

Industrial involvement in education

Richard Pearson

Demographics and a harsh economic climate are changing the way governments approach higher education. Finance and other support are being sought from the private sector.

THROUGHOUT the world higher education is in the throes of major changes. With a near universal decline in the numbers of young people the search is on for new entrants. At the same time rising costs are leading governments to look to the private sector for additional funding and support.

In the United Kingdom the government is also stressing the need for industrialists to be members of the governing bodies of educational institutions at all levels from the primary to higher education, as well as of national advisory bodies and the newly formed funding councils in higher education. This is intended both to increase the relevance of higher education to the needs of the economy and to provide an injection of private sector management skills, while the pressure is also there to provide additional resources.

Training needs

These links reflect a broader demand for the involvement of industrialists in activities that were once regarded as the prerogative of the state. Another example is the development, by the government, of the national network of Training and Enterprise Councils (TECs) as the latest solution to Britain's training problem. This programme is underpinned by the belief that training needs can only be identified by the employers at a local level and that the skills of businessmen rather than civil servants are needed to develop and manage the training programmes.

In these and many other areas the demands on employers' time and resources are growing; will they be willing and able to respond? While some industrialists are responding on altruistic grounds, many others are becoming involved because of their increasing concern about shortages of appropriately skilled people leaving the education system at all levels and the likely skill shortages in the next decade. Many companies argue, however, that it is not their business to be involved in this way, but rather to make profits and leave the taxation system to be used to meet national objectives.

In the case of higher education the traditional linkages through recruitment, student sponsorship and the funding of research are being extended to improve the image of the employer so as to reinforce its place in the recruitment market and its potential to exploit new research

findings. This is coming about through more donations of finance and equipment, staff time for seminars and lectures, work placements for students and advice on a wide range of activities from the curricula to careers services.

As yet, however, only a minority of companies appear to be doing this in any concerted way with most building up links on an *ad hoc* basis. The more developed companies that are becoming involved are starting to appoint campus liaison managers whereby an existing, usually senior, member of staff coordinates, but does not direct, the contacts that build up between the company and a series of individual campuses. The aim is to ensure that these contacts reinforce each other and that, for example, research links are known about on the recruitment side and that good students have a positive image of the company and can possibly be encouraged to join it by the professor or academic supervisor. In a broader-based move BP is proposing a fund of £3 million aimed at boosting participation in higher education. Development projects in areas close to BP operations will seek to boost low age participation rates through activities such as training for admission tutors and the development and coordination of access courses involving both schools and higher education.

As yet the pattern and motivation of employer involvement in the fast-moving world of education is uncharted but some lessons may be available from the rise in corporate involvement in local job-creation initiatives. This followed the recession of the early 1980s when economic decline led to the rise of a plethora of special initiatives to improve the plight of communities with particularly high levels of unemployment. In parallel with the government's emphasis on small firms came the rise in corporate responsibility with firms becoming involved with economic and job-creation activities outside their normal business. They did so for a wide range of reasons (see *The Charitable Role of Companies*, IMS, 1989). Some were prompted by their own redundancies, others by peer and political pressure, others by the belief that a successful economy was good for their long-term business prosperity, while a few became involved for reasons of altruism. Involvement was largely initiated and sustained by the interest of a key board member, in contrast to a lot of educational involve-

ment which has sprung up at the level of the operating unit. In the case of job creation support was principally directed at those areas where there would be a pay back for the company through a more positive image and an improved local environment.

Some companies have job-creation budgets in excess of £1 million, while other similar companies have budgets of under £50,000. This support involves money and resources, secondments and staff time. Few companies, however, have clear objectives or targets for their activities or monitor their effectiveness, and in many cases these activities are in direct competition with educational and training activities for a share of the company's charitable budget. Because support is usually directed to areas where they have a local presence, many deprived localities, who by definition often lack the presence of big business locally, as well as ethnic groups and others such as the long-term unemployed, often miss out.

Adjusting priorities

The demands on corporate responsibility are growing rapidly. In this climate of change there will be a growing need for companies to clarify and target their objectives more precisely if their support is to have the maximum benefit. For higher education the need will be to spell out the benefits more clearly to the giver who, especially in education, will be expecting a clear pay back. This may in turn lead to pressure on higher education to adjust its programmes and priorities, whether in research or teaching, to the needs of a small group of corporate givers. We already see that in the case of student sponsorship there are courses which, by design, are filled with sponsored students. As such the curriculum often reflects the needs of these, usually large, companies, and as the majority of students join their sponsoring company on graduation it means that small and new recruiters have little or no realistic access to some of the best students who are on some of the 'best' courses in the country. The challenge for higher education, then, is to be able to take on board the benefits of corporate involvement, of which there are many, without distorting the basic purpose of education itself. □

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