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Survey Results on Education Among California Business Leaders

To: Interested Parties

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Introduction

Greenberg Quinlan Rosner Research conducted focus groups and a survey among California business leaders on behalf of the California Foundation for Commerce and Education and funded by the Gates and Hewlett Foundations. The purpose of the research was to assess the opinions of California business executives towards public education.

The survey results found that business leaders place education as a top priority. This is, in part, due to the fact that executives feel schools, particularly high schools, are not currently doing a very good job in educating students or, specifically, preparing them adequately for the workforce. Executives want schools to produce students with skills that are better suited for the workplace, such as communication skills, a better work ethic, and personal responsibility.

While most executives indicate they believe the school system needs major reform, attitudes about school funding are more complex. Notably, many executives feel current level of funding for schools is inadequate, yet there is a strong sense that there is also too much waste and inefficiency in the system and more accountability is needed for how current dollars are spent. Nevertheless, there is support for increasing funding for specific reforms as long tough oversight and accountability requirements are included.

We provide below a more detailed analysis of the poll results.

Education and Health Care Rank As Top Concerns Among Business Executives

Top Tier Issues

Business executives are very concerned about the quality of public schools and rank it, along with health care, as the issue that worries them most. Nearly nine out of ten (89 percent) business executives say they are either extremely or very concerned about the quality of public schools, with 56 percent saying they are *extremely* concerned. The cost

of and access to health care ties education as the issue of top concern (89 percent are extremely or very concerned, 59 percent are *extremely* concerned).

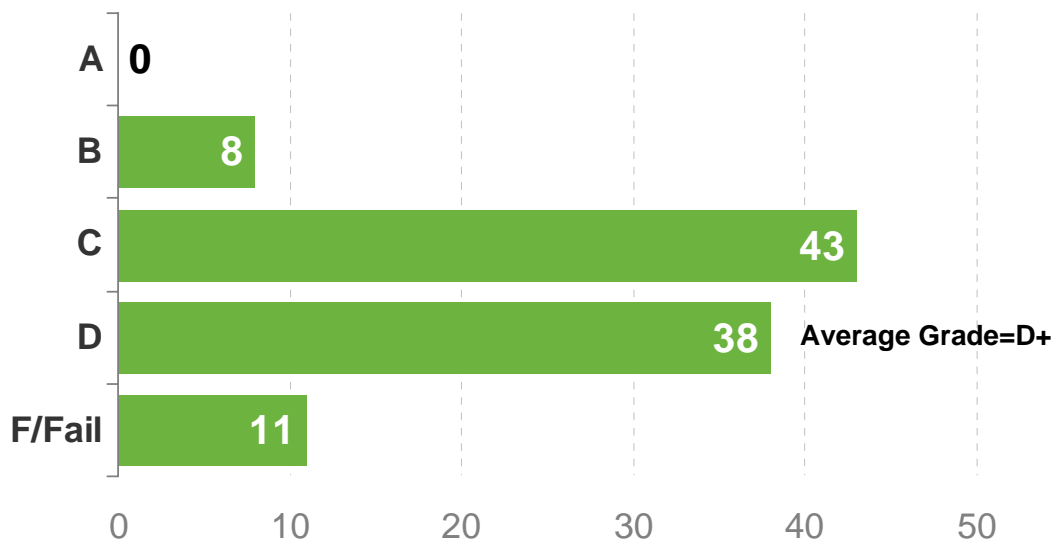
Second Tier Issues

Executives did express concern for other issues, though not nearly as much as education and health care. Seven out of ten (70 percent) named the quality of California's workforce as a concern. Taxes were as important to just as many business executives (70 percent extremely or very concerned). Illegal immigration (67 percent concerned), worker's compensation (64 percent concerned), and environmental regulations (60 percent concerned) were slightly farther behind.

Business Executives Give K-12 Public Schools a Bad "Grade"

When asked to grade California's K-12 public schools in a manner similar to the way teachers grade their students, business executives gave low marks to public schools. The average grade was a "D+," with slightly less than two out of five (38 percent) giving schools a "D" and more than two of five (43 percent) giving schools a "C." Most tellingly, not a single executive we interviewed gave schools an "A." A "B" was given by eight percent, and one in ten (11 percent) gave a failing grade to public schools.

Students are often given the grades A, B, C, D and F to rate the quality of their work at school. Suppose the K - 12 public schools themselves were graded in the same manner. What grade would you give California public schools?



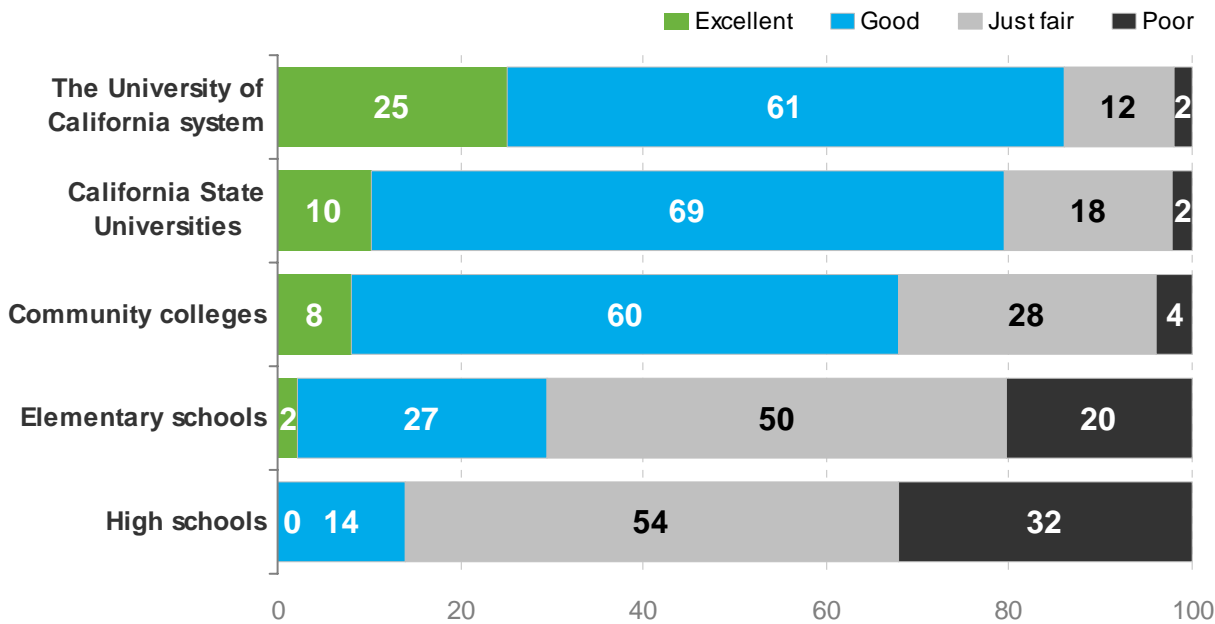
UC System Fares Best; High Schools Worst

Of all California's public school systems, executives rated high schools as doing the poorest job. Less than one percent thinks high schools are doing an excellent job, and a majority of executives (54 percent) believes they are doing only a fair job. One third (32 percent) believes high schools are doing a poor job. Elementary schools are perceived

as doing slightly better, but executives still rate them fairly negatively (only 2 percent excellent, 27 percent good, 50 percent only fair, and 20 percent poor).

In comparison, the University of California system is highly regarded as 86 percent say it is doing an excellent or good job, with one quarter (25 percent) saying they are doing an excellent job. Only two percent think they are doing their job poorly. California State Universities and community colleges also receive positive marks, but not to the same degree as the UC system.

Here is a list of public education systems. Please indicate if you think they are doing an excellent, pretty good, only fair or poor job.



Executives Want High Schools To Provide Job-Ready Employees

A plurality (34 percent) of business executives believe the main purpose of a high school education should be providing skills to students so they can be productive workers in California’s economy. More than one of five (22 percent) executives are convinced high schools should focus on the basics such as reading, writing, and mathematics. Just about the same number of executives (21 percent) felt the same way about high schools providing a basic education but also focusing on music, art, and physical education. Fewer executives thought preparing students to go to college (14 percent) and becoming good citizens in society (8 percent) should be the main purpose of a high school education.

More specifically, executives rated reading, personal responsibility, and work ethic as the skills that should be considered the highest priority for K-12 schools to teach students. On a scale of one to ten, with ten being the highest priority and one being the lowest priority, reading received an average rating of 9.2, and 59 percent of executives gave this skill a score of ten. Personal responsibility was not far behind – it received an average rating of 9.1, and even more (63 percent) gave it a ten. Work ethic was also ranked as a high priority, receiving an average rating of 9.1 and 61 percent giving it a ten.

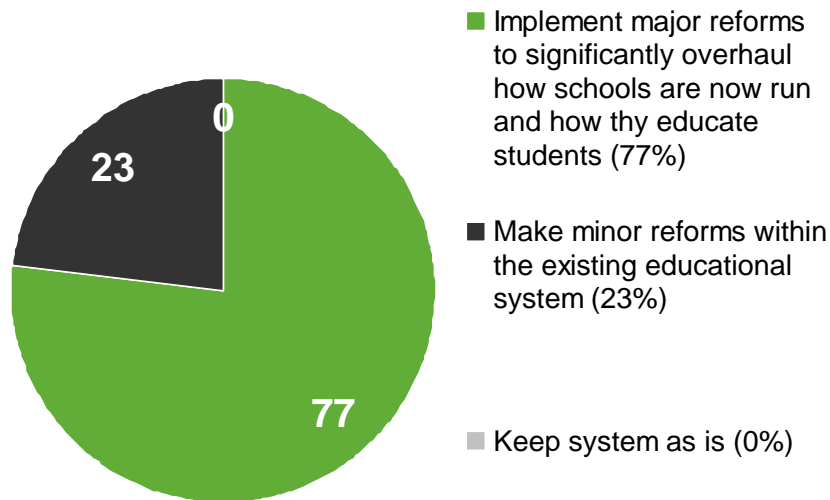
Despite what they believe should be priorities, executives do not necessarily think public K-12 schools are currently doing a good job of teaching those skills. Only two in ten (19 percent) executives think schools are doing an excellent or good job teaching reading, and only one percent thinks they are doing an excellent job. Almost half (48 percent) think schools do a fair job and 28 percent say a poor job. Personal responsibility fares even worse (less than 1 percent excellent, 5 percent good, 28 percent just fair, 57 percent poor), as does work ethic (less than 1 percent excellent, 4 percent good, 27 percent just fair, 60 percent poor). Notably, computer skills fare the best, with 50 percent saying schools do an excellent or good job teaching this skill.

Priorities of Skills and Rating Schools on the Skills			
Skill	What Skills Should Be a Priority <i>(rated on a scale from 1 to 10; 10 = highest priority, 1 = lowest priority)</i>		How Are Schools Doing Teaching Skills <i>(% Excellent/Good)</i>
	Mean	%10/Highest Priority	
Reading	9.2	59%	19%
Personal Responsibility	9.1	63%	6%
Work Ethic	9.1	61%	5%
Communication Skills	9.1	55%	9%
Writing	9.0	50%	11%
Problem Solving Skills	9.0	48%	8%
Math	8.6	40%	20%
Computer Skills	8.4	36%	50%
Creative Thinking	8.2	33%	12%

Business Executives Believe Schools Need Major Reforms

The vast majority of executives think California's school system needs to be overhauled, and very few believe anything will change with minor reforms. Practically no executives think the system should remain as it is now. More than three-quarters (77 percent) say we should "implement major reforms to significantly overhaul how schools are run and how they educate their students." Only 23 percent think "making minor reforms within the existing educational system" would be a better approach. And less than one percent want to do nothing and keep the system as it is now.

In thinking about making changes to our K - 12 public schools, which would be better -to implement major reforms to significantly overhaul how schools are now run and how they educate students, to make minor reforms within the existing educational system, or keep the system as it is today?



Support for Reforms

The survey tested a range of potential reforms and executives offered their support for many of them. More specifically,

- 99 percent support providing essential skills such as the basic skills of reading, writing, and math as well as communications skills, responsibility and work ethic;
- 95 percent support incorporating best business practices into the management of school districts;
- 95 percent support strengthening financial management and oversight of struggling districts and schools;
- 93 percent support more technical and vocational schools for students who may not go to college;
- 91 percent support clearly tracking and evaluating teacher performance in improving student performance.

Education Reforms Dealing With Teachers

Business leaders indicated they believe having high quality teachers is essential in providing a good education to students and executives are supportive of a variety of reforms regarding teachers. Notably, they are most supportive of paying higher salaries to teachers who consistently improve student performance. Virtually all executives (95 percent) support this reform. Executives also want to make it easier for principals to fire teachers who are underperforming or are incompetent as 95 percent support this reform. The other top reforms dealing with teacher include providing more mentoring for new teachers (94 percent support), increasing requirements for teachers to achieve tenure (88 percent support), and removing principals who do not improve student or teacher performance (87 percent support).

Executives Open to Increased Investment in Public Schools if Tied to Specific Reforms and Accountability

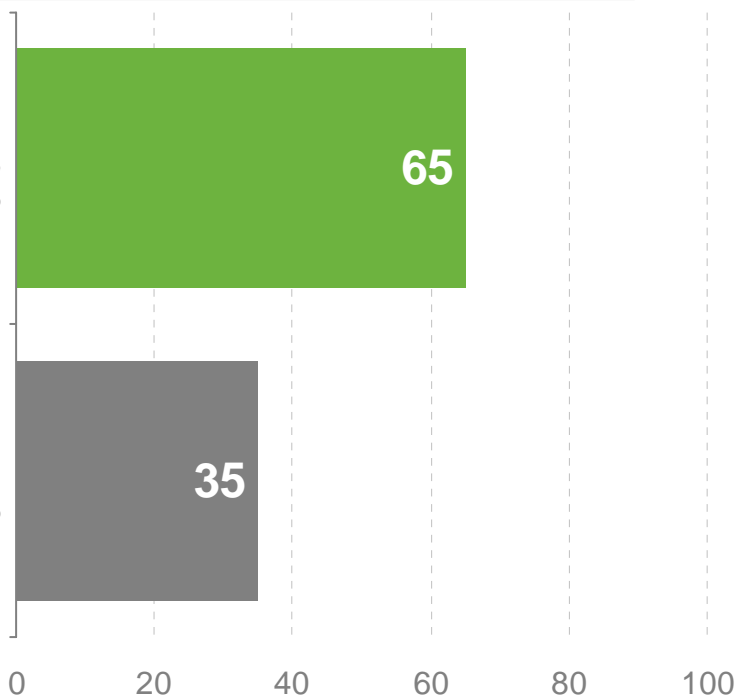
Most executives think schools do not have enough funding. Six in ten (60 percent) say schools need more funding whereas only a third (33 percent) believes the amount of funding is sufficient. Very few (7 percent) think schools should receive less funding.

However, executives are not willing to just sign a blank check to provide more funding for schools; they value accountability over money. By a nearly two-to-one margin, executives agree more with the fact that we need more accountability in our schools, cut waste and bureaucracy, and better oversight for how tax dollars are currently spent than with an argument advocating for increasing funding.

Here are 2 statements people have made regarding funding for California's K-12 public schools. Which statement do you agree with more?

Some people say the main problem with our schools is the lack of accountability of parents, teachers, students, and administrators. There is enough funding for education, but there is too much underperformance and inefficiency in the system.

Other people say the lack of funding is a major reason for the poor quality of our schools. California ranks 47th in the country in school funding, behind states like Mississippi. Our schools cannot improve unless we increase the money we spend in the classroom.



Nevertheless, executives are particularly supportive of increasing funding for schools if that funding is tied to specific reforms that they deem important. More than nine in ten (92 percent) support funding in this case, and 63 percent *strongly* support it. Less than one in ten (8 percent) oppose it. Specifically, increasing funding to pay higher salaries for teachers is also popular. Three-quarters (74 percent) support it, and 38 percent *strongly* support it. Only 26 percent oppose this.

Executives are sufficiently concerned about the quality of public schools that they are even willing to consider raising taxes if those proceeds can help better prepare students for the workplace and if there is proper accountability and oversight. Three quarters (76

percent) of California's business executives say they would support raising taxes if it meant implementing their favorite reform. Four in ten (41 percent) *strongly* support raising taxes. Only one out of four (24 percent) opposes raising taxes for specific reforms.

Survey Methodology: Greenberg Quinlan Rosner Research conducted a statewide Internet survey among 1,342 business executives in California from January 29-February 14, 2007. The survey's margin of error is 2.6%.