Although schools are not businesses, demands for accountability have led schools to adopt businesslike practices that may be inimical to education. Unlike businesses, schools do not have unambiguous, superordinate objectives (such as profit). Furthermore, they cannot easily reject unprofitable customers or change their products, cannot restrict themselves to a homogeneous student population in order to make possible a uniform process and output, and cannot operate under managers untrained in the goods and services to be produced. Despite these differences, schools do act like businesses in a number of ways. They maintain corporate-like secrecy about the different costs of resources allocated to the instruction of each individual student, they manipulate the curriculum to improve public relations, and they shunt students from one learning track or class to another to save resources. Schools also resemble businesses when they define their educational products narrowly (to increase the appearance of accountability while decreasing the need to be accountable), and when they proceed as though the school's responsibility consisted in efficiently performing its traditional tasks and keeping the community happy while leaving the hard decisions as to the role of education to others. (Author/PGD)
THE CURRICULUM AND THE
BUSINESSLIKE SCHOOL

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Problem-solving strategies sometimes have a way of gaining lives of their own quite apart from the problems which they were originally designed to solve. The emphasis upon precise decoding skills thus may come at the expense of attention to what a child is reading or to whether it is worth reading. Efforts to improve teacher competency somehow got translated into requirements that teacher education programs be competency-based, not that they have as their outcomes competencies that are important and that promote learning. Similarly, emphases upon questioning skills and cognitive strategies in teaching sometimes seem to obscure questions about the worth of the content of the lessons in which one demonstrates those skills and strategies. In general it is all too easy to pursue some problem-solving strategy with such vigor that we are unaware of concomitant and probably unintended outcomes which we would not have overtly adopted as goals when we adopted the problem-solving strategy.

A case in point is the frequent admonition that the school be business-like without ascertaining what the implications for the curriculum are of becoming businesslike. Being businesslike becomes a good in its own right, enabling one to neglect its consequences as though a good means guaranteed a good end.

The present study attempts to identify what it means to be businesslike by identifying the major assumptions of the for-profit business that might be adopted by schools, to examine the appropriateness of those assumptions for schools, and to identify the implications for the school and its curriculum as the school comes increasingly to operate on the basis of those assumptions.

Obviously changes in schooling cannot be explained solely on the basis of efforts to be more businesslike, but it is important to understand those efforts and how they influence the school's perennial problem of trying to deliver instruction that is appropriate for a wide variety of students.
Some would argue that society's young should be schooled in an institution which approximates society writ small, in one which differentiates among and rewards students on bases comparable to those used in the larger society; and in a society whose major nongovernmental organizations are corporate bureaucracies, that means for-profit, corporate business models should be employed in schooling. Although not all would agree on the reasons for and the justice of the inevitable nonegalitarianism of the resulting schools, probably they would agree that the inequalities among individuals and social groups which occur in the society at large would tend to be present in the schools. The more the schools adopt the prevalent organizational models of the society, the more the virtues and defects of the society will be present in the school.

As a guide through the following analysis, a preview of the conclusion will be useful: Although the assumptions of the for-profit business are inappropriate at several points and although the schools cannot follow them in the more obvious ways that a business does, the school behaves as a true microcosm of the total society and acts upon those assumptions within the school through the modification of the curriculum.

Probably the most important of these assumptions is that profits may be used as a reasonable superordinate objective to evaluate both the total enterprise and the contributions of individual components to the larger undertaking. Although a number of versions of the superordinate goal for schools are available -- ranging from educating the child to meet his own and society's needs to teaching the child the "basics" -- none offers the guidance to evaluate both subordinate objectives and the means devoted to achieving them that is available to any business with its overall profit goal. One usually can estimate rather precisely the profits contributed by each product and service line, by each subdivision of the corporation, to the unifying profit
goal. No true cost comparisons are possible among the dozen or so subdivisions of a public school. How does one compare the relative performances of the music, language, art, mathematics, drivers education, and interscholastic athletic programs to their individual contributions to the goal of the school?

The business parallel breaks down very clearly at this point. Although we have available figures on the costs of "production" for students in the aggregate, the costs of schooling any specific child are usually unknown and probably for very good reason. The programs listed above would have very different per student costs based on varying student-teacher ratios, equipment and materials costs, capital facilities costs, and ancillary costs (e.g., buses). If the corporate model were followed, not only would we know what each part of each program costs, but by simple addition we could compare the resources being devoted to any given child. However if these data were known within the school, they probably would be withheld from the taxpayers just as corporate reports usually conceal or disguise as much as possible anything that might upset the stockholders.

Imagine the consternation among parents if they were able to compare the resources devoted to their respective children, especially if one parent's child participated in interscholastic athletics or took honors courses taught by the most experienced and highly trained -- and therefore most highly paid -- teachers, while the other parent's child took courses for the academically unpromising with less expensive teachers and participated in no expensive elective programs, whether for lack of interest, ability, or some requisite grade point average.

In one sense there is an overall profit goal for the school comparable to that of the business world, although one really has to strain for an analog to compare corporate dividends with taxes not paid by the citizens of the
sponsoring political subdivision. The capital accumulation reflected in rising stock prices might be thought of as analogous to enhanced real estate values that can be attributed to the reputation of the schools. However, one might make a better case for there being parallels between corporate image advertising, which attempts to build a positive image for the total corporation without reference to specific products and services, and the school's "community entertainment" program -- such activities as marching band programs and intramural athletics whenever they require time and resources from both school and students disproportionately greater than what one could reasonably expect students to gain from those activities.

To whatever extent the community is influenced by lowered taxes, by the relation between the perceived quality of a neighborhood and its schools, and by the public relations efforts of athletics and the like, these influences operate without any precise estimate of the contribution of individual programs to the total value of schooling, without any revelation of the variation in resources devoted to individual students, and through a system of communications that is as tightly restricted as is that which exists between a corporation and its stockholders.

This last point is of particular interest. Despite the longstanding complaint from educators that school boards, politicians, and other citizens do not understand the nature and problem of schooling or the dislocations created by political and legislative constraints upon the school, the school passes up the opportunity to instruct future citizens in such matters by excluding schooling from those subjects deemed fit for inclusion in the curriculum. Thus each generation of citizens spends a huge portion of pre-adulthood in an institution which fails to instruct that generation in the
problems of educational finance, of determining the curriculum, of responding to clear societal needs, of delivering appropriate instruction in a dysfunctional organizational pattern more appropriate for batch work in a factory than for instructing children with great differences in ability, values, family support, and goals. However, to do so would reveal those variations in opportunities and resources which some would cite as proof of a lack of equality of opportunity. The school that reveals its own contributions to the inequities of society and to the maintenance of those power relationships upon which those inequities are based will surely discredit itself by that act. In true business fashion, the school avoids involving its stockholders and customers in the problems of the corporation, and thus the role of the school is neglected in our most important common institution of schooling.

And so it seems that the school, lacking an unambiguous superordinate objective like profit, substitutes its own organizational welfare and then proceeds much after the manner of a for-profit corporation.

A second major assumption describes the extent of control a business has over its own destiny through its choice of customers and subordinate objectives. Stated more precisely, to be businesslike is to preserve and exercise the right to neglect the unprofitable customer and to pursue only those subordinate objectives which may be efficiently achieved.

A business stakes out a market of customers that it can serve at a profit and neglects others who are so costly to serve that they cannot or will not pay enough for goods and services to return a profit considered reasonable by the business. Thus each business tries to maximize the number of customers it can serve at low cost and minimize the number at greater than average cost. Casinos, for example, have the legal right to exclude customers who use card-counting systems which improve their chances to beat the house. High
Unit costs are used to discourage small buyers while discounts encourage the more profitable, high volume buyer. Restaurants use a cover charge to get rid of customers who would not spend enough to satisfy the restaurateur. Lovely shopping centers, discount houses, abundant legal, medical, and banking services, and a host of other enterprises tend to exist convenient to the affluent but not in poor rural or inner city areas where the proportion of unprofitable customers is too high.

This assumption is so widely held that when its observance will tend to deprive substantial numbers of people of highly valued goods and services, we either publically own the business (e.g., municipally owned sewers and waste treatment plants or the federal postal service), grant a regulated monopoly to a corporation (e.g., the telephone system), or subsidize the business (e.g., medicare), all to guarantee the serving of both profitable and unprofitable customers. In the case of the telephone system, many citizens could not possibly afford the cost of installing and maintaining the service to them -- especially in rural areas -- if the true cost of these services were charged each customer.

Those who do not understand (or agree with) this arrangement make inappropriate comparisons, for example, between the United Parcel Service (UPS) and the United States Postal Service (USPS). The former does not serve all towns and cities, much less isolated farm houses, makes only infrequent pickups and deliveries in low volume areas, and in general provides services only to those areas in which it can make a profit. The USPS, however, goes daily to each backwoods town, to each farm house, regardless of profitability. It may be the case that in one or more respects UPS is more efficient than USPS, but many comparisons of the two are inappropriate because the USPS does not have the extensive right to neglect the unprofitable customer. Private entrepreneurs
want to compete with USPS, but only in profitable areas and services, never in
the big loss situations. The result of such competition, if it were permitted,
would leave USPS with all its "losers" and a smaller share of profitable
customers. This would be a classic case of "lemon" socialism: Any goods that
can be produced or any services that can be delivered at a profit should be
part of the private sector; "lemons" -- unprofitable enterprises -- belong in
the public sector. Obviously the chief outcomes of "lemon" socialism are
(1) the establishment of public institutions which are by creation inefficient
and less productive than the private sector and (2) the concentration of
"lemons" in the public sector.

Similarly inappropriate comparisons are frequently made between public
and private schools, the latter having and exercising the right to exclude
the unprofitable customer, the ultimate threat being to expel a child, thereby
forcing him to attend a public school. Clearly the word "unprofitable" is
used in an unusual way here, especially when the private school is a nonprofit
institution. An unprofitable customer becomes one who is so costly to serve
that the school is unprepared to devote sufficient resources to that student
to enable him to achieve success. Thus a private school might require letters
of reference, a transcript of previous academic performance, and/or a personal
interview. It might require tuition payments large enough to guarantee that
the student either comes from those socioeconomic groups whose young are most
likely to have academic success or else require that the family show some
kind of commitment to the child's schooling through tuition payments proportionate
to family income or through enduring scholarship application procedures. Some-
times higher and more arbitrary standards of behavior, dress, and academic
performance are used to increase the likelihood of enrolling only students for
whom the costs of schooling to the school are minimal and acceptable.

This selectivity is quite in contrast to that of the public school, which is, to use the environmentalist's name for the ocean, the "ultimate sink."

The public school has no such broad, easily exercised powers of exclusion and must receive those students who are rejected by, or expelled from private schools. The interventions of lawyers and courts have greatly restricted the public schools' powers of expulsion, suspension, and other punishment, making the difference between the student bodies of private and public schools even greater in many cases. The number and kinds of students to whom the public schools must deliver services are constantly being increased by legal mandate, and typically these additions are unprofitable customers that the public school must accept because these services usually cannot be delivered efficiently in the private sector. Most programs for the handicapped fall into this category, although a handicapped student may be a profitable customer for a private school if the child's parents are able to pay tuition high enough to allow the school a profit or at least does not cause the school to lose money. The academically unpromising student who requires extraordinary instructional means might be a profitable customer provided he comes with sufficient financial resources.

The proposals for free choice among competing public and private schools based on a voucher system neglect this fundamental right to reject the unprofitable customer, just as do proposals that would evaluate and reward schools and teachers on the basis of the achievement of their students. No school or teacher would willingly accept a student if the excessive costs of serving that student were to come out of the school's or teacher's pocket. In the voucher case guaranteed admission to any school would have to be accompanied by
free transportation to the school of choice or the result would be a kind of de facto segregation with the "best" schools, like the nicest shopping centers and supermarkets, in proximity to those neighborhoods from which profitable customers would be most likely to come. And the ability to exclude enrolled students when they prove to be unprofitable would have to be modified to prevent some schools from becoming ultimate sinks for those unprofitable customers rejected by other schools.

Although the public school's right to exclude unprofitable clients is severely limited; there is an intraschool exercise of this power which goes on constantly as students are shunted from program to program, class to class. The most obvious example would be the athletic program. Usually the more a student needs excellent instruction, elaborate facilities, and help with his diet in order to develop his muscles and athletic skills, the less likely he is to receive them. Instead of an instructional situation with trainers, the latest protective and training equipment, classes with a low student-teacher ratio, and concern for diet, the athletically unpromising student is thrown into a typical physical education class others of his ilk where the student-teacher ratio is very high and the instructional program frequently is more recreational than educational. Any high school department which jealously guards entrance to its most academically respected courses is operating on the same principle, and, interestingly enough, the exclusion is justified by the lack of ability of the student, on the assumption that he or she cannot learn the desired material. The work of Bloom and colleagues would suggest that many of these excluded students can master these courses given enough time, appropriate instruction, and feedback with corrective instruction, but the need for these additional resources seems sufficient to justify rejecting such students as unprofitable.
Parallel to the right to reject the unprofitable customer is the right of a business to pursue only those subordinate objectives which may be efficiently achieved— that is, the costs of achieving them are such that a profit can be made. A corporation may at some point in its history completely abandon the subordinate objectives it had at its founding and adopt other, more profitable objectives. Thus a Swift can begin existence in the fresh meat business, evolve into Esmark while adopting a wide range of subordinate objectives (e.g., meat packaging, dairy and poultry products, edible oils, fertilizer, adhesives, specialty chemicals, dental equipment, women's underwear and "personal" products, and energy), and then abandon the fresh meat business altogether except as a minority stockholder in a separate company. Even when abandoning a subordinate objective means financial losses from closing a plant and social losses from increased unemployment and reduced tax revenues, businesslike behavior dictates that one is justified in abandoning any subordinate objective which ceases to contribute to the superordinate goal (profit) and is justified in adopting any subordinate objective which can be efficiently achieved, no matter its lack of kinship with other subordinate objectives or the historic nature of the corporation.

Because schools lack the ability to reject the unprofitable client completely and seem to have some objectives that remain fairly stable over time (literacy, civic skills, mathematical skills, etc.), they typically lack the capacity to abandon most objectives, at least with the suddenness and completeness of a corporation. Obvious exceptions would be a district's decision not to offer Latin or driver's training or to close elementary school libraries. The same is not true for adopting objectives, however, as new ones are sometimes imposed abruptly and completely upon the school by
governmental action regardless of the resulting distortions from the forced reallocation of limited resources. Busing and mainstreaming are obvious examples, both interventions which force schools to adopt subordinate objectives (and unprofitable customers thereby) that sound business practice would neglect, much as corporations neglect profit-reducing safety, pollution, and performance standards until they are forced to deal with them.

However, one again finds the business practice in adjustments internal to the school that provide the capacity for the school to become more efficient by dropping some objectives for any group of students who are particularly unprofitable. Thus certain kinds of mathematics (algebra and calculus, for example) are abandoned except for those groups that can learn them without the expenditure of extraordinary resources. Objectives are chosen which can be achieved at reasonable expense for the remaining, presumably less able students. In effect one decides that a given student cannot learn calculus and then by giving him instruction only in mathematics that does not include or lead to calculus, one guarantees the accuracy of one's prediction. Although the school cannot add and drop objectives with the suddenness and completeness of a business, it can and does make adjustments in its curriculum to reserve its loftier objectives for those who can achieve them efficiently. Thus the curriculum becomes not the answer to "What is most worth knowing?" but to "How and what can the respective subpopulations of the school be taught efficiently?"

The extensive use of norm-referenced standardized tests greatly enhances the school's ability to be businesslike at this point. Once one has adopted the assumption that the school's responsibility is to take a normally-distributed student population and merely move the mean up, with the shape of the distribution remaining the same and with individual students retaining their relative positions within it, then a number of practices become quite reasonable.
Predictable proportions of low-achieving, mediocre, and high-achieving students become acceptable, and thus one can adjust the curriculum (shift the subordinate objectives) for greatest efficiency by expecting little of some and giving them the program to guarantee it and expecting much from others and providing the resources to maximize their achievement. Thus one may find in the same school a low-expectation curricular track for those more or less permanently assigned to the low-achieving group, a test-specific curricular track for those destined to take various tests of presumed excellence (e.g., college entrance examinations), and an indeterminate curricular track for that great mediocre herd about which reasonable predictions are so much more difficult to make or guarantee. The use of norm-referenced tests thereby makes it possible to abandon subordinate objectives which would be expensive to achieve for the "slow" students because -- by definition -- they have, only limited potential.

Again the work of Bloom and colleagues makes this a most questionable procedure. The alternative -- the allocation of substantially more resources to the "lower" student in order to help him achieve mastery at a higher level -- would certainly be less efficient than the businesslike procedure of adjusting subordinate objectives to reduce costs.

Testing further assists the internal manipulation of subordinate objectives by restricting the scope of those objectives. The business parallel can be seen in the practices of automobile manufacturers. When one returns a chronically malfunctioning automobile still under warranty to the authorized service agency, typically the car will be repaired to conform to "manufacturer's specifications." There is no inherent responsibility to make the car function smoothly, economically, or safely or to arrange things in such a manner that the malady will not reappear, only to return the car to manufacturer's specifications. Only when the cumulative costs in dollars and/or customer satisfaction of no doing become important to the manufacturer's
superordinate goal does it make business sense to redesign and retrofit that portion of the car that is malfunctioning or causing the malfunction. Restricting standardized testing in the elementary school to reading and mathematics, both rather narrowly defined, effectively relieves the school of any public responsibility for more than casual efforts in social studies, problem-solving skills, art, music, science, foreign languages, and the like. In addition, what it means to be a good reader is defined not in terms of what one can read and how well, but in terms of test scores which give the appearance of greater clarity and precision while not making clear what is being measured.

Similar procedures enable manufacturers to give extensive and highly specific guarantees which neglect really important objectives which the customer might have for the product. For example, statements of guaranteed objectives (warranties) for vacuum cleaners typically make no mention of quiet operation nor do the purveyors of additives or foods that contain them speak of the possible effects of those additives on children prone to hyperactivity. This places the business and the school which narrowly but specifically define objectives in the seeming paradox of becoming more accountable by becoming accountable for less.

This narrow specification of subordinate objectives and the shunting of students among alternative sets of subordinate objectives both serve to minimize the costs of schooling, and both demonstrate how the school mimics the larger society by allowing or even encouraging the kind of inequality in the distribution of educational goods and services that one finds in the business world where clients are rejected and subordinate objectives changed primarily in the name of efficiency and profit.

A third assumption from business is that the efficient production of goods of uniform quality requires one to take measures to promote that uniformity of
input and process necessary to guarantee uniformity of output. Factories are situated to achieve the lowest possible costs of materials and processing. The more uniform and pure the raw materials, the cheaper will be the process which converts them to the desired output. If raw materials require more extensive processing, then there must be some compensating reduction in the costs of processing (e.g., cheaper labor or electricity) or marketing (e.g., easier access to markets) to justify building a factory under such conditions of supply.

One is tempted to dismiss this characteristic of the efficient business as an inappropriate parallel because the children who come to school are so tremendously diverse that no single process or group of processes could produce homogeneous graduates, even if that were desirable. However, as with other elements of being businesslike, there is evidence that in some ways schools have assumed this characteristic. To the extent that schools are bureaucracies, they specialize in dealing with the routine -- i.e., with that which is uniform and expected -- more than the novel. Schools bureaucratically assume that an event is routine unless the evidence of novelty is overwhelming. Thus groups of children begin at a common age and advance more or less together through the grades as though the differences among learners were not of such a nature or of sufficient magnitude as to require more than the ministrations of a single teacher. The batch system prevails until such time as a child proves beyond a doubt that he is not a routine event but is a novel event requiring the more individual and professional treatment of a special education classroom or some comparable agency. The stability of expectations and treatments (i.e., the uniformity of process) is such that for most kids we can predict the rest of their academic careers from their third grade reading scores. In a single middle school classroom, we find prepubescent children and nubile adolescents, accomplished readers and virtual illiterates, and yet they remain in the same
batch, receiving the same treatments. Categorizing them into appropriate tracks changes the composition of the batches somewhat, but instead of radically modified processes designed to compensate for the deviant input, one more typically finds altered objectives. The winemaker decides, as it were, that some grapes were just destined to become vinegar and makes the best of a bad situation.

A fourth assumption to be explored deals with managers — how they are trained and how they relate to their subordinates. Here we find the parallels between business and public schools more clearly revealed.

In the modern corporate world, executives move from division to division within a corporation and from corporation to corporation on the basis of skills that are not necessarily related directly to the goods and services of the corporations they manage. General Motors does not necessarily look for expertise in transmissions or DuPont, in polymers, when selecting managers. Rather an MBA or a law degree serves much the same function as a degree in classics in the British colonial empire, a degree which was thought to prepare one for most anything important.

The rule of the nonexpert — in the goods and services of the corporation, that is — is made possible by bureaucratizing decisions at the lowest possible level, thereby eliminating the need for further decision-making in most situations and increasing the homogeneity of the process. Skills and knowledge are encoded in technological processes and work rules in such a way that the worker has little to learn and few nonroutine events to deal with.

Management thus becomes financial management, politics, public relations, labor law and personnel relations, and similar matters, each of which has its counterpart in the list of courses would-be school managers take. No substantive knowledge of children or young adults or the curriculum or instruction is necessary beyond what one may absorb in a single survey course. Supervision
has become less concerned with instructional content and method, and more with human relations, as though the objectives and skills necessary to achieve the organizational goal had somehow been encoded in an invariant process and one merely had to motivate the workers to push the buttons a bit more frequently, to improve communication among them, and to increase their trust towards their managers. Likewise, educational administrators are calling themselves managers these days, and to paraphrase Don Erickson's comment about research in educational administration in his state of the art address on that topic in Toronto at AERA in 1978, educational administration proceeds as though no one were involved in schools except adults, with almost no attention to instruction or to what kind of citizens the schools are trying to produce. Even conflict resolution techniques, designed to promote organizational tranquility, mask crucial curricular issues when they soothe and hide debates within the school and/or community over the allocation of resources among competing subordinate objectives.

Probably there are other assumptions which could be fruitfully examined, but these suffice to illustrate that the consequences of being businesslike are extensive and important. The schools do not have an unambiguous, subordinate objective, cannot easily reject unprofitable customers or change their subordinate objectives, cannot choose only a homogeneous student population to make possible a uniform process and output, and need educational leaders -- as opposed to managers -- with substantive knowledge of curriculum and instruction. And yet they maintain corporate-like secrecy about the costs of resources devoted to individual students and manipulate the curriculum for maximum public relations value. They deal with students who would require extraordinary resources to achieve a given set of subordinate objectives by shunting them to another set that is less expensive to achieve and by defining subordinate objectives with a businesslike precision and narrowness that increases the
appearance of accountability while reducing that for which the school is to be held accountable. And they proceed as though schooling had no controversial content, as though all the hard decisions will be made by some external marketplace of consumers and governmental regulators, as though the school's responsibility consists of being efficient, of performing those tasks which are either traditional or imposed by legislatures, and of keeping the community, in its most narrow definition, happy.