

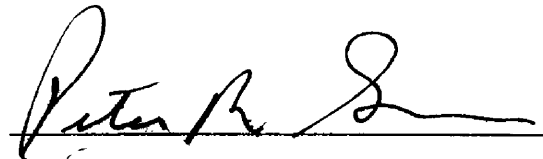
BUSINESS-EDUCATION PARTNERSHIPS:
AMERICAN BUSINESS COMMUNITY'S INVOLVEMENT
WITH THE PUBLIC SCHOOLS

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the Master of Public Administration Degree.

August 16, 1990

First Reader: Dr. Peter R. Gluck

A handwritten signature in black ink, appearing to read "Peter R. Gluck", written over a horizontal line.

Second Reader: Dr. Charles Weber

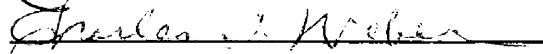
A handwritten signature in black ink, appearing to read "Charles Weber", written over a horizontal line.

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Introduction

The academic achievement of American students has failed to keep pace with the competitive requirements of the international marketplace. Vast numbers of students have failed to meet the educational requirements of the American workplace. Tests in science and math prepared by the Educational Testing Service in 1988, A World of Difference: An International Assessment of Mathematics and Science, were administered to 13-year old students from six different countries (Korea, Ireland, Spain, Britain, United States and five provinces of Canada). The purpose of the test was to compare the academic achievement of the students. U.S. students performed poorly in both math and science. In math, they scored last, and in science, fourth to last. (See figures 1 and 2, page 2-3.) "Changes in the labor supply have the most significant spur to this renewed interest in education ... business leaders have come to understand that the emerging labor supply problem is essentially an educational problem."¹ The consistent underachievement of the American student and the changes in the labor supply were a few reasons for the new educational reform which focused on quality of education and called for an increase in academic achievement especially in math and science.

FIGURE 1.1

Average Mathematics Proficiency, Age 13*

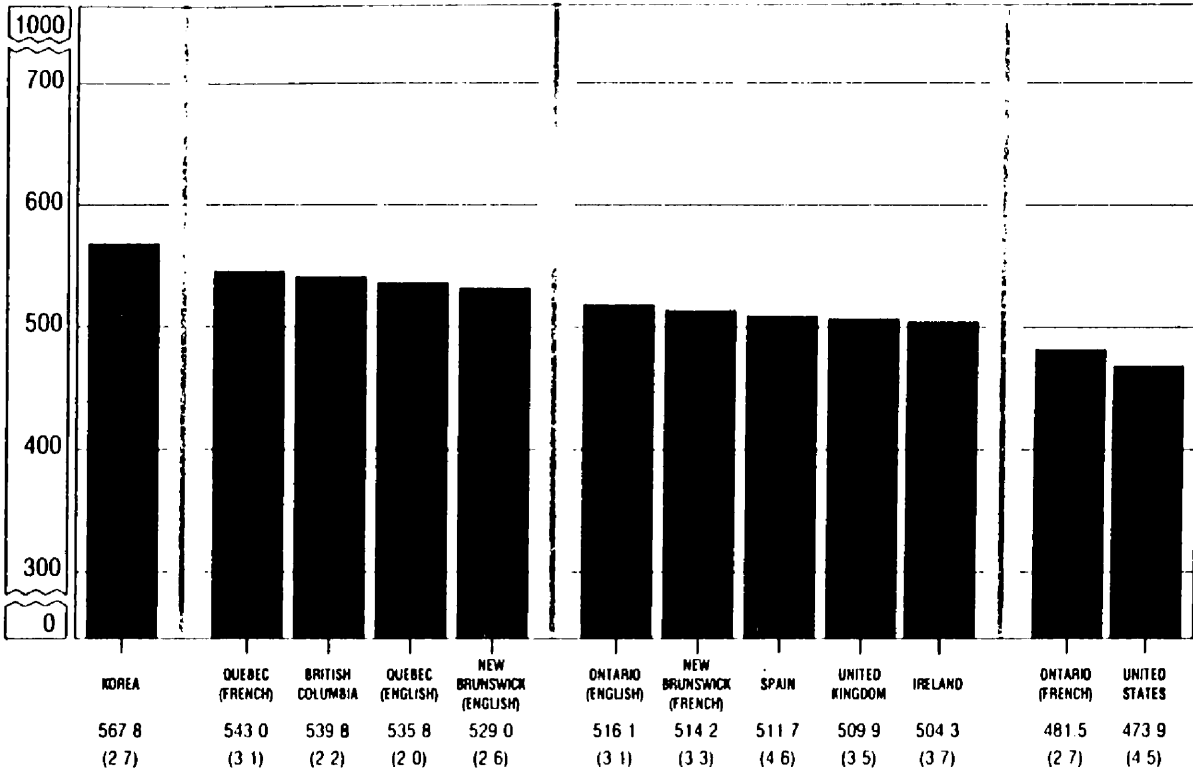


FIGURE 1

*Differences in performance between the four groups are statistically significant at the .05 level; differences in performance within groups are not statistically significant. Jackknifed standard errors are presented in parentheses.

There is a very low probability (less than 5 percent) that the observed differences within the groups tested are caused by uncertainties associated with sampling.

FIGURE 4.1
Average Science Proficiency, Age 13*

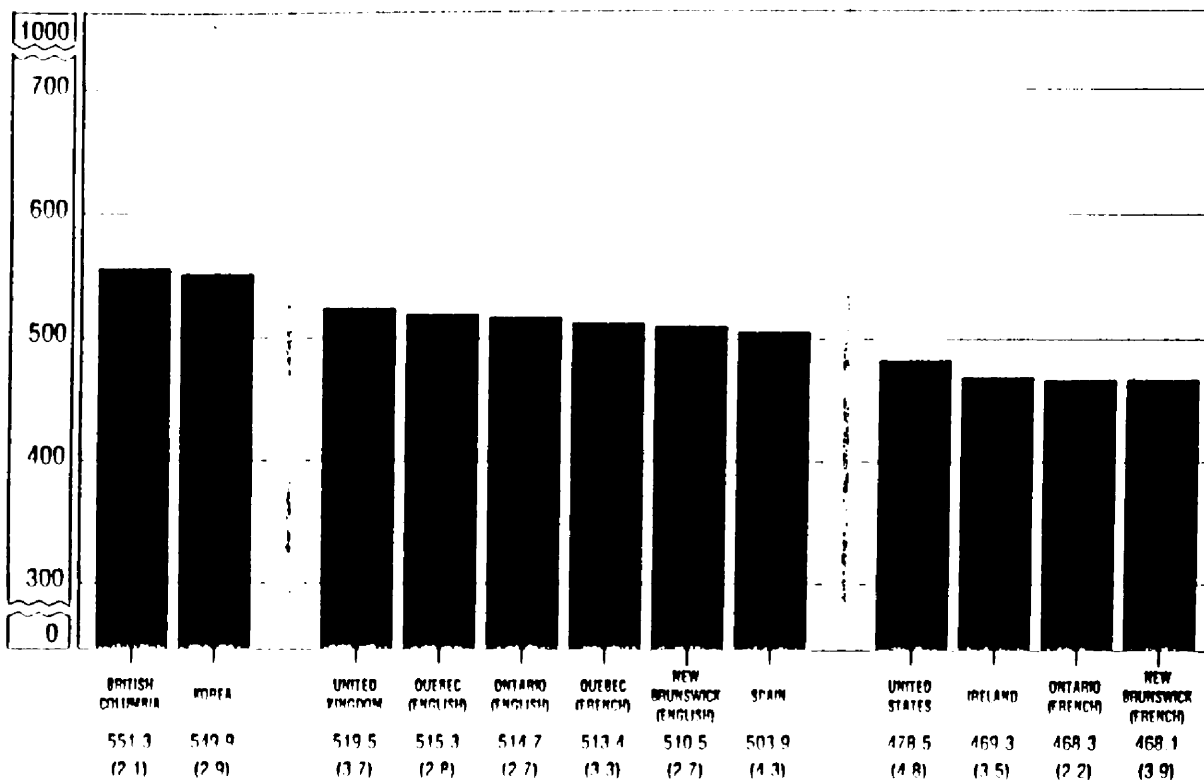


FIGURE 2

*Differences in performance between the three groups are statistically significant at the .05 level; differences in performance within groups are not statistically significant. Jackknifed standard errors are presented in parentheses.

In order to make the results of the science assessment more understandable to policymakers and taxpayers who must make these judgments, the project has defined or "anchored" five points or levels on the science proficiency scale - (300, 400, 500, 600, and 700) - in terms of what students who perform at these levels know and can do relating to science. These points or levels are also illustrated by sample questions chosen from the assessment to represent the kinds of tasks that students at each level typically can address successfully.

The education reform movement of the 70's and 80's originated with the growing concerns about the quality of education which students received in the public schools. Some of the major concerns were:

- 1) The low level of academic achievement among students graduating from high school and its impact on the qualified labor pool for entry level jobs;
- 2) A high dropout rate (up to 40% in urban schools and 25% across the country) especially among the at-risk population and its impact on the community;
- 3) Schools no longer possess the literacy required for the workplace or social and public involvement. Consequently, students are ill prepared for the challenges of the future;
- 4) The diminishing pool of qualified employees for entry level jobs; and
- 5) The future economic competitiveness of the U.S. within the community of nations.

The sense of an educational crisis culminated with the release of the report of the National Commission on Excellence in Education, A Nation At Risk. The report challenged schools to undergo reform in order to reverse the declining trend within education, thus to be able to meet the challenges of the 21st century and combat the rising mediocrity that threatens the future of America as a nation. The report called upon all segments of society, including the business community, to join the monumental task of school reform. The underlying thrust of the current reform focuses on quality of education in order to better understand the present and future economics of the country.

Whereas the education reform of the 60's focused on issues of education equality, due process, and free access to school systems by all students, in the 80's "economics replaced humanistic guidelines which motivated changes in public policy".² Concerns of quality of education touched upon all segments of society including, but not limited to, government, churches, citizen groups, and business. The business community's involvement is a dimension of school reform which I will examine.

Schools are the central public institution which develop human resources. Human resources are essential to the development of the country's economy. Without an educated, skilled, knowledgeable, and adaptable workforce, the country will not be able to maximize its potential.

Business interest in schools is not a new phenomenon. However, until the late 1970's the basic institutional roles and responsibilities were fixed. Business performed defined tasks. The distinction between professions was clear. Education was left to schools while employment was within the business domain. However, the increasing desire of American business to regain its competitive place in the global economy, coupled with new critical factors of "a perceived deterioration in school quality, community dislocation, and a diminishing pool of qualified entry-level employees"³, brought upon the private sector the sense of urgency to re-examine its role as corporate citizens in education. The increasing desire of American business to commit its resources and expertise to excellence in education "is not merely a matter of philanthropy; it is enlightened self-interest ... Business can regard an investment in education as one

that will yield a handsome return."⁴

Business can no longer depend on school systems to prepare the students so that they can become gainfully employed. The Committee for Economic Development (CED), in its first public policy statement in its 1959 report Paying For Better Public Schools and in its 1985 report Investing In Our Children, stated clearly that business has a responsibility, as citizens, to participate in the local, state and national effort to improve the schools and to take an active role in upgrading the school system.⁵

The report, Investing In People: A Strategy to Address America's Workforce Crisis, published by the U.S. Department of Labor in 1989, documented an emerging crisis in the American workplace. "Employers report that alarming numbers of young job applicants have such poor reading and computation skills that it is impossible to provide them with job-specific training ... perhaps more troubling is the fact that many of those who do graduate possess little more than rudimentary language and mathematics skills."⁶ The report warned the nation that technological changes, demographic trends, and increased international competition would weaken the American economy. According to the report, a national strategy is needed to avert economic decline. One strategy is to improve workforce quality through public and private partnerships which would create incentives for students to improve motivation and achievement. "The business community should increase its presence in the schools, work with parents and school personnel, talk directly with students. Increased involvement of the business community will be particularly valuable in low-income urban areas."⁷

The shared goals and common interests of business and the schools in quality education brought about a new type of relationship between the schools and the private sector.⁸ New organizational arrangements emerged. Terms such as "adopt-a-school", "collaboration", and "partnership" have been used to describe diverse activities undertaken jointly by both school and private sector.

Many education policymakers see the importance of the new relationship between business and education. Others are concerned that the private sector's renewed interest is self-serving, and therefore might be short lived. The concerns are that the motive which will drive the new partnerships are pure "self-interest" since "corporations aim to make profits and are responsible to stockholders who seek just that."⁹ Questions about the corporate role in public education are paramount in the debate which engulfed corporate America with the emergence of business-education partnerships.

This study examines the origins and evolution of business-education partnerships in order to better understand the present relationship between the private sector and the schools. In addition, two program typologies are examined. The examination of the evolution of the relationship between business and education and the typologies provide a framework to evaluate the case studies and to consider the future of the relationship. The issues in this research paper involve a two-part question: 1) what is the new role of business in the current educational reform movement; and 2) what is its effect on the students and the schools. In order to better understand the role of business in the educational reform, the research paper is divided into three chapters.

Chapter One provides a historical perspective which traces the evolution of business education partnerships. Factors which influenced the relationship are discussed, and a clear link between education, business and the economy emerges. The reasons for the decline in the support of the private sector in public education during the 1960's is explained, and the realignment of business and public schools during the 1970's is examined. This overview will provide a background against which we can examine the present role of business in educational reform.

Chapter Two reviews the diversified programs labeled partnerships in a typology form. The programs are classified by categories. The focus of the typology is on the variety of programs sponsored by businesses and the programs impact on the partnerships' participants.

Chapter Three reviews two case studies the Boston compact, the Minnesota Business Partnership. The case studies examine the relationship between business, community, and the school. It illustrates the partnership's effectiveness and impact on the students and the schools.

Chapter Four contains an assessment of the nature of the future relationship between the business community and education.

The methodology relies on qualitative techniques. Dozens of reports, articles, monographs, program information, and books were reviewed. Semistructured interviews with corporate, organization and education leaders were contacted to gather information about perceptions of the role of business in the public schools. Participant observation in the form of a dialogue was conducted with ten different Flint school constituencies, representatives of the Flint business

community and not for profit organizations. These dialogues were part of an effort to form a business-education partnership in Flint. The purpose of the dialogues was to familiarize the business community with local educational issues. The dialogues turned out to be a very useful method and rich source of information. They provided insight into fundamental urban school problems.

Chapter 1

Historical Perspective

The relationship between the private sector and the education system can be traced back to the colonial era. Tracing the evolution of the business education relationship will show an everchanging relationship based on economic, social and political influences. The major phases between business-school relationships are:

1640-1770 Colonial era

1770-1880 The emergences of public tax supported schools.

1880-1900 Manual training - a transition to vocational education.

1900-1960 School board's centralization: The corporate model.

1958-1970 Business community withdraws its support from schools.

1970's Career Education.

1980's "A nation at risk" - quality education and the economy.

The Colonial Era: The Origin of Free School Movement

The relationship between American education, the private sector and the economy began in the Colonial era. The Puritans, who settled in New England, brought with them the Calvinistic idea of compulsory elementary education for all children. According to the Calvinistic idea, every individual ought to be able to read the scriptures, which

are the rules of life, without depending on a priest. Therefore, it is the obligation of the congregation to provide the people with the required skills. This fundamental principle was the root of the free school movement in New England.

This movement was enforced through an enactment of a series of laws. The Massachusetts laws of 1634 and 1638 established the "principle of common taxation of all property for town and colony benefits - a principle that lies at the basis of all present day taxation for support of schools".¹ The law of 1642 asserted that the state had the right to see that every child was educated. However, the law of 1642 did not establish schools nor did it provide for schoolmasters. The provision of education was left in the home. Continued discontent about the delivery of education brought the enactment of the law of 1647 which ordered the establishment of a school system and the state's right to require communities to establish and maintain schools. Thus, the New England colony established the fundamental attitude and the outlines of a complete system of popular education in Massachusetts - the elementary, the grammar or secondary schools - all supported by the contribution of people, private beneficiaries, public taxation and legislative grants.² These laws became the basis for legislation in all other New England colonies except Rhode Island which was founded on the basis of religious freedom. The state enacted the legislation and saw to the implementation of elementary education in spite of the fact that public education was required for religious reasons.

Thus, the relationship between religion and education provides the basis for understanding the beginnings of the American education

system. The decline in importance of organized religion explains the alliance of education with economic forces during the 18th century. The alliance of education with these economic forces was triggered by the development and growth of the democratic spirit which swept the country, the rise of a working class, and the development of the city. These new social forces threatened the supremacy of organized religion. The weakening of ministerial authority changed the basis of American education.

1770-1880 The Emergence of Public Tax Supported Schools

Until the time of the Declaration of Independence, generally formal education was for the elite and the apprentice system was for the poor. However, the emergence of national pride and the gradual development of national resources in the form of taxable property made secular schools possible. Publicly supported schools were supported by philanthropists and semi-private philanthropic agencies called "The Public School Societies". These societies offered education to the poor and they caused an American awakening of an educational consciousness. The philanthropists, many of which were businessmen like Christopher Ludwick who bequested \$13,000 for the Philadelphia Charity Society, contributed money to provide education for the poor.³

The common school movement for tax supported schools kept pace with the growth of the middle class. In addition, the rise of a new national government based on the principles of political equality and religious freedom coupled with new economic conditions made education seem necessary for all people. The chief arguments for free tax supported schools were: education increases production, it's necessary

for preservation of institutions, it diminishes class differentiation, it reduces poverty, it will rectify false ideas as to unjust distribution of wealth.⁴ The main arguments stemmed from economic reasons. It was thought that universal education would be a solution to the hard times brought by the rise of the cities and the industrial population. In addition, it was thought that philanthropy and protective tariffs alone could not cure the hardship which afflicted the working class.

The period from the beginning to the middle of the nineteenth century was one of rapid growth and transformation from a rural and agrarian society to an urban one. With the new social, political and economic influences, "family, church and private school education proved inadequate to changes taking place in America. Access and universal education, at least at the elementary level, was the foundation for the development of tax supported common-schools."⁵

Manual Training - A Transition to Vocational Education (1880-1917)

In the late nineteenth century, as America's urbanization intensified, much was expected from the schools. In addition to educating the young, schools were required and expected to teach social responsibilities and citizenship. Industrialists, facing a shortage of skilled labor, argued that education would further the nation's economic growth. Furthermore they contended that schools should meet specific industrial needs. The relevance of schools, their curriculum and the product of the school became important to the emerging corporate and industrial order. The new demands for schools' integration with the economy posed new challenges to the schools. Business

fought compulsory attendance laws. However, as the public saw the democratic need for education, the compulsory attendance law passed.

The manual training movement was led by businessmen, philanthropists, and social reformers. This was the first time the business community got involved in curriculum issues - the integration of manual training into all levels of schooling. This philosophy drew the businessmen's support as they argued that workplace skills should be taught at the school and that manual training would teach the mind through the hands. The notion that hard work was sufficient for upward mobility was being replaced by new industrial realities, the need of formal schooling. These new realities led to the concept of manual training, i.e. "drawing upon the child's natural interest in working with his hands."⁶ Parents, educators and reformers supported the new curriculum. However, the expectation that manual training would alleviate the problems of industrialization proved to be wrong. It did not have the economic relevance that employers sought. It taught children the moral principles of hard work and not a vocation.

By 1900, as part of the industrial changes, labor was replaced with machines. Big business became the most powerful force in the country and it was not satisfied with the school system. As manual training failed to meet the demands of business, the business community looked to Germany's educational system which emphasized vocational education as opposed to manual training. Economic arguments and a redefinition of equality of educational opportunity gave vocational education its support. In a rapidly growing urban society with increasing needs for highly skilled labor, vocational education would offer economic opportunity. With the National Society For Promotion

of Industrial Education, a powerful group of political leaders, businessmen, and labor, the movement for vocational education gained enough support and its greatest triumph - the passage of the Smith-Hugh Act in 1917. The act granted federal money for vocational education. The business community supported the act since it knew that improved skills for entry level jobs were needed in order for the U.S. to be able to compete in the global economy.

School Board's Centralization: The Corporate Model (1900-1950)

At the turn of the century, equality of educational opportunity had been partially realized. Most white Americans who were able and willing to work, could get education and professional training, but the education of blacks was neglected. The basic institutional arrangements were created with free access to public schools for children of kindergarten age to twelfth grade. However, American schools, due to their institutional arrangements, financial support structure, and political control were vulnerable to economic and social forces; they responded quickly to them.

The most powerful force was industrialization. The rapid growth of industrialized transferred the means of production to the city. As the migration to the cities intensified, schools became more populated and the focus of a social debate over their lack of efficiency and control by politicians. The rise of business and industry to a leadership position in American schools is due to the business financial success.

As schools grew, the need to organize students in a more manageable way became apparent. A group of social reformers who were

mostly business and professional elites, "the administrative progressives," wished to make schools more accountable to a central administration and "to centralize control of schools on the corporate model and to make urban education socially efficient".⁷ They planned to delegate almost all administrative power to an expert superintendent and his staff in order to meet the new economic and social conditions of the times. Professional superintendents were hired and scientific management principles otherwise called "Taylor-System" were applied to the schools. This theory advocated that there is always one best method for doing a particular job and this method can be determined by scientific standards. Aspects of business ideology have been accepted and applied by educators to teach and operate the school since the ideology was that the problem of classroom management, was primarily a problem of economy. It seeks to determine in what manner the working unit of school plant may be made to return the largest dividend.⁸

The business community's influence on the structure and management of schools increased between 1900-1960. The call for centralized non-political school boards brought about a structural change in school boards. Ward boards and corrupted lay management were replaced by upper middle class elite and business people. The administrative progressives' concern with the corruption which prevailed in the multiple district boards motivated them to support consolidation into a single district board. A shift in the method of selection of school board members to favor the elite and the upper middle class opened the way for school board membership dominated by business representatives who financed their own election campaigns. "Most school board members

and education reformers were from the elite and business people whose paternalistic view was that they knew what was best for the poor and the working class".⁹ Their concerns were that schools should operate efficiently and provide comprehensive training.

During the years of business control of school boards, new economic and social changes affected the schools once again. From the Depression era, a new America emerged with faith that its educational institutions would produce a labor force capable of dominating global markets.

Business Community Withdraws Its Support From Schools

In the late 1950's a variety of social, scientific and economic events awakened academics, administrators and the business community to new realities. These realities once again changed the relationship between the business community and the schools. The unexpected launching of Sputnik by the Soviets in 1957 heightened the traditionalists' criticism about low academic performance in the schools. Critics of the schools blamed the progressive education on the lack of high academic achievement in the schools. A debate engulfed the country over how the United States should gain the technological superiority and the role of the schools in the space race. The result of the debate was the establishment of the National Defense Education Act (NDEA) of 1958 which placed a greater emphasis on science and math in all levels of schooling as a way of gaining a technological edge over the Soviets. The space race was supported by Congress and the business community.

Social changes led Americans to focus on the urban school system especially as segregation was declared unconstitutional. Poverty among blacks and high youth unemployment were the main reasons for community action. Tensions which resulted from desegregation of schools were the prime reasons why the business community's traditional support for public schools diminished during the 60's.

The conclusions of the reports on urban schools written in 1961 by James Bryant Conant, Slums and Suburbs and James Coleman's report (1966), Equality of Educational Opportunity, provided the business community with additional reasons to withdraw from the support of the school system.¹⁰ Conant found that education and employment opportunities do not necessarily correlate. Coleman revealed that the education system alone cannot achieve equality of educational opportunity and that the factor most highly correlated with student achievements were the home environment.¹¹ These reports further isolated the urban schools and their students from the rest of the society.

Other controversies which added to the reduced role of the business sector in education were collective bargaining by teachers and the aggressive action by community and parent groups. The empowerment of teachers, politicians, and parent groups eased the business community out of education.

A call for decentralization of school boards further reduced the business community's involvement in the schools. In addition, businesses began to move to the suburbs with their employees. Mandates for equal educational opportunities and due process intensified the flight of the middle class and businesses to the suburbs, leaving

the poor even more isolated. Thus started a new era of lack of cooperation between the school and the business community.

While the pool of skilled labor in urban schools diminished, the gap was filled by the entrance of women into the workforce. The need of industry for highly trained workers was filled by college and post secondary graduates, increasing the business community's interest in supporting post secondary education. High school dropout training programs were sponsored by the federal government and compensatory education was designed to improve the academic achievement of the poor and underachievers. The business community reached a new low in its relationship with the public schools.

The 70's - Career Education

The anti-business sentiments which prevailed within educational leadership and other civic groups during the 60's turned sharply to "a general disillusionment with the effectiveness and accountability of the schools set in with the public".¹² Although community involvement was at its peak, the private sector's involvement with the public schools during the 70's was very limited. It consisted primarily in helping students make career choices. The schools developed multi-track systems to offer students a broad menu of career options. The extent of the business community's involvement was limited to supporting the career education movement. Courses such as typing, accounting, and other business related selections were offered to students. These efforts were characterized as "career education" by their most vocal supporter, the U.S. Commissioner of Education, Sidney Marland.

As youth unemployment rose, researchers started to look at the concept of "school to work transition". In addition, input about career education came from collaborative councils of business, labor and educators formed as part of government sponsored training and vocational education programs.

Until the late 70's, business activities with the schools were relatively modest and limited. The basic institutional roles and responsibilities were fixed. Business performed defined tasks within the schools and generally under the guidance of the school personnel. Education was left for the educators while production and employment was left to business. However, during the late 70's, major changes in America's demographic, economic, and labor supply took place. Also global economic competition was becoming acute. The economic reasons which induced business to become involved with education during the 1880's reoccurred. Also, the perception of the quality of public education changed. Schools, which in the past were seen as offering solutions to community problems, were perceived as massive bureaucracies fostering a variety of social ills.

Youth unemployment, lack of skilled labor, social ills and global economic reasons are a few of the causes of the renewed interest of the business community in the schools during the 1980's.

1980's - "A Nation At Risk" Quality Education and the Economy

During the past decade the challenges to the education systems, especially in urban areas, have increased. Urban schools, plagued by low academic achievements, and a dramatic demographic shift including an out-migration of the white middle class from the cities to the

suburbs, left the urban schools vulnerable to greater social ills (as the poor were left in the cities). The business community was distant from the public schools but actively supporting the higher education institutions.

In the late 70's and early 80's, the business community has shown a renewed interest in the public education system. This renewed interest was triggered by growing concerns about the American students' quality of education, social, and economic concerns.

Low academic achievement among students graduating from high school and a perceived decline in the quality of education triggered policymakers and other members of the community to question the academic abilities, employability, and competitiveness of the American student. In standardized tests between 1983-1986, American high school seniors came in near last in all the science examinations among students tested from 13 countries. In science and math, tests administered in 1987 to 13 year olds from six different countries, (including five different provinces of Canada) American students scored last. The concern about poor quality of education delivered by the nation's schools culminated with the release of the report, A Nation At Risk, by the Commission on Excellence in Education in 1983. This report established a direction for change. The report called upon the business community and business leaders to join in the monumental task of helping the school to reverse this trend.

A myriad of social problems concerned the business community. The urban schools' massive bureaucracy, a dropout rate of up to 40% among urban school students, and up to 22% of unemployment among black youth¹³ alarmed the business community. A report, Children In Need

Investment Strategies For The Educationally Disadvantaged, published in 1987 by the Committee for Economic Development, documented their view that unless major special educational programs are targeted toward the socially disadvantaged children, educational reform will not be effective. The business community was asked to invest in its future and to become an advocate for the disadvantaged by forming partnerships with schools. Programs which address societal changes and are designed to help the poor would improve their educational prospects and reduce their potential for dropping out of school. "The American public education was not perceived as having the solution to community problems but the cause to a variety of social ills."¹⁴ Therefore, the business community was urged to become an active member of the community and help the schools with special programs to solve their problems.

Economic factors were among the chief concerns which caused the business community to enter into partnerships with schools. As the country entered the post-industrial era, a new call emerged for educational reform. The old institutional arrangements and teaching methods failed. The United States cannot maintain an information-based economy and knowledge-based society capable of competing successfully in a global economy unless the quality of education improves.¹⁵ Demographic changes intensified corporate interest to form partnerships with schools. In a report to the Carnegie Corporation of New York, Corporation and Public Education In The City, published in 1982, Michael Timpane, the President of Columbia University's Teachers College, wrote that the growing pressures of labor supply will produce a new corporate perspective.¹⁶ A report published by the Committee

For Economic Development in 1985, Investing In Our Children Business and The Public Schools, called on the business community to invest in schools since business and schools share common goals and interests.¹⁷ The concept of investment in education where the business rate of return will be greater than the amount invested, justified the emergence of business education partnerships. Improving the quality of education in American schools would offer a partial solution to the shortage of skilled labor for entry level jobs and consequently improves the overall economy.

President Reagan in a 1982 speech challenged the business community to become involved in their community's schools. "I hope that we can count on your making private sector initiatives a top priority for the balance of this administration. Some of you are already taking the initiative ... I'm told 150 communities have been targeted by the U.S. Chamber for special attention to encourage them to establish public-private partnerships".¹⁸

Consequently, a new form of relationship between the business community and schools emerged. Diverse activities were undertaken by the public schools and businesses. The programs were named collaboration initiatives or partnerships. Most of these partnerships were used to provide the schools with additional resources, expertise, and community support. The fundamental principles that education is a way out of poverty - which guided the war on poverty (part of President Johnson's "Great Society") - also guided the business education relationship in the 80's.

The business community understood that "education is our fundamental means of developing skillful and thoughtful citizens"¹⁹, and

finding solutions to the problems was no longer the schools' responsibility alone. The business community re-established its ties with the schools believing that education is the only vehicle for developing skilled labor and productive citizens.

Chapter 2

Business-Education Initiatives: Program Typology

Business-education partnerships are highly diversified and numerous. They include a broad range of activities such as managerial, philanthropic, political support, staff development, financial assistance, adopt a school and more. Frequently, many have common characteristics and are grouped according to similar program elements. Corporations can target their resources towards different program components in the educational system. The partnerships can focus their efforts toward the entire school system (state or district), toward a single school within a district (school as a target) or toward the students.

A system-wide partnership approach focuses business resources and efforts on entire educational systems at the local district or state level. When a school district is the target, assistance is programmatic in nature. Companies contribute money, offer summer jobs for at-risk youths, provide mentors, tutors, and other resources. Generally, in system targeted collaborations, the partnership is formed with the school district and resources are channeled to it.

State targeted partnerships are usually organized by business leaders in an effort to promote state-wide educational reform. State targeted partnerships are organized as forums, councils or Roundtables. Members lobby for school reforms, fund studies to demonstrate student performance or the status of schools. Based on these studies, members advocate for needed changes. This type of corporate

involvement calls for major state-wide systematic changes which entail great political complications and long term goals. For example, the Minnesota Business Partnership has undertaken reform of the Minnesota Public Schools and the State of California has formed the California Business Roundtable to restructure its public schools.

In the school-targeted approach, a single school or a class pairs up with a business to form a partnership. Companies can become involved simultaneously in state reform issues and support local schools. These partnerships, often called Adopt-A-School, usually focus on the needs of an individual school. Companies provide the schools with various resources such as in-kind, human resources and cash.

In student-targeted partnerships, business-education partnerships focus on students from a variety of socio-economic backgrounds. The programs assist students financially, provide academic help, teach social development, and assist with job placement.

A typology of program elements illustrates the diversified activities which are included in partnerships and other business contributions to education. Some of the program elements are directed at a specific business-education partnership and others are national in scope.

Since partnership programs are highly diversified and the number of business-education partnerships is large, it is impossible to review all of them. Hence, this list of categories can encompass most types of programs but is not inclusive:

| <u>PROGRAM CATEGORY</u> | <u>PROGRAM ELEMENTS</u> |
|----------------------------------|--|
| 1. Teacher and staff assistance. | 1. Team Teaching 2. Summer Seminars 3. Awards 4. Summer Internships |
| 2. Management Development | 1. Loaned Executives 2. Management and Leadership Training |
| 3. Philanthropy | 1. Teacher Training 2. Management Training 3. Scholarships for College 4. School Supplies 5. Grants |
| 4. Adopt-A-School Programs | 6. Education Funds 7. Dropout Prevention 1. Dropout Prevention 2. Tutoring 3. Mentorship 4. Equipment Sharing 5. Facility Sharing 6. Student Scholarships 7. Mini Grants |
| 5. Dropout Prevention | 1. Individualized Learning 2. Job Guarantees 3. Attendance 4. Mentoring 6. Tutoring |

6. Forums and Coalitions

1. Business Roundtables
2. Councils
3. Task Forces

Teacher and Staff Development Programs

Programs designed to address the quality of instruction in public schools are funded by many corporations. The principal purpose of these programs is to improve teachers' skills and subject knowledge.² In addition, teachers get a chance to interact with other educational institutions and professionals so they are not working in isolation from other industries and professions. The programs are designed to improve and influence interactions between teachers and students since "they are society's link with its children".³

"Joint-A-School" programs are a type of program sponsored by businesses. They provide teachers with an opportunity for continued development and interaction with private sector professionals. These programs "brought school personnel into the workplace and business people into schools thereby increasing communication between otherwise isolated groups".⁴ In addition, Joint-A-School programs broaden the knowledge base of both groups. An example of these programs is team teaching, whereby a teacher and an industry employee team teach in a classroom. Such an arrangement enables the teacher and the student to learn about the workplace at the same time that the private sector employee interacts with the school. The shared knowledge and cooperation promotes greater understanding between education and business.

Summer internships for teachers are another form of interaction

with the private sector. Summer institutes enhance development and provide teachers with knowledge about the future needs of the private sector.

The value of these programs is that they provide an opportunity for the private sector to learn about schools and schools to learn about the private sector. Such information sharing is important in order to initiate school reform and new educational policies.⁵ Through its foundation, the Allied Corporation makes grants nationwide for teachers to improve their science and math skills. In Morristown, New Jersey, the Allied Corporation offers internships to science teachers. In Seattle, Boeing invites teachers to participate in company management classes.

Awards to teachers in the form of cash, certificates of recognition, or grants, are other types of corporate efforts to promote teaching as a profession. Recognition of professional excellence inspires and motivates teachers and is a form of community appreciation. In 1988, the Exxon Education Foundation gave over \$19 million to educational programs.⁶ The Foundation funds the nationally acclaimed program Impact II, which offers grants to teachers for creative classroom work. Many other corporations fund a variety of programs to benefit teachers on a school basis, state-wide, or nationally.

Management Development

Management assistance is a common form of business involvement in schools. Corporations generally make in-kind contributions to schools in the form of expertise instead of cash donations. With its vast

knowledge and resources, the private sector knows management and finance best. Since many school administrators are promoted from the classroom and often don't have the required management skills, financial and administrative training, they can benefit greatly from management development programs. Typically, management programs take the form of an invitation for school administrators to attend company management training seminars and or make use of loaned executives who teach school administrators how to improve management, financial, and personnel decision making. The most common form of assistance is the creation of a team of consultants from the private sector and the schools to review the business practices in the schools.⁷

Another aspect of management development consists of awards (funded by companies) to outstanding principals. The Motorola Company sponsors the House Manager to Manager program for school superintendents. In this program, participants learn sound business decision making.

Leadership Activities for Principals is a program sponsored by BellSouth Corporation offering high school and middle school principals an opportunity to attend leadership and personnel development programs put on by BellSouth Management Institute. Principals and other school personnel attend seminars with company executives focusing on learning team work, decision making, planning and other desired management skills.

Kraft, Inc. provided \$450,000 to the Institute of Educational Leadership for a program funded by Congress and administered by the Department of Education. The program called LEAD (Leadership in Educational Administration Development) work to improve the leadership

skills of administrators and principals through workshops.

These two basic type of programs i.e., leadership training and loaned executives, have a dual purpose and a ripple effect throughout the school system. They provide school management with the expertise and training required to operate a school system characterized by managerial, political, and financial complexities. They also promote a greater appreciation and understanding between the private sector and the school system. Effective leadership is essential for a well run institution and necessary for educational reform. These programs, targeted toward a school or an entire system, lead to a better relationship between the school and its constituencies. They promote integration between the private sector and a bureaucratically structured institution which often does not have the required expertise and skills to carry out its mission.

Philanthropy

Financial contributions to education by corporations have increased over the years but not by enough to make up for the "deficits in education resulting from federal cutbacks".⁸ The reasons corporations have not supported public schools in the past is that their property tax dollars support education. However, this argument is changing as corporations realize their social responsibility. In 1982, corporate giving to public education reached \$1 billion (not including in-kind contributions) out of which only three to five percent of that amount was allocated to K-12 public education.⁹ In a report issued by the Council for Financial Aid to Education, corporate giving in 1984 rose to \$1.7 billion; only 5.2% of

that amount was spent on elementary and secondary schools. In 1988, corporate giving increased to \$2 billion, with 10% spent on public schools.¹⁰

In a report to the Carnegie Corporation, Michael Timpane writes that corporate philanthropy should pursue three basic purposes: 1) To improve the communities in which the corporation is located; 2) To improve the corporate image within the community; and 3) Social responsibility.¹¹ In addition, the realization that there is a benefit from improved public education increases corporate financial support to schools. Direct financial support to the public schools includes teachers grants for innovative programs, student scholarships, administrative grants, training funds, donations of computers, and other equipment.

In its 1989 Annual Report, IBM reported that \$46 million (between 1989-1993) is earmarked for public education.¹² Chevron Corporation funded \$1.5 million for a three year grant to a Stanford University Accelerated School program. The recipients of the grant are students who are high achievers from at-risk families. General Electric's College Bound initiative is impressive in its funding and scope. Twenty million dollars were allocated in 1989 to fund a program aimed at doubling the number of college applicants from inner cities in five states. A \$1 million endowment by John Hancock Financial Services funded innovative academic and athletic programs in Boston middle schools.

Another type of philanthropic program involves individual businessmen who fund the college education of disadvantaged children. Eugene Lang's example of assistance to a sixth grade class in New York

City and "I Have A Dream" Foundation won supporters in other cities.¹³ Philadelphia's initiative paid for by George Weiss, a stockbroker, helped 12 students finance their college educations. Robert Banwell, a Baltimore businessman, offered \$5,000 for tuition to 54 students graduating from high school.¹⁴ There are more programs of this type.

Most philanthropic programs are funded through a Local Education Fund which is "a third party non-profit entity whose agenda, at least in part, consists of developing supportive community and private sector relationships with a public school system."¹⁵ The Local Education Fund provides a vehicle for a centralized process of donating money to schools. Schools seek business leaders to serve with them and other civic leaders on the board of directors of these foundations. By donating to the local foundations, a corporation receives a tax benefit and maintains control of disbursements from the funds. Local Education Funds are independent of the schools and insulated from political pressures of school boards, administrators, and other groups. They "provide a buffer between the school and the business community thus allowing business to give with confidence".¹⁶ The principle function of the LEF is to solicit donations to the Funds from resources and funders which otherwise would not support school initiatives. LEF also provides an arena for the public sector's leadership to engage in a dialogue with the school leadership. Dialogues about educational issues, potential solutions and mutual cooperation promote a better understanding about educational issues among both groups. They improve and enhance the schools' image within the communities and promote a higher level of community involvement in the schools. These foundations fund grants for teachers, innovative

projects, and other school activities which otherwise would not be supported because of budgetary constraints. However, these programs generally do not bring in large sums of money and their impact on academic improvement, student achievement or morale is marginal at best.

In 1984, the Bank of Boston established the Boston Plan for Excellence in the public schools. An initial gift of \$1.5 million paved the way for a long term effect, as other banks have contributed to the fund. Thus, the initial endowment served as a catalyst by stimulating efforts of other corporations to donate and participate in funding school activities.

Based on the success of the Local Education Funds, a national non-profit organization was established in 1983. Its mission is to spread the idea of Local Education Foundations, and to strengthen the development of public-private collaborations, with the focus on improving the quality of public education and increasing community support.¹⁷

Adopt-A-School Programs

The most popular form of assistance to schools is Adopt-A-School partnership programs. This name has become common for programs which link a business and a school. The approach brings together individual firms with a school through educational projects or management assistance. The partnership is a way that schools and other members of the community such as churches and civic organizations, work together to improve school programs. The arrangement between the school and its partner is designed to share resources to advance learning. Participation in education partnerships or Adopt-A-School

vary by different school characteristics such as metropolitan status, poverty level of schools and school size. In 1988, 140,800 Adopt-A-School programs helped the public elementary and high schools.¹⁸ The participation of schools in Adopt-A-School programs is greater among those with a high proportion of students at or below poverty level.

Most Adopt-A-School programs are administered by a school employee. However, some are administered by different organizations like the Chamber of Commerce. The organizers of the Adopt-A-School match the business with a school. The terms of the partnership are usually determined by both parties. Common types of support include guest speakers, financing a special project, use of the business partner's facilities, special awards and scholarships, assistance to students with special needs, grants to teachers, management assistance, and summer jobs.¹⁹ Tutoring and mentoring of students by company employees has become a common activity. As the adopters try to increase student academic achievement. From the business perspective, "Adopt-A-School programs bring identification of a business with a success of a particular school ... a step which brings both risk and opportunity".²⁰ The opportunities are greater than the risks since the relationship promotes company goodwill within the community, demonstrates good corporate citizenship, brings corporate community recognition and satisfies the people involved.

Adopt-A-School programs also increase general community awareness about the school's and student's needs. In some communities a sense of competition is created between the adopters and the schools. The range of activities among the Adopt-A-School programs is very

broad. BellSouth Company, through its subsidiaries, adopted more than 100 schools and their activities include company employees as mentors and the mini-grants to individual teachers to fund innovative ideas. CitiCorp of Florida sponsors dropout prevention through its Adopt-A-School program by providing cash grants to people who design innovative solutions to the dropout problem. Tenneco/Jefferson Davis High School Adopt-A-School program involves a substantial number of employees as mentors. Tenneco also sponsors summer jobs for students and employability workshops.

Because of the direct contact between school constituencies and members of the community, Adopt-A-School activities heighten community awareness about school activities, academic achievement, and other educational issues. Adopt-A-School partnerships enable the community to learn about education and school employees receive community recognition. These programs generate understanding of schools and lead to community support.²¹ This attitude is also the major reason that schools enter into partnerships "primarily they desire to foster school community support".²² Adopt-A-School programs are considered successful when they have a positive academic and social effect on students participating, and the community attitude toward the school changes.

Dropout Prevention Programs

Dropout prevention programs are identified as potential resources for addressing a serious problem. Many students, especially in urban public schools, are affected by drug abuse, alcoholism, teen pregnancy, poverty, lack of motivation, lack of role models and

hopelessness, all of which lower their academic achievement, interest in school and eventually increase the dropout rate.

Dropout prevention programs typically target disadvantaged youth. Most often disadvantaged youth are considered "at risk", meaning they are in danger of either dropping out of school or failing to make the transition to work after graduation".²³

According to the Department of Education, 700,000 students dropped out of school in 1989. The economic future of dropouts is bleak. In 1986, the unemployment rate of 16-24 year old dropouts was double that of high school graduates. Furthermore, 71% of prison inmates are high school dropouts.²⁴ Businesses increase their support of innovative programs to address the dropout issues. These programs are generally student focused.

Dropout prevention programs take three fundamental approaches: 1) Individualized learning, 2) Job guarantees as an incentive to stay in school, and 3) Attendance programs.²⁵ Programs using the individualized learning approach advocate a low classroom teacher to student ratio. These programs offer the students less structure and more individualized attention. The Middle College High School of LaGuardia Community College in New York City is an example of a program designed to retain potential dropouts by offering students daily counseling sessions, small class sizes, greater adult-student contact, and special curricula. The graduation rate among students attending this high school is about 90%, which is considerably higher than at a regular high school. The Ford Foundation makes grants to schools that wish to replicate the LaGuardia program.

Cities in Schools, a public/private partnership supported by

corporations, foundations and individuals is another successful dropout prevention program in 100 sites serving 16,000 at-risk youth and their families. The philosophy behind Cities in Schools is that social factors cause students to drop out. Therefore, a social service support system with counselors, educators and volunteers, helps students succeed academically.

In 1983, the Rich Department Store in Atlanta, opened its Rich Academy in a downtown store to serve at-risk youth. The company provides space and resources such as special counseling and social services for students attending the Academy. Many students return to their regular high school to graduate after a period of time.

The job guarantees program approach offers students a summer job or a part-time job during the school year as an incentive to stay in school and perform at a minimum of a C grade. Mentoring, tutoring and counseling are provided as support systems. The Detroit Compact and the Boston Compact promise summer jobs and college tuition guarantees to students whose attendance rate is 95%, achieve a 3.0 GPA, and graduate.

A common type of dropout prevention program consists of vocational training, work experience, remediation and basic skills, and a focus on developing work skills²⁶ in addition to a regular curriculum. The program is often managed by a third party whose primary task is to facilitate the relationship between the business community and the schools. The school's benefit is usually a lower dropout rate, which promotes a positive image for the school within the community. The business community has a pool of better qualified workers and also a better image within the community. The students

in the programs graduate from school and tend to become employed or continue their schooling in a post-secondary educational institution.

The greatest shortcoming of comprehensive dropout prevention programs is that they are directed at the older students (ages 16 years and older) while many "at-risk" youth have already left school. In addition, the programs' criteria restrict the entry of those who need it the most. The programs often require the students to display a minimum academic ability and a high attendance. Thus, creaming often excludes students who are "at risk" and most in need.

Forums and Coalitions

Corporate involvement and initiatives extend beyond partnerships and programmatic support. Their involvement supports reform based initiatives and actions. State-wide task forces, regional councils, or local coalitions are formed by members of the business community along with representatives of other civic groups and the school system. These formal arrangements at a local level are charged with the task of assessing the school districts and making recommendations for change.²⁷

Forums provide their members with a vehicle to learn about the school system and open the lines of communications between the community and its schools. They are often created at the request of the school district. In cases where the forum extended its role to other activities, they changed their status to action coalition²⁸ which are independent bodies whose function is to link private sector groups with the public schools. Often they engage themselves in political

activities and lend their political support to the schools. Thus they become involved in local and state legislative advocacy in support of issues such as extending the school year, improving critical thinking skills, toughening standards for students curriculum changes and other issues.

Action coalitions or Business Roundtables often finance studies of state-wide reforms. In California, a state-wide organization of CEO's funded a study on improving student performance. Based on the findings, the business community started to lobby for implementation of the report's recommendations. In New Orleans, the business community played a pivotal role in passing a tax levy for the schools through its community awareness program called The Metropolitan Area Committee. It campaigned to educate the public about the need to support public education. In Minneapolis, the business community raised \$100,000 to pay for a comprehensive planning process for the school system.

However, in spite of increased and widespread corporate involvement in educational reform, corporate America proceeds very cautiously with respect to public education and policymaking. "Politics involves risk".²⁹ To be involved, corporate leaders must reassure themselves that there is a substantial gain from their investment in education. They must decide whether their interest in a qualified workforce will be served best by lower taxes or better schools. Since public relations benefits cannot be guaranteed, and educational issues are highly controversial, the general business community's involvement is limited to programs and projects rather than education reform.

Chapter 3

Two Case Studies: The Formation of the Boston Compact and the Minnesota Business Partnership School Reform

The Boston Compact and the Minnesota Business Partnership are the two cases examined in this chapter. Criteria used to examine the case studies are: businesses' civic and economic motivations which lead to the formation of the partnership; businesses' role in the formation of the partnership; the partnership objectives; the process which leads to the agreements and outcomes. In addition, each case study describes unique circumstances while cross-cutting themes are identified and conclusions drawn from both cases.

An examination of both case studies reveals a broad range of corporate involvement in public schools. The case studies represent different types of agreements and different objectives. The objective of the Boston Compact is to provide incentives for local schools to change, while the objective of the Minnesota Business Partnership is state-wide educational reform. Both partnerships have a common goal of improving the quality of public education in their communities. However, the means used by each to achieve the goals are different.

The Boston Compact: Introduction

Leaders from the Boston community signed the first compact agreement designed to bring measurable improvement to the Boston Public Schools (see Appendix A). The document signed by leaders of the Boston business community, the Boston public schools, and City government was a quid pro quo whereby schools pledged to improve average

daily attendance, standardized test scores and graduation rate in return for the partners pledge to assist the schools by providing technical assistance, political support, employment and educational opportunities. Thus, the schools and the business community pledged to involve their institutions in a new plan for improving education and the workforce, to cooperate, to be measured publicly by the results of the Compact's efforts and to be held accountable for their share in the agreement. To the Compact partners, it was not merely an agreement but an idea which lent itself to multiple purposes and interpretations by many people thus "allowing individuals and institutions to 'buy in'."² Within two years after the Compact was signed, it was expanded to include higher education institutions and teachers unions.

Background To Compact's Development

Boston's school desegregation order of 1974 brought chaos to both the streets and schools of Boston. Court-mandated busing and a city-wide plan to reflect the community's racial composition was followed by a massive flight of white families to the suburbs and a transfer of white students to private and parochial schools within the city. As a result, the city's public school system lost its traditional constituencies. School enrollment declined from 93,000 to 61,000 students and projections prepared in 1982 for student enrollment in 1995 anticipated a further decline to 40,000 students.³ For the school system the decade following desegregation was characterized by ineffective leadership and high turnover of school administrators.

Contrary to the chaos in schools and neighborhoods, Boston's economy flourished during the 70's. The city experienced a growth in service industries such as banking, insurance, retail and tourism. However, the flight of white middle class families to the suburbs due to urban social ills and desegregation produced changes in the labor market especially at the entry level. Employers realized that a shortage of entry level workers could seriously jeopardize further economic expansion. Because employers could not attract entry level workers from the suburbs, many large corporations moved some operations to new sites to tap into suburban labor pools. The student body in the city was primarily minority, poor, lived in public housing and experiencing academic deficiencies. This new reality became a major factor in the demand of the business community for academic improvement.

Business Involvement In School Prior To Formation Of The Compact

Prior to 1981, the business community and the schools worked together through the Tri-Lateral Council by order of the court in the desegregation case of 1974. The Council, a non-profit organization established in 1974, consisted of representatives from the business community and the schools. The Council aimed to foster Business Partnerships with the schools during the period of school desegregation. Through years of experience working with the business community as represented by the Private Industry Council (PIC), the Chamber of Commerce, and the schools, the business community and the schools reached a level of understanding about school problems. The Tri-Lateral Council tried to address the educational problems and

suggested the establishment of measurable goals for school improvement under a "90/90 formula."⁴ In this plan, if 90% of freshman stayed in school to graduate the business community would place 90% of graduating seniors in jobs or provide financial support to further their education. The benign relationship which existed between the schools and the business community prior to the Compact era evolved into a concrete agreement in the form of the Compact.

A second set of relationships existed between the business community through the Coordinating Committee otherwise called the Vault, an umbrella organization which existed since the 1950's and included an exclusive group of 25 chief executive officers of Boston's largest firms who shared information and coordinated activities in the area of public policy and social responsibility. Vault member firms were the first to sign the Boston Compact.⁵

Additional relationships existed as a result of Title VII of the Comprehensive Employment and Training Act (CETA). The act mandated the inclusion of private sector employment as part of federal employment and training legislation. The act also provided funds to create Private Industry Councils (PICS) to coordinate employment activities and training within the private sector. Although PICs were formed to address issues of unemployed adults, they gradually expanded to include unemployable youth. Boston's PIC, represented by the most powerful corporate leaders in the city of Boston with bylaws which required only CEO's to serve on its board, played a significant role in the implementation of the Compact's goal. The PIC's experience in youth and adult unemployment, job development, and placement made it the most suitable organization to coordinate the flow of students and

jobs between the schools and businesses. With its strong corporate support, it had the ability to identify, screen, and match employers with students. Thus it enabled the Compact's employment goals to be met. PIC became the focal point for problem resolution regarding jobs, employment, schools, and students, and it assumed the responsibility of coordinating the partnership which already operated with the Tri-Lateral Council.

With the assistance of William Ederly, former chair of the President's Task Force on Private Sector Initiatives and an active member of the Committee for Economic Development, PIC was able to recruit Vault members to serve on PIC's board. Thus, PIC emerged as a powerful and effective organization dealing with youth issues and unemployment with two major youth programs underway: Summer Jobs Program and Jobs Collaborative. The Summer Jobs Program, started in 1980, was designed to place high school students with the private sector and it "was the piece of the Compact that first demonstrated the potential for partnership linking jobs and education."⁶ The success of this program is attributed to the fact that it proved to the business community that inner-city kids, although academically at a disadvantage, can perform well on the job. The program established a credibility in the business community⁷, grew at a rapid pace and increased in scope from 202 companies hiring 852 students in 1983, to 760 companies hiring 3,117 students in 1988.⁸

The success of Summer Jobs Program in 1980 led PIC in 1981 to develop the school job preparation program called Jobs Collaborative. This program was established in three high schools and was staffed by a PIC employee who provided students with career guidance, job

readiness workshops and job placement. The program expanded rapidly between 1982 and 1988 placing 274 students from three high schools in 1982 and 1,200 students from 14 high schools in 1988. According to William Edgerly, it proved to be productive and significant because it strengthened ties between business and education by placing non-school people in the schools.⁹ It was the first piece of the Boston Compact. In addition, a business and school relationship also existed in the old Youth Entitlement Program which Boston participated in from 1978-1980. The program's funded projects which employed nearly half of Boston's students who were income eligible thereby forcing the schools and city government agencies to work together. With these major initiatives, i.e. Tri-Lateral Council, PIC, Vault, city government and the schools working successfully in concert, it was easier to bring together leaders from the various sectors to develop and, in 1982, initiate the Compact concept.

The Compact's leaders, designers and promoters trusted and knew each other well. Many had worked together on youth education and employment issues. The group included Jim Daar, Executive Director of Boston PIC; Bob Schwartz, Director of Compact, who previously worked together at Brandeis University; William Spring, head of Tri-Lateral Council; and Paul Grogan, head of Neighborhood Development and Employment Agency (NDEA). With a mutual sense of respect already established, the work on the Compact began. The final factor which made the formation of the Compact possible was the appointment in 1982 of Robert Spillane as superintendent of schools. Spillane's

leadership and success conveying his message to the business community provided the credibility needed to change the school system. Before Spillane's arrival, the business community had given up on the school system. He recognized the need for better accountability, leadership and management in the school system and events changed quickly. In his first month in office, he averted a teachers' strike, controlled the district's budget, laid off teachers and placed an accountability system in the schools. The Compact's leaders and promoters saw the educational deficiencies of the Boston School System by the declining pool of qualified workers for entry level positions.

Social conditions also helped in the formation of the Compact as traditional school constituencies changed. Student enrollment declined as white middle class families fled the city due to the court ordered school desegregation in 1974. Consequently, the number of white students who attended city public schools between 1965 to 1974 declined from 55% to 30%. The students remaining in the public schools were generally from a lower socio-economic background, less academically oriented and more likely to drop out at the first opportunity. Boston's aging population required that the municipal tax dollars would increase services which benefit them (like increased police protection) and not the school system. The school system needed a new constituency to avert the continuing academic decline. The business community was seen as the best choice because the low supply of qualified entry level labor. Thus, the Boston School desegregation case, despite the turmoil it produced, paved the way for the Compact

since it forced the potential partners to work together under court order.¹⁰ The Tri-Lateral Council provided the vehicle for school and businesses to collaborate to improve the quality of education. Since the business community already worked with the schools through the Tri-Lateral Council, it was easier for the court appointed experts who oversaw school desegregation to approach the colleges and ask their "buy in" to the idea of a partnership. Once the universities agreed and businesses cooperated, the court ordered the schools to collaborate. Boston's teachers' union also agreed to sign the partnership agreement in spite of the fact that teachers were laid off, since politically the union could not object to a program which advocated higher academic achievement for students.

Compact's Objectives

The goal of the Compact was to improve the quality of education by providing an incentive primarily for high school students, to improve their attitude and remain in school to graduate. Boston schools committed themselves to improve their performance.

In the school year 1982-83, academic achievement in Boston schools which used the Metropolitan Achievement Test to assess academic performance of the 9th, 10th and 11th grade students in math and reading, was very poor compared to national norms as exhibited by the following table. The national media percentile was 50.¹¹

Boston Public Schools Metropolitan Achievement Test Results:¹²
 1982-1983 to 1984-85
 (Median Percentiles)

| <u>Reading</u> | <u>1982-83</u> | <u>1983-84</u> | <u>1984-85</u> |
|------------------------|----------------|----------------|----------------|
| Grade 9 | 38 | 46 | 48 |
| Grade 10 | 36 | 40 | 46 |
| Grade 11 | 40 | 44 | 40 |
| <u>Mathematics</u> | | | |
| Grade 9 | 30 | 42 | 50 |
| Grade 10 | 36 | 40 | 44 |
| Grade 11 | 38 | 46 | 46 |

Daily attendance has a significant impact on student academic performance. Students who attend school regularly are more likely to perform better than those who are frequently absent. The average daily attendance in all Boston high schools was 77.6%. This rate suggests that almost a quarter of all Boston high school students were absent on any given school day.¹³ Thus, schools were required to increase attendance rates. The dropout rate issue, the most severe problem the schools faced, was addressed by the Compact with a specific goal set to reduce it. The cumulative percentage dropout rate was based on analysis of the completion and attrition rates of students entering 9th grade and graduating after completion of 12th grade. (See table below.)

Changes in Dropout Rates Among Boston Public School Students¹⁴

| <u>Graduating Class</u> | <u>Cumulative Dropout Percentage Rate</u> |
|-------------------------|---|
| 1982 | 36.2 |
| 1983 | 38.0 |
| 1984 | 40.7 |
| 1985 | 43.0 |

The dropout rate increased over the three years since the implementation of the Compact.

The Boston Schools Committee, led by its superintendent Robert Spillane, set up a special Compact unit to help schools and the business community carry out the objectives of the Compact. Under Compact agreement, the schools agreed to:

- o improve daily attendance;
- o reduce the high school dropout rate by 5% each year;
- o improve academic performance by producing graduates who are minimally competent in mathematics and reading;
- o improve college placement rates by 5% per year; and
- o improve job placement rates by 5% per year.

The business community agreed to develop a priority hiring system for Boston graduates with specific goals:

- o hire 400 qualified graduates for permanent jobs by October 1983 and place 600 by October 1984;
- o sign up 200 companies to participate in a priority hiring effort in 1983 and 300 companies in 1984; and
- o expand the Jobs Collaborative, the Private Industry Council's school-based career education and job placement program from three to six schools in 1983 and to 12 schools in 1984.

The colleges and universities committed themselves to increase enrollment of Boston high school graduates by 25% between 1983-1988.

In addition, they agreed to:

- o provide an awareness program to high school graduates;
- o assist the Boston public schools in improving college preparatory curricular and instructional strategies;
- o expand the base of financial aid to qualified Boston public school graduates; and

o improve the college retention effort of Boston public school graduates.

The Boston trade unions agreed to set aside 5% of their apprenticeship positions annually for qualified Boston high school graduates.¹⁵

The Process

The planning process to sell the Compact concept to the schools was done in several ways. A separate quasi-autonomous unit headed by Robert Schwartz was created by the school district, located in the School Department headquarters, and reporting directly to the Superintendent. The Compact office charged with implementing in the schools developed guidelines for school planning. It required individual schools to develop improvement plans and submit them for comments. Grants in the amount of \$1,000 to \$1,500 were available for innovative programs. The Compact office was responsible for generating enthusiasm among administrators, teachers, and students in order to address its goals at the classroom level¹⁶ and assist headmasters and schools in the planning process. A plan to enable the schools and district to achieve the Compact goals and objectives was developed.

Five elements characterized the implementation of the Compact plan:

- 1) The creation of support staff called Compact Liaisons - later called School Development Officers - was placed in every school. The role of School Development Officers was to assist the school headmaster in trying strategies that would meet the Compact goals. They helped their schools solicit teacher and student needs from the

resources provided by the business partner. The Development Officer provided the link between the school and the business partner, and coordinated speakers, field trips, tutors, mentors and other activities which outside community resources could provide. The Development Officer was a member of the School Improvement Planning Team and was highly praised by headmasters, teachers, and other school personnel. He/she was viewed as the link to the outside community.¹⁷ The teachers new relationship with business people enabled them to team up with business people and integrate real world experience into teaching.

2) Creation of Career Specialists - While Development Officer positions were filled, PIC continued to expand its Job Collaborative program to provide services to six high schools and eventually by 1985 to 14 high schools. (The program started in 1981 with a grant from the Edna McConnell Foundation.) The program's expansion allowed PIC to add more Career Experience Teachers in each school, to teach career development classes, prepare and place students in summer jobs, find part-time work for continuing students and full-time work for graduating students, and monitor the students work. Career Specialists were laid-off teachers who knew the school climate and culture and were easily accepted by the school personnel. They knew the system well and they were well acquainted with the school's bureaucracy.¹⁸ The use of Career Specialists enabled PIC to meet the Compact employment objectives.

3) Annual School Plan - A principal component of the Compact was a formal and annual planning and review process for each high school.

It required identification of the school's strengths and weaknesses, establishment of goals for school improvements, proposed steps to achieve the goals and evaluate the progress made toward them. The annual school plans were required to address five major areas: academic achievement, parent community support, graduate placement (in jobs and colleges), improved school climate, and new school initiatives.¹⁹ In the summer of 1983, the headmasters and other representatives of the high schools met for eight days in the 1983 Summer Planning Institute at the Boston campus of the University of Massachusetts. Each group was required to devise a plan to address the Compact goals. The Summer Institute set the future tone and developed written procedures for addressing the Compact objectives. Usually the planning teams consisted of administrators, teachers, department heads, representatives of the schools, business, and college partners. Some planning teams included parents, students and other members of the community. The planning process provided the teams with an opportunity to include the non-school members and bring them and their resources into the planning process.

4) School leadership and management - Every school had to have strong leadership which bought into the Compact concept. It needed a staff committed to a new ideological approach to advocate for institutional change. This change would occur using a participatory management style to instill a sense of ownership in the school among staff and students.

According to the Compact agreement, private sector involvement with the schools and students was framed around business commitment to priority hiring for Boston school students in exchange for school improvement. Thus, three types of programs were offered: summer jobs, part-time jobs during the school-year, and full-time jobs for graduates. Although there were goals for the business community, individual companies did not need to provide a specific number of jobs to participate in the program.

Evidence based on surveys suggests that Compact programs influenced growth in youth employment since 1982. (See Table V.1 and V.2)²⁰

Table V.1
SUMMER AND PERMANENT JOB PLACEMENTS
AMONG BOSTON EMPLOYERS THROUGH THE BOSTON COMPACT

| Year | Summer Placement Goal | Summer Placements | Permanent Placement Goal | Permanent Placements |
|------|-----------------------|-------------------|--------------------------|----------------------|
| 1982 | 750 | 852 | --- | --- |
| 1983 | 1,000 | 1,181 | 400 | 415 |
| 1984 | 1,500 | 1,766 | 600 | 607 |
| 1985 | 2,000 | 2,320 | 750 | 823 |
| 1986 | 2,500 | 2,591 | 950 | 967 |

Table V.2
STATUS OF THE CLASS OF 1985
SIX MONTHS AFTER GRADUATION

| Status | Percentage |
|-------------|------------|
| Work Only | 38 |
| School Only | 29 |
| School/Work | 21 |
| Military | 3 |
| Unemployed | 7 |
| Other | 2 |

Source: The Boston Private Industry Council, Inc. The Class of 1985: A Follow-up Study, p. 11.

Business partnerships with individual schools were revitalized. While most concentrated on jobs, many provided tutors and mentors, sponsored school functions, or made monetary donations. In addition, the Boston Plan was established in 1984 by the Bank of Boston. It was a broad umbrella instrumental in initiating programs for the schools. The Plan was established as an independent foundation for public education funded by major corporations. The Bank of New England donated \$300,000 for a five year teacher fellowship program. The John Hancock Mutual Life Insurance Company established a \$1 million endowment for a basic skills and support program for kids and sports in middle schools. New England Mutual Life Insurance created a \$1 million endowment for the ACCESS program to fund students who need financial aid for higher education. By 1988, the Boston Plan had a \$13 million endowment and Boston area colleges gave over \$25 million in scholarships, staff training, facilities, curriculum development and other services to schools and students.²¹

The Boston Compact was comprehensive in scope and communities from all over the country have tried to replicate it as they face the same academic, social and economic challenges that Boston faced.

The Outcome

In September of 1982, 15 companies, members of the business community, representatives of the city and the school district, formally signed the Boston Compact, a 107-page document describing the strategy for revitalizing and improving the city's public schools.

Thus, Boston's old business education relationship entered a new era in business-education partnerships - a five year commitment which provided the schools and students with measurable goals, a linkage between academic achievement and job training, and job and higher educational opportunities for qualified graduates. The text of the agreement details the steps which employers agreed to follow in recruiting, hiring, and evaluating the participants' performance. However, the jobs aspect of the Compact were only part of its agenda. The role of the companies and jobs in the Compact would decrease over time as the role of the school increased. The Compact influenced the school climate more than individual students. It changed students' expectations and strengthened the relationships among the school staff; it increased the quality of education in each school; and it improved the students perception of their abilities.

As part of the Compact agreement, the schools pledged to improve attendance rates, decrease dropout rates and increase academic levels of Boston students in math and reading as measured against median test scores on national achievement tests. Although the system recorded modest gains in daily attendance rates and in academic achievement, its dropout rate increased.

In addition, the business community increased support to the schools and became more aware of the problems which schools faced educating their students. The business community became an advocacy group for the schools, a new constituency which lent its tangible and political support to the schools. It gave hope of a better economic future to many students and renewed their interest in the

schools.

Teacher and staff morale increased through the various resources and programs offered by the business community. Programs such as team teaching and grants for innovative programs recognized the teachers efforts and increased their commitment to teaching. Students' aspirations rose as college scholarships and job opportunities were offered.

In 1985, Superintendent Robert Spillane departed and the Compact office faced critical issues of implementation of school improvement plans such as instructional improvement, school based management, and curriculum changes. All of the new school improvement plans needed strong school leadership and the incoming Superintendent, Lavelle Wilson, did not have the commitments of his predecessor to the Compact. He took a low profile on Compact programs and assigned the Compact school improvement component to the middle of the school bureaucracy, leaving the Compact staff reporting to school administrators rather than directly to the Superintendent. A major problem which existed with the Compact was "how to get the system to internalize responsibility for making sure that internal resources not just outside resources, got targeted on something that had to be led by the system, by superintendent of curriculum and instruction. That's where the resources needed to be targeted."²²

Extensive publicity surrounded the Compact. "The Boston Globe described its signing as good a piece of news as the city has received in some time, noting that while business involvement was not purely altruistic, schools and kids would benefit."²³

On the fifth anniversary of the Boston Compact, the Steering Committee reviewed its impact on public education in Boston. It concluded that although significant educational gains were made, the real educational improvement fell short of expectations and goals. As a result, the business community initially refused to sign a second Compact. It required assurances that every high school would provide a plan to improve education for all students. Negotiations were held between the business community and the schools. The business community felt that they fulfilled their commitment to the Compact (see Appendix C). However, the schools did not succeed in reaching their original goals, i.e. reduced dropout rate and increased academic achievement.

The Compact Steering Committee and the business community renegotiated the goals to address key issues such as test scores, dropout rates and an expansion of Compact I from high school to K-12 (see Appendix B). In March of 1989, the partners signed a new agreement called Compact II.

Minnesota Business Partnership

Background - School Reform

The 1.4 million population of Minnesota is predominantly white Protestants of Northern European origin. Minnesota's economy is based on high technology and industry. The state is fiscally conservative in spite of its traditional willingness to spend on social programs.

Minnesota is a national center for high tech manufacturing with many corporate headquarters, and has a history of rural cooperatives and a strong labor movement. However, the state was always willing to spend on education. "Minnesotans consider a strong education system an important element in the state's past economic success."²⁴

The values of the early settlers combined with people's traditions to produce a society where sharing societal concerns was expected, this philosophy was adopted by the Minnesota business community. The standard of community involvement was set by George Nelson Dayton and his five sons who founded the Dayton Department Store chain. Under his leadership, the community initiated the 5% club for corporate philanthropy. Today, an active group of companies invest 5% of their pre-tax profit in charitable and civic activities. Company executives become involved in volunteerism, assistance to non-profit organizations and community service. The progressive business climate of the state, characterized by its strong work ethic and commitment to social responsibility, derives from the willingness of the business leaders to work with the rest of the community for common objectives. Minnesota's business leadership has developed a record of involvement in civic affairs and policy issues. Many middle level managers hold elective office and become aware of corporate social responsibility. A state with a homogenous population, low crime rate, lack of civil unrest and racial tensions, high employment and a large number of highly skilled professionals minimized the scope of the problems that most large urban centers face.

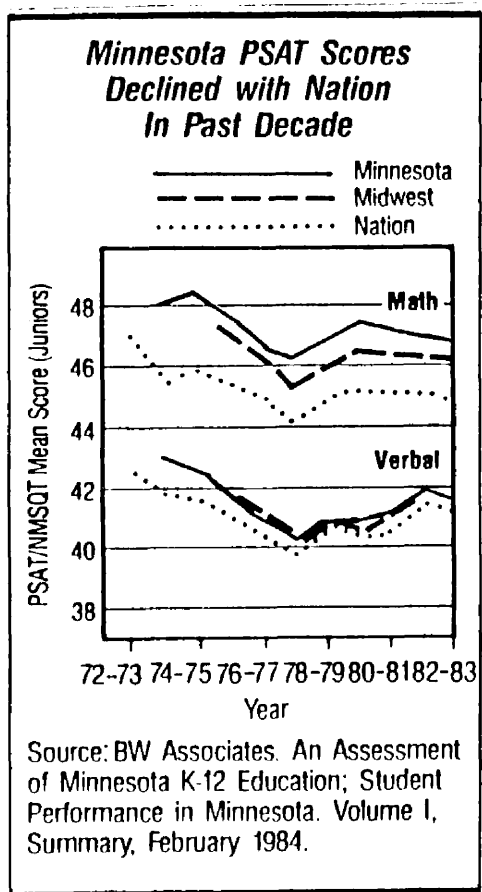
Business Involvement In School Prior To School Reforms

Economically, Minnesota is not a hospitable place for corporations to conduct business since corporate property and personal taxes are high. However, the highly qualified workforce compensates for other disadvantages in conducting business in Minnesota. "In fact some of the high costs of doing business in Minnesota are said to contribute to the high quality of the workforce."²⁵ Since employers are consumers of education, Minnesota companies invest in the schools.

The Honeywell Corporation has a long standing tradition of community involvement and corporate giving to education. In addition, Honeywell employers volunteer to work with school staff and students. The underlying assumptions were that "economic growth and stability are tied to an effective and efficient public education system."²⁶ Random grants given to random causes were not part of Honeywell's philosophy. Corporate giving is part of its philosophy and responsibility to the community. Consequently, Honeywell supported a variety of educational programs such as Adopt A School, linking businesses to school and special programs for at risk youth and jobs. General Mills supported "Public Academy", a program which advocates a pupil/teacher ratio of 14 to 1. A flourishing economy called for a strong school system and the corporation gave generously.

The years from 1972-1980 were transitional in Minnesota. Minority student enrollment increased while the total student enrollment decreased. Evidence suggested that students in grades K-12 were being shortchanged with the diminishing return on Minnesota's

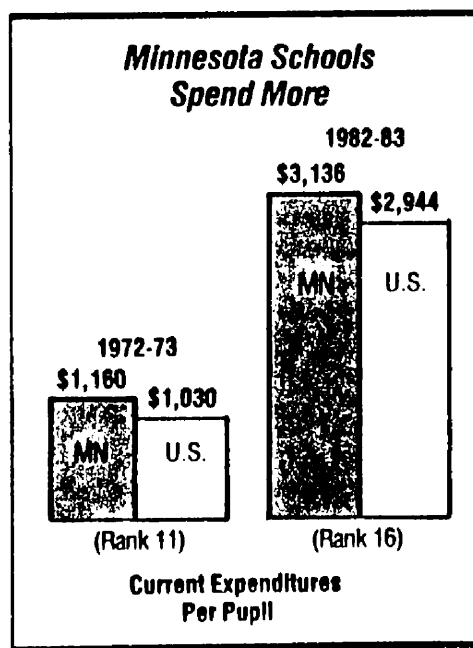
investment in K-12 grade public education, i.e. the cost of education increased while the academic achievement declined. The warning signals from the educational system were an increased need for remedial coursework in post secondary schools, increased percentage of students who felt unchallenged by their school experience and a decline in Minnesota students' national test scores.²⁷



Data for college bound students indicated that Minnesota students performed at about the same level as others but the scores have declined over the past 10 years relative to the rest of the country.

Furthermore, analysis of Minnesota State tests showed a deficiency in essential higher order thinking and reasoning skills. In addition, a decline in verbal and mathematic scores further alarmed the business community. They viewed higher order skills as crucial to conduct basic tasks and a key requirement to function well in any occupation. These trends had to be reversed in order for the students to enter successfully a global and highly competitive marketplace.

As a result of a decline in student enrollment and a continuing increase in the state's spending per pupil (see chart below), new statistical information came as unexpected news to a state and a community which prided itself on academic excellence, the lowest dropout rate in the nation, and exemplary performance on national tests.²⁸



Nevertheless, the professional education associations believed that "Minnesota schools were outstanding and whatever problems existed lay in inadequate funding."²⁹ However, the business community was dissatisfied with the education establishment response and looked for other solutions.

The Minnesota Business Partnership (MBP), founded in 1977 and consisting of 90 CEO's from Minnesota's largest corporations, provided the business community with the vehicle to reform the existing educational system. The MBP was created in response to concerns of business leaders who questioned whether business was doing its utmost to ensure that the people of Minnesota got the best that government had to offer. Prior to 1977, the business community was accused of opposing progressive legislation while lobbying for proposals which furthered their interest. The Partnership founders decided to organize the private sector leaders to work with their counterparts from the public sector. Their main objective was "to help shape public policy toward improving Minnesota's competitive advantages relative to other states."³⁰

As major providers of jobs in the state, the MBP members had a special understanding of the state's competitive and economic needs. Thus the Partnership members made a commitment to involve themselves personally with state legislators and to convey their unique guiding principles and mission. The MBP mission was to bring together public and private sector leaders to develop public policy which can contribute to the state's growing economy. Member firms employ 280,000 people directly and the same number indirectly through suppliers and

vendors. Member firms charitable contributions were about \$100 million (in 1988) directed toward the community support education, the arts, and social causes.³¹ The MBP members usually deal with broad policy issues rather than a specific company interests. The Partnership contributes money for operations whereas special projects are funded by voluntary donations from corporate members.

In 1982, MBP concentrated largely on state tax issues, seeking to improve the business climate in the state by lowering taxes. MBP examined the state budgets to see if spending priorities needed changing. Since the education budget accounted for over half of the state's budget, K-12 education became an issue for MBP.

However, MBP educational concerns were not merely about efficiency. In 1982, MBP created the Education Task Force headed by Lewis W. Lehr, the Chairman and CEO of Minnesota Mining and Manufacturing, to study the relationship between quality and cost of education. Most Task Force members did not believe that improvement in quality necessitated an increase in cost. The issues of effective and quality education were their agenda. The Task Force, which included CEO's from 14 companies, knew the educational issues well. They questioned the quality of education provided to students in Minnesota and were concerned that, based on future academic skill needs, the present education would not enable students to compete in the global market. Growing employer dissatisfaction with the skills of new employees increased the member concerns about the ability of Minnesota to attract the types of businesses needed to innovate in an economy dependent on a high quality education system. The Task Force

was looking for a structural aggregate solution based on all of the individual partnerships that were in place. It knew that individual partnerships between schools and companies was good but not sufficient to change the continuing decline in quality of education throughout the state and that more radical changes were needed. It was aware that Minnesota had a strong base on which to rebuild its educational system such as good teachers and other staff members but that schools were asked to do too much, the curriculum was too broad and unfocused, and that students graduated unprepared to further their education or enter the workforce. Thus the educational system needed to change and the change had to occur at the state level in a form of a school reform and organizational restructuring.

MBP Educational Quality Task Force realized that it needed more information in order to recommend solutions and that it could not be influential without taking a strong position on educational reform. However, it did not have in-house capabilities to formulate a reform agenda. Thus, the partnership commissioned Berman, Weiler Associates (BW) to conduct an independent study on the quality of education in Minnesota. The consultants were given one year to arrive at concrete recommendations. The following are BW recommended objectives for a school reform.

Minnesota Plan - School Reform Objectives

The MBP goal was to improve the overall quality of education in Minnesota. The objective was to restructure the education system and offer a plan for excellence which includes learning based

on mastery of core courses; reorganizing teaching roles and instructional management; restructuring grades 7-12 to provide both greater focus and student choice; measuring student performance and school effectiveness; decentralizing authority for school governance and management; and keeping real (inflation-adjusted) spending constant while the program is being implemented.³²

The objectives creating a restructured cost-effective kindergarten-12th grade system were centered around a limited state role in establishing the curriculum and a requirement that all schools focus their curricula on mastery of basic subjects, i.e. reading, comprehension, writing, math, science and social studies, through 10th grade. A high and agreed upon level of competence will be achieved through individualized learning designed to help students reach a higher level of academic achievement. A different management of teaching would emphasize teams with each member responsible for a different task.

Restructuring grades 7-12 would provide a greater curricula variety and offer students in grades 11-12 the opportunity to choose from a variety of alternative education programs including college preparatory courses which schools will be encouraged to offer. (See chart below)³³

| <i>The New 7-12 System</i> | | | | | |
|----------------------------|---|---|----|-----------------------|---------------------|
| Common High School | | | | Specialized Education | |
| Grade | | | | | |
| 7 | 8 | 9 | 10 | 11 | 12 |
| Core Courses 50% | | | | State Exam | Student Choice 100% |
| Local Option 33% | | | | | |
| Student Choice 17% | | | | | |

Measuring student performance through uniformed state-wide tests would establish mastery of the core subjects, depth of understanding, and the ability to solve problems. Decentralized authority would further increase school capacity to implement the desired objectives and reform. With site-based management, individual schools would establish governing bodies to decide how they should be governed while the district established overall policy, financial control and resource allocation. In addition, the school can achieve the proposed reforms while limiting the aggregate increase in state funding per student to the rate of inflation because of projected future student enrollment decline.³⁴ The Plan objectives would be implemented over a period of seven to ten years.

The Process

In addition to commissioning a report on the state of education in Minnesota, the Education Quality Task Force established a Liaison Committee which included members of all school constituencies; the Liaison Committee provided an arena for the business community to release information about the progress of the study. The Liaison Committee was a political action taken by MBP and it built an expectation level within the community that the result of the study would not be symbolic and could not be easily dismissed.³⁵ In addition, the Liaison Committee provided a way for MBP members to interact with the education community. Each time a segment of a report was released members of the Liaison Committee made the presentation in order to give the results greater credibility. MBP members deferred major decisions until they knew enough about school reform. They had to

rely on the evaluators' information to derive their own conclusions.

Berman, Weilder Associates report was published in three stages between February 1984 and November 1984. It outlined problems which existed in the educational system and recommended solutions in the form of a systematic organizational restructuring. The conclusion from the first segment was that Minnesota had no definite means of assessing its education system. The second segment concluded that Minnesota students performed at the national average. The third segment reported that as a result of state testing, Minnesota students had a deficiency in higher order skills essential for the business community. The findings of the report were disturbing to the general populace since it believed that the Minnesota educational system was above the national average. In addition, the report pointed at other deficiencies within the educational system such as student tracking, unfocused curricula, teachers' working conditions, and major organizational obstacles preventing the education system from responding positively to desired educational changes. The recommendation presented a 10-year plan for reform implementation.

The report was explosive, and MBP realized that it would face major opposition to implementation. In addition, MBP members had to evaluate their commitment to the process of endorsing the project. This was a major undertaking which required a financial commitment and "it was a bolder proposal than many of them expected to have to defend."³⁶ The Minnesota Plan received wide publicity and a strong negative reaction from school constituencies. The teachers' union

and administrators rejected the findings. Others accused the business community of attempting to cut education spending rather than improving effectiveness. Many claimed that more money would improve the educational system. As editorial opinion offered positive and favorable opinions of the Plan, it was evident that the Minnesota Business Partnership succeeded in focusing the education debate on restructuring of schools.³⁷

On the state level, the legislature reviewed the plan and issued a statement that Minnesota did not need the type of reform advocated nationwide. However, the Governor of Minnesota could not ignore the plan politically. The issue was too controversial and risky not to respond. Thus, he agreed on a few basic principles: student curriculum choice after 10th grade, competitive incentives for schools, increased school accountability, and a move toward state deregulation.

On January 4, 1985, Governor Rudy Perpich announced his Access To Excellence Program. His plan proposed, much to everybody's surprise, a significant educational and financial reform and was received favorably by the business community. However, the Governor's plan had a controversial component which received wide attention. He proposed an Open Enrollment provision whereby eleventh and twelfth grade students and their parents would be able to choose any school they wished to attend in the state if the school would accept them. Eleventh and twelfth grade students would choose to take courses in colleges at the state's expense if the student qualified. The state's education funding followed students to the institution of their choice. The Governor's plan was accepted by the business community as a means to

resolve the tension which Open Enrollment created. It was a practical solution since the Governor's plan recognized much of the Minnesota Plan.

In order to muster public support for the Governor's plan, an umbrella organization named Brain Power Compact was formed. Brain Power board members included educators, business leaders, former governors, school board members and others who supported the Governor's plan and the thrust of the Minnesota Plan. In February 1985, a bill was proposed in the legislature spelling out the Governor's plan and his financing proposal. Key opposition to the plan came from the teachers union which opposed Open Enrollment and lobbied vigorously to stop reform efforts. The teachers mobilized politically, created a powerful organization and lobbying group to oppose reform in rural areas. Supporters of the plan realigned the legislators from both parties to give bipartisan support to the Governor's Access to Excellence Bill. The bill passed in May of 1985 and called for implementation over a period of 10 years. The Open Enrollment provision was removed from the bill due to union pressure, but "in conference committee, a bill, the Post Secondary Enrollment Options Act was passed which provided choices for students to attend and finish high school at any college to which they get admitted."³⁸

Outcomes

Minnesota Business Partnership efforts and advocacy for school reform brought about substantial educational change throughout the State of Minnesota. MBP members were able to place the educational

issue at the center of the political arena; it was instrumental in provoking and stimulating the state to recommend, adopt and implement school reform.

In 1985, Access to Excellence Plan was adopted. The reform proposal combined recommendations from the Minnesota Plan and the Governor's Plan and it was the boldest effort ever taken in the State of Minnesota to improve the education system. A few of the recommendations were implemented the same year, while others were implemented years later.

The controversial Post Secondary Enrollment Option Act passed in 1985 made Minnesota the first state to allow high school juniors and seniors to take post secondary courses at the state's expense. Under the act, students simultaneously could earn a high school diploma and two years of tuition-free college credit. The program challenged public high schools to improve their curricula and academic standards so they would not lose state funding to the college of the student's choice. High schools developed cooperative relationships with the post secondary education institutions so that college courses could be taught at the high school level. By creating the opportunity for students to choose, the quality of education for many students who chose not to move was improved.

In 1985, Open Enrollment legislation for K-12 grades was passed, enabling parents and students to select a public school of choice unless it had a negative effect and impact on desegregation. This educational reform empowered parents and students to take a more active role in education-decision making. Mastery of learning was implemented as students are tested for minimum achievements in math

and communication skills every three years. The emphasis on "Assurance of Mastery" is the focus of the tests. There was a need to focus the test on measurement of learning objectives. High school graduation incentive programs were designed for students between ages 12 and 21 considered at risk of dropping out, or who already dropped out. Students were permitted to attend any school in any district they chose as long as the district can accommodate them and the move does not impact negatively the district's desegregation plans. Presently, a consensus appears to grow regarding implementation of site-based management.

In addition to the educational program outcomes, as a result of MBP activities, partnership activities received a wider recognition state-wide and the business community is recognized as a stakeholder in education. Business in Minnesota became part of the solution to educational problems by working in concert with other community members. The role of Minnesota's business community in education expanded from a traditional business-education partnership to a state-wide partnership dealing with policy issues. MBP members regularly consult on educational matters through the Brain Power Compact and their staff interact regularly with educational leaders. In addition, MBP institutionalized its commitment to make education reform a priority and a small staff monitors the progress of the reform. However, whether business will continue to commit its resources and maintain its involvement in reform is questionable.

Chapter Four

CONCLUSION

Factors Which Contribute To The Formation and Success of Business-Education Partnerships

A complex network of educational, social and economic issues surround the education reforms of the 1990's. Business-education partnerships are one response to the growing decline of academic performance specifically among urban school students, increased business dependence on human capital, low pool of qualified workforce for entry level jobs, concerns over the future economic competitiveness of the United States, and high dropout rate. The underlying premise of the present school reform and the formation of business-education partnerships is that better education will encourage economic growth. Therefore, the business community has much to gain from improving the quality of education and a responsibility and role to play in helping to support quality education.

A defined strategy and set of factors are needed to establish a business-education partnership. A shared community vision of educational change¹ is a key condition for creating a partnership. A shared community vision of a better educational system strengthens the efforts of the leaders who play a vital role in the formation and success of partnerships. The business community's commitment lends special clout to the partnership when its participants come from the highest levels of the organization i.e., the president, principal or CEO. The organization's highest leaders bring authority to commit resources and to make decisions of the highest priority.

It is also essential that all partners agree on defined, desired, measurable and realistic goals and objectives. Partners need to set up and agree upon the means and resources to attain objectives; they must maintain internal consensus despite the political, social and financial implications of educational reform for the corporation.

The timing of partnership formation is another important factor. Business support of business-education partnership is self-serving since the business community sees a link between education and economic success. A perceived decline of students' academic achievement is a significant factor in the formation of a partnership in addition to a real decline of the quality of education. The business community, along with other community members, will mobilize and set aside their differences when shared needs for a qualified labor force are not met by the local pool of entry level workers, and they will support educational reform. Therefore, the timing of the partnership formation is important since it will determine the level of community commitment.

Institutionalization of the partnership² which will carry out its mission and its financial independence increases the chance of success. It enables partnership members to monitor activities, maintain independence, and carry out their mission with a minimum degree of exposure to various opposing groups.

Fundamental educational changes are needed in order to respond to the decline in academic achievement. School improvement plans such as curriculum changes, organizational restructuring of the school system, and new methods of teaching are needed in order to meet the challenges

of the 1990's. New school constituencies are needed to help fill the gap created by the increased need for educational reform and the lack of school resources and ability to carry them out. Education and training in the post industrial era can no longer rely on old methods and can not be implemented in isolation. Communities need to encourage formation of new organizational arrangements such as business-education partnerships to aid schools in reaching their new goals. These new organizations will help schools to better prepare their students for the world of work and the new industrial era.

Post Industrial Era School Reform

The premises of the Minnesota school reform and the Boston Compact and business-education partnerships are: A) In a post industrial world and the emerging knowledge-intensive era, schools in their present organizational structure can no longer provide the necessary educational services required to prepare students for the workplace. In a society where knowledge replaces capital as the most central resource in society, one institution cannot be granted the monopoly over the entire education process.³

The current U.S. education system is an outdated bureaucratic system developed in the 19th century during the Industrial Era to educate children of the urban poor and working class. It was designed as tax supported, universal and compulsory based on scientific management principles. Schools were supposed to educate students in an orderly and industrious way. Schools designed after the Industrial Era model possess certain characteristics: they are mandatory and monopolize job credentials; they are built on the assumption

that there is a core knowledge which children must learn and the teachers possess and teach. The system is set up on reward and punishment principles and students have no input into the learning process. Thus the system operates in isolation, alienated from other professions and industries; it develops autocratic skills in students who are required to memorize facts; classes are taught in isolation and with little relevance to the workplace.⁴

This mass production method of teaching no longer prepares students for the new era of post-Industrial challenges. The skills required to function effectively in the emerging high technology knowledge-intensive era no longer can be taught in isolation from each other. Organizational structure and pedagogical methods in education need to change to provide education in concert with other institutions and professions. Schools need the ability to draw from all resources to meet new social and economic challenges. The business community is one of these resources.

B) The business community is a unique constituency of the school system because of its economic dependence on the product of education. Business has re-emerged as a natural partner of the schools as they face the educational crisis; it is in a unique position to assist in the search for solutions. However, the pattern of most business involvement so far is mostly programmatic in nature, i.e., Adopt-A-School types. The involvement varies in effectiveness school by school but has no fundamental bearing on the educational problems, i.e., academic achievement and basic skills which need to be addressed at a state or national policy level. These problems involve pedagogical decisions, such as curriculum changes, new teaching methods,

restructuring the schools; they cannot be addressed with a simple programmatic approach.

The Boston Compact, which exhibits an extraordinary commitment from its local corporations, universities and other community members, can only impact a few students. In spite of generous endowment funds which pay for college tuition, they cannot yield enough money to make a difference in a school system of Boston's size. Programs in other communities face the same limitations. Businesses involvement and concerns on a programmatic level can at best yield short term, limited and marginal results. Most collaborations are project- or program-oriented needing to produce specific results; they are separated from the mainstream and core activities of the school.⁵

The most effective business community involvement and support for public education is a system-wide effort focused on pedagogical issues, fundamental changes in organizational structures, and helping schools increase their ability and capacity to carry out needed reforms. The business community's most needed and effective support is the state educational policy and political arenas where fundamental educational decisions are made on such issues as funding, programs priorities, curriculum, testing, schools of choice, etc. The public sector, through partnerships with the schools, can help change the dropout rate in only a few schools but not nation-wide in order to change the national decline of academic achievement and employability skills.

The traditional role of the business community in education thus far "provided corporate America with a window on the world of public education."⁶ But having seen through the window into the world of

education, they need to mobilize resources and channel them toward systematic change and public policy, like the Minnesota Business Partnership, which brought upon systematic changes in education for the entire State of Minnesota. The private sector can endow their communities with strong leadership and corporate support to take their message to city halls, state capitals and the federal government⁷ since major educational decisions are made there and that is where they can have the most impact.

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Appendix A

Boston Compact Agreement

The Boston Compact is a formal agreement between the school department, members of the business community, area colleges and universities and the Boston trades unions to collaborate in providing new education and employment opportunities to the city's public school students. In signing the Compact, the business community agreed to hire 400 June 1983 graduates into permanent jobs and within two more years, to increase that number to 1,000 students if they could meet entry-level requirements. The co-signers also agreed to work closely with the Boston Private Industry Council, a private, federally supported, non-profit organization established in 1979 to explore private sector initiatives in employment training. They were to help the PIC expand from three to six the number of schools participating in the Jobs Collaborative, a school-to-work transition program. Finally, they pledged to recruit, by 1984, 300 companies to participate in a priority hiring program from Boston graduates and to increase the number of summer jobs available for Boston high school students from 750 in 1982 to 1,000 in 1983.

On the education side, the school department made a commitment to reduce both high school absentee and dropout rates by five percent annually. It also agreed to implement increased academic standards, requiring that by 1986, all graduates meet minimum standards in reading and math. The school department also promised a five percent annual increase in the number of students who either took a job or went to college after graduation. In addition, the school department pledged to improve the quality of education provided by the schools.

Within two years after the business-public school agreements were signed, the Compact expanded to include higher education and trades union agreements. The Boston Trades Union Council agreed to set aside five percent of its apprenticeship positions annually for qualified Boston high school graduates. Twenty-five Boston area colleges and schools of higher education agreed to enroll 25% more Boston public school graduates through 1988 and to assist the schools in strengthening their college preparatory curriculum. The colleges also agreed to increase financial aide for local youngsters and to develop support services to help them remain in college.

GOAL #1 INSTRUCTIONAL GOAL

To improve the quality of education by enabling each individual school to be responsible for the quality of education it provides. Success in achieving this goal will mean that the individual school manages budget allocations, staff hiring, and curriculum development.

Measures:

(a) To ensure that the new contracts with the Teachers' and Administrators' Unions are negotiated by Fall 1989 and will recognize school-based management as the appropriate administrative process in all schools beginning with the school year 1989-90.

(b) To develop appropriate standards of evaluation which grant more flexibility in operating individual schools in return for accountability by those schools in meeting established performance objectives.

GOAL #2 PARENTAL INVOLVEMENT

To increase BPS parents' involvement in the education of their children. To help achieve this goal, parents will be given increased opportunities to enroll in education and job training programs.

Measures:

(a) Over five years, recruit at least 50% of parents to sign a Parents' Compact which commits the parents to assuring that their children attend school regularly and complete all homework assignments.

(b) Increase by 20% per year the number of parents participating in school programs relating to their children and use this measure as an indicator of individual school performance.

(c) Increase by 20% per year the number of BPS parents who enroll in education and job training programs. Provide college and tuition assistance information to parents through a cooperative arrangement with community based organizations and other educational institutions.

(d) Implement the new student assignment plan in the kindergarden, grades 1 and 6 by September 1989 and in all schools by September 1990.

GOAL #3 POST-GRADUATE ASSISTANCE

To create a comprehensive follow-up program that assists students for up to four years after graduation. The program will be designed especially to help those who experience employment difficulty in the years following high school graduation, those who leave college before completing their education, and college students who need assistance following graduation.

Measures:

(a) - Provide tracking, placement, and referral assistance to at least 75% of each graduating class for up to four years, through a cooperative arrangement with Boston Public Schools, Fenway Retention Consortium, Building Trade Unions, the ACCESS Scholarship Program, and the Higher Education Information Center.

(b) The business community will provide "priority hiring" for every high school student who chooses to pursue work rather than higher education or military service after graduation.

(c) The business community will also provide "priority hiring" for all BPS graduates who complete a program of higher education.

GOAL #4 HIGH SCHOOL COMPLETION

To cut in half the number of students who drop out of the Boston Public Schools over the next five years and to double the number of alternative education opportunities available to youth who have dropped out.

Measures:

(a) Reduce by 10% each year the number of students who drop out of high school.

(b) Double in five years the number of dropouts who enroll in alternative programs leading to a diploma, through a cooperative arrangement with community based organizations.

(c) Increase the opportunities for dropouts to enroll in vocational education programs, such as those offered at the Madison Park/Humphrey Occupational Resource Center.

GOAL #5 ACADEMIC PERFORMANCE

To insure that Boston students have the academic skills needed to achieve their potential in our competitive society.

Measures:

- (a) To eliminate each year 20% of the difference between the average achievement of Boston students and Massachusetts students on statewide achievement tests in all tested areas.
- (b) To raise the average score of Boston students up to the norms on national achievement tests in reading and mathematics.
- (c) Restructure the high schools so that every high school provides a comprehensive pre-college curriculum.
- (d) To adopt a new broad based assessment program to be implemented in the Boston Public Schools as being developed by the Measurement Committee of the Boston Compact.

PIC YOUTH ACTIVITIES

The Boston Private Industry Council (PIC) is a 10-year old, business-led organization that manages employment, education and job training programs for Boston's youth and adults. Specifically, the PIC manages four programs and participates in a 5th) in cooperation with the Boston Public School:

- (1) Job Collaborative: A work-study program that annually serves between 700-1000 students in 12 high schools. The program offers career guidance, job-readiness workshops, after-school jobs, and graduate placement assistance.
- (2) Compact Ventures: A dropout prevention program, managed jointly by the PIC and BPS, in 10 high schools. Ventures provides 1,200 at-risk 9th grade students with academic assistance, guidance, and referral to community services to enable them to remain in school.
- (3) Partnership Program: Works with schools and local employers to develop and implement school/business activities. The program helps to identify and attract substantial corporate resources to public education, and to actively engaged partnership companies in the life of the schools.
- (4) Summer Jobs Program: Places over 3,300 Boston Public School students in summer jobs. Program also provides a wide range of employer-sponsored enrichment activities, such as writing workshop, computer academics, mentoring programs and tutoring.
- (5) Whole School Compact: BPS program, funded by a grant from the U.S. Department of Education, that attacks the dropout problem through an early intervention strategy. PIC Case Managers at the Agassiz Elementary and Curley Middle Schools provide counseling, referral services, and academic support to approximately 200 students. Program connects exiting 8th graders with 9th grade Compact Ventures Program at English High School to ensure a continuation of assistance.

For nearly a decade the PIC has worked to improve quality of education under the umbrella of the Boston Compact. Through the programs described above, we have worked to achieve the objectives of the Boston Compact and to create greater opportunity of Boston Public School students.

In the coming year, the PIC will expand its efforts in several key areas:

- o Job opportunities for high school students.
We will continue to offer employment through our summer program, part-time Collaborative Program, and graduate placement efforts. In the PIC's 10-year history, these efforts have provided over 18,000 jobs to BPS students.
- o Develop new employer partnerships.
Through our Partnership Program, we will continue to develop additional partnerships at the middle schools. To complement this effort, we have a proposal under review by the Cox Foundation to create employer consortiums to bring new resources to elementary schools.
- o Implement a program to track and serve graduates.
This goal of Compact II recognizes the need to extend services beyond high school. We will develop a system to follow up with graduates and provide them with assistance for up to four years after high school.
- o Continue early intervention strategy.
We recognize the critical importance of attacking the dropout problem in the lower grades. Working with BPS, we will seek additional resources to continue current efforts and to expand.

The PIC partnership with the Boston Public Schools has been a fruitful endeavor that has enabled thousands of young people to gain meaningful jobs and to prepare for the transition from school to work. PIC programs have also attracted substantial corporate and foundation support for the schools and have focused attention on the importance of public education.