

Self-Interests in School/Business Partnerships

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The quality of life that today's students will enjoy in the 21st century depends on how their education meshes with technological and organizational innovations to improve productivity. Output per worker cannot sustain historical growth based on mass production for a domestic market aimed at immediate corporate profits. Instead, a better educated and continually retrained labor force will have to work together redesigning products for manufacturability and quality. "In the longer run," according to a major study of industrial productivity, "the convergence of market forces, consumer preferences, and technological opportunities suggests the possibility of "totally flexible" production systems in which the craft-era tradition of custom tailoring products to fit the needs and tastes of individual customers will be combined with the power, precision, and economy of modern production technology."¹ Tomorrow's workers and consumers will maximize their welfare by sharing information about what they want beyond their basic needs and cooperating in producing those goods and services in what Shoshana Zuboff has called "a learning community."²

Throughout the 1980s, private firms renewed their involvement with public education through formal partnerships. As established institutions, schools are remarkably similar — sharing a distinctive culture marked by teachers facing complex roles in isolation with endemic barriers to change.³ Two in five schools now engage in formal arrangements with outside groups, and 52 percent of them involved businesses — largely providing such supports as guest speakers, special demonstrations, awards, scholarships, or incentives for students. More than 140,000 collaborations link millions of teachers with workers from private enterprises around common activities and purposes.⁴

Many corporations view partnerships as enlightened self-interest because they want graduates who "contribute to business as workers, consumers, and supporters of a democratic free enterprise system."⁵ Currently, businesses spend over \$100 billion annually on employeet training programs, and corporations seek cost-effective ways to

educate workers. By improving public schools, firms transfer some of their training costs to the public — especially for general skills and a readiness to accept responsibility. Productivity growth depends on some thirty million technical, professional and managerial workers, while over thirty million blue-collar jobs increasingly require a high school education to read instructions, monitor equipment, and meet precision standards.⁶ Seeking to attract and retain skilled employees, local companies "see their business interests dependent on a vital community with a good school system at its heart."⁷

Despite their popularity, partnerships between schools and businesses may fade away unless people (1) understand their self-interests in a broader social context over a longer time horizon, (2) strengthen their voice for reforms by working together, and (3) adopt realistic objectives. Better curriculum and instruction will yield more productive workers only after years of additional schooling, matched by appropriate strategies and structures for businesses. Firms worry about losing their investment in a school when graduates are hired by their competitors. Outsiders who work with teachers and schools have earned credibility to criticize and propose reforms; but when businesses ignore schools or cancel partnerships because of mutual frustrations, they surrender their influence. Finally, an emphasis on measurable outcomes suits a hierarchical society with assembly lines and bureaucracies rather than flexible and creative organizational structures that respond to individual preferences.

DYNAMICS OF COLLABORATION

Paradoxically, one of the presumed benefits from school/business partnerships is that projects will clarify the self-interests of both students and employers in better schools. Ordinarily, public schools and their outside partners define collaborations as straightforward "you have/we need" exchanges in which organizational resources flow primarily in one direction — from businesses to schools.

Such superficial interchanges seldom deepen understandings of varied organizational and personal realities, especially about the complex and overburdened roles demanded of teachers in public schools. After examining seven projects in detail, we concluded that most "interchanges seldom evolve over time, engage only a few individuals, respond mainly to surface problems, and rarely touch the underlying ethos of participating organizations."⁸

Like schools, private enterprises are marked by characteristic cultures that enhance or confound collaborations. Businesses aim to make money for their owners. When they do so by offering a better product to potential customers at a satisfactory price, they are relatively free to decide how to enjoy their successes. Because firms typically act through a functional hierarchy, executives decide, authorize, and then monitor results. By contrast, public schools — whether they are effective or not — are held to bureaucratic procedures and multiple goals including both educational and political components. Educators face certification requirements, state mandates, restrictive rules, dysfunctional hierarchies, few discretionary funds, complex tasks, and high isolation. Concluding that educators are indecisive, muddled, fearful of strict accountability, business leaders may decline to cooperate.

Near Term Collaboration

Thus outside partners seek specific school improvements which directly benefit their firm or agency in the near term. For instance, the Boston Plan for Excellence in the Public Schools emphasized measurable improvements in student attendance, retention and test scores. The chair of the Private Industry Council expressed reluctance to "endorse the expenditure of another \$100 million over the next four years" without more positive evidence.⁹ In seeking tangible outcomes, firms focus on secondary schools and often on programs that directly relate to their employment needs — which seems sensible. Vocational and technical programs serve local businesses which hire secondary graduates to use up-to-date equipment. On the other hand, studies in the economics of education indicate that the dollar return is greatest for investments in prenatal care, then early childhood education, followed by elementary schooling.

Partnerships between schools and outside organizations are almost always voluntaristic, adaptive in their development, and inherently untidy in their organizational strategies and structures. These features are real strengths of cooperative projects. Because collaborations are flexible, people and organizations accomplish change

without needing to redesign entire systems. Partnership arrangements are well-suited as explorations of future educational possibilities — participants can grapple with uncertainties, ambiguities, and group processes in order to shape personal and social meaning systems. That flexibility, however, makes it difficult to determine whether a specific program yielded an intended result.

If partnerships are in everyone's self-interest, why do public policies and foundations support school/business collaborations through urban compacts, small grants, judicial decisions, lobbying, and publicity? This question introduces a troubling conundrum. Business leaders acknowledge the value of cooperating with schools, but congruence of interests in an informed citizenry and competent labor force dictates neither a particular interorganizational linkage nor specific activities. What is true in general for all schools and all employers — notably a linked future — dictates no actual collaboration between a school and a firm, each with its own setting, history, cultural constraints, and goals. A consistent examination of self-interest reveals how partnerships may overcome the limitations of short-term, superficial exchanges.

Business Compacts for Capturing "Spillovers"

Despite well-documented positive benefits of collaboration, variations of the spillover effect and the free rider issue infect the processes of working together. In general, external benefits will cause profit-seeking firms to underinvest from a social point of view. A firm working with a school may find benefits from its investment spilling over to its competitors. Thus, addressing long-term educational problems does not necessarily fulfill a company's interest in tangible, immediate payoffs for its contributions. Accordingly, firms commonly offer low-cost extras such as outdated computers and underutilized capacity or focus on high-visibility interventions such as scholarships. Free riders among partners is an organizational analogy to a persistent management problem in schools and firms that depend on knowledge workers. Their performance can neither be supervised visually nor inspected for quality. Professionals, technicians, and managers all benefit from organizational effectiveness but have a self-interest in contributing less than their fair share. They work best when they adopt the organization's goals and culture.

Inducements for collective action depend on the number of group members, distributions of relative size, and their history of previous cooperation.¹⁰ Firms that dominate their immediate locality effectively capture most

benefits simply because they normally hire many graduates, and they find school-based programs less costly than on-the-job training. When school committees are dominated by a nearby firm, a voluntary partnership agreement seems redundant. In some cities such as Boston and Atlanta, leading businesses have long cooperated on community projects, and they mobilize media and peer pressure on other firms to do their part. In the absence of an established leadership group, local educational funds have created organizations to sponsor partnerships. In cities across America, community groups for better schools have redirected their efforts toward encouraging firms to assist an identified school on substantive issues. Compacts and consortia have served as honest brokers to match firms with appropriate schools in terms of needs and resources — as well as interests, locations, and possibly personalities of leaders.

An endemic ambivalence appears in most consortia. On the one hand, their publicity consistently stresses “long-term measurable goals” such as “increasing attendance from 93.8 to 95 percent” and “raising performance on standardized tests by three percentile points annually” in Albuquerque, or “providing 500 fulltime jobs for graduating seniors” in Louisville. On the other hand, rhetoric by school and business leaders calls for “a sense of hope,” “real equality of educational opportunity,” and “a creative positive energy.” In Providence, the superintendent praised the Compact for its exploration of “initiatives resulting in school improvement and community growth.”¹¹ In effect, businesses and schools may defect from those fuzzy, but significant goals in order to emphasize specific objectives. A report on consortia noted that its own evaluators focused too much on products and not enough on “their ability to be quick, nonbureaucratic, flexible, catalytic, and generally discretionary” once trusting relationships had been established.¹²

Partnerships with National Corporations

Because so much funding for schools now comes from states and because recessions have hit first the Rust Belt and then the Sun Belt, a case can be made for consortia that will foster regional partnerships with national corporations taking the lead. The National Alliance of Business regional office in New England is currently considering such an effort. Within the framework of such compacts, schools and businesses may enjoy the benefits of ongoing interactions without having to sustain a particular arrangement. Some partnerships achieve their specific goals while others generate unhealthy frustrations.

Consortia has a self-interest in promoting longer-term change efforts that affect the deeper structure and culture of schools through ongoing commitments. When several firms engage in collaborative efforts to improve schools, everyone may find a sense of gain as the benefits of collaboration spill over to communities and regions. With the burden on any one partner reduced, a changed payoff system encourages support for creative and flexible interactions that break with traditional school patterns.

Loyalty and Voice Through Partnerships

Sustained interactions with outside organizations compensate for another weakness of purely market-oriented approaches to inducing change in failing organizations. Albert O Hirschman examined “exit” and “voice” as responses by consumers, workers and organizations who find themselves dissatisfied with existing services, products or conditions. “Some customers stop buying the firm’s products or some members leave the organization: this is the exit option.” But leaving schools — either children or companies — does not respond to the negative spillovers from unenthusiastic and unprepared workers. In a sense, failure-expectant students who leave school prior to graduation are like a polluted stream: A school system might have reduced its budget by discouraging troublesome students, but the costs will be borne by others who are downstream. Alternatively, those individuals or organizational members may “express their dissatisfaction directly to management or to some other authority to which management is subordinate or through general protest addressed to anyone who cares to listen: this is the voice option.” Hirschman urged greater emphasis on voice and less on exit as a response to declining organizations.¹³

Hirschman’s analysis is particularly relevant to how firms may respond to requests by public schools for assistance. Companies may decline to participate. In an extreme case, a firm may leave a community with inadequate schools. Exit and the threat of exit are ineffective forms of voice in educational reform because businesses have to live with the consequences of what public schools do. As Hirschman noted, “full exit is impossible.” Instead, firms must establish some visible sign of loyalty before others hear their point of view about school change. “As a rule, then, loyalty holds exit at bay and activates voice.” Only after a firm has worked with a school and shared its realities will their loyalty be sufficiently established to promote discussions about desirable educational outcomes.¹⁴ Educators and business leaders normally

engage in lengthy trust-building processes before communicating their shortcomings and hopes. Mutual responsiveness encourages voice.

Individuals engaged in improvement activities have difficulty identifying their vulnerabilities, uncertainties, insecurities, and fears. When modest payoffs with minimal risks characterize the outset of cooperation, then partners can learn to work together. Gradually, trust and vocabularies become shared and planning succeeding rounds of activities becomes easier. Cooperation often emerges among self-seeking individuals without a central authority or an organizational hierarchy when multiple parties believe they will continue to negotiate together. Whether participants view a cooperative venture as a win-win or a competitive win-lose situation depends on their understanding the possible positions of others, finding mutual payoffs, trusting the good motives of the other partner, and reducing discussions of weaknesses and problems to a manageable level. After a time, cooperation with its reliance on voice becomes the preferred strategy.

An emphasis on organizational commitments and voice, rather than exit (often a refusal to buy or participate), has major resonance for two major issues limiting organizational productivity. First, companies value workers who fit into the corporate culture because they work well with colleagues without extensive directions and explanations. Imagine, for instance, explaining entrepreneurial initiative and responsibilities to a new worker accustomed to docility and close supervision in a classroom. Second, teachers are professionals who must rely on their knowledge and shared values to make literally dozens of decisions about instructional means and goals every hour. Partnerships offer occasions for dialogue between business personnel and educators that reveal professional and organizational assumptions. Those new interactions establish norms for communication and experimentation.

In designing a positive program for "a more productive America," a Massachusetts Institute of Technology Commission found that successful firms transported workers' roles from "passive performance of narrow, repetitive tasks to one of active collaboration in the organization and fine-tuning of production." Competencies and innovations were continually refined on the job. "Restructuring job categories, flattening hierarchies, broadening responsibilities, and taking on new tasks in regular job rotations — all of these produce a workforce capable of responding rapidly and creatively to new problems."¹⁵ Meanwhile, the Carnegie Task Force on Teaching as a Profession recommended restructuring to acknowledge complex roles and teacher judgments about

educational processes. Freed from bureaucratic procedures and trusted to make decisions about staffing and instructional methods with enough resources to implement an educational program, "professional teachers can concentrate on inspiring, coaching, guiding, and motivating students, and applying other resources, including technology, to the task of improving student learning."¹⁶

Both schools and business organizations exhibit patterns of group interaction that sustain the status quo. Top leaders often encourage change in their groups and welcome voices conveying different perspectives in order to stimulate creative thinking. Most useful communication between insiders and outsiders raises questions ordinarily left unaddressed within one's own group. Those conversations reveal alternative ways of framing one's purposes and approaches, thereby promoting reforms in schools and society. Unless teachers feel themselves engaged in thinking about future societies in cooperation with outsiders, they can scarcely convey those linkages to their students.

Documenting Collaborative Successes

Business partners have typically sought evaluations that will demonstrate that everyone "got their money's worth." Hard data are to provide an equivalent to a firm's bottom line of profit or loss so that more effective and/or efficient programs will displace others. Yet an emphasis on clear results measured by well-established tests may discourage significant innovations and other, perhaps more appropriate, goals for future settings. Too often accountability encourages projects that skim the easier cases in order to show positive gains — meanwhile discouraging complex goals, voluntary participation, and serendipitous achievements. Assessments may avoid defensiveness or self-congratulation, if the questions connect to factors within the collaborative project's control.

Pressures for accountability for specific objectives may contradict the strength of school-business partnerships — their voluntary interactions among persons from different organizational cultures. They encourage simultaneous teaching and learning with multiple purposes and exploratory activities. A traditional approach of setting goals, establishing tasks, and evaluating outcomes may capture only a small part of the dynamics of partnerships. The preponderance of unanticipated outcomes in most educational endeavors, as Michael Patton noted, "render useless standardized, quantitative measures of program outcomes while indicating that assessment must take place on a case by case, program by program basis."¹⁷

Collaborations usually flourish around ill-structured problems, and leaders will accordingly find qualitative reports more useful than statistical summaries.

Thousands of educational studies have demonstrated that almost any project that a research is committed to will show some positive results, so that the problem lies in the "compared to what" issue. There are too many variables to control for all of them in a feasible evaluation. While businesses note that their "profits" reflect a relatively greater satisfaction by consumers than obtained from less successful firms so that their demise is no loss to society, neither students nor schools disappear when they do badly. Hence, any improvement in low performing schools may represent a gain without regard to comparisons with other buildings. Nor can anyone know how teachers and students might have interacted under different conditions.

School outcomes depend largely on inputs from students — although their opportunity costs or foregone earnings are seldom included in pricing educational programs. Generally, a low-cost (to public or business partners) and high-output (measured in student attainment) program has successfully motivated learning without requiring equipment, adult supervision, or instructional time. Given America's social structures and their links to schooling, middle-class suburban children in a college preparatory program are least costly to the public — even though districts serving such populations typically have more local resources and fewer competing demands for public services. Urban and rural children living in poverty with a history of school failures and multiple deficits of health and family supports often require more special services and enroll in expensive vocational programs. By age 16 they typically fall \$100,000 to \$200,000 short of their suburban peers in total investment in their human capital (estimate includes foregone earnings of parents and students); and few voluntary programs have resources to bridge that gap.

Oddly enough, educators and parents who seek equity will also diminish the observable benefits of educational programs. Even if one compared siblings who participated in Headstart with those who did not in order to match factors of inheritance, of incomes, and of family concern, the comparison would predictably understate program gains. Quite simply, caring parents will shift some of their time and support to the child who stays home — or perhaps to their own quality of life. Similarly, a fair teacher eager to help children will take advantage of special programs to work with the other students. Principals and superintendents may likewise act to spread their resources among others. Traditional guidelines for cate-

gorical federal programs aimed at low-income children — that resources should supplement and not supplant regular school support — are difficult to enforce even when such shifting perpetuates educational inequities. In the case of altruistic educators it may be neither possible nor desirable to deter partnership benefits from spilling over to affect the school's climate.

Questions and Conclusion

A rich literature on effective schools and on successful innovations suggests that self-interest means paying attention to group processes that foster communication and cooperation.¹⁸ Do partnership activities build common understandings among teachers and others about their goals? Are those standards and norms shared with students, parents, members of the outside community? Are expectations for students both high and realistic with regular monitoring and reporting? Do activities deter free riders in maintaining a climate that is orderly and conducive to learning? When partnership activities support behaviors that contribute to those processes which characterize effective schools, then they are clearly moving in the right direction although few evaluations will show convincing evidence of immediate and statistically significant gains in test results.

These strictures on comparative evaluations should not discourage good documentation of the strategies, activities, processes, structures, and achievements of all participants — including outside partners and teachers as well as students. Nor should recordkeeping focus exclusively on planned outcomes and traditional measures of academic achievements. If a partnership indirectly supports a student jazz group whose performances at assemblies builds spirit and cohesiveness among a racially diverse student body (as happened at English High School in Boston), then why ignore that benefit? Much of the information can be presented in the words of teachers and students whose self-perceptions of education are understandable to outsiders and convey a sense of teaching and learning in today's schools.

Both school people and their business partners should trust their feelings about whether their collaboration is enjoyable, useful and worth continuing. That sense of self-satisfaction in voluntary participation in schools by all — especially students — is a true measure of self-interest and a surprisingly good indicator of effective partnerships. As businesses and other groups share activities and build relationships with schools, they typically combine elements that economic studies relate to future

productivity: longer time horizons, flatter hierarchies, recurring education, flexibility, quality, and technology to custom fit individual needs. Implicit in those partnership activities lies the development of more independently professional roles for all workers in more equitable organizational structures.

FOOTNOTES

- 1 Dertouzos, Michael; Richard Lester, Robert Solow and the MIT Commission on Industrial Productivity. *Made in America: Regaining the Productivity Edge*, Cambridge : MIT Press, 1981, 131.
- 2 Zuboff, Shoshana. *In the Age of the Smart Machine*, New York : Basic Books, 1988, 394.
- 3 Goodlad, John. *A Place Called School*, New York : McGraw-Hill, 1984. Also, Ann Liebermann and Lynne Miller, *Teachers, Their World and Their Work: Implications for School Improvement*, Alexandria, Virginia : Association for Supervision and Curriculum Development, 1984; and Seymour Sarason, *The Culture of the School and the Problem of Change*, 2nd ed, Boston : Allyn and Bacon, 1982.
- 4 National Center for Education Statistics. *Education Partnerships in Public Elementary and Secondary Schools*, Washington DC : Government Printing Office, 1989.
- 5 Barton, Paul E. *Partnerships Between Corporations and Schools*, Washington DC : National Commission on Employment Policy, 1983, 60.
- 6 Ehrenhalt, Samuel D. "Economic scene: work-force shifts in the 80's" in *New York Times*, August 15, 1986, D-2.
- 7 Wise, Robert I. "Schools, businesses and educational needs: from cooperation to collaboration" in *Education and Urban Society*, 14, 1981, 70.
- 8 Jones, Byrd and Robert Maloy. *Partnerships for Improving Schools*, Westport, Connecticut : Greenwood Press, 1988, 6.
- 9 Reported in *Education Week*, November 9, 1988, 5.
- 10 The reasoning in this paragraph follows Mancur Olson, *The Logic of Collective Action*, Cambridge : Harvard University Press, 1965.
- 11 National Alliance of Business. *The Compact*, Spring 1989, 3, 8 & 11.
- 12 Public Education Fund. *Five Years*, Pittsburgh, Pennsylvania : Public Education Network, 1988, 12-13.
- 13 Hirschman, Albert O. *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States*, Cambridge : Harvard University Press, 1970, 4.
- 14 *Ibid*, 100, 78. (Italics dropped from text.)
- 15 Dertouzos, *op cit*, 137. See Footnote 1.
- 16 Task Force on Teaching as a Profession. *A Nation Prepared: Teachers for the 21st Century*, New York : Carnegie Forum on Education and the Economy, 1986.
- 17 Patton, Michael Quinn. *Qualitative Evaluation Methods*, Beverly Hills : Sage Publications, 1980, 70.
- 18 See Charles M Payne, *Getting What We Ask For: The Ambiguity of Success and Failure in Urban Education*, Westport : Connecticut : Greenwood Press, 1984.

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