



Stanford eCorner

Venture Philanthropy

Kim Smith, *New Schools Venture Fund*

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Video URL: <http://ecorner.stanford.edu/videos/611/Venture-Philanthropy>

Smith explains that venture philanthropy means investing in ventures that lead to greater changes in the overall system to improve education for kids. The entrepreneur is a part of a much larger system and the aim is to leverage the investments to provide the greatest possible impact. This strategy has led to three key activities at New Schools: the creation of a network to generate more hybrid leaders and inform policy makers, a charter accelerator fund to create charter schools, and a performance accelerator fund to help schools become performance-oriented.



Transcript

I've mentioned leverage already and I've mentioned venture philanthropy. One way we think of venture capital and our version of it is when we invest in the right entrepreneurial ventures, they then go on to make sure that the public dollars that flow into their space create a greater outcome for kids. So a big piece of what we do is to create the right way that ideally then is going to be adopted by more than just the entrepreneur we're working with in the larger system. So it's led to sort of three key activities; a network to generate more of those hybrid leaders, to inform policymakers to change the conversation, a charter accelerator fund which is a new fund we've raised that's about \$46 million right now to create systems of public charter schools, branded systems of nonprofit public charter schools so that parents and kids in intercity communities can choose a high quality public school option. And thirdly what we call the performance accelerator fund which is a new fund we're raising. We're targeting about \$20 million to \$30 million. We have about \$2 million in it right now that's going to invest in tools that will help public school systems become performance-oriented, better assessment tools, better data management tools. The sort of sophistication of tools that are available to educators right now is embarrassing compared to what we have done in the business sector. It's deplorable. Part of why that is, is we haven't taken our collective energies to apply it to that problem.

So for those of you who are out there looking for a great entrepreneurial entity that can be both exciting for you and solve a problem, I think this issue of assessment and informing educators about what they're doing is a really great area.