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# Inexperienced Companies Chase U.S. School Funds

By [SAM DILLON](#)

With the Obama administration pouring billions into its nationwide campaign to overhaul failing schools, dozens of companies with little or no experience are portraying themselves as school-turnaround experts as they compete for the money.

A husband-and-wife team that has specialized in teaching communication skills but never led a single school overhaul is seeking contracts in Ohio and Virginia. A corporation that has run into trouble with parents or the authorities in several states in its [charter school](#) management business has now opened a school-turnaround subsidiary. Other companies seeking federal money include offshoots of [textbook](#) conglomerates and classroom technology vendors.

Many of the new companies seem unprepared for the challenge of making over a public school, yet neither the federal government nor many state governments are organized to offer effective oversight, said Jack Jennings, president of the [Center on Education Policy](#), a nonprofit group in Washington.

"Many of these companies clearly just smell the money," Mr. Jennings said.

Rudy Crew, a former New York City schools chancellor who has formed his own consulting company, said he was astonished to see so many untested groups peddling strategies to improve schools.

"This is like the aftermath of the Civil War, with all the carpetbaggers and charlatans," Dr. Crew said.

The Obama administration has sharply increased federal financing for school turnarounds, to \$3.5 billion this year, about 28 times as much as in 2007. Secretary of Education [Arne Duncan](#) is pushing to overhaul 5,000 of the nation's 100,000 public schools in the next few years.

New York is to receive more than \$300 million, and New Jersey about \$67 million. Expenditures on each failing school are capped at \$6 million over three years.

Under federal rules, school districts can hire companies or nonprofits to help, and experts said a significant percentage, perhaps a majority, were likely to hire at least one outside contractor. Sandra Abrevaya, a spokeswoman for the Department of Education, said the department did not yet know exactly how many districts would do so.

"The department is in daily contact with states and districts to provide technical assistance so they can make smart decisions and select high-quality partners," Ms. Abrevaya said.

Overhauling schools is challenging work, and experts say few efforts succeed. Breaking the cycle of failure in a school that has become a drop-out factory requires an "extreme reset," said Tim Cawley, a managing director at the [Academy for Urban School Leadership](#), a nonprofit group leading several turnaround efforts in Chicago. Usually that means installing a new principal and a newly committed teaching staff, invigorating the school's culture with high expectations and a no-nonsense discipline, adopting a rigorous curriculum, and carrying out regular testing to determine what has been learned and what needs to be retaught, Mr. Cawley said.

In contrast, many new groups seeking contracts are hoping merely to bring in a new curriculum or retrain some teachers, he said, adding, "We call that turnaround lite."

Bob and Megan Tschannen-Moran run one of the new groups. Their company, [LifeTrek Inc.](#), based in their home in Virginia, markets life and career coaching sessions to companies, churches and schools.

Ms. Tschannen-Moran is an education professor at the College of William & Mary, but the couple have never led a school overhaul, Mr. Tschannen-Moran said — although LifeTrek has been hired by a few school districts for strategic planning.

The couple recently founded a [Center for Evocative Coaching](#), and this spring, Ohio put the center on a list of approved school turnaround specialists. In July, the couple changed the name

of the center's Web site to [schooltransformation.com](http://schooltransformation.com). The center can help schools by "facilitating new conversations through story listening, expressing empathy, appreciative inquiry and design thinking," its Web site says. Much of the training can be done via conference call, Mr. Tschannen-Moran said.

Mr. Duncan helped set off the stampede in a June 2009 speech, saying that only a handful of groups, nationwide, had any experience in school overhauls.

"We need everyone who cares about public education," he said, "to get into the business of turning around our lowest-performing schools. That includes states, districts, nonprofits, for-profits, universities, unions and charter organizations."

One company that said it had answered Mr. Duncan's call was [Mosaica Education](#), which operates charter schools in several states and overseas. Five of its 10 charter schools in Ohio are in academic emergency, and the company has become embroiled in disputes over its management of charters elsewhere. Its chief executive, Michael J. Connelly, said Mosaica had built a solid record of raising achievement.

In March, the company hired John Q. Porter, a former schools superintendent in Oklahoma City, to lead a new subsidiary, Mosaica Turnaround Partners. Mr. Porter said he attended a vendor fair at [Ohio State University](#) in June that had been organized to introduce dozens of new companies and nonprofits to districts preparing school turnarounds.

"It was like a cattle call," Mr. Porter said. "No, actually it was more like speed dating."

Pearson, the giant British publisher, also had representatives at the fair. With 36,000 employees worldwide, Pearson is known in education for textbook brands like Scott Foresman and Prentice Hall.

Last year, it formed the K-12 Solutions Group, and it is seeking school-turnaround contracts in at least eight states. Scott Drossos, the group's president, said that in recent years Pearson had bought smaller companies that built Pearson's capacity to train teachers and could draw on its testing, technology and other products to carry out a coherent school-improvement effort.

In interviews last year, Mr. Duncan said he wanted high-quality, nonprofit charter school management groups, like the [KIPP](#) network, which operates 99 schools nationwide, to join the

school overhaul work.

But Justin Cohen, a turnaround strategist at [MassInsight](#), a Massachusetts nonprofit organization, said that most successful nonprofit charter operators preferred starting new schools to overhauling failing ones, and that few had accepted Mr. Duncan's invitation.

"The vast majority of people getting into the field are not ready to do the work," Mr. Cohen said.

Recognizing the risks facing school districts that sign contracts with untested groups, the [American Enterprise Institute](#), a nonprofit conservative policy group, issued a report last month urging that districts require performance guarantees, under which contractors failing to meet achievement targets would forfeit payments.

Dr. Crew's new company, Global Partnership Schools, which he formed with Manny Rivera, a former Rochester schools superintendent, has signed a contract with the Pueblo, Colo., district that is backed by a performance guarantee. It stipulates that the partnership will be paid its full fee only if it significantly raises student achievement, Dr. Rivera said. The partnership has also been awarded contracts with districts in Baltimore and Bridgeport, Conn., he said.

Dr. Rivera represented Global Partnership at the June 30 vendor fair in Ohio, tending a booth along with 50 other groups.

"It was just like you were selling pencils," he said. "A lot of these companies don't have a clue about how to change schools."