

**Successful Schools - Successful Business  
Conference**

**Schooling for the 21st Century**

**Douglas Myers  
CHAIRMAN  
NEW ZEALAND BUSINESS ROUNDTABLE**

**AUCKLAND  
13 MARCH 1993**

## SCHOOLING FOR THE 21ST CENTURY

I count it a privilege to participate in this important conference. Schooling has many tasks, but that of preparing young people for the world of work is a critical one, and one which, rightly, is receiving more attention. Schooling cannot live, and must not be allowed to live, in a world of its own. It has to look to life beyond the school gates, and that life for most students will involve many years in some form of commercial activity.

The strong interest in both the schools and business sectors in this conference indicates an increasing awareness of the importance of the school/business relationship. However, in too many of our schools it is still not 'politically correct' to teach school students about the nature of our market economy and the place of business and commerce within it. There is a suspicion that business and the 'market' are, at best, necessary evils and aspects of life that must be tolerated until some better system is found.

This is thoroughly unhealthy for the education system and for a society which has to make its own way in a highly competitive world. More particularly, it is short-changing our school students out of the preparation they should be receiving for life beyond school.

At this conference business people and educationalists will be considering ways to turn around this situation - to see how business and schools can together help to prepare young people for the world of commerce and industry. There is much to be done. Employers often end up having to turn around negative attitudes acquired at school to ones that are positive about commerce. This shouldn't be necessary. School leavers should look forward to life in the private sector with knowledge, confidence and enthusiasm - not with ignorance and reluctance. How do we bring this about?

An important way is to have conferences like this in which people from schools and business share their experiences and learn from each other. In this particular conference you will benefit from the contributions of your overseas guests who bring with them a fund of expertise and who can greatly widen our own horizons.

I am going to talk this morning about some of the broader schooling issues leaving aside the particular issue of school/business links for your later deliberations. I will, however, be speaking from a business perspective and will refer from time to time to my own company's partnership with Avondale College in preparing young people for the world beyond school.

My concern is to look ahead to the world as it is becoming and to *Schooling for the 21st Century*. But first a few words of warning. We can't address education policy in isolation. We need the wider economic and social policies that will encourage the investment needed to create jobs - otherwise young people will see little point in acquiring higher level qualifications. And we have to reduce our national debt significantly and quickly, otherwise we will find our education policies being determined by the requirements of our overseas creditors - in which case there will be little point in people like myself pronouncing on them.

Any policy programme must address the perceived needs of the future. Predicting the future can be hazardous, but we can be reasonably confident that a number of present trends will continue and that they should guide our plans for the future. Trends that are particularly important in the business context include:

- the increasing rate of technological change;
- the growing international competition; and
- the need for new trade relationships, especially in the Asia-Pacific region.

These changes have been obvious for a number of years. But a visitor to our shores who had only read about New Zealand from education materials could be forgiven for believing that we had no economic problems of consequence, that schooling had precious little to do with the world beyond the school gate, that our society was riddled with the most appalling social ills of equity, race and gender, and, perhaps most importantly, that schools alone could effectively address those ills. I don't think it would take our visitor long to realise how distorted all these propositions really are.

The school system we have is basically one of comprehensive state schools which have some flexibility over operational expenditure but very little over the structure and size of staffing. The independent sector receives a modest degree of public funding and is very small. We are about to introduce a new national curriculum on all schools and covering all levels of schooling. We are introducing a new National Certificate while retaining bursary and an altered School Certificate, all of which are managed by a qualifications authority with extensive powers. We retain a system of very detailed national collective awards for most teaching staff.

We need to ask some hard questions.

Is this the right way to go? Do the reforms take on board the implications of changes in the world outside school? Are these the right ingredients for a school system with which to face the challenges of the 21st century? And from what vision of the future are they derived?

Frankly, I find it difficult to discern a consistent or coherent picture from all this. School governance and financing reforms involve some cautious devolution to schools, but most of the other reforms are highly centralist. The picture appears to be of a school system in which boards and principals cannot really be trusted to make significant decisions so financial devolution is limited and school activity is constrained by a new national curriculum and the retention of external controls on staffing. Parents can't make good decisions about choice of school for their children, so choice is very limited - except for the well-off. The comprehensive school is the only model seen as necessary. Most examinations and qualifications are centrally controlled and substantial monopoly powers over them are given to a new statutory body.

I doubt if, in fact, the picture I have just outlined is precisely what the reformers have in mind. It may be something of a caricature but, like any effective caricature, it contains enough of the truth to be recognisable. This indicates either a flawed vision or considerable difficulty in deciding how to turn a vision into concrete policy decisions.

My own vision for the future of our school system is very different.

I envisage a school system in which innovation and diversity are seen as important and potentially constructive elements, and are encouraged. It is recognised that children have different educational needs, aptitudes and attitudes, and that the world beyond school has different requirements. So routes to the development of different types of school are opened up. Schools are entrusted to make good curriculum decisions subject to some minimum statutory requirements. Schools are seen as most likely to be effective in promoting learning where strong educational leadership is allowed to be exercised, where teachers are involved in decision making, and where schools set their own high standards and monitor their own performance. Parents are well informed and are expected to be good school choosers in the best interests of their children, and parental income would not be a major limiting factor. Failing schools would be under pressure to improve or close. New schools could be set up and successful schools could expand.

What roles should the government have within this vision? In the first place it would remain as owner of state schools. But, in its role as funder of schooling on behalf of the wider community, it would not limit its purchases to services provided by those schools it happens to own. Schools would be accountable to the government for expenditures and for meeting state quality requirements. However, with effective parental choice, schools would have to become much more responsive to parents with the consequence that the government could leave more of the quality monitoring to parents. The government would need to retain the power to act when schools fail to meet its requirements.

Clearly, my vision would require a much looser regulatory environment than the one that is developing under present policies. What would be its main components?

- First, state schools would be funded by one grant determined on the basis of pupil numbers. However, state school governance and accountability arrangements would need alignment with the increased responsibilities.
- Secondly, independent schools would have access to public funding on a similar basis to state schools. There are various options for doing this. They include the various forms of voucher and tax credits and the mechanism presently used to fund independent schools. The recent OECD economic survey of New Zealand notes that the proportion of private education is low by OECD standards, and suggests that institutional arrangements may limit the flow of private resources into education and training<sup>1</sup>.
- Thirdly, national collective contracts would be much simplified allowing flexibility at the local level. School based contracts could be allowed to develop.
- Fourthly, the National Curriculum would provide a broad flexible framework with a compulsory common core.

This vision and the components that would flesh it out are, I suggest, consistent with the educational requirements of the future - and indeed of the present. A heavily centralised system is always going to be slow to respond to new challenges, and will

---

<sup>1</sup> OECD, *OECD Economic Surveys 1992-93 - New Zealand*, Paris, 1993, p.85.

restrict the energy and innovation that we need. A more open system will allow the testing of different types of schooling. Those who believe that we already have the 'one best system' will have the opportunity of proving this through the outcome of parent and student choice.

I would like to develop these thoughts in two areas - the school curriculum and the need for diversity of schooling opportunities.

First, the school curriculum. I understand that the minister is soon to publish a final version of the new national curriculum framework and that curriculum statements for the learning areas are at various stages of preparation. I can well understand the need to set out clearly the essential areas of learning and skills that school students should acquire. I am most concerned, however, that the new curriculum acknowledges the need to prepare students for the world beyond school. And it must also allow schools considerable freedom to develop their own ways of delivering the curriculum and to develop their own programmes. As the OECD survey notes in relation to the curriculum, "adaptability would seem more important than overly detailed prescription, which undermines flexibility"<sup>2</sup>.

Avondale College and my own company, Lion Nathan, have developed a business/school initiative to help students prepare for life after school. We see that life as competitive, challenging, uncertain, changing, and full of both setbacks and opportunities. School leavers need relevant information and a range of survival skills to cope in today's world. These must include information that will help them make sense of the world beyond school, and a range of intellectual skills and personal attributes to enable them to work in a wide range of settings.

The problem for too many school leavers is that they have been confronted with a vast range of facts at school which seem to them to be totally unconnected to their future lives. They leave school either with very little knowledge or with heads stuffed full of irrelevant information. The Avondale College project seeks to fill what we see as a serious curriculum gap. The college and Lion Nathan have put together a number of programmes designed to meet the varying needs of the students. These include:

- a motivation and skills programme for able seventh formers involving seminars, workshops and work shadow days with a focus on skills, motivation and excellence;
- a work experience programme designed to directly prepare students for employment through career modules and industry visits; and
- a mentor programme for 'at risk' students needing help with goals, motivation and personal skills, and involving links with Lion Nathan mentors for a mixture of both formal and informal contacts.

Our experience to date suggests a number of lessons:

- First, it is essential to have top level commitment from both the business and the school. At Avondale the programmes have the able and enthusiastic support of the principal, Phillip Raffills, who has made available Brigid Carroll

---

<sup>2</sup> Ibid, p.112.

and a number of other excellent staff members to help run the various programmes. On the Lion Nathan side, my Chief Operating Officer, Kevin Roberts, has been giving at least a day a month to develop the programme and has been supported by a number of company executives.

- Secondly, the school needs considerable freedom within the national curriculum to develop these programmes. It would, therefore, be a matter of concern if the new national curriculum were to crowd out these developments.
- Thirdly, the response from the students to the programmes has been overwhelmingly positive. About 60 out of the 200 or so students in their last year at the school have been involved in the programme. They are helped to see the realities of life beyond school and are motivated to prepare themselves for it. I would like to think that this enthusiasm spills over into other areas of the curriculum.
- Fourthly, there are a number of more immediate advantages for students. Some have had holiday jobs with Lion Nathan and others have been placed in firms or industries of their choice. We have assisted a number of students with advice on tertiary education and career planning.
- Lastly, there are clear advantages for business as well - and not just in terms of product promotion and marketing. Lion Nathan has benefited considerably from students' vitality and original ideas.

The second and related aspect of schooling that I want to talk about is the need for diversity in schooling. In New Zealand we tend to pride ourselves that our education is 'child-centred'. Yet we require virtually all children to attend the same type of comprehensive school irrespective of their abilities and interests. Surely there is a contradiction here.

Academically inclined children often do well in our system. Those who tend to miss out are those whose interests and abilities point in non-academic directions. Our school system is failing badly in not adequately preparing enough young people for post school acquisition of high quality technical qualifications.

European countries recognise the need for different pathways for school students of differing abilities and interests. France has full-time vocational schools for 14-18 year olds accounting for about a quarter of all secondary school students. Germany has a three-part system of academic, technical and vocational schools. I understand that other European countries have similar systems.

The United Kingdom in its drive towards comprehensive schooling failed to develop its technical schools. In a recent report, a number of education experts have called the decline of these schools "one of the tragedies of British education"<sup>3</sup> and linked it with Britain's poor post-war economic performance. They criticised comprehensive schools as offering a curriculum which "has been clearly inappropriate for many (non-academically inclined) students who have been therefore condemned to failure".

---

<sup>3</sup> Channel Four Commission on Education, *Every Child in Britain*, Channel 4 Television, London, 1991.

Interestingly, one of those experts was Professor A H Halsey, a life-long supporter of comprehensive secondary schooling.

In New Zealand we don't have the diversity that exists in Europe. Yet surely our student needs are equally diverse. The option for parents to set up a new school that was envisaged in *Tomorrow's Schools* seems to have disappeared. I see very little public discussion about this. Too many educationalists seem intent on defending the status quo while the rest of the world rushes on. And too many of our young people suffer as a consequence.

We clearly need much more diversity in our school system to meet the varying needs of our young people. And we need an appropriate system of certifying achievement. The new qualifications framework seems in principle to be an excellent development. The concept of units of learning which, in various combinations and at various levels and entry points, provide qualifications has many attractions.

I am disturbed, however, by the criticisms I have heard from respected educationalists who point out a number of limitations to this approach. I understand, for example, that in many areas of general education learning cannot be easily broken up into small 'units' without loss of integrity, and that assigning units into a limited number of levels sequenced in order of difficulty can be highly arbitrary. It is apparently also the case that setting clear learning objectives can often be very difficult, if not impossible, in some subject areas.

These seem like very valid points which suggest that we should be careful not to over-extend the coverage of the framework. We may indeed have a 'seamless' education system, but it could be at the expense of a highly fragmented, artificially divided, body of knowledge.

The rebuilding of our qualifications structure is, to me, analogous to a major refit of a factory in that it is extremely costly, it affects many people, it is intended to last for a long time, and the costs of failure can be enormous. It would only be undertaken after careful appraisal of the defects of the existing system and the costs and benefits of different solutions. It would seek to retain in the new system the best of the previous system. Considerable attention would be given to the transition from one system to another. I have an uncomfortable feeling that this simply hasn't been undertaken in the case of the qualifications framework. Certainly I am not aware of anything in the public record that suggests otherwise.

I would like to finish with a few words on training. This is a subject that is presently receiving a great deal of attention. It is in danger of becoming both a political football and being seen as *the* answer to problems of economic growth.

Certainly a well trained workforce is important to economic growth, to attracting overseas and local investment, and so on. The OECD survey of New Zealand notes "the widespread view in industry ... that (our) education and training systems are not responding flexibly enough to labour-market and technological change"<sup>4</sup>. We should not, however, rush to the conclusion that the injection of large amounts of public funds into various forms of formal training or requiring firms by regulation to make specific outlays on training are the panaceas that we have all been looking for. We

---

<sup>4</sup> OECD, op. cit. p.71.

would need to ask ourselves why such sums were not being spent anyway by the firms concerned if the results were likely to be commercially beneficial. Norman Macrae recently described government training schemes as one of those "devices through which rich countries are nowadays ratcheting into becoming poor"<sup>5</sup>.

A key element in the response thus far to the training question is the establishment of the NZQA and its development of units of learning which will, in various combinations, make up national qualifications. I have noted some possible limitations with this approach in terms of general education. However, in the technical and vocational areas it has clear attractions, not least its potential to bring the confusing array of qualifications that existed previously into a coherent and understandable framework. A study of British and European vocational qualifications<sup>6</sup> suggests three requirements for successful development:

- First, let's set the standards at internationally comparable levels bearing in mind that investment capital is internationally mobile. I had a look recently at the NZQA's definition for level 1 units. It is full of words like 'simple', 'routine', 'limited' and 'basic'. This describes very basic skills testing which surely has no part in a vocational qualification. Such an approach will widen, rather than narrow, the gap between academic and vocational awards. It will tend to confirm the impression that the National Certificate - the first qualification in the framework - is only for those of limited ability.
- Secondly, assessment must be undertaken externally by competent assessors. In continental Europe, practical tests are normally conducted in front of two or three examiners who do not know the trainee personally and under examination conditions. I don't know what is envisaged for the NZQA's units, but it seems to me that without these safeguards the units and the qualifications to which they contribute could quickly lose credibility.
- Thirdly, vocational training should be seen as part of a wider educational programme, in which trainees also study academic subjects. The emphasis should be less on the employer's immediate needs and more on the longer-term needs of the economy and of the individuals concerned. Trainees need to be trained and tested on the wider intellectual skills that will enable them to perform in a variety of functions over many years of working life. Vocational training must not be seen as an easy option.

I want to stress a couple of points in conclusion. First, the world beyond school is changing very fast and our young people need appropriate preparation if they are to cope successfully with it. There is much that is good in our present system and we need to hold on to what is of enduring value. But there is also much that needs to change, and we will deny our young people a good start to the world beyond school if we spend our time and energy in rearguard action defending the status quo.

Educational institutions, courses and programmes need to develop the innovation, diversity and energy that is critical to effective teaching and learning. This points to

---

<sup>5</sup> *The Sunday Times*, 14 February, 1993.

<sup>6</sup> S J Prais, How Europe Would See the New British Initiative for Standardising Vocational Qualifications, *National Institute Economic Review*, August 1989.

the need to set a broad policy framework rather than heavy-handed and detailed prescriptions. I hope this approach will be adopted in the minister's forthcoming *Education for the 21st Century* report rather than the familiar rhetoric of 'more must be better', couched simplistically in terms of dollars, places, participation rates, and student and trainee numbers. This would trivialise complex problems by suggesting that they are directly amenable to quantitative solutions.

Secondly, our push to reform has not always, in my view, been matched by depth of thinking and I have drawn attention to some areas where I believe this criticism to be valid. The difference between great success and abject failure in policy reform, as in commercial affairs, can be very small. A lack of coordination, an internal contradiction, a failure to take all relevant factors into account, addressing related issues in isolation, an enthusiasm that is not accompanied by hard thinking, or pushing a good idea too far or too fast can easily turn success into costly, long-term failure. We can't afford to put our young people at risk in these ways.

Thank you again for inviting me to speak at this important conference. I wish you well in your deliberations.