



## Personalized Educational Solutions for K-12 Schools



**Eric Loeffel - CEO**

### **About Compass Learning**

Known for its academic rigor that is based on more than 40 years of research into how students learn, Compass Learning partners with educators to ensure that students achieve record academic results, one learner at a time. Its K-12 learning acceleration software™ combines a rigorous instructional approach and actionable data with engaging digital content so students have fun while making real progress. Supported by innovative professional development, Compass Learning is a comprehensive answer for educators who want to inspire students on the path to success. Headquartered in Austin, Texas, Compass Learning serves more than 2.2 million students and 122,000 teachers across the United States.

**Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine**

**CEOCFO: Mr. Loeffel, Compass Learning has a long history. What is the focus today?**

**Mr. Loeffel:** The focus today is personalized educational solutions for K-12 schools. We serve private schools, charter schools and Catholic schools, but the primary part of our business is public schools. When I say educational solutions, we really focus on three areas: intervention, blended learning and credit recovery, specifically at the high school level.

**CEOCFO: Would you tell us a little bit about each of those three segments, what your approach is and how it might be a bit different than others?**

**Mr. Loeffel:** We have been in the education and technology space for a long time, and for many years, we provided a general comprehensive curriculum that allowed schools to shape the solution to fit their needs. We have determined, in working with our customers and our marketplace that the shift in the needs of K-12 classrooms has really changed to one of specific solutions that solve specific problems. The burden of crafting solutions that used to be put on the school system now needs to effectively reside with us so that the solution is presented to the schools in a turnkey fashion. I think a lot of things have happened in the marketplace that have caused this shift. One is the evolution of technology. If you think about how we all consume digital content today, sometimes from an app store like Google Play or iTunes, we are going there for specific point solutions. I think there is a general trend in our society toward consuming solutions in that fashion. After the great recession, there was a real slimming down of resources in school districts. They no longer have the people to actually craft, lead and deploy these implementations. They need us as a partner to do that for them. All of these things are driving the shift that we have undertaken toward these types of solutions.

**CEOCFO: Would you give us an example of what you are physically providing and how the product works?**

**Mr. Loeffel:** We actually teach kids. For example, our software teaches students how to add, subtract, multiply and divide fractions all the way up to what a complex quadratic equation is as they progress through the grades in a particular subject. What separates us from other types of digital solutions is that we personalize and differentiate the instruction, and we do that through performing a brief assessment with the student, which then informs us as to his / her level of proficiency. If you have a classroom of 25 students, it is theoretically possible to have 25 kids with 25 different learning user experiences in our product. The implementation is varied. In an intervention setting, you might have children pulled out of a classroom who are taken to a lab where they receive specialized, not usually one-to-one, instruction in a particular subject area. Our product is generally used to assist with that level of teaching. Sometimes it is in small group settings where a teacher might identify within a classroom a group of four to five, up to 10 students, that interact with our product. A majority of classes in America has a computer pod in the classroom somewhere. Other times a teacher will put out activities that she / he feels particularly strong about that Compass Learning does well and uses that in a classroom setting to actually introduce and teach the subject. It really is varied.

**CEOCFO: Over and above where a student is in understanding math or a particular area, are you able to differentiate or would it be up to the teacher in how a child learns best?**

**Mr. Loeffel:** That is really left to the teacher. I will qualify that by saying that we have another solution, a product family called the Renzulli Learning™ system. It performs a brief assessment that helps the teacher understand the student's

preferred expression style, learning style and interests. It then prescribes for that student the things that are aligned with those three areas. It is based on 35 years of primary research that Sally and Joe Renzulli performed out of the University of Connecticut. There are well-accepted algorithms for how they make these determinations, but it is a tool to help teachers identify that personalized learning pathway. However, the difference among Pathblazer™, Hybridge™ and the Renzulli system is that Renzulli does not provide direct instruction. It will not teach a student one plus one equals two or how to divide fractions. It will just reinforce learning that has already happened, so there is a difference.

**CEOCFO: Are there particular subjects that get more attention or that people use Compass Learning more for than others? Are there particular grade levels or areas that seem a little weaker where you really feel teachers are missing the boat?**

**Mr. Loeffel:** There is a real focus in society on math and science, and as such math and science is a heavy focus in schools. It is no different for us. Our software is used heavily in these areas from kindergarten through 12<sup>th</sup> grade. It is heaviest in high school, but it fluctuates. In terms of grades where there could be more impact and make a bigger difference, we are pretty broadly implemented. Intervention by far is the bigger part of our product portfolio. With our blended learning solution, I expect we are going to see a lot more traction in the marketplace because the whole concept of blended learning is still evolving within schools. I will give you a quick primer on it. Effectively, it changes the classroom experience for the students so that the primary learning happens with a solution like ours. Using technology, the student learns what a numerator is, what a denominator is, and what a main idea is in a passage. They learn what irony means. They learn it with the digital solution, and then what happens in the classroom is more reinforcement of that learning with real-world examples and project-based learning. The actual role of the teacher flips from “sage on the stage” to somebody who is collaboratively working with students on things that reinforce the primary learning that has already happened; putting it in context in a real-world setting. That way, the teachers create deeper learning. There are different models for how to implement that, but in general, that is what blended learning means. It is a combination of a digital approach with an in-person feature, and it is an evolving model that is growing fairly rapidly.

**“Our focus is to work with teachers to ensure that students achieve record kinds of academic success. When people choose to work with Compass Learning, they are not choosing a product, they are choosing a partner.” - Eric Loeffel**

**CEOCFO: What is the high school level, Reignite and Working for Graduation?**

**Mr. Loeffel:** In America today, there is a real focus on dropout prevention. The fact is that if you were to go back 30 years and look at the amount of money spent on schools and the increase of funding that has happened, it is huge. Billions of dollars have been spent, but the graduation rate in America has not moved one bit. It is still about 70 percent across the board. Thirty percent of our school-age kids do not graduate from high school, and that number stayed static for about three decades. There is this huge focus on graduation rates. They do not all necessarily need to go to college, but they need to get a high school diploma, and that creates opportunity for them to do other things, whether it is trade schools, community colleges, or just bettering the workforce. The question in the last few years has been, how do we effectively do that? What you find is that digital/virtual solutions are being deployed in a focused effort to provide kids with an opportunity to get their high school diploma. That is what our Gradbound™ solution does and where it is focused. If we were sitting together and I was showing you the product, you would see that we do things in a more non-traditional way. There is a little bit more entertainment and a little bit more humor; things that are going to engage kids at that age level to keep them interested in the learning experience. It is really different and new, and not just a professor or a teacher talking on the screen and teaching them about biology or DNA.

**CEOCFO: Are you selling to schools, school districts, cities or individual teachers?**

**Mr. Loeffel:** Our focus is at the school district level. It occasionally happens where a principal may make a decision to implement one of our solutions, but the decision in the majority of cases happens at the district level with a superintendent, such as the systems superintendent of curriculum instruction or technology. They are making a district-level solution not necessarily to buy our product for the entire district, but for three or four schools that they want to address. Our implementation team will set it up and we will achieve success. The next step is that we will do the rest of the middle schools or move to elementary schools or high schools. Over time, our approach is to build long-term relationships with school districts that result in a very impactful footprint within that district.

**CEOCFO: Is the revenue model based on the number of students using the product?**

**Mr. Loeffel:** No, because we have different options for licenses. The unlimited user license is the most adopted. A few years ago, we realized that schools were getting frustrated with managing licenses for students. We felt that with licenses within the school building, anybody associated with the school building could use the product, including teachers, parents, etc. We have found this to be attractive and it has been widely adopted by schools because it provides equity for all. It has done quite well.

**CEOCFO: *What has surprised you as Compass Learning has grown and changed under your leadership over the last 10 years?***

**Mr. Loeffel:** I am not an educator. My sister is an educator, my mom was a career educator and my mother in law is an instructor. I have always been in the software and technology space. What surprised me when I got here was the pace of innovation or the lack thereof; the willingness to try new things differently. I became adjusted to it, but that first step was really tough to get used to. In the last two to three years, the pace of change and innovation has surprised me. It has flipped. This marketplace is adopting and trying new things at a pace I certainly never saw in my 10 years. I am specifically referring to things like the number of school districts that are adopting one-to-one solutions, meaning that every child has a technology device, whether it is an iPad, an Android tablet, a Chrome book, a Netbook or a laptop. It is amazing in the last couple of years how many school districts are rolling out these kinds of implementations. It is shocking. That requires significant change. It is changing what is happening in the classroom; it is changing how teachers and students interact with each other; and it is changing what access parents have. Particularly from our standpoint, it is changing what happens in the classroom with regard to blended learning, because now there is more equity and access to the tools and the solutions.

**CEOCFO: *Put it all together. Why Compass Learning?***

**Mr. Loeffel:** Our focus is to work with teachers to ensure that students achieve record kinds of academic success. When people choose to work with Compass Learning, they are not choosing a product, they are choosing a partner. Our focus is not on selling you something; our focus is on creating a solution that results in student achievement. That is where we succeed. A lot of people in this company ask, what does success look like no matter what we are doing? The ultimate answer is that success is successful students and that we are having an impact on the academic achievement of every child that we have the opportunity to engage. From my perspective as the leader here, that is what differentiates us. Our customers have been customers for long years, and we are truly partners with them. Districts, schools and people involved in the school business are also here because they want to help kids succeed. Our goals are aligned because that is what we are all about. We believe that being focused on students' success will automatically transfer into financial success for Compass Learning, and it has historically. But, we do not put the numbers first here, it is about the kids.

---

**BIO:** Eric Loeffel was named President and CEO of Compass Learning® in 2005. Under his leadership, Compass Learning continues to garner recognition as a premier provider of personalized learning software for K-12 classrooms. The company holds multiple coveted education awards including EDDIEs, BESSIEs, and CODiEs, and is included in a much sought-after national Top 100 list of educational product. Eric is frequently invited to share his industry vision at national education innovation conferences.

Eric plays a critical role in helping grow the economy in Austin, Texas, having relocated Compass Learning to the city from California in 2006. He is an active leader in Austin's burgeoning SXSWedu Conference, serves on various committees of the local Chamber of Commerce, and provides a professional environment that is frequently included in the Austin American Statesman's list of top places to work.

Prior to joining Compass Learning, Eric was president and CEO of Isochron Data Corp., a venture capital-backed software company in Austin, Texas. He enjoyed similar success as the president and CEO of OnQ Technology, Inc., a private international semiconductor services company. Prior to that, Eric held various positions at Intuit, the makers of TurboTax, Quicken, and QuickBooks. He earned a bachelor's degree in accounting from San Diego State University and an MBA from the University of California.

---



Compass**Learning**®

*Guided by research. Propelled by fun.*

**Compass Learning**

**203 Colorado Street**

**Austin, Texas 78701**

**512.478.9600**

**[www.compasslearning.com](http://www.compasslearning.com)**