

US BUSINESS NEEDS EDUCATION REFORM:

INTERVIEW WITH BADI FOSTER

PP: There is a lot of concern these days about US educational performance—about it not teaching people as much, or what they need. How do you see the problem?

Foster: For a variety of reasons there has been a growing disconnection between public education and the problems that we are confronting in society. Public education has found it difficult to renew and transform itself through asking a fundamental question: What knowledge, values, and skills should now be attained by students at the various levels? It's failed to pose this question persistently and engage diverse groups in answering it -- business, community organizations, churches, etc.

PP: Are we spending enough on education?

Foster: If you mean, should more money automatically be pumped into the current system, I would say no. The way schools are now organized, a lot of time and resources are wasted. On the other hand, if we begin asking the hard questions about the schools and critical success factors, we will uncover needs which would demand additional resources.

PP: Your programs at the Aetna Institute seem to fall in two broad categories. One involves things you really should be doing under any circumstance—relating to the specialized needs of the corporation and its employees. The other, though, seems basically remedial—something you're doing because the rest of the educational world isn't. Is that a fair summary?

Foster: I often say—never point an accusatory finger without realizing there are three fingers pointing back. The answer to your question is yes and no. What kinds of things are we involved in here at the Aetna Institute? Basically three areas. One is technical training, which ranges from actuarial science to underwriting and claims adjustment—the technical side of the business. The second is managerial education—basically what one finds in an MBA program.

The third involves general skills and effective business skills, which in some cases are remediation. We don't use the word remediation because it's offensive to an adult learner, but in fact we are teaching some things that one would expect would have been learned earlier. What are these? First, *learning how to learn*. If there is one skill that the public schools and certainly the colleges need to develop more than they do, it's how to approach a problem. That is a teachable skill. Second, *basic skills of communication and logic*. We find at all levels a deficiency in people's ability to communicate, to solve problems, and be creative and critical in their thinking. I'm referring here to the capacity to stand in an environment and identify problems, to be competent in the sense Barbara Tuchman talks about—being able to perceive order in chaos, and anticipate and respond. Deficiencies in this area are found even among those that have degrees from very fine colleges. So, yes, the schools should be doing more.

PP: I appreciate your reluctance to point a finger. On the other hand, when this Institute has to do things that the schools should be doing, that is of concern to more than just Aetna. What proportion of the total effort of your Institution goes toward activities that really should be handled by the regular school system?

Foster: I think first of all you are going to have to sharpen the question some. One way would be asking how much of our effort goes to bring those we are now hiring to the required skill levels. We spend on the average about \$10,000 an employee, whether they come from college or from high school—roughly \$10,000 just to get them up to speed so they can either do entry level clerical work or entry level underwriting. Let's look at it another way. If you take all costs into account, Aetna is spending close to \$100 million a year on its education programs. How much of that is money that we really ought not to be spending? Fifty percent? You could make an argument for that figure. Aetna's not at all unusual in the magnitude of the problems it's experiencing.

PP: In testimony before Congress, you asked whether corporate expectations with regard to schools are reasonable? You answered that they are not too high. Might it not be argued that they are not high enough? The US is now spending nearly \$300 billion a year on public education, yet corporations such as yours must run

remedial programs. Why aren't you complaining more?

Foster: Two reasons. First, Americans are somewhat suspicious of corporations. And many corporations themselves have real problems in terms of image -- so they are not quite prepared to step out and be 'holier than thou.' Second, corporations have other issues to deal with besides education, and they understand that governments also face many other critical issues.

Corporate America is getting much more involved in trying to help the schools perform better, especially on a local level. For example, the Business Roundtable has asked CEOs in each state to create an education task force; the CEO of Union Carbide will chair the Connecticut group and my CEO will participate. The task force will be staffed, and it will meet four times a year. They are going to try to figure out what help is needed in Connecticut. Business in this state has been very active on matters of school finance and teachers' salaries.

PP: Is business sending the right signals to schools and colleges in terms of the kinds of skills it needs in employees?

Foster: Without a doubt we are in a period of transition where there are mixed signals. The people in college relations departments or recruiting departments are still likely to stress grade point averages and SAT scores. And some hiring managers in the middle levels of the organization will do that because that's the way they were "brought up." At the top of the organization, however, we're finding executives saying—we want bright, capable people. We want people who speak two languages, or who have gone to a college where the emphasis is on writing, who had to write a senior thesis—that is, who have shown signs of having actually tackled a problem and solved it. We are not just looking to high grades and the leading business schools. We want the Phi Beta Kappa in music with good interpersonal skills, or the person who has shown himself able to rebound from failure. Give us someone who has learned to learn, and we can bring them up to speed on our specific analytical work very easily. But yes, business is still sending mixed signals.

Badi Foster is president of the Aetna Institute for Corporate Education, Hartford, CT.

HOW MUCH ARE THE INDUSTRIAL DEMOCRACIES SPENDING ON EDUCATION? [Instructional expenditures, pre-kindergarten through 12th grade]

Switzerland	\$3,683
US	\$3,310
Sweden	\$3,214
Canada	\$3,192
Denmark	\$3,089
Norway	\$2,900
Austria	\$2,497
West Germany	\$2,253
Belgium	\$2,234
France	\$1,996
Australia	\$1,995
Britain	\$1,897
Netherlands	\$1,860
Japan	\$1,805

Source: US Department of Education. Based on the Organization for Economic Cooperation and Development's Purchasing Power Parity Index. All data for 1985, except for Denmark (1986), France (1984), and Britain (1984).

LEVELS OF HIGHER EDUCATION

	% of persons 20-24 yrs. of age enrolled in higher education	Number of persons enrolled in higher education
US	57	12,247,000
Sweden	38	221,000
Japan	30	2,403,000
France	30	984,000
West Germany	30	1,550,000
Britain	22	1,007,000

Source: World Bank, *World Development Report, 1985* (New York: Oxford University Press, 1988), p. 281. United Nations Education, Scientific, and Cultural Organization (UNESCO), *Statistical Digest* (Paris: UNESCO, 1987), pp. 148, 206, 270, 274, 306, 310. The data are for 1984-85, the latest available.