

Business and Postsecondary Education Linkages

“Strengthening relationships could pay off in concrete benefits for both sectors, as well as for society as a whole.”

Stephen K. Strobach

Why consider the relationships between business and education? Although these two major sectors of our society have an increasing amount of common interests, there is little coordination between them at present. This article will seek to show how strengthening relationships could pay off in concrete benefits for both sectors, as well as for individuals and for society as a whole.

The term “linkages” in this article can refer to any kind of purposefully established relationship between one or more educational institutions and one or more business organizations.

Harold Beder, in a doctoral dissertation on linkages between adult basic-education programs and employers,¹ focused on the benefits accruing to each group from cosponsoring classes. In this article, we will focus more specifically on:

- the degree to which the activities of business organizations and

postsecondary educational institutions affect each other

- potential advantages of building effective linkages
- examples of linkages and resulting benefits

Importance of Linkages

Let's consider first, interactions between business and postsecondary educational institutions as a whole. By demonstrating that they do in fact affect each other, I wish to argue the importance of establishing effective linkages between these two sectors. Such linkages are important not only for the partners, business and education, but also for the rest of society, which is affected by the quality of interactions between these two sectors.

Consider the impact of business expenditures for postsecondary education for employees. The Carnegie Commission, in its report, *Toward a Learning Society*, cited a study indicating that U.S. industry spent nearly

\$20 billion on higher-education programs for employees during 1967 alone.² Xerox Corp. recently invested \$75 million in the construction of an “International Center for Training and Management Development.” The Center was scheduled to have an annual operating budget of \$25 million.³ During 1974, my own company, CIBA-GEIGY Corp., about 10,000 employees, spent approximately one half of its total employee-development expenditure on tuition assistance to employees attending college courses, and in sponsoring employees at professional seminars, conferences and workshops offered by outside educational organizations. In addition, many employees attended one or more in-house programs arranged by the company, covering such areas as management development, sales and communications skills.

Businesses also invest employee work time in training and development programs. When an organi-

zation sends someone to a program during working hours, the real cost of the program is usually very much greater than the charges for tuition, equipment, materials, instructor fee and/or other overhead costs of operating a training facility. Most of the real cost to the organization lies in the salaries that employees continue to receive while attending courses, and also in the temporary loss of the services of those employees. The unavailability of those employees to customers and to other employees during training programs can interfere with the efficiency of the total operation.

Keeping in mind the magnitude of costs to a business organization, let's take a look at the numbers of employees who participate in training programs in several organizations. At the Xerox Center previously mentioned, about 20,000 employees (of a total workforce of 76,000 persons) were expected to receive an average of two weeks of instruction each year, in topics such as: sales techniques, marketing, management and technical training.⁴ In an article, IBM's director for education development had difficulty pinning down the number of employees involved in training because of the diversity of programs. He estimated "more than nine million student hours a year for IBM's U.S. employees," or about 35 hours per employee per year (IBM has 260,000 employees).⁵

In my company with approximately 1,100 employees at our Westchester, N.Y. facility, more than 200 persons participated in company-sponsored training programs during 1974, and an additional 170 persons received assistance in attending one or more college courses, via the company's 75 per cent tuition-reimbursement program.

By committing very sizable resources to employee education and training, business organizations

demonstrate the great importance they attach to postsecondary education. This is just one aspect of business's involvement with education. Many corporations also make direct donations to education.

Another way to demonstrate the extent of interactions between education and business might be to analyze the increasing numbers of workers working on degrees or taking continuing education courses, or who are part-time instructors at colleges and universities. Alternatively, we could examine the number of business people who voluntarily advise educational institutions on financial and administrative matters. However, in a free enterprise system, showing the magnitude of financial interaction is perhaps the most persuasive way to establish the importance of effective linkages, at least from business's viewpoint.

Assessing Advantages

One organization is likely to cooperate with another in proportion to the amount of benefits it stands to receive as a result of this cooperation. To talk of cooperation in terms of being a "good" or a "right" thing to do, i.e., "they really oughta wanna!", is really inadequate to explain why business and educational organizations should establish linkages.

A much better approach is to consider what's in it for each linking organization. As stated earlier, I believe that there are many possibilities for mutually beneficial linkages between business and education which are not being recognized and acted upon. Let's consider a framework for critically analyzing the potential benefits to each party which could result from a proposed linkage.

In *The Organization Set: Toward a Theory of Interorganizational Relations*, William Evan hypothesizes that the greater the "complimentarity" of functions, the greater the likelihood of coop-

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erative action.⁶ Perhaps our assumptions about just what functions are and are not complementary between business and education should be critically re-examined.

For example, business has traditionally relied on education to provide adequately educated individuals, who become the employees that perform business tasks. With accelerating technological and social change, this traditional educational need is being transformed to include a need for ongoing educational experiences for employees, to help them adjust to new work requirements and new job opportunities. In this case, education would benefit from a dialogue with business on emerging technology and corresponding educational needs of employees. Education could also benefit from an awareness of the changing composition of the work force, whose members are candidates for continuing education programs.

Business would clearly benefit from such a linkage in obtaining employees who are more appropriately educated for jobs they can be expected to carry out. So, an examination of complementarity of functions could lead business and education to an effective linkage in the areas of planning career education and continuing education for employee-students.

Another framework for considering this example is provided by Yuchtman and Seashore. In their systems model of organizations, they suggest using the concept of *bargaining* as a device to analyze the appropriateness of linkages between organizations. That is, each organization has a supply of scarce and valued resources available for exchange with another organization in return for other resources that are needed.⁷

We can apply this concept of bargaining to the example of accelerating technological and social change. Education has a

body of knowledge and a capability to transmit it. Business has a technology and a social setting that it wishes to utilize. By establishing a linkage of jointly planning career education and continuing education courses, education would "get a fix" on the relevant topics and presentation format to provide effective education to students. And business would obtain knowledgeable and flexible employees, capable of handling changing responsibilities.

Possible Linkages & Benefits

At this point, let's outline several possible worthwhile linkages between postsecondary educational institutions and business organizations.

- *Linkage: Joint cost benefits analysis of financing college and continuing education courses* (refer to discussion in Section I)

- *Benefits:* For business — insures that funds invested (and perhaps employee work time invested) is productive. For education — insures continuation and probably an increase of this source of revenue from organizations enrolling employees in programs.

Comment: Based on the amounts of money and numbers of people that business invests, one might assume that linkages of this sort already exist between education and business, to assure that monies are expended on effective and appropriate programs. My experience, however, is that such linkages are infrequent and indirect. When indirect linkage is present, it is usually on the basis of the supervisor or the personnel department asking an employee who has attended a program, whether or not it was "good."

- *Linkage: Joint planning of curricula and presentation methods of college and continuing education courses* (refer to discussion in Section II).

- *Benefits:* For business — insures that course topics are relevant, and presented in ways appli-

cable to the needs of the organization. For education — insures that course content and instructor are tuned in to the real-life situation of students.

Comment: I have been doing joint planning for the past three years with several colleges in the Westchester, N.Y. area. The colleges and instructors are pleased with this arrangement because they can tap the information I have on student educational backgrounds, work experience and interests. My company is pleased because the courses have been modified to reflect the strengths and weaknesses, common interests and needs of our employees, and the colleges have selected instructors accordingly. Both the colleges and CIBA-GEIGY are pleased because participants and their supervisors consistently rate highly the quality and appropriateness of each course's content.

- *Linkage: Joint committees, composed of members of business and education communities, discuss matters of education and careers, both generally and specifically.*

- *Benefits:* Both business and education — a better understanding of the objectives, needs, and opportunities of each sector.

Comment: In a *Conference Board* report of a survey concerning relationships between business and education, a major conclusion was that:

*"Both businessmen and educators generally agreed on the need for business involvement in education. . . . This involvement requires good communication between the two groups, something which both groups indicate is not generally the case. . . . It seems obvious that before businessmen and educators can fully understand one another and begin to work to improve the system jointly, they must talk to each other."*⁸

In the Westchester area, a business association (The Westchester County Association), and a group of colleges (The Associated Colleges of the Mid-Hudson Area), have made some attempts at forming a joint group to consider educational matters of common interest. Their difficulties in working together effectively (each association actively functions in its own bailiwick), stems largely from the traditional lack of contact between members of one group and the other.

Conclusion

In this article, I attempted to show some examples of postsecondary educational activities of business. I then related them to potential areas of increased cooperation with educational institutions via two concepts, Evan's complementarity and Yuchtman and Seashore's bargaining. Recent articles in business and educational magazines reinforce the need for critically examining the potential for increased linkages between business and education. **USEASTD**

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