schools
- + Revolution Foods

**CHICAGO**

- ▲● Academy for Urban School Leadership
- Noble Network of Charter Schools
- Perspectives Charter School

**NORTHEAST**

- Achievement First
- + Civic Builders
- Mastery Charter Schools
- Success Charter Network
- Uncommon Schools



**LOS ANGELES**

- Alliance College-Ready Public Schools
- Aspire Public Schools
- Green Dot Public Schools
- ICEF Public Schools
- + Pacific Charter School Development
- Partnerships to Uplift Communities

**NATIONAL**

- Acelero Learning
- + The Achievement Network
- ▲ BetterLesson
- Lighthouse Academies
- ▲ New Leaders for New Schools
- + Revolution Foods
- ▲ Teach For America
- ▲ The New Teacher Project

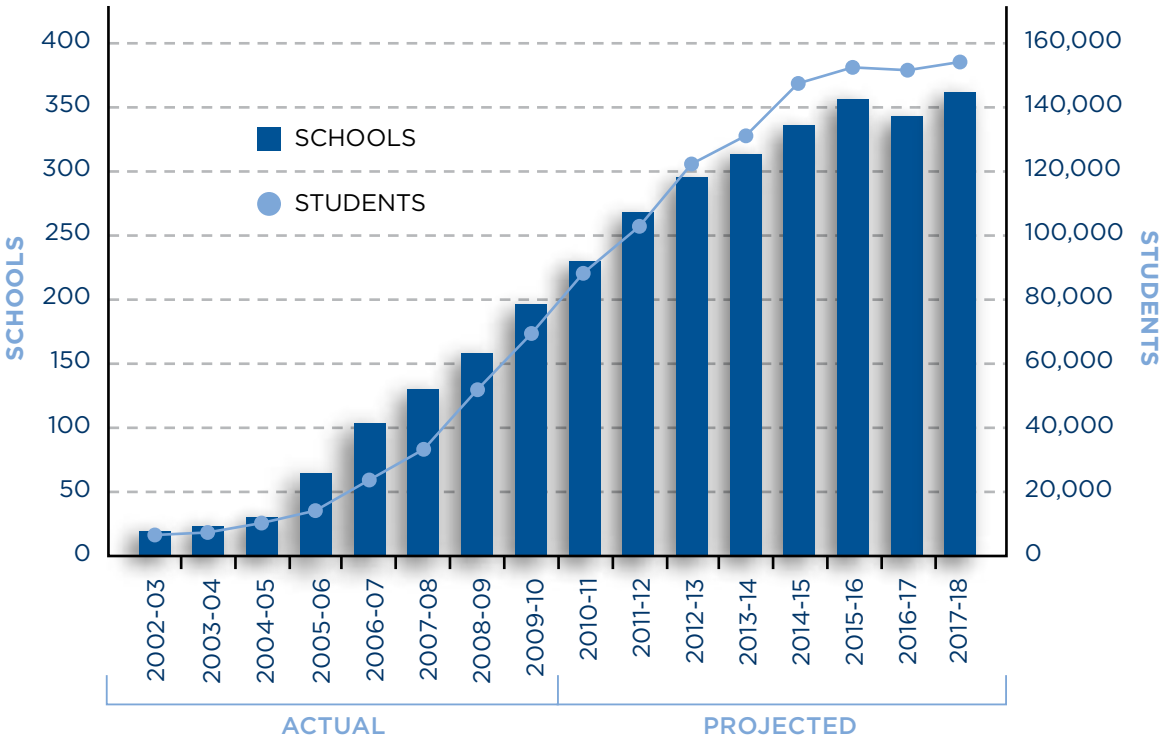
**NEW ORLEANS**

- + New Schools for New Orleans

**WASHINGTON DC**

- DC Preparatory Academy
- Friendship Public Charter Schools
- KIPP:DC

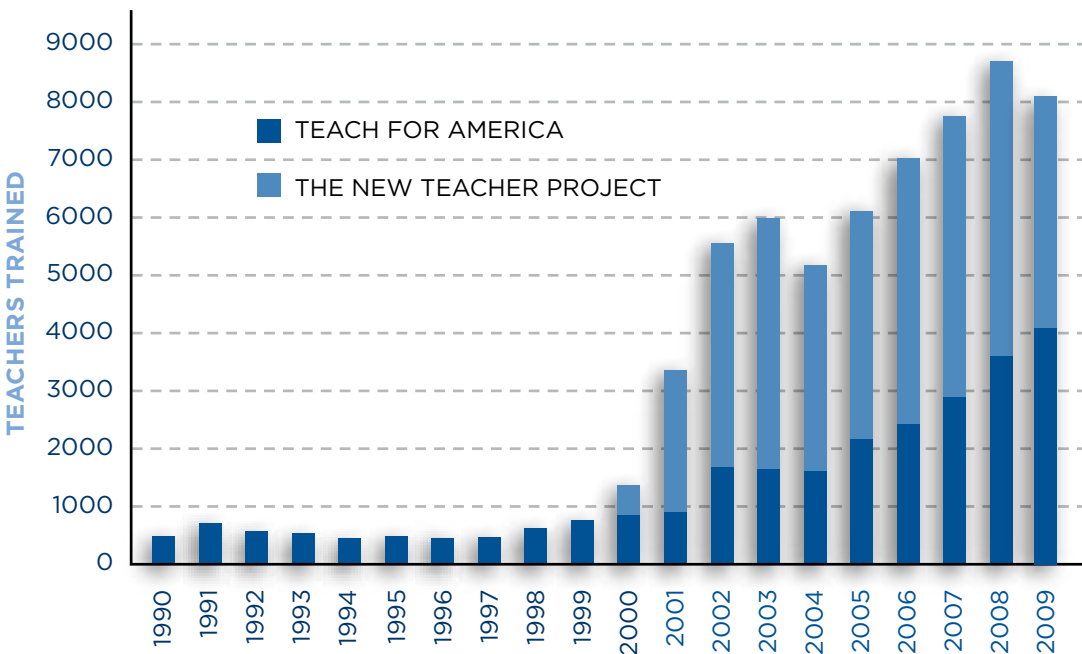
### CMO Growth



TODAY: **198** schools | **70,737** students

AT PLANNED SCALE: **354** schools | **157,261** students

### Human Capital Growth



Total teachers trained: **64,000+** Total students served: **8.8 million+**



In the face of a public education system that often resists change, NewSchools has built a community based on sharing lessons of success and failure and joining together to solve problems.

Over the last decade, dozens of education entrepreneurs have emerged to tackle some of public education's thorniest challenges – with those directly supported by NewSchools joined by many others who have been inspired by this movement. More than 40 CMOs exist today, giving thousands of students a shot at a better education. A growing crop of organizations focused on the “human capital” needed to run great schools has prepared hundreds of principals and thousands of teachers who in turn reach millions of students every year. These organizations have improved both the quantity and the quality of public education opportunities available to our nation's neediest students. In so doing, they have redefined our sense of what is possible and inspired others to take up these same challenges with new vigor.

What's more, the inspiring energy created by this movement is beginning to have a ripple effect in major cities across the country, sparking larger structural changes that reach far beyond the schools and programs that education entrepreneurs operate. Ultimately, the efforts of education entrepreneurs are leading not only to better outcomes for the students and schools they serve directly, but also to a wider change in the way public schooling works for millions of children. ■