



CENTRE FOR DEVELOPMENT AND ENTERPRISE  
Informing South African Policy

# BUSINESS AND SCHOOLING REFORM

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What can we learn from experience  
in the United States?



CDE Workshop

The Centre for Development and Enterprise is one of South Africa's leading development think-tanks, focusing on vital national development issues and their relationship to economic growth and democratic consolidation. Through examining South African realities and international experience, CDE formulates practical policy proposals for addressing major social and economic challenges. It has a special interest in the role of business and markets in development.

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Cover: Parents, children, and relatives wait for the results of a lottery determining access to Harlem Success Academies in New York City, April 2009. Thousands of families applied for 475 vacancies. Students not chosen were put on waiting lists. Harlem Success Academies are among 115 charter schools operating in the state of New York, more than half of them in New York City, with 30 more approved to open in the next 18 months.

Chris Hondros/Getty Images



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What can we learn from experience  
in the United States?

Edited proceedings of a workshop held in  
Washington, DC, on 4 and 5 December 2008

CDE Workshop

Series editor: Ann Bernstein

This publication summarises the proceedings of a workshop held in Washington, DC, in December 2008. A longer version is available from CDE. This summary was written by Tessa Yeowart, Charles Simkins, Riaan de Villiers, and Ann Bernstein. The workshop was conceptualised by Ann Bernstein and Luis Crouch.

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## EXECUTIVE SUMMARY

In December 2008 CDE hosted a workshop on the role of business in schooling reform in the United States. Held in Washington, DC, it was addressed by business leaders, corporate representatives, members of business organisations, and representatives of think-tanks and non-profit organisations involved in education reform. These representatives and experts engaged with a small group of South Africans.

South African business spends a great deal of time and money on education projects. While this generous and valuable contribution has resulted in many excellent projects, it has not improved the education system as a whole. Compared to government expenditure on education, the resources commanded by companies and foundations are minuscule. The country needs good ideas to help focus the allocation of private funding, so that it has the best chance of positively influencing the education system.

The purpose of this workshop was to establish what the South African business sector could learn from the United States and the experience of companies and business funded approaches to system-wide reform.

The South African schooling system is struggling. Learners perform very badly in international tests in mathematics, science, and functional literacy, and lag years behind intended outcomes. The system is also wasteful, because many who enter it drop out, or fail to find jobs. Developing countries that are poorer than South Africa and with lower expenditure as a share of GDP on education perform substantially better, which clearly signals the poor return on South Africa's massive social investment.

The South African education system is large and complex. More than 12 million learners are enrolled at more than 30 000 schools in some 70 school districts in nine provinces. The system is populated by some 385 000 educators. There are huge differences within and among provinces, districts, and schools. All of South Africa's socioeconomic inequality is reflected in the diverse backgrounds of learners. While teachers are distributed far more equally than 15 years ago, many schools have seen little or no improvement in infrastructure over the same period. Also, time on task is still much worse in schools that cater for learners from disadvantaged backgrounds.

### Key insights

The United States is a very large country which also has an enormous and complicated educational system. It also falls short of producing the volume of skilled people needed to ensure that the country remains globally competitive. Businesses in the United States have attempted to address the challenges posed by their system. Key insights and ideas derived from the American experiences are as follows:

- *A drop in the ocean*

Private sector entities in the United States spend a great deal of money on educational initiatives, but this is still less than half of one percent of all public expenditure. Therefore, the most effective way to spend private dollars is to try to influence the future spending of public dollars. South African private funding, which is also tiny compared to state funding, should heed this insight.

- ***Advocacy by business leaders makes a large impact***

The impact of business leaders (individually and collectively) advocating reform can significantly exceed the value of a project grant. CEOs of major corporations have excellent access to the media, and their public statements on education and involvement in reform-oriented non-profit organisations and specialist commissions can powerfully influence reform.

- ***The value of research***

Finding out what works in education is much cheaper than making it work. Moreover, identifying the obstacles to the effective use of public money can contribute greatly to its better future use. Because the challenges presented by the education system are persistent and chronic, any intervention needs to be strategically planned and systemically implemented. For these and other reasons, supporting appropriate research can be a very effective way to influence policy.

- ***Investing in non-profit organisations can sometimes be better than investing directly***

Private donors often prefer supporting specific initiatives in particular schools or systems. However, it is often better to invest in the work of appropriate non-profit organisations with an educational focus, including research-oriented advocacy organisations, rather than directly undertaking free-standing projects.

- ***Think systemically, and act collectively for the longer term***

A large, complicated system such as a national educational system will not respond well to local, short-term, and poorly co-ordinated interventions. Reform initiatives need to engage with the system at all levels, and in a coherent, co-ordinated, and consistent way. Once appropriate priorities have been identified, companies and foundations should work together to maximise the impact of their efforts.

- ***Buying something can be less helpful than figuring out why the state did not***

Many of the items supplied by companies and foundations, including technology and staff development, could be purchased with public money, but are not, for political and bureaucratic reasons. Identifying the obstacles and facilitating their removal can be more effective than covering the shortfall in a few specific cases.

- ***Replicating and scaling up good initiatives***

Companies need to focus less on experimental projects and new ideas and more on taking proven ideas to more sites, and using their examples as models when advocating policy change. It is often better for business to help government take proven ideas to scale, because, regardless of how much business spends, government will always spend far more.

- ***Reform is not easy***

Education policy and reform are potentially controversial, and corporate leaders are often reluctant to be seen to be publicly criticising education systems, schools, or the teaching profession. Working for systemic change often takes longer than many businesses can wait, and it is difficult to show outcomes attributable in a fiscal quarter or year. The process tends to be intensive, and the outcomes uncertain. This confirms the value of working with and supporting independent organisations dedicated to promote systemic change in education, and establishing networks of business leaders interested in education reform to facilitate mutual support and learning.

### Key strategies

Some key strategies for increasing the efficacy of corporate investment in education are:

- **Leveraging assets and expertise:** Businesses can make an impact beyond the infusion of money by sharing its skills and expertise.
- **Establishing focused goals, and measuring results:** Good independent data enables improvement and accountability for results.
- **Work to facilitate better teaching:** This can include helping improve processes for recruiting and rewarding teachers, as well as developing existing and new teachers.
- **Focused support for well-chosen innovations** that take on risks which public funding would probably avoid, and which, if successful, could be scaled up.

### Some success stories

Among many examples of successful initiatives by the American business sector from which private interests in South Africa could learn, two stand out:

Achieve Inc is a national initiative founded in 1997 by 50 state governors and business leaders to improve public education. It is funded by major companies, governed in public-private collaboration, and sells some services to individual states. It does ground-breaking work in benchmarking, setting standards, and facilitating greater accountability. It also helps to align educational standards with market needs, and provides high-quality supplementary teaching materials for key subjects, including mathematics.

The National Maths and Science Initiative (NMSI) was set up with a large grant from Exxon-Mobil. The NMSI takes tried and tested initiatives to scale, with the aim of improving maths and science results from kindergarten through to university level. Among the projects it supports are programmes for higher-level instruction to talented high school learners, and teacher preparation programmes. The CEO of the NMSI has identified institutional barriers to scaling up successful programmes as the main obstacle to improved educational performance, and has partly blamed private sector preference for endless individual projects for encouraging this. The NMSI is committed to avoiding this mistake.

### Conclusion

The generosity of South African companies which are willing to spend significant amounts of after-tax money on improving education needs to be recognised. However, how that money is spent needs to be recalibrated in the light of our own experiences, and the lessons we can learn from elsewhere on adopting a more strategic approach to schooling reform.

Non-state money is a precious resource. It needs to be used in the most effective way possible to improve the South African schooling system, so that much larger numbers of students get a decent education and can go on to have individually rewarding careers that will contribute to their communities as well as to the national economy. South Africa's success depends on this happening as fast as possible.

## American experts

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**Amanda Broun** is senior vice-president of the Public Education Network (PEN), based in Washington, DC. PEN is the largest American network of local education funds, non-profit organisations aimed at creating change in public schools.

**Luis Crouch** is a vice-president of the International Development Group (IDG) of the Research Triangle Institute (RTI), focusing on education, and a former lead education economist at the World Bank. He has been a technical advisor to South Africa's national Department of Education for many years, and has worked in more than 15 countries in the developing world.

**Matt Gandal** is executive vice-president of Achieve Inc, based in Washington, DC. He helps shape the organisation's national agenda, and has extensive experience of reviewing academic standards and education policies in the United States and abroad.

**Jay Greene** is a senior fellow at the Manhattan Institute, and head of the Department of Education Reform at the University of Arkansas.

**Corey Griffin** is director of international development aid at Microsoft. He works with development agencies around the world through public-private partnerships.

**Charles Kolb** is president of the Committee for Economic Development (CED) in Washington, DC. The CED is an independent nonpartisan organisation of more than 200 business and education leaders dedicated to economic and social policy research.

**Lydia Logan** is executive director of the Institute for a Competitive Workforce (ICW) in Washington, DC. The ICW promotes education reform and is affiliated to the US Chamber of Commerce.

**Gerald McElvy** is president of the ExxonMobil Foundation and deputy manager, public affairs, of the ExxonMobil Corporation.

**Mike Petrilli** is vice-president for national programs and policy of the Thomas B Fordham Institute, a non-profit think-tank dedicated to advancing educational excellence. It has offices in Ohio and Washington, DC.

**Robert Richardson** is east coast education manager of the Intel Corporation. He works with K-12 schools and universities towards improvements in maths, science, and engineering, particularly by women and under-represented minorities.

## South African participants

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**Ann Bernstein**, executive director, Centre for Development and Enterprise.

**Gail Campbell**, chief executive officer, Zenex Foundation.

**Tsedu Dipholo**, vice president: education, South African Democratic Teacher's Union (SADTU).

**Brian Figaji**, board member, Centre for Development and Enterprise.

**Mpho Letlape**, managing director: human resources, Eskom.

**Nomsa Masuku**, head: corporate social investment, Standard Bank.

**Lerato Molebatsi**, head: group public affairs and corporate social investment, Sanlam.

**Sarah Morrison**, manager education sector, Tshikululu Social Investments.

**Edward Mosuwe**, chief director: FET schools, Department of Education.

**Charles Simkins**, head of the School of Commerce, Philosophy and Applied Ethics, St Augustine University.

**Lydia van den Bergh**, general manager, Centre for Development and Enterprise.

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**Tessa Yeowart**, education project manager, Centre for Development and Enterprise.

## About this publication

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**I**N DECEMBER 2008 CDE hosted a workshop on the role of business in schooling reform in the United States. Held in Washington, DC, it was addressed by business leaders, corporate representatives, members of business organisations, and representatives of think-tanks and non-profit organisations involved in education reform. These representatives and experts engaged with a small group of South Africans.

South African business spends a great deal of time and hundreds of millions of rand every year on education projects. This is a precious national resource of money, time, and commitment. And yet all this effort has had little impact on improving the quality of the South African education system as a whole. The purpose of the workshop was to ‘think outside the box’ and see what South Africa can learn from the experience in the United States.

The literature on the role of companies or business-funded organisations in education reform is sparse, and few conferences or workshops have been held about the role of business in the systemic reform of schooling systems.

This publication is aimed at recording the wealth of experience and lessons learnt in the United States presented to the workshop, and making this available to a broader audience.

The workshop summarised in this publication was one of two workshops about education reform held by CDE in Washington, DC, in December 2008. The first workshop dealt with international experiences of schooling reform, and was also aimed at informing efforts to reform the South African education system.

This publication and a companion publication – entitled *International Best Practice in Schooling Reform: What Can South Africa Learn from Other Countries?* – present the key lessons that emanated from both workshops in a compact format. Longer versions of the proceedings are available from CDE, and can also be downloaded from [www.cde.org.za](http://www.cde.org.za).

## Introductory remarks

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*Ann Bernstein is executive director of the Centre for Development and Enterprise.*

How companies can most effectively use their resources and influence to assist in changing the quality of schooling for the majority of South Africans is a difficult challenge

CDE ARRANGED THIS workshop because of its concern about the quality of South African education, and its desire to learn more about business support for schooling reform in other countries. Our intention was to gather information and ideas that could inform attempts to improve the South African schooling system, and specifically help to sharpen the contribution of South African companies and business-funded organisations to systemic reform.

A broad spectrum of experts was invited to talk about corporate support for schooling reform in the United States. They presented perspectives on the efforts and contributions of a range of business organisations, ranging in scale from cities to entire national systems. Many of the initiatives and organisations are pioneering work designed to have a strategic impact on the large, diverse, and decentralised schooling system in the United States. Although South Africa is a very different country, there are important lessons to be learnt and ideas to be explored arising from the mainly American experiences presented at our workshop.

How companies can most effectively use their resources and influence to assist in changing the quality of schooling for the majority of South Africans is a difficult challenge.

The presentations covered a wide terrain, reflecting varied and sometimes contradictory approaches. However, they were rich in content, and produced many challenging ideas.

Despite their differences, almost all the experts agreed on two things. The first is that business has the most impact when it raises national awareness of the nature and scope of challenges in education coupled with constructive proposals for reform. Secondly, business involvement in project activity needs to be strategic, and designed to take successful initiatives or experiments to scale.

In what follows we have combined the presentations by the American experts with their responses to questions raised by the South African participants.

# BUSINESS AND ADVOCACY

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# The US Chamber of Commerce and education reform

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*Lydia Logan* is executive director of the Institute for a Competitive Workforce (ICW) in Washington, DC.

**T**O MAKE AN impact on education reform, business must articulate clearly why it is important for students to learn more, know more, and be able to do more in a global economy. It needs to say clearly what needs to change, how it needs to change, and why it needs to change. The Institute for a Competitive Workforce (ICW), an affiliate of the US Chamber of Commerce, exists to conduct research, inform business strategies, and encourage action for change in education.

## Strong research foundation

The ICW's most comprehensive report on American education, *Leaders and Laggards: A State-by-State Report Card on Educational Effectiveness* (February 2007), combined existing research on schooling reform and state education reports to federal government, and published them in a more accessible form. The report was a wake-up call: for example, it showed that Massachusetts, the best performing state, does not have 50 per cent proficiency in maths or reading in the fourth or eighth grades.

In conjunction with *Leaders and Laggards* the ICW released an influential set of recommendations with its partner, the Center for American Progress. Entitled *A Joint Platform for Education Reform*, it suggested four priority areas of reform that business is well positioned to champion: better teaching, better data, better management, and more innovation (see box p13).

## Foundation for advocacy

Given this blueprint for education reform, business advocates can speak out more confidently, and with a better alignment of energy. ICW encourages companies to get

Business needs to say clearly what needs to change, how it needs to change, and why it needs to change

### The US Chamber of Commerce

The US Chamber of Commerce – the largest lobbying and advocacy organisation for business in the country – has identified human capital as the main item on its competitiveness agenda. It works to address a projected future shortage of 38 million skilled people in a 150 million-strong workforce through connecting the best minds in American business with innovative thinkers in education.

Its extensive network of Fortune 500 companies, smaller chambers of commerce, and small business – 3 million members in all – gives the chamber significant influence. It has set up the Institute for a Competitive Workforce to conduct research, inform members, and encourage action on recommendations.

[www.uschamber.com](http://www.uschamber.com)

## Blueprint for education reform in the US

A *Joint Platform for Education Reform* contains detailed recommendations for reshaping the American educational system in four key areas:

**Better teaching:** States and districts must ensure that teachers are effective by:

- aligning their recruitment, training and development with the knowledge and skills needed to improve student performance;
- evaluating schools of education and other training institutions; and
- reforming pay and performance structures.

**Better data:** State and local policy-makers must improve data collection and quality and use this to create better educational decisions.

**Better management:** States and districts must ensure that schools and school systems adopt sound management principles.

**More innovation:** Federal, state, and district leaders must implement innovative educational practices and school models.

*US Chamber of Commerce (2007).*

education issues into their government affairs offices, and to focus on these as part of their lobbying strategies.

The impact of business leadership advocating reform significantly exceeds the value of a project grant. When a CEO speaks out, everyone listens. Bill Gates (Microsoft), Art Ryan (Prudential Insurance), Craig Barrett (Intel), Louis Gerstner (IBM), and Ed Rust (State Farm Insurance) have been reform advocates for several years. Besides speaking out on education issues, these CEOs serve on the boards of reform-oriented non-profit organisations as well as in government commissions and specialist review teams of aspects of the education system.

## Collaborative initiatives

In addition to advocacy work, business has played a key role in setting up large national reform initiatives, and garnering political support for them:

1. **New Leaders for New Schools** prepares principals to lead dramatic performance improvements in urban schools. This programme has received significant corporate support, indicating that companies view school leadership as an essential leverage point for improving student performance. The programme provides training in advanced management skills, practical experience, and mentoring and support through a hybrid Masters in Education Administration (MEA) and Masters in Business Administration (MBA) degree. After a year of training, candidates are placed with a mentor for a year. The programme's largest funder is the Gates Foundation, but it also receives considerable support from the Broad Foundation, Boeing Corporation, the Monitor Group, and FedEx.
2. **Teach for America** recruits top students from top schools to teach in poor communities for at least two years. Business views this as an essential intervention for

Business support for reform-oriented advocacy organisations has an impact far beyond managing small yet important projects

# How top corporations can help transform public education

The poor performance of the American education system has a profound economic and social impact. Realising the severity of the situation, leading corporations have, since the mid-1980s, played a growing role in addressing these challenges. In 2007 Ernst & Young commissioned FSG Social Impact Advisors to review the experience of a dozen top business and foundation investors in education reform. Non-profit organisations and schooling systems that have benefited from this support were also interviewed.

The subsequent report, *Best in Class: How Top Corporations Can Help Transform Public Education*, sets out approaches by business to encourage systemic impact; identifies three areas where this impact is most needed; suggests ways in which philanthropic support can be more strategic; and offers recommendations for improving practice in reform initiatives.

## Creating systemic change

The underlying challenges within the education system must be addressed if individual philanthropic initiatives are to succeed. The challenges are persistent and chronic, and have existed for decades. This requires that business undertake strategically planned systemic interventions. The report suggests three approaches:

**Adopting systemic thinking:** Systemic change will only be achieved via active advocacy for policy change. Engagement needs to happen at multiple levels of the system (school, district, state, and federal).

**Replicating and scaling up effective initiatives:** There are many examples of successful reform initiatives, and companies need to focus less on new ideas and more on taking proven ideas to multiple sites.

**Taking collective action on selected education issues:** Once priorities have been identified, business and philanthropists should work together to maximise the impact of their initiatives.

## Where are investments best leveraged?

Corporations may intervene directly, or support non-profit organisations. The three most important areas for intervention appear to be:

**Teaching and learning:** Teacher instructional strategies and tools are the most important levers for improving learning outcomes. Academic standards, curricula, and assessment need to be aligned to develop content knowledge, vital thinking skills, and achievement.

**Human capital:** This includes professional development for teachers, and ensuring quality leadership in schools and districts. Examples include UTeach, New Leaders for New Schools, and the Superintendents Network.

**Systems and structures:** Creating and sustaining change depends on effective systems and structures in the broader education environment. It is notoriously difficult to effect systemic change from outside, and there has been the least activity in this area. Effective entry points are the policy environment, community and stakeholder engagement, support services to districts rather than schools, and organisational units that interface with school systems.

## Strategic intent

Two major strategies for increasing the effectiveness of education philanthropy are:

**Leveraging assets and expertise:** Businesses can make an impact beyond the infusion of money by sharing skills and expertise within these initiatives. Management and leadership skills are invaluable to school principals. Public relations and advocacy channels can be used to promote a reform message. District managers would benefit from adopting business processes.

**Establishing focused goals, and measuring results:** Goals enable a clear communication of strategy, and improved understanding of intent. While measurement and evaluation are not always easy, data enables improvement and accountability for results.

## Building a successful initiative

The following are key factors in building a successful business initiative:

- Use business strengths to enhance reform efforts. Negotiation, management, and advocacy skills add significant value.
- Commitment at CEO level to education reform support significantly increases the impact of the reform agenda.
- Ensure that interventions are adapted to local needs and not prepackaged.
- Ensure that intentions to have a large-scale impact are matched with funding and commitment.
- Adopt a long-term focus (a minimum of three years).
- Business techniques such as outcomes measurement and goal setting can increase the chances of success.

addressing the human capital aspects of the schooling crisis. Since its launch in 1990 this programme has become one of the largest providers of teachers in low-income schools. Besides extensive foundation funding, Lehman Brothers, Wachovia, Visa, and Amgen Foundation are the organisation's corporate partners, reflecting a commitment to education improvement, as well as 'corporate volunteerism'.

3. The **New Teacher Project** works with schools to improve hiring practices, in urban school districts. It is now a nationally recognised authority on teacher recruitment and human resource practices for school systems, and receives generous business support.
4. The **National Maths and Science Initiative** is aimed at addressing the shortage of high-level graduates in science, technology, engineering, and maths through improving teacher quality. It provides grants for increasing the scale and scope of successful pilot programmes, such as UTeach.
5. The **American Diploma Project** is an initiative of Achieve Inc, which focuses on high school standards, graduation requirements, assessments, and accountability with the aim of aligning education standards across the country. Its commitment to clear goals and effective measurement, as well as closing the gap between the performance of high schools and universities and work readiness, makes it an attractive investment for corporate funders.
6. Corporate support enabled the establishment, in 1987, of the **National Board for Professional Teaching Standards**, which aims to improve teaching and learning by validating teaching practice and professionalisation through rigorous standards and certification. This programme is richly funded by J P Morgan Chase, Oracle, and GlaxoSmithKline, among others.
7. The **American Board for the Certification of Teaching Excellence** was set up in 2001 to recruit teachers from other professions, and prepare, certify, and support them to ensure quality teaching. Teachers with certification are paid more, and the programme is run with considerable federal government and business support.

Business has played a key role in setting up large national reform initiatives, and garnering political support for them

## Challenges

Despite the importance of business involvement in education policy reform, some challenges still need to be overcome. Education policy and advocacy are potentially controversial. ICW has often met with business leaders, and agreed on schooling priorities, but found that they were wary of being seen to be critical of education policy, or aspects of the education system. Working with systemic change also takes longer than many businesses can wait. It is difficult to show outcomes attributable in a fiscal quarter or year. The process tends to be labour-intensive, and the outcomes uncertain. And in the United States, the Internal Revenue Service (IRS) limits the spending of some non-profit organisations on advocacy to 10 per cent of their budgets.

## How the Fordham Institute helps to make reform happen

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*Mike Petrilli is vice-president for National Programs and Policy of the Thomas B Fordham Institute, a non-profit think-tank dedicated to advancing educational excellence.*

**B**USINESS SUPPORT FOR reform-oriented advocacy organisations has an impact far beyond managing small yet important projects. To maximise the success of individual education reform efforts, a focus on public policy is essential. Policy influences many of the practices that need to change. Reform-oriented advocacy organisations exist to influence public policy in the right direction.

### Increasing advocacy success

In 2006 Education Week included four independent advocacy organisations in its list of the ten most influential bodies in education policy in the United States:

The **Education Trust**, committed to testing and accountability, played a major role in initiating the No Child Left Behind Act. This included intensive lobbying, in-depth research, an extensive publishing programme, and effective interaction with the media.

**Achieve Inc** was founded by state governors and the chief executive officers of leading corporations to undertake reform-oriented advocacy at state level.

The **Thomas B Fordham Institute** is a non-profit think-tank dedicated to advancing educational excellence in America's K-12 schools (see box).

The **Center on Education Policy** is a national, independent advocate for public education and more effective public schools. It receives almost all its funding from charitable foundations.

These four organisations have a number of attributes in common:

- They are NGOs with credible independent voices, able to promote what is good for the country rather than special interests.

### The Fordham Institute

The Thomas B Fordham Institute is a non-profit think-tank dedicated to advancing educational excellence in America's K-12 schools. It promotes policies that strengthen accountability and expand education options for parents and families. Its sister non-profit, the Thomas B Fordham Foundation, sponsors charter schools in Ohio.

The institute is the public face of nearly all Fordham's activities, while the foundation uses its modest endowment primarily to support the institute's work, supplemented by generous support from other funders.

[www.edexcellence.net](http://www.edexcellence.net)

Business support for reform-oriented advocacy organisations has an impact far beyond managing small yet important projects

- They provide policy-makers with easier access to research, highlighting what it means and why it is significant.
- They work closely with the media in order to influence the way in which key issues are formulated and presented; this helps to determine what is possible politically.
- Although they have ideological leanings, they have reputations for openness.

The success of an organisation in effecting change is a result of efforts over a long period of time, including intensive media work. In the case of the No Child Left Behind campaign, the Education Trust did good work in collecting and putting forward compelling data. It is valuable to be available to government to provide input on bills and policy, so that credibility is built.

An advocacy organisation need not specialise in a particular area, but a few specialists must constantly be on top of events and respond promptly to urgent issues. As well as longer-term research projects, more contemporary issues can be dealt with in weekly e-magazines, blogs, or radio shows.

### **Business support for charter schools**

Charter schools are publicly funded schools managed by independent boards which have greater freedom than state schools in respect of staffing, curricula, and assessment systems, but are held accountable for producing certain results. Their goal is to provide superior education, and offer parents and students a greater choice of schools within the public schooling system. Specific performance conditions are outlined in each school's charter, which is issued by the district's Board of Education. If charter schools fail to meet the required standards, their operating contracts can be revoked.

Today there are about 4 300 charter schools in the United States, comprising 4,5 per cent of all public schools, and serving 2,6 per cent of all public school students. While annual growth has slowed slightly since 2000–1, the number of charter schools has quadrupled over the past ten years, and 365 new charter schools opened their doors in 2007–8. They are traditionally founded by teachers, parents or educational activists as well as non-profit groups and universities.

The charter school movement has become an attractive entry point for corporate support, and has attracted the attention of entrepreneurs. Expanding the growth of quality charter schools (and other options such as vocational education) are seen as giving a greater number of students potential pathways to success. Specific areas of business involvement are:

funding the growth of charter management organisations, or supporting them with skills and business services;

- advocating at state level for lifting restrictions on charter school numbers;
- directly funding charter schools; and
- setting up charter schools or chains of charter schools as a business.

*www.edexcellence.net; www.uscharterschools.org; Lake (2008).*

'We've lighted at least a million pilots in this country, but we haven't lighted the central heating system'

## Business support through funding

Foundations and business leaders tend to want to invest in actual school projects and systems, but should also invest in influencing policy through NGOs, think-tanks, and advocacy groups who play this role. Such organisations persuade a key group of lawmakers, advisors to governors, opinion-formers, and policy-makers to undertake reform, track reforms as they play out, and give advice on direction. They offer a credible voice to the media and the larger public. Their role is not with implementation issues, which is where other organisations would take over.

## Achieve Inc – combining advocacy, research, and support

***Matt Gandal** is executive vice-president of Achieve Inc, based in Washington, DC. He has extensive experience of reviewing academic standards and education policies in the United States and abroad.*

Achieve Inc combines a state-level reform-oriented advocacy agenda with technical assistance to help implement that agenda

**A**CHIEVE INC COMBINES a state-level reform-oriented advocacy agenda with technical assistance to help implement that agenda. It concentrates on accountability measurement and academic standards, and conducts research to advance education reform work more broadly. It works with a cross-sectoral group in each state – companies, state commissioners at the elementary and secondary level, and higher education and business leaders – and provides what is often a unique opportunity for them to work together.

### Achieve Inc

Achieve is a non-profit organisation created in 1997 by the governors of all 50 states as well as business leaders to work for improved public education. It was formed in response to vigorous debates about the role of the federal government in education reform, particularly in respect of national standards. There was widespread opposition to the idea of federal national standards, and greater support for the idea of states setting their own standards and measuring the outcomes.

Achieve was established to help states benchmark many aspects of this process, from setting and measuring standards through to holding people accountable for success.

Achieve's board of directors is made up of governors and business leaders. It is a bipartisan organisation, and maintains an even balance between Democratic and Republican directors. States participate on a voluntary basis.

Achieve is funded by foundations (including the Gates and Lumina foundations), business, and states, in the form of fees for services provided. As Achieve is not a membership organisation, its mission can be determined by its board.

[www.achieve.org](http://www.achieve.org)

## The American Diploma Project

At its inception, Achieve's main role was to help states set expectations for student and school achievement by comparing different states and tapping the experiences of top performing countries. Over time, there was demand for more independent benchmarks. All aspects of the pipeline were reviewed: tests, courses needed to earn a high school diploma, and skills and competencies required by employers and universities. A huge expectations gap emerged between what students were required to learn in high school and what they were required to know in order to achieve success at university and in the workplace.

Today, Achieve's flagship project – The American Diploma Network – is aimed at increasing the value of high school diplomas, by aligning them with the knowledge and skills needed by universities and businesses. It has become a 35-state network designed to help close this gap in three areas, namely academic standards, curricula, and testing.

The project builds on Achieve's extensive work in benchmarking. It offers a set of benchmark expectations – model academic standards in maths and English that reflect the knowledge and skills graduates need to succeed. All 35 states that Achieve is working with have used or will use the benchmarks to recalibrate their secondary school standards. These benchmarks are also being used in an effort to establish common standards across the states.

### Closing the expectations gap

Achieve releases an annual 50-state progress report, entitled *Closing the Expectations Gap*, on the alignment of high school policies with the demands of university and careers.

The post-secondary sector and business community, which help set benchmarks, are becoming more aware of their role in ensuring that students are well-prepared for university studies and the workforce.

Since the project was launched, all but six of the 50 states have aligned, or plan to align, their end-of-high-school standards in English and mathematics with university and career readiness expectations, and 23 states have completed this work. Moreover, 20 states have set graduation requirements at the level of university and work readiness.

### Online tools and resources

Achieve offers a wealth of information and resources to support the development and implementation of standards and accountability measurement at state level. Its recent research includes:

- studies of high school graduation requirements;
- state strategies for improving high school graduation rates; and
- evaluations of what high school exit exams and widely used university admissions and placement exams actually measure.

It also offers various online tools, including fact sheets, papers, strategic checklists, PowerPoint presentations and other practical advocacy tools. Key findings are shared with a view to adding flavour to conversations, speeches and presentations. This helps to shape message-making, and provides myth-breaking materials used to educate key audiences about the relevant issues.

Examples include:

Business leaders tend to want to invest in actual school projects and systems, but should also invest in influencing policy through NGOs, think-tanks, and advocacy groups

- **Math Works**, a set of advocacy tools that explain why all students need higher-level mathematics to succeed (see [www.achieve.org/mathworks](http://www.achieve.org/mathworks)).
- The **Business Tools for Better Schools** website provides a one-stop shop for business leaders from top-level CEOs to small business owners interested in becoming involved in their district or school, in an area they will have the strongest impact (see [www.biztools4schools.org](http://www.biztools4schools.org)).
- The **Post-Secondary Connection** helps post-secondary institutions and leaders to make the case for their involvement in setting benchmarks for high schools (see [www.postsecconnect.org](http://www.postsecconnect.org)).

## Overcoming challenges for a sustainable future

Some of the challenges faced by Achieve as an organisation have been to maintain the optimum balance between being properly resourced with skilled staff to attend to its massive change agenda while remaining small and nimble. Another challenge, especially with business stakeholders, is competing priorities, as they are constantly being asked for help in a lot of areas. Finally, there is the challenge of sustainability; how to ensure that education remains a priority with a change in governor, a change in state legislature, or during an economic downturn. A project is being launched to look at this in detail. It will focus on case studies of states that have adopted strategies or policies for sustainability of at least ten years.

Another challenge, especially with business stakeholders, is competing priorities, as they are constantly being asked for help in a lot of areas

## The Committee for Economic Development: business advocate for reform

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*Charles Kolb is president of the Committee for Economic Development (CED) in Washington, DC, an independent organisation of business and education leaders dedicated to economic and social policy research.*

**T**HE CED APPROACHES issues from a factual base, and then brings business into the equation. Its advocacy work is therefore rooted in sound research and investigation, and practical day-to-day experience. Its board of trustees publicly speaks on key issues, giving its policy positions and recommendations greater impact.

## Expanded focus from early childhood education

CED has promoted systemic education reform since the 1980s. Business leaders understand the direct connection between a failed education system and a flawed economy, so their interest in education is often based on long-term self-interest. In the United States there was a wave of education reform following the 1983 release of *A Nation at Risk: The Imperative for Educational Reform*. This report by the National Commission on Excellence in Education, appointed by President Ronald Reagan, revealed that American schools were failing miserably. The report launched a wave of local, state, and federal reform efforts. Groups such as CED led a growth of business interest in reform strategies.

## The Committee for Economic Development

CED offers senior executives a non-political forum for exploring vital long-term social and economic issues, and engaging with American policy decisions. Since its inception in 1942 it has addressed a range of national issues that have promoted economic growth and benefited all Americans. Its membership comprises about 200 business and university leaders.

In the 1980s CED became the first national business organisation to become actively involved in education policy. Viewing students as future leaders, citizens and workers, CED saw improving educational outcomes as core to economic growth. In recent years, it has been at the forefront of efforts to quantify the economic benefits of high-quality education and in building support among the business community for voluntary, universal preschool.

*www.ced.org*

Initially, most companies focused on donating money or computers. This involvement has evolved to a much deeper and prolonged focus on structural change. Today, companies support charter schools, and CEOs involve themselves in urban school systems and help superintendents. Corporations such as IBM offer millions of volunteer hours from their employees. Pfizer sponsors employees to offer human resource expertise to universities. As well as being smart business, this builds a sense of community, investment, and partnership.

### CED's approach

CED taps the views and expertise of the most powerful business people and most noted professors. The key aspects of CED's work are research, networking opportunities, and advocacy. Research advisory board members prepare papers on issues for consideration by trustees.

Advocacy is directed at members of cabinet, with whom individual trustees have strong relationships. Testimony is provided to Congress, and information and advice are shared with state leaders, industry leaders, and community groups.

To maximise the impact of its work, CED hosts public events with the media for the release of reports or statements. Moderated panel discussions take place for in-depth coverage of issues.

According to CED, it is important to have a sustained presence in the media, and to find partners and ways to collaborate to get leverage, power, and impact. Constant personal touch with key people is important. Another successful approach is for senators to pitch reform to business people in a smaller forum, prior to the broader discussion forum. This gives business people a sense of being taken seriously. CED deliberately tries to include labour unions and others who may object to the ideas in these events, as this can create more traction.

### The importance of business leadership

Business leaders are an important part of the coalition which is change in education. The first President George Bush implemented the National Education Goals process, targeting

The CED's board of trustees publicly speaks on key issues, giving its policy positions and recommendations greater impact

worldwide first place in maths and science performance by 2000. Although this did not happen, the goals setting process advanced the movement towards standards assessment, accountability, and measurement. The inclusion of business leaders who think this way enabled this.

However, not all business leaders are willing to become involved in public policy. Key reasons are:

- they have competing priorities, and don't have the time;
- they don't have the right facts, or know where to get them; and
- they don't have peers to engage with on the issues in question.

A successful advocacy organisation needs to address these issues. Business leaders are influenced by what other business leaders are doing, so networking is very important. CED's success is due to the quality of its work and its non-partisan nature.

## The Public Education Network: community-based advocacy for reform

The PEN works to improve public schools and build community demand for quality public education in low-income communities across the country

***Amanda Broun** is senior vice-president of the Public Education Network based in Washington, DC, a network of non-profit organisations aimed at creating change in public schools.*

**B**USINESS SUPPORTS LOCAL education funds (LEFs) and the Public Education Network (PEN) to play a strategic role in education reform across the country. Besides funding, business offers skills to LEFs, participates in LEF boards, and partners with LEFs to achieve advocacy goals.

### The advocacy agenda

LEFs work independently of the school system, and their main task is advocating reform. Typically they have five priorities:

#### The Public Education Network

The Public Education Network (PEN) is a national network of individuals as well as community-based, volunteer-driven advocacy organisations called local education funds (LEFs). They work to improve public schools and build community demand for quality public education in low-income communities across the country.

It has 80 members across 32 states, and also has a growing international membership, particularly in developing countries (South Africa, Tanzania, Mexico and the Philippines). LEFs reach about 12 million children, about a quarter of the American student population.

[www.publiceducation.org](http://www.publiceducation.org)

**Involving all segments of the public in schools** (putting the public into public education): For the greatest impact, the general public, not just a small group of individuals has to care about schooling, and work for change. LEF boards include a range of stakeholders from the community, public and private corporations, and higher education. The private sector's representation gives business an in-depth reach into the community.

**Accountability and measurable results:** LEFs believe that these aims need to underpin all schooling reform strategies. Clear goals and strong systems of evaluation and measurement need to be in place. LEFs work to support the implementation of goals and indicators. The most important measures are student outcomes and student progress.

**Focusing on improvement:** LEFs remain outside the school system and the public school bureaucracy, but work closely with superintendents, school principals, and teachers to ensure that reform work is getting done.

**Better resources for public education:** LEFs promote increased investment in education by local governments, businesses, and philanthropic foundations. LEFs enjoy non-profit tax status and can receive tax-deductible contributions.

PEN also **mobilises resources for quality public education**. To date, PEN has raised more than \$4 billion for quality public education, and invested more than \$1,5 billion in teacher quality.

## Requirements to join the network

LEFs need to demonstrate five key organisational competencies to become part of the national network. These are: a research focus; policy influence; a deep understanding of what it means to engage in best practices in reform with expertise in teacher quality, high school reform, leadership development, youth development, and community schools; communications expertise; and constituency-building.

## The value of national collaboration

PEN supports LEFs by:

- building deeper knowledge of successful practices that affect public education policy change;
- building capacity and improving organisational effectiveness;
- developing a stronger local and national identity;
- enhancing professional development; and
- providing opportunities to interact with peer organisations, and share information and experiences.

Examples of this support include web-based seminars for collecting and sharing information among members. PEN also offers peer exchange and networking, education policy initiatives, and communities of practice. Local, state, and federal legislatures are informed of LEFs' success in increasing student achievements in low-income schools, and public awareness and involvement in effective public school initiatives is increased.

LEF boards include a range of stakeholders from the community, public and private corporations, and higher education



# THE CHALLENGE OF EFFECTIVE INTERVENTION

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## Buckets into the sea: why philanthropy isn't changing schools, and how it could

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*Jay Greene is a senior fellow at the Manhattan Institute, and head of the Department of Education Reform at the University of Arkansas.*

**P**RIVATE SECTOR MONEY for education reform is minuscule in comparison to public dollars; trying to reform public education through the sheer force of private dollars is a bit like pouring buckets of water into the ocean.

Spending by private sources in the United States is about one third of one per cent of all spending by public schools. In 2002 the private sector spent roughly \$1,5 billion on education reform, compared to about \$430 billion spent by public schools. The most effective way to spend private sector dollars, therefore, is to try to redirect how public dollars are spent in the future. Most of the funds given by the top 30 foundations to education do not sufficiently attempt to leverage future public spending and redirect it in the desired direction.

Many of the items supplied by philanthropists to education – such as new technology, or staff development – could be purchased with public dollars

Many of the items supplied by philanthropists to education – such as new technology, or staff development – could be purchased with public dollars. Political realities dictate how funds are allocated to public schools. It is important to ask why public schools don't buy these products and services themselves. Once the barriers have been identified, limited private dollars would be spent most effectively by advocating the removal of the barrier, and convincing public dollars to support the idea. For example, if you believe that the most important thing public schools need is more money, your limited dollars are best spent advocating more public spending on schools. High-level strategies involving leveraging can be implemented through:

- **research and advocacy** – by trying to convince people that something else is good, and that they ought to be using public dollars to support it; or
- **funding structural changes in schools** which are supported by public dollars, for example building a charter school or supporting vouchers.

*Jay Greene could not attend the workshop. This account is drawn from Greene (2005).*

## ExxonMobil: from pilot projects to national programmes

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*Gerald McElvy is president of the ExxonMobil Foundation, and deputy manager, Public Affairs, of the ExxonMobil Corporation.*

**T**HE EXXONMOBIL FOUNDATION focuses on issues in its countries of operation that are important to the business as well as relevant to local communities. ExxonMobil's business depends upon highly trained engineers and scientists. For this reason it has

*CDE was fortunate to have three global corporations present their approach to system reform at our workshop. Although they do collaborate with other organisations on some initiatives, these companies have different ideas about what works best, and how to use their resources most effectively. Their presentations are summarised here as examples of companies wrestling with the difficult business of achieving the maximum impact in the United States and globally. Issues surrounding the most effective approaches to systemic reform were intensely debated.*

made education, and maths and science in particular, one of its key focus areas. Philanthropic support provides less than 1 per cent of the total \$550 billion spend on public education in the United States. Therefore, careful choices have to be made about how to target spend for the most impact. ExxonMobil's programmes offer some examples of systemic approaches to reform.

## A focus on maths and science

There is a serious problem with the quality and rigour of maths and science education in American schools; only about 15 per cent of high school students are capable of embarking on a maths or science career or further study. Yet 80 per cent or more of job growth in the next decade will come from jobs which require additional background in maths or science beyond high school.

Despite an education spend of about \$550 billion a year, the United States only produces 70 000 engineers a year, compared to 600 000 in China and India combined. This raises a question about the source of future innovation. *Rising Above the Gathering Storm*, published in 2005 by various national academies, provided a stark insight into the crisis in maths and science teaching, as well as recommendations for reform. These included:

- producing more effective maths and science teachers;
- strengthening the skills of existing teachers; and
- enlarging the pipeline of students with the desire and preparation to pursue science, technology, engineering and maths at the undergraduate level and above.

Once hard data supporting claims about the problems and merits of the education system became available, action could be taken. In response, ExxonMobil took a strategic decision to support a national initiative to improve performance in maths and science, which built on successful pilot programmes. The National Maths and Science Initiative (NMSI) was set up as an independent body to manage this work. This was made possible by the largest single grant in ExxonMobil's history – \$125 million.

The two most difficult issues confronting funders in selecting and supporting education programmes in maths and science are:

- how does one identify programmes likely to succeed?; and
- how does one structure implementation to ensure that successful programmes are sustained after funding is discontinued?

One answer is to scale proven programmes nationally and eventually obtain public support. Today's challenges require a new kind of philanthropy, focused on measurable results. According to the Committee to Encourage Corporate Philanthropy, nine out of

ExxonMobil took a strategic decision to support a national initiative to improve performance in maths and science, which built on successful pilot programmes

ten companies are not satisfied that their giving dollars are making a difference. Funding to scale ensures that benefits of good programmes are broadly distributed, reducing the need to recreate programmes in every community.

## National Maths and Science Initiative

This initiative, the NMSI is unique in its focus on taking tried and tested initiatives to scale. Its objective is to improve maths and science results from kindergarten through to an undergraduate degree, the level of skills needed to avert the crisis in competitiveness. It has a specific focus on increasing the number and quality of maths and science teachers to enable this and encouraging more students to take rigorous maths and science courses in high school.

NMSI operates as a strategic holding company, adding value by offering ongoing support and monitoring implementation. A strong and highly influential board of directors is in place to guide its work and bring best practices in management to the education sector. Its programmes incorporate strict goals and accountability measures, aimed at inserting a business model of inputs, outputs and efficiency measures into education initiatives. It receives funds from the private sector, foundations, and state and federal government.

NMSI has two flagship initiatives:

Compared to government expenditure on education, the resources commanded by private sources are minuscule

The **Advanced Placement, Training, and Incentive Programme** (APTIP) has produced dramatic improvements in achievement. Advanced Placement (AP) courses are university-level courses offered to talented or motivated high school students. Research shows that AP courses dramatically increase the chances of both university participation and probability of success, across ethnic groups. Some universities credit these courses, which require a national exam and are based on a rigorous curriculum. APTIP aims to qualitatively and quantitatively improve AP programmes in schools by offering financial incentives to students and teachers based on results, organising training for teachers in AP courses and opening enrolment in these programmes to encourage participation by minority students.

**UTeach** is a teacher preparation programme designed to attract university students majoring in maths, engineering or science, to become teachers. After the training, participants are encouraged to teach. They receive scholarships, and leave with three semesters of student teaching instead of the one that is usually required. Research shows that participants are likely to stay in teaching longer than average, creating a more stable teacher core.

## Other initiatives

ExxonMobil continues to fund other organisations focusing on improving maths and science education. **Reasoning Mind** gives children a conceptual understanding of these subjects in an innovative way, and makes them excited about learning. It is a web-based programme that is scalable, with a strong coherent curriculum using interactive graphics and data. Each child needs a computer and works at his or her own speed. The teacher is able to see who is struggling and to offer individual attention, particularly in large classes where children with below-average abilities are left behind or those who are above average are held back.

## The importance of scale

Tom Luce, CEO of the National Maths and Science Initiative, has commented as follows on the importance of scaling up successful education programmes:

'... We have proven that every child can learn, so what's the problem? The problem is lack of public will and an institutional structure that works against scaling successful programmes. Every business in this country benchmarks itself against other people. They learn from other people, and they adapt and change what they are doing. That doesn't happen very often in education. Unfortunately we in the private sector perpetuate that problem, because we start one pilot programme after another.

'We've lighted at least a million pilots in this country, but we haven't lighted the central heating system. Programs that help 1,000 kids are wonderful, but we have 55 million that we have to impact, so I look at the National Math and Science Initiative in business terms.

What successful entrepreneurs know how to do is scale up what they are doing. In business terms, that's what NMSI is going to do – take proven programmes to a national scale.'

*Luce (2008).*

The generosity of South African companies which are willing to spend significant sums of money on improving education needs to be recognised

## Intel's focus on collaboration and advocacy

**Robert Richardson** is East Coast education manager of the Intel Corporation.

**I**NTEL'S EDUCATION INITIATIVE is strongly focused on advocacy and collaboration, emphasising the importance of technology and excellence. It also runs programmes to improve teaching and learning and to promote maths, science, technology and engineering education and research. Its focus is mainly on schooling, but also extends to universities, with programmes in more than 50 countries. Intel partners with government, educators, the community, and education-oriented NGOs in the design, development, and implementation of its programmes.

### Strategic advocacy initiatives

Educational excellence underpins Intel's education policy work around the world. Advocacy makes up an important part of this work. Internationally, it collaborates through the Global Education Initiative, a partnership between UNESCO and the World Economic Forum (WEF). In the United States its partners are Achieve Inc, the Massachusetts Business Alliance and the Partnership for 21st Century Skills.

The **Global Education Initiative** raises awareness and support for relevant, sustainable and scalable national education sector plans. Education reform is analysed strategically, relationships built, and the needs of a particular country defined. Multi-Stakeholder Partnerships in Education (MSPE) underpins the reform programmes, reflecting increased private sector engagement. Companies such as Intel offer contributions based on their strengths. Strong leadership directs and leverages these contributions effectively.

A large, complicated system such as a national educational system will not respond well to local, short-term, and poorly co-ordinated interventions

## The Egyptian Education Initiative (EEI)

In 2003 the World Economic Forum launched a Global Education Initiative (GEI), aimed at involving political, business, and civil society in education reform. More specifically, it develops multi-stakeholder partnerships which are meant to promote education reform at country, regional and global levels.

The Egyptian Education Initiative (EEI) links WEF resources and systems with the Egyptian government. It supports Egypt's overall education reform efforts, and offers opportunities for public-private partnerships (PPP).

According to the WEF, the EEI has demonstrated that collective and co-ordinated action can lead to systemic and measurable reform. The EEI was launched in 2006 to reform Egypt's education system through the use of information and communication technology. By 2008 more than US \$80 million had been invested in the following activities: training students; developing curricula; certification; content digitisation; infrastructure deployment; and hardware and software.

The EEI has impacted on almost 200 000 stakeholders across Egypt's education community. It will now be used as a model for other developing countries, such as Rwanda.

<http://www.weforum.org>; <http://www.mcit.gov.eg>

Some country programmes are supported by the UNESCO/WEF initiative, while others have adopted the model and carried it out independently. This initiative will be more successful and sustainable than many disparate individual reform initiatives.

Intel currently chairs the **Partnership for 21st Century Skills**. Set up in collaboration with the American government in 2002, it is now the leading advocacy organisation for 21st-century skills in education. It brings together education specialists, business, community, and government leaders to define and promote a skills set that will ensure every child's success as citizens and employees in this century. It also provides tools and resources to promote reform.

Intel actively supports **Achieve**, which advocates higher standards and accountability across all states (see page 18). At the state level, Intel is a key driver of the **Business Alliance for Education in Massachusetts**, which is responsible for state adoption of standards and assessment. Reports and on-line data about school achievement give parents and policy-makers the means to extract greater accountability for results.

## Improving teaching and learning

Teachers are the vital element in the classroom, so Intel's work in education focuses on improving teaching and learning through professional teacher development in the effective use of technology.

**Intel Teach** is a professional development course, offered face to face or online, which teaches teachers to use technology as an effective teaching and learning tool. It builds capacity to foster 21st-century skills in students, and build an enquiry-based environment with problem solving and communication skills. Teachers' lesson plans are refocused on student outcomes and helping students to use technology to access information. The

programme is implemented in countries and states with government support. Intel provides the curricula and the training of trainers. Many countries, including South Africa, have embraced the programme, which has trained more than five million teachers in 40 countries.

## Advancing maths, science, and engineering education and research

**Skool** offers top-quality online science and mathematics resources for secondary-level students. Teachers integrate the tools and resources into their learning plans in order to help students understand and explore key concepts. The programme has reached more than three million learners and teachers in 12 different countries.

The **Intel Math Initiative** is an 80 hour course re-educating teachers in mathematical concepts. Intel focuses on a train-the-trainer programme for instructors (so local expertise is harnessed), and the state pays for teachers to attend.

Intel also sponsors the **International Science and Engineering Fair**, which recognises excellence in science, maths and engineering education. The competition rewards schools which encourage enquiry-based science and mentorship. Some 1 500 students from more than 50 countries participate, and close to \$4 million in prizes are given for winning projects.

## Microsoft as a partner in international initiatives for education reform

*Corey Griffin is director of International Development Aid at Microsoft.*

**M**ICROSOFT'S EDUCATION FOCUS seeks to empower people to realise their social and economic potential by enabling access to quality education experiences through technology. The problems facing education are serious: among them are student enrolment and retention rates, inadequate infrastructure, unequal access to resources, and a shortage of quality teachers. Microsoft believes that technology can help to address these problems.

### Strategic investment agenda

Microsoft supports the implementation of the Millennium Development Goals (MDGs) through its corporate social responsibility programme. The MDGs, from poverty to gender issues, are examined to see how and where technology can assist in their attainment. Microsoft also analyses how money is being spent by the World Bank and USAID, for example, and how it can use technology to help implement these development agendas.

It also assesses how to grow markets with little or no Microsoft penetration. A vision of reaching the next billion people through technology by 2015 (to coincide with the target date for the MDGs) has seen an investment of more than \$100 million in recent years. This vision sets out to change the landscape of technology. Called 'Unlimited Potential', the programme was launched in 2007 and focuses on:

Companies should regard schooling and human capital reform as a major public affairs priority. This should include supporting dedicated organisations that champion education reform

- transforming education – how it is delivered, taught in the classroom, and administered;
- fostering innovation; and
- enabling job and economic opportunities.

## Advocacy and collaboration

At Microsoft, policy advocacy work is very important. Considerable time is spent on Capitol Hill, lobbying Congress for a stronger foreign assistance budget in addition to issues which impact directly on business, like privacy and security.

Collaboration and partnerships are perceived as vital for achieving efficiency and scale. Partnerships are often formed with development agencies which make seed investments to enable private sector multinational firms to enter previously excluded markets. Microsoft participates in the World Economic Forum's **Global Education Initiative** (GEI), along with Cisco and Intel (see box page 30). The GEI offers a comprehensive framework, a model bringing partners together to reform a country's entire education system. It has been enormously successful to date. It collaborates with several other technology companies in the **Partnership for 21st Century Skills**.

There are mechanisms to ensure that corporations gain public relations benefits from investments in system reform even when the latter initially seem to be hard to 'brand'

## Strengthening learning and teaching

Microsoft's pedagogical focus is on student-centred learning, and providing 21st century skills sets in the classroom. This is achieved in many countries through creating powerful learning communities and then improving the efficiency of education systems. Cognisance is taken of the responsible ministry's approach to education administration, reflecting a top-down and bottom-up strategy.

Microsoft offers education subsidies to educational institutions, for products as well as other solutions, and has developed technologies focusing on learning and teaching, such as **Microsoft Math**. It sponsors the **Innovative Teachers' Network**, and offers a signature programme, **Partners in Learning**, which provides support and training to teachers in more than 100 countries, including South Africa.

Finally, Microsoft invests heavily in research and innovation centers, which leads to job creation and opportunities for fostering local innovation. The company manages a broad research programme inside the classroom, which is part of the **Unlimited Potential** programme. It is managed online, and enables sophisticated tracking and analysis that instantly connects schools and systems.

## LESSONS AND STRATEGIES

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## Key insights from the workshop

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**T**HE SOUTH AFRICAN schooling system is failing. Learners perform very badly in international tests in mathematics, science, and functional literacy. By the standards of the system itself, learners lag years behind intended outcomes. The system is also very wasteful, because many who enter it drop out, or fail to find jobs. Developing countries with much lower expenditure as a share of GDP on education perform substantially better, which clearly signals the poor return on South Africa's massive investment. Economic growth requires a skilled workforce, and the future of the country depends on urgently improving education.

The South African education system is large and complex. More than 12 million learners are enrolled at more than 30 000 schools in some 70 school districts in nine provinces. The system is populated by nearly 400 000 educators. There are huge differences within and among provinces, districts, and schools. All of South Africa's socioeconomic inequality is reflected in the diverse backgrounds of learners. While teachers are distributed far more equally than 15 years ago, the same cannot be said for school infrastructure and time on task. Many schools have seen little or no improvement in infrastructure over the same period. Time on task is much worse in schools that cater to the disadvantaged.

Compared to government expenditure on education, the resources commanded by private sources are minuscule. The country needs good ideas to help focus the allocation of private funding, so that it has the best chance of positively influencing a struggling educational system. The United States is a very large country which has an enormous and complicated educational system. It too falls short of producing the skilled people needed to ensure that the country remains globally competitive. Companies in the United States have attempted to address the challenges posed by their system, and the CDE workshop was aimed at learning from selected American experts about their experiences and some of the more successful interventions in education by private companies and privately funded organisations.

### Key insights

The workshop provided a number of valuable insights and ideas. These can be summarised as follows:

#### *A drop in the ocean*

Private funders in the United States spend a great deal of money on educational initiatives, but this is still less than half of one percent of all public expenditure. Therefore, the most effective way to spend private dollars is to try to influence the future spending of public dollars. Funding by the top 30 American companies and foundations is not sufficiently directed at leveraging and redirecting future public spending. American experts recognise this shortcoming. South African private funding, which is also tiny compared to state funding, should heed this lesson.

The most effective way to spend private dollars is to try to influence the future spending of public dollars

### *Advocacy by business leaders makes a large impact*

Many American experts and studies made this point very strongly. The impact of business leaders (individually and collectively) advocating reform can significantly exceed the value of a project grant. CEOs of major corporations have excellent access to the media, and their public statements on education and involvement in reform-oriented non-profit organisations and specialist commissions can powerfully influence reform. Therefore, companies should regard schooling and human capital reform as a major public affairs priority. This should include supporting dedicated organisations that champion education reform, and giving exposure to credible research on the state of the educational system, and how it can be improved.

### *The value of research*

Finding out what works in education is much cheaper than making it work. Moreover, identifying the obstacles to the effective use of public money can contribute greatly to its better future use. The private sector is best placed to state clearly what its own human capital needs are. Because the challenges presented by the education system are persistent and chronic, any intervention needs to be strategically planned and systemically implemented. For these and other reasons, supporting appropriate research can be an effective way to influence policy. Among the sorts of research that are useful are credible independent reviews of how well the system is working, what its examination standards actually measure, how these standards relate to market needs, and what the barriers to various kinds of improvement actually are. Research tied to pilot projects that demonstrate systemic reform is particularly useful. An example would be a project that aims to produce public information on which schools in a district meet quality standards.

### *Investing in non-profit organisations can sometimes be better than investing directly*

Private donors generally prefer supporting specific initiatives in particular schools or systems. Often they can be more easily branded, and bring more obvious public relations benefits to corporations. This can sometimes be useful, especially when it can be used to show that a new idea or proposed innovation really works, and should be scaled up with public resources. Moreover, it is often better to invest in the work of appropriate non-profit organisations with an educational focus, including research-oriented advocacy organisations, rather than directly undertaking free-standing projects. These organisations persuade policy-makers to undertake reform, track progress made with reform programmes, and give advice on direction. They communicate effectively and credibly with the media and the broader public, and can also provide the continuity and systemic expertise required for effective intervention in education. American business organisations such as the Chamber of Commerce have created specific organisations, including the Institute for a Competitive Workforce (ICW), for this purpose.

It is important to understand why private corporations tend to invest in brick-and-mortar or in individual projects: they can be branded, and provide the company with more obvious public relations benefits. However, there are mechanisms to ensure that corporations gain public relations benefits from investments in system reform even when the latter initially seem to be hard to 'brand'.

The impact of business leaders advocating reform can significantly exceed the value of a project grant

### *Think systemically, and act collectively for the longer term*

A large, complicated system such as a national educational system will not respond well to local, short-term, and poorly co-ordinated interventions. Reform initiatives need to engage with the system at all levels, and in a coherent, co-ordinated, and consistent way. Once appropriate priorities have been identified, companies and foundations should work together to maximise the impact of their efforts. The Ernst & Young report on private investors in education reform recommends that projects should run for at least three years.

Some key strategies for increasing the efficacy of corporate investment in education are:

- **Leveraging assets and expertise:** Businesses can make an impact beyond the infusion of money by sharing their skills and expertise. Management and leadership skills are valuable to school principals; public relations and advocacy skills can be used to promote a reform message. District managers would benefit from adopting some business processes.
- **Establishing focused goals, and measuring results:** Measurement and evaluation are not always easy, but good independent data enables improvement and accountability for results. Policy-makers do their jobs better when everyone has better data.
- **Work to facilitate better teaching:** This can include helping improve processes for recruiting and rewarding teachers, as well as developing existing and new teachers.
- **Focused support for well-chosen innovations** that take on risks which public funding would probably avoid, and which, if successful, could be scaled up.

Companies need to focus less on experimental projects and new ideas and more on taking proven ideas to more sites, and using their examples as models when advocating policy change

### *Buying something can be less helpful than figuring out why the state did not*

Many of the items supplied by companies and foundations, including technology and staff development, could be purchased with public money, but are not, for political and bureaucratic reasons. Identifying the obstacles and facilitating their removal (by supplying less tangible technical expertise, and assisting in setting up more appropriate systems, or helping improve the business skills of important individuals like school principals) can be more effective than covering the shortfall in a few specific cases. (The **New Teacher Project**, for example, seeks to improve teacher recruitment by improving hiring practices at schools, while the **New Leaders for New Schools** programme specifically aims to improve the management skills of school principals. **Business Tools for Better Schools** helps business leaders who want to help find schools or districts that would benefit from their involvement.)

### *Replicating and scaling up good initiatives*

There are many examples of successful reform initiatives and companies need to focus less on experimental projects and new ideas and more on taking proven ideas to more sites, and using their examples as models when advocating policy change. There is too much temptation to tinker, and to sponsor exciting schemes with charismatic champions. If business is serious about improving the efficiency of the educational system as a whole, then co-ordinated support for proven ideas should be taken much more seriously. It is often better when business can help government take proven innovations to scale, because, regardless of how much business spends, government will always spend far more.

Some success stories from the United States are especially noteworthy. Among many examples from which private interests in South Africa could learn, two stand out:

- **Achieve Inc** is a national scale initiative founded in 1997 by 50 state governors and business leaders to work for improved public education. It is funded by major companies, governed in public-private collaboration, and sells some services to individual states. Initially its main role was in helping states set expectations for schools, but it expanded to review the entire school system. Among other things it now does leading work in benchmarking, setting standards, and facilitating greater accountability. It also helps facilitate aligning educational standards with market needs, thus improving employability, and provides high-quality supplementary teaching materials in key subjects including mathematics.
- **The National Maths and Science Initiative (NMSI)** was set up by a large (\$125 million) grant from ExxonMobil. The NMSI dedicates itself to taking tried and tested initiatives to scale, with the aim of improving maths and science results from kindergarten through to an undergraduate degree. Among the projects it supports are programmes giving higher level instruction to talented high school pupils, and teacher preparation programmes. The CEO of the NMSI identified institutional barriers to scaling up successful programmes as the main obstacle to improved educational performance, and partly blamed private sector preference for endless individual projects for encouraging this. The NMSI is committed to avoiding this mistake.

‘Scaling up’ can mean one of two things, and it is important to be clear on both of these. Companies can work together to implement proven initiatives on a larger scale, and there is value in that. However, this needs to be distinguished from using private money to demonstrate that a new approach can work, and then encouraging government (whether national or regional) to use its far greater resources to take this approach to scale.

### *Reform is not easy*

Education policy and reform are potentially controversial, and corporate leaders are often reluctant to be seen to be publicly criticising education systems, schools, or the teaching profession. They have many other demands on their time. Working for systemic change often takes longer than many businesses can wait, and it is difficult to show outcomes attributable in a fiscal quarter or year. The process tends to be intensive, and the outcomes uncertain. This confirms the value of working with and supporting independent organisations dedicated to promote systemic change in education, and establishing networks of business leaders interested in education reform to facilitate mutual support and learning.

Establish networks  
of business leaders  
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### Concluding remarks

One of the weaknesses of the CDE workshop was the limited attention paid to the role of markets, competition, and public-private partnerships in managing schools or other aspects of education. There is a growing literature in the United States and elsewhere on how market forces, entrepreneurs and competition can help to improve schooling. Most commentators are very comfortable with the notion of private schooling for the rich and professional middle class, almost invariably seeing this as an important mechanism for diversifying the provision of schools, and keeping excellent public schools on their toes. However, most people react negatively to the idea of experimenting with vouchers and other mechanisms for providing poorer parents with more options. CDE is examining these issues elsewhere, and will report on this more fully in the future. However, these initiatives and experiments did not receive sufficient attention at this workshop.

The South African public education system is large and complicated, and changing it will be difficult. Compared to state expenditure, the means available to private interests seeking change are modest. But the system is struggling, perpetuating gross inequality, and threatening economic growth and stability. The properly focused use of private resources has yielded real improvements in some US cities, states and national programmes, Chile, and elsewhere.

The generosity of South African companies which are willing to spend significant sums of money on improving education needs to be recognised. However, how that money is spent needs to be recalibrated in the light of our own experiences, and the lessons we can learn from elsewhere on adopting a more strategic approach to schooling reform.

Non-state money is a precious resource. It needs to be used in the most effective way possible to improve the South African schooling system, so that much larger numbers of students get a decent education, and then go on to have individually rewarding careers that will contribute to their communities as well as to the national economy.

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