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AUTHOR Ediger, Marlow  
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ABSTRACT

This paper considers some of the similarities and differences between education and business in view of the fact that there are many who advocate that the public schools follow a business model in their operations. Salaries of executives in education, and superintendents in particular, tend to be lower than those of business executives, and their tenure is generally much briefer. The community prestige of the school executive is often less than that of the business executive, and, of course, retirement and other benefits are often smaller. People who advocate using a business approach in education feel that the school superintendent can be evaluated through the measurement of student achievement by standardized tests. Most educational leaders think that student achievement cannot be evaluated successfully through tests alone. Educational leaders are also more aware of the individuality of students and must take this into account in their operations. It is more difficult, if not impossible, to hold the educator to the same accountability that profit and loss make possible for business executives. It is essential to remember that teaching students does not deal with money or financial profit, and that the outcomes of education are not easily measured in any case. (SLD)

# An Assessment: The Business Model in the Public Schools

**Marlow Ediger**

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## **AN ASSESSMENT: THE BUSINESS MODEL IN THE PUBLIC SCHOOLS**

**There are a plethora of writers and speakers in education who advocate that public schools follow the business model in their operations. The philosophy is that the business world has much to offer as models for schools to follow. Many educators believe that the business world and education are poles apart. The writer will attempt to analyze the two and note similarities and differences.**

### **Administrators in the Public Versus the Private Sector**

**Salaries certainly can vary much between public schools and the market place economy. Superintendents of schools receiving \$100,000 a year may hold true for medium sized cities, growing upward to 90,000 in population. Tenure is indeed short in duration for superintendents of schools. It is rare for a superintendent to remain in his/her position for ten years. Thus, there is not one superintendent there longitudinally to be in charge of working toward needed changes in a school. The go ahead signal needs to come from some place in the school system and the short tenure of superintendents makes it difficult to develop and implement changes. Superintendents need to release creative abilities of principals, curriculum directors, teachers, and support personnel to**

**1. establish the best objectives of instruction possible for students to achieve. A balance among subject matter, skills, and attitudinal objectives needs to be in the offing.**

**2. learning opportunities to achieve objectives need to be varied and provide for individual developmental levels of students. No student should be required to achieve the impossible, nor should objectives for students to achieve be too minimal so that boredom and a lack of challenge occurs.**

**3. assessment procedures which are multiple and of different types/kinds to truly determine what students have learned and what is left to learn. State mandated objectives is only one type of assessment. Writers of these tests are external to the local classroom setting. Teacher assessment of learner achievement as well as students' self evaluation should also be stressed. Diagnosis and remediation should follow each assessment in order to provide for sequential progress of students (Ediger, 2001, 22-26).**

**In contrast to the superintendent of schools position, the business world emphasizes a different philosophy. Salaries of executives in the business world tend to be very high, depending upon the size of the corporation or company. The following appeared in the St. Louis Post Dispatch (May 31, 2001) in an article entitled "Alyn Essman's Retirement Ate UP CPI Quarterly Earnings":**

**The chief executive's retirement package ate up most of the profits**

at CPI Corp. in the recent quarter.

The photo studio company Wednesday reported earning one cent per share for the recent quarter. That's what was left after a 14 cent- per-share charge "primarily associated with Chairman and CEO Alyn Essman's retirement in March."

Essman, 69, worked at CPI since 1956 and was CEO and Chief Executive Officer since 1973.

According to the company proxy, Essman got \$2.6 million from the company when he retired. That included \$993,000 paid as a part of his retirement agreement and another \$1,622 million, which is the present value of the supplemental retirement benefits provided in his employment contract.

That doesn't count the value of his stock options which vested when he retired.

CPI reported a \$41,000 profit for the quarter, down from \$2.2 million the same quarter last year. The charge linked to Essman's retirement was \$1.1 million.

The private sector with its administrative structure stresses the following:

1. very large salaries which provide prestige and recognition for the corporation or company.
2. tenure of some duration which provides stability in leadership.
3. retirement benefits which frequently greatly exceed the total life time earnings of a superintendent of schools.
4. a one way street of communication between the administrative ranks and those lower in the hierarchy. School systems attempt to emphasize democracy as a way of operating; this, of course, may not always be the case.
5. an extremely high standard of living conducive to becoming very prominent in the community.

### **Achievement and the Administrator**

Achievement of the school superintendent as compared to a business executive may be quite different; however, there are those who advocate a similar/same approach to assessing the progress of each. Those how advocate using the methods of the business world in education feel the following are quite the same:

1. student achievement as measured by standardized tests are equivalent to corporation profits at the end of a calendar.
2. objectives can be established at the beginning of a calendar year and these can be achieved.
3. measurement procedures may be used to determine if the predetermined objectives have been achieved.

**4. Inservice training is necessary for employees to focus upon achieving the stated objectives.**

**5. pay for performance should be an end result (See Ediger, 2001, 61-64).**

**The author believes the two systems -- education versus the business world -- are quite different in philosophy. Educational leadership emphasizes the following:**

**1. student achievement cannot be measured as directly as is true of the bottom line in business which is profit. To use, for example, standardized tests as a single assessment to measure student achievement leaves many weaknesses. Why?**

**a) a human being is a very complex individual with personal interests, purposes, and beliefs whereas products coming from corporations are objects/items which are neutral in all manners of feelings and goals.**

**b) predetermined objectives for teachers and administrators to emphasize may be implemented, but the student also has his/her own ideas as to what knowledge/skills have the most worth. What is manufactured in the business world does not possess its very own purposes, but may be manipulated by the buyer at will.**

**c) standardized tests make all situations the same for their administration, such as allotted time for test taking, directions given to students, multiple choice items taken on a test, among others. However, each student is unique and may require accommodations. These accommodations include differences in time allotted for test taking, more elaboration of directions for some as compared to others, and different ways of showing what has been learned, in particular. Multiple Intelligence Theory (See Gardner, 1993) emphasizes numerous ways for students to indicate/reveal what has been learned. These intelligences consist of verbal/linguistic, visual/space, logical/mathematical, musical/rhythmic, interpersonal, intrapersonal, bodily/kinesthetic, and scientific. Thus, for example, to indicate what has been learned, a student may show accomplishment through verbal/linguistic procedures such as reading and responding to test items as compared to showing the same/similar learnings through doing an art project (visual/space intelligence).**

**Products produced in the business world can be finalized through standardized procedures with the use of assembly line methods. Efficiency and cut rate methods are desired in order that the consumer may purchase items at a lower price, ideally. Mass production is salient here.**

**2. each person being educated achieves most optimally under diverse environmental conditions. Learning styles theory focuses upon how differently the environment needs to be for each to achieve as much**

as possible. With learning styles theory (Searson and Dunn, 2001), the following factors are important when considering how students learn best:

1. the acceptable noise level, such as background recorded music, as well as the degree of formality versus informality in learning situations.
2. the desire for conformity as compared to nonconformity, and structure versus chances to make choices as to what to learn.
3. learning through auditory, visual, tactual, and/or kinesthetic ways, as well as having a more authoritarian teacher as compared to one being more collegial.
4. a choice of studying by the self as compared to learning together with peers in cooperative endeavors.
5. a step by step procedure in acquiring subject matter as compared to global learning and then moving to specifics.

The above concepts in learning theory certainly stress individual differences among students. For example in testing situations, # 2 above, there is much formality when learners respond to the same multiple choice items to be completed within an allotted time, whereas some do better with responding to a variety of evaluative situations with creativity involved. This provides more for the nonconformist as compared to standardized procedures.

#### **Accountability: Educators versus the Business World**

Educators are to be held accountable for student achievement. There are several ways which are advocated here, largely by the business world. They include the following:

1. test scores which are at an acceptable level to indicate student achievement. The conditions for all taking the test should be standardized so that all students are assessed in the same way. Standardized tests which have high validity and reliability are to be used to ascertain learner achievement. For educators, these tests are not valid for the local classroom since what is covered therein, in many cases, may not have been taught in teaching and learning situation. The teacher has no way of knowing what is covered directly or indirectly in the standardized test. Thus, there are no objectives for the teacher to use to provide guidelines for teaching.

The business world can show objectively the profits and losses of a company in dollars and cents. How profits and losses are determined may be a puzzle to many, including the author. A uniform standard of accounting here would help the lay public to understand how profits and losses are determined in the corporate world. Better information needs to be provided for lay people to understand which writeoffs and deductions

corporations receive.

2. pay for performance. The salary of the teacher would then be determined by how well students achieve on standardized tests. This makes for a plethora of variables. Thus, it has been well documented that suburban school students achieve at a much higher rate as compared to urban and rural students. Selected schools dismiss special education students from taking standardized tests so that a higher average score results. Threats of a loss of teacher tenure have also been proposed if students do not achieve at an acceptable level on standardized tests. The threat approach has often been mentioned such as state takeover of educationally bankrupt schools, vouchers, and charter schools.

Workers in the business world receive a certain yearly salary and are not paid for performance, unless bonuses are involved. People need to eat, have a place to live, and adequate clothing without meeting selected standards which may be quite unachievable, such as closing the gap between the rich and the poor when observing test results from students.

Most school systems still have salaries of teachers based on number of school years taught and the level of educational attainment from course work taken from colleges and universities.

3. mental growth of students is difficult to measure. The amount of growth here is different as compared to the Gross National Product (GNP) in dollars and cents of consumer goods and services purchased in a given calendar year. Teachers need to do the following to assist students to achieve as much as possible with each involving the mental and the emotional:

a) obtaining the attention of students to benefit from teaching and learning. Otherwise, little learning will generally take place in lessons/ongoing units of study.

In the business world, being promoted in order to receive higher salaries/wages may well be in the offing. Making a living for the self/the family is vital and that is the role of securing the attention and efforts of workers. Results from learning in school are less tangible as compared to wages and salaries received. Bonuses paid to workers also obtain the attention of workers. Once a living has been made, then increasingly so, individuals do desire to improve their standards of living. For very successful individuals, mansions, luxury cars, membership in the country club, and being highly visible in upper echelons in society, among other items, become attention getters.

b) assisting students to develop purpose or reasons for learning in a daily lesson. If students cannot perceive the values of learning what is taught, then perhaps little attention will be given to what is being taught. Purposeful learning, rather than learning for the sake of doing so is important.



**Workers in the business world see purpose in survival in working to secure the necessities of life. Successful individuals strive to improve their lot in life through recognition for what has been achieved. Higher life styles and being noticed by many become vital objectives in the business world.**

**c) helping students to achieve meaning in what is being taught so that understanding of subject matter and skills will be in the offing.**

**Meaningful work for individuals must be sought within the framework of earning a living. The author has met many workers who wonder what the meaning of life is. Of the lower income level of workers, meaning may be found in the family, in friends, and/or the hereafter. For the latter, waiting for the next world becomes salient. For those who increasingly receive more responsibilities, the level of remuneration for their services are readily recognizable. More goods and services are purchased and can lead to meaning being perceived in terms of what is owned and in prominence gained in the business world. The visible world of owning luxury objects and items might make for meaning for successful individuals in society.**

**d) guiding students to achieve balance among three kinds of objectives such as knowledge, skills, and attitudes. Thus, knowledge acquired should be used as skills. Quality attitudes should be developed within students so that depth knowledge and skills acquisition may come about. Good attitudes, as compared to negative feelings, always assist students to do better in life.**

**For individuals at the work place, balance in life's endeavors include maintaining one's position, as well as moving upward, if possible, to higher paying positions with increased prestige. This may well involve improving one's skills and knowledge in the process. Upgrading the self for promotional purposes might well increase balance in life's activities to include recreational interests and endeavors. The status of the latter increases with the associations made with other individuals and the places where these associations take place such luxury facilities in the Bahamas and the Cayman Islands, as examples.**

**e) providing for individual differences among learners so that a developmentally appropriate curriculum may be in the offing. Students differ from each other in many ways and teachers need to consider these differences in curriculum development.**

**In the business world and in society, individuals soon are spread out on a continuum, from the street people who depend upon soup kitchens and welfare shelters for existence to those who are listed in the Fortune Five Hundred of successful individuals. From survival to the very wealthy makes for quite a range of life's achievements and accomplishments in the societal arena.**

**The business world stresses standardization of work in factories and assembly line production situations. There is a right way of doing**



**things to achieve measurable goals in the world of profit. the entrepreneur/chief executive officer (CEO) definitely must be creative in finding newer ways and better products for sale to the consumer, but lower on the totem pole are the workers who need to conform to standardized procedures of doing things.**

**f) teaching and learning, a rather recent emphasis, stated by governors, state and national legislators, as well as the President of the United States to close the gap in achievement among all learners. Thus, for example, each student is to read on grade level. Standardized tests generally are used to measure if a student is reading on grade level. These tests have been devised to spread students out from high to low on test results, such as the 99th to the first percentile. A bell shaped curve then becomes the ideal in the spread of test scores from high to low. If all students are to read on grade level, then the norms of the standardized test would need revision so that again, there would be test takers who would be one, two, or three standard deviations above or below the mean. The range of achievement would then return to students being all the way from the 99th to the first percentile in achievement. The arithmetical mean would be in the middle such as the 50th percentile. The 50th percentile would be equivalent to reading on grade level. Reading on grade level, based on test results, may be quite different from individuals reading textbooks and library books in context or from workers reading necessary manuals at the work place. The latter situation may provide evidence that the worker can read and comprehend contents well which are related to earning a living whereas test results might have indicated a low level of reading performance (See Ediger, 1997, 37-41).**

## **Conclusion**

**When comparing education with the business world, there are selected conclusions to be drawn:**

**1. teaching students does not deal with money or financial profit. Teaching emphasizes student achievement in academic, emotional, social, and physical development. The business world stresses the bottom line or the profit motive alone.**

**2. teaching emphasizes that materials of instruction are selected on the basis of assisting students to achieve stated objectives of instruction whereas teaching materials in the business world are developed and sold to make profit.**

**3. teaching emphasizes learners indicating achievement through a variety of assessment techniques whereas the business world stresses the profit motive when analyzing success in the gross national product (GNP).**

4. teaching stresses implementing instruction through the use of the psychology and the philosophy of instruction. The business world's ultimate goal is growth in earnings and share holder profits.

5. teaching emphasizes the focal point upon the student whereas the business world believes in expanding the corporate world. Corporate world philosophy is in evidence when there are soft drink machines in schools, advertising certain products in teaching materials used in schools, and performance contracting whereby the business firm takes over the role of teaching and receives pay for student performance in contract form.

There are an endless number of differences between education and the business world, but it becomes quite obvious that apples and giraffes are being compared. Each having its own world and sphere of influence. Powell, et. al, 2001, p 772) wrote the following:

We live in an era where multinational corporations wield unprecedented power, where special interest groups largely determine state and national political and economic agendas; where the gap between the rich and poor has reached dangerous proportions; and where what goes on in schools is often determined not by parents or educators, but by corporate interests. When popular power diminishes, then so does democracy

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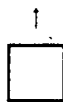
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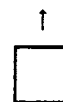
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