

newschools
venture fund



FOURTH ANNUAL GATHERING OF EDUCATION ENTREPRENEURS

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Convened in partnership with The Aspen Institute
with support from E*TRADE Financial



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ABOUT NEW SCHOOLS VENTURE FUND



NewSchools Venture Fund is a venture philanthropy firm founded in 1998 that is working to transform public education for underserved children by supporting education entrepreneurs and connecting their work to systems change. Over the last 10 years, NewSchools has raised more than \$100 million to support entrepreneurial

nonprofit and for-profit organizations; these organizations have made a measurable difference in the lives of millions of students across the country. Its third fund is focused on fueling the growth and quality of the charter school movement and on supporting the people, tools and practices needed for public school systems to become performance-driven organizations.

ABOUT THE ASPEN INSTITUTE



The mission of the Aspen Institute is to foster enlightened leadership and open-minded dialogue. Through seminars, policy programs, conferences and leadership development initiatives, the Institute and its international partners seek to promote nonpartisan inquiry and an appreciation for timeless values.

ABOUT E*TRADE FINANCIAL



The value behind E*TRADE Financial's name lies in its tireless effort to challenge the old ways of doing business. Its mission is to create long term shareholder value through superior financial performance driven by the delivery of a diversified range of innovative, customer-focused financial products and services and supported by an operating culture

based on the highest levels of teamwork, efficiency and integrity. E*TRADE Financial is committed to investing in communities through non-profit partnerships, employee volunteer work and corporate contributions to improve neighborhoods and increase financial literacy. As a leader in online financial services, including online banking, lending and investing, E*TRADE is dedicated to expanding its unique services to low- and moderate-income communities in its markets. As an alternative choice with multiple access channels, E*TRADE can make a tangible difference in the quality of life for the people it serves.

BACKGROUND

About the Annual Gathering of Education Entrepreneurs

One of the most exciting developments in K-12 public education today is the emergence of a wide range of education entrepreneurs who are creating transformative approaches to meeting education's biggest challenges. To build on the immense energy in this new entrepreneurial sector, NewSchools Venture Fund and the Aspen Institute have begun to regularly convene about 45 leaders in educational entrepreneurship, philanthropy, policymaking and research for the Annual Gathering of Education Entrepreneurs in Aspen, Colorado with the support of E*TRADE Financial.

The objectives of the Annual Gathering are to:

- **Create fellowship** among these entrepreneurial change agents
- Provide these change agents with an opportunity to lift their heads from their day-to-day work to **consider common goals**
- Keep education entrepreneurs **energized** in their efforts
- Ensure that the whole of these change agents' work is greater than the sum of the parts by **creating a long-term agenda** for change.

The Gathering is a natural fit with the missions of both sponsors. For NewSchools – whose mission is to transform public education by supporting education entrepreneurs and connecting their work to broader change – the Gathering provides a chance for key members of its network to step away from their daily work, envision a bold future, and work together to devise steps toward a new paradigm. The Gathering is also a natural offering of the Aspen Institute's Education and Society Program, which for over 25 years has provided an informed and neutral forum for education practitioners, researchers, and policy leaders to engage in focused dialogue on education policy and student achievement.

The first Gathering, convened in 2005, focused on "Creating the Vision for 2030." Looking to the future, an initial set of 30 participants started with a blank slate and asked: what should an excellent U.S. public education system look like in 2030? What emerged was a set of **principles** to guide the community of education entrepreneurs (see sidebar), as well as a set of **priorities** for collective action¹. These priorities included:

- **Geographic concentration** of entrepreneurial action in cities and state with real potential for transformative impact;
- Building the quantity and quality of the **supply of human capital** for the entire K-12 system, including teachers, principals, district leaders and education entrepreneurs;
- Addressing **state policy challenges** that stand in the way of change and entrepreneurial action in education; and,

Principles for Educational Excellence in 2030

Performance-Driven. The system must move from one driven by inputs and institutional needs to one that is designed around individuals and student outcomes.

Responsive. The system should be more dynamic, allowing it to respond nimbly to the demands of the world around it and the children, families and communities it serves.

Merit-Based. The system should attract and retain teachers and leaders that are committed to, prepared for, and rewarded for excellence.

Adequate, Aligned Resources. The education funds provided should enable all kids to excel, no matter where they start.

Customer-Driven. Parents and community members must have the tools and information to be effectively engaged in the system.

Transparency of Information. Functional transparency should pervade the system such that good data drive all decisions.

¹ For more information about the 2005 Gathering, see also "First Annual Gathering of Education Entrepreneurs: Creating the Vision for 2030," <http://www.newschools.org/about/publications/aspen-gathering-2005>

- Building **next-generation research and development (R&D)** capacity that could help refine and enhance the efforts of educators.

The 2006 Gathering tackled geographic concentration, the first of those priorities. Participants delved into what qualities make a city or state a promising location for focusing entrepreneurial effort, discussed specific cities and states that appeared promising, and talked about different ways that concentrated initiatives could be coordinated locally and nationally. For a full write-up of the 2006 Gathering, see <http://www.newschools.org/about/publications/aspens-gathering-2006>.

The following year, in 2007, this conversation expanded to consider challenges that were posing major obstacles to the progress of education entrepreneurs. Conversations focused on the victories and continuing barriers in state policy and on the human capital challenge – in terms of recruiting, preparing and retaining the best candidates into teaching and leadership. For a full write-up of the 2007 Gathering, see <http://www.newschools.org/about/publications/aspens-gathering-2007>

ABOUT THE 2008 ASPEN GATHERING: INTRODUCTION

NewSchools 2008 Aspen gathering built on the conversations that the prior years had begun to explore, and continued to use the time and space to establish new connections. As NewSchools CEO Ted Mitchell reminded participants at the outset, “We’ve undervalued forming new and close connections and partnerships, and overvalued demonstrating tangible step by step work.” NewSchools emphasized the importance of creating lasting connections that advance collective leadership as education entrepreneurs, researchers, and policymakers.

As with past years, NewSchools wanted to design an event that both followed on past years material, and met the more timely needs and particular interests of attendees. To this end, NewSchools surveyed participants in three main areas. The survey focused on two concrete themes: federal policy in the new administration and education R&D. The survey posed the following questions in advance of the event:

POLICY. What should the key tenets of NewSchools’ policy agenda be in order to support and expand the work of education entrepreneurs? In particular, what key features of a federal policy framework would support entrepreneurial innovation?

R&D. What information would be most valuable for you, and what information would be most valuable to learn from your work? How should this information be gathered, shared and turned into practice? What systems and institutions, - particularly at the federal level – could best promote innovation?

While participants’ responses to these questions shaped the days’ agenda, NewSchools was eager to bolster these ongoing conversations with new formats and frameworks. The days were structured around a modified ‘un-conference’ format, a participant-driven structure used in many conferences in the technology sector. For each session, participants were presented with the answers they had provided in the survey and prompted both before and during the sessions to continue to add new ideas and questions to this list. Participants then self-sorted depending on what questions most fit their interests or expertise and throughout the day, were encouraged to “vote with their feet” and attend the sessions of their choosing. This was designed to maximize learning opportunities, dynamic conversation, new connections, and participant-led discussions.

The report captures key questions and takeaways from these conversations, and describes some of the work that has come out of these since.

A Policy Agenda for Education Entrepreneurs

Andy Rotherham (Education Sector) kicked off the conversations, to frame the discussion about policies that would support and expand education entrepreneurship and drive better student outcomes. He pushed participants to think of the main policy levers, particularly with the upcoming election, that would best advance the work of education entrepreneurs. Participants sorted themselves into two main groups to tackle this question discussing 1) policies to meet the human capital challenge and 2) the opportunities and challenges in shaping the next president’s federal education policy.

Policies to meet the human capital challenge

The conversation about human capital policy was largely informed by the work that High Tech High and Teacher You are doing as entrepreneurial teacher certification providers, led by Larry Rosenstock and Norman Atkins respectively. Both practitioners agreed that the theory of change behind their work was to create change from the outside traditional teacher preparation systems. As Atkins reminded the group, “When you are trying to move the education school cartel, it more important to collaborate with private university partners and create proof points of quality rather than try to topple the cartel.” However, the group also recognized that to expedite this dramatic change from the outside would require policy frameworks that could expand the opportunities for entrepreneurs to thrive in the human capital space.

The group arrived at a number of federal policy recommendations to bolster human capital efforts. Most of these policies centered on the need to **create incentives for states to fund new innovative alternative certification programs**. Participants pointed out that districts lack financial incentives to make teacher preparation better, both because they do not pay for teacher preparation and because high teacher attrition keeps teacher salaries lower. To change this dynamic, participants noted that education entrepreneurs need to get find creative ways to build business interest and financial incentives into the teacher preparation market. Michael Goldstein pointed to his own work at MATCH, where he is trying to create financial incentives by paying first-time teachers to live on campus and spend a year apprenticing before entering the classroom.

The group also brainstormed other possible levers to improve teacher education, including increasing Americorps funding that could go towards apprentice teachers, creating state policies around authorizers of teacher credentialing programs, and further researching online opportunities for teacher education.

Finally, participants raised a bigger question that carried over into later discussions: Do teacher certification programs increase effectiveness? And how are education entrepreneurs measuring effectiveness? Participants agreed that preparation, when done well, can have a strong effect. As one participant described, “We think a good teacher prep program can make a 3 out of 10 teacher a 6 out of 10 and a 6 out of 10 and 8.” However, all of the participants agreed that education entrepreneurs still face a major challenge in measuring that progress and precisely defining teacher effectiveness.

Building a policy agenda for education entrepreneurs:

Participants in the other session considered more broadly the steps needed to craft a policy environment that was welcoming to education entrepreneurs. City Year co-founder Alan Khazei shared his experience in translating his entrepreneurial venture into the federal policy agenda promoting national service programs. In 1993, The Clinton Administration used City Year as a model for its Americorps program, with strong support from Senator Edward Kennedy. Khazei’s example is an encouraging model for social entrepreneurs: while national service policy emerged out of a single venture, Americorps funding is not one federal program, but rather is distributed across a wide array of initiatives. As Khazei described, “It releases the entrepreneurial energy of a lot of different people.”

However, Khazei was careful to point out that getting this policy enacted was a very different project from the policy challenges facing education entrepreneurs today. As Khazei explained, his organization had a very clear mission and a precise definition of national service; it also had advocates able to engage in both the policy and the politics of getting new legislation passed. Many participants agreed that education entrepreneurs may still lack this clarity in goals and capacity in politics. As had been discussed in previous years, **this reaffirmed the need for separate advocacy organizations working on behalf of education entrepreneurs**. Finally, Khazei pointed out that this was a new effort; unlike education entrepreneurs, advocates of national service were not operating in an existing system and therefore had the luxury to build the program and funding structure that they wanted from scratch. All of the participants agreed that the embedded practices of the traditional education system make building an effective policy framework that supports education entrepreneurs a more challenging and complex task.

Formulating a policy agenda

Following these breakouts, participants came together to summarize and refine their takeaways from their conversations. With Ted Mitchell moderating, these ideas crystallized in the group imagining a **Federal Innovation Fund that would fund five key areas:**

- Innovation in governance (including finance reform)
- Innovation in pedagogy
- Innovation in human capital
- Innovation in success of college participation
- Innovation in class integration

While the Fund that participants imagined included a number of key levers that would constitute a policy agenda, some participants pushed the group to think beyond just the group's interests, and as Khazei had, to consider the processes, systems and resources needed to execute on both pushing this agenda and seeing it through. As Bruno Manno (Annie E. Casey Foundation) reminded the group, education entrepreneurs need to find ways to ensure that this is not identified as any one party's idea. He also emphasized the need to choose battles carefully, positing that this group's strength may not be in reforming NCLB and that it should focus exclusively on the interests of entrepreneurs.

Follow-up

Many of the features of an innovation fund that were discussed here were translated into a set of goals that would be widely circulated by NewSchools at the Republican and Democratic conventions later in the summer. These ideas also appeared in a number of op-eds that appeared in the Fall and Winter of 2008-2009 promoting a federal education policy agenda that encourages innovation in education and that have since been reflected in President Elect Barack Obama's education policy agenda.

To read more, please see:

[Opinion: Federal Education Innovation - Getting It Right](#) (By Ted Mitchell and Jonathan Schorr, *Education Week*)

[Opinion: Better education through innovation](#) (By Cory Booker, John Doerr, and Ted Mitchell, *Los Angeles Times*)

A Research & Design Agenda for Education Entrepreneurs

The second day participants departed from discussing the opportunities and obstacles in public policy to contemplate what R&D efforts could make them more effective in their own practice and better poised to share their best practices with the field more broadly. These sessions were designed to challenge participants to rethink both the current structures by which education entrepreneurs gather information and research, and to identify the types of transformative knowledge that could take their work to the next level.

Participants kicked off this conversation with a stimulating presentation by Scott Page, Professor of Complex Systems, Political Science, and Economics at The University of Michigan. Page encouraged participants to consider the power of diversity in bringing about progress in complex systems. He focused on the ways in which collective wisdom exceeds the sum of its parts and gave examples of heuristics – the fact that people's perspectives are accompanied by ways of searching for solutions to problems – that illustrate how intellectual diversity can bolster innovation. As Scott describes, “When confronted with a problem, people encode their (often quite different) perspectives and then apply their particular heuristics to locate new, possibly better, solutions.” Page illustrated mathematically that when making predictions, diversity matters just as much as ability, and that when solving problems diversity can trump ability. As he illustrated through examples such as MatLab challenge, **progress and innovation may depend less on single brilliant thinkers than on diverse people working together and capitalizing on their individuality.** He pushed participants to think about how education entrepreneurs both inside of their organizations and as a collective movement can leverage these principles of diversity to generate new breakthroughs in how to better educate all students.

Following Page's presentation, Debra Meyerson, Associate Professor of Education and Organizational Behavior and Faculty Co-director, Stanford Center on Philanthropy and Civil Society, presented a framework to help the participants use their collective diverse perspectives and to think about key types of research and design that would bolster the work of education entrepreneurs. Meyerson encouraged participants to think about two types of challenges that leaders face:

- **Technical challenges:** challenges in which the knowledge needed to meet the challenge exists or can be developed within existing social systems to meet this need; versus
- **Adaptive challenges:** challenges in which knowledge needed to meet the challenge does not exist, nor can it be developed within existing systems. To meet these challenges, answers will be developed partly in a social system, so people need to create new relationships and processes capable of adapting to/solving challenge.

With these two types of challenges in mind, Meyerson encouraged participants to discuss a central question: **What knowledge needs to be harvested and developed to enable your organizations (and others) to transform public education?** To answer this question, participants again divided into small 'unconference' groups sorted by topics proposed in the survey and new ideas that had surfaced over the course of the morning. Participants returned to conversations about human capital through the lens of R&D, debated how best to bolster knowledge management within and between organizations, and brainstormed what an effective research institution that engaged in this work might look like.

Formulating an R&D agenda

Ted Mitchell again led participants in a debrief to help sharpen and refine the ideas that had surfaced over the course of the morning. Participants agreed that a new type of institution would need to exist to take education R&D to a new level, and more effectively bridge education reform and education research communities. They **brainstormed a 'mini-NIH model' that would bring together top researchers and provide the funds and capacity to answer key research questions that could directly inform entrepreneurs' practice.** Participants also noted that this new institution would require a new type of researcher in the field: As Larry Berger pointed out, researching the work of education entrepreneurs would be grounded in real time data and research questions would surface on a shorter cycle time. Moreover, this research would produce the kind of deliverable that is more immediately practical to entrepreneurs in action, or in Ted Mitchell's words, would produce work "somewhere between a consultancy and a research project." As part of this model, participants imagined recruiting new types of researchers and great R&D minds from outside of education to get involved in shaping education innovation and research. They also considered the potential of recruiting younger scholars to engage in entrepreneurial education research before they are fully inculcated in more traditional research styles.

Mitchell then guided participants in listing some of the key research questions they had surfaced in their un-conference sessions. These included:

- **What is school for?**
 - Day care for parents? A work program for many cities? A network for sports and friends?
- **What are the right metrics for success?**
 - Student: teacher ratio?
 - SAT scores/college admission?
 - Cost: While getting something cheaper may not be right answer, can we at least get slightly better for cheaper? (analogue in health care extending life expectancy at a cost we cannot absorb)
- **If we make every existing organization better, will that move the needle?**
- **What are proven best practices for educating low incomes kids, across international systems?**
- **How can we better measure and improve on human capital systems?**

- How can we design research that controls the entire value chain and identify which variables have the greatest impact?
- How can we better assist teacher?
- How can we identify whether someone ought to teach?
- Do principals and teachers have the time and energy to be creative?

While the un-conference had surfaced ideas of new structures and questions to find new information, participants also noted that education entrepreneurs are not experts at capturing and preserving what they already know. As Libia Gil (American Institutes for Research) noted, progress in terms of building on new information can often be inhibited by shifts like superintendent transitions, causing what Gil cited as “whiplash” in knowledge management. Bruno Manno echoed this sentiment, pointing out that while his foundation has reported on both failures and successes, education reformers often lose knowledge when they only report on successes. This also pushed participants to consider where and how knowledge is housed and managed. As one participant put it, “Knowledge isn’t that interesting if ingredients for change aren’t there.”

Finally, participants considered the tensions that emerge in trying to create the conditions to enable people to innovate. As Christopher Gergen pointed out, this is largely contingent on setting the right parameters that balance new ideas with prescriptive designs and filters for quality, or fidelity to models versus adaptation and flexibility. Kim Smith added that capacity also impacts innovation: Noting the hard work of the entrepreneurs in the room, she asked, “How can we think about continuing innovation in the field when focused on executing? And more specifically, how do we get to new innovations in education that aren’t on the backs of people in this room?”

Conclusion

NewSchools agreed to continue exploring the ideas that surfaced at the Aspen Gathering in the following months, to inform the organization’s emerging policy and research agendas. As mentioned above, a number of activities and publications grew out of the conversations that took place at Aspen. In particular, NewSchools remains committed to working with the new administration to further the goals set out in Aspen, and enjoys the ongoing support of many participants engaged in this important work.

NewSchools is also committed to finding ways to continue these important conversations in the future, and to explore the formats that will best harness the intellectual diversity of the group. This year’s gathering was also especially successful in bringing together new stakeholders engaged in education entrepreneurship, and through these and other activities, many participants have remained connected among this network of leaders. As each year has demonstrated, the gathering brought about new answers and also surfaced bold new questions about how to better serve all students. NewSchools hopes to continue to see the great breakthroughs that bringing together an array of leaders in education entrepreneurship can unleash, and values this group as a vital vehicle to cultivating and growing new ideas in education reform.