

# Corporate Support for Philadelphia Public Schools

Don Haskin 04 April 2011

Yogi Berra fans will instantly recall one of his most famous malapropisms: "When you get to the fork in the road, take it."

For corporate support of Philadelphia public schools, the fork in the road came at the end of David Hornbeck's tenure as superintendent of schools in 2000. A combination of factors led to a parting of the ways between the schools and the organized corporate elite and, while it hasn't stopped corporate support on an ad hoc basis, they have been at arm's length for more than a decade.

Individual programs and partnerships have produced strong results since the Hornbeck era. Programs run by the Philadelphia High Schools Academies and the Philadelphia Education Fund, often with hundreds of thousands of dollars of corporate support and good intentions, have endured. The list of corporate donors to public education in Philadelphia includes the likes of Sun, IBM, GSK, Lincoln Financial, PNC, Wachovia–Wells Fargo and Bank of America. At the moment, my own Citi Foundation and the Ace Foundation are partners in the ambitious Philadelphia Post Secondary Success Program

—a five-year effort to create a college-going culture in four public high schools, with hopes of replicating their successes district-wide.

However, the days when large corporations would contribute millions of dollars to the public schools in unison and advocate together in City Hall, Harrisburg or Washington on the schools' behalf—especially for complex and often politically sensitive topics like funding and class size—appear to be gone forever. Factors leading to their now cautious relationship include Hornbeck's approach, particularly to state and local government—damn the torpedoes, full speed ahead; the election of Republican Gov. Tom Ridge, who favored school vouchers, which were much more of a lightning rod back then than they are now; and shifts in Philadelphia's economy leading to a decline of influence in the corporate community. Corporate giants like Arco Chemical, which had a huge interest in the schools, and Cigna, which is now an entirely different company focused on health care, are out of the education game. Arco Chemical no longer exists.

As with many modern crises, the first cracks in the alliance were easy to miss, but they reached critical mass after Ambassador Walter H. Annenberg donated \$500 million to a number of school districts across the country—including \$50 million to Philadelphia, where he made the bulk of his fortune. The gift required each locality to raise two dollars from government and corporations for each

dollar he contributed.

At a White House ceremony on December 17, 1993, President Bill Clinton announced the Annenberg gift, calling it "a wonderful Christmas present to America's children." Annenberg, then 85 years old, responded, saying he felt "an obligation to join the crusade for the betterment of our country." Mr. Hornbeck was equally eloquent in his response: "No city with any significant number and diversity of students has succeeded in having a large proportion of young people achieve at high levels. Until that occurs, all else in school reform in this country is prelude. The first city to do this job successfully can be Philadelphia."

With that, the reform battle was joined. A business leadership organization called Greater Philadelphia First (GPF) was chosen to receive and create a committee to administer Philadelphia's \$50 million allocation of the Annenberg money, and corporations by the handful began lining up to contribute their share of the match. GPF was composed of the CEOs of the city's 35 largest corporations. It was, as they say, the big dog. What those CEOs chose as their agenda, whether in economic development or educational reform, called the tune.

I'll never forget the atmosphere at GPF and in the corporate sector after the Annenberg announcement. It was like lining up to enlist after Pearl Harbor Day. I was working at PNC Bank at the time and we, like the other

banks and big businesses, turned our foundation budgets inside out to come up with \$1 million pledges, few if any questions asked.

Hornbeck labeled his initiative "Children Achieving," developed a 10-point action plan for it and began his march. A study authored by Jolley Bruce Christman and Amy Rhodes, both of Research for Action, captured the moment: "The stars seemed aligned for real educational improvement. One local foundation staff member expressed the prevailing view: 'we believe that if not now in Philadelphia, then when?'"

The "when" arrived, though it wasn't recognized immediately, when voucher advocate Ridge was elected governor. Later, *Education Week* magazine, siding with Hornbeck in his budget battles with the Pennsylvania State Legislature, gave the legislature a grade of D- for funding. It wasn't too long before Hornbeck took what many believed to be a step too far and called the legislature's refusal to meet his funding demands "racist."

That remark and Hornbeck's legal efforts to force more funding caused an irreparable break in the relationship. Both houses of the legislature made it clear that Hornbeck was persona non grata. The business community cooled to him, and Greater Philadelphia First changed its priorities.

In the intervening months and years, Ed Rendell, John

Street and Paul Vallas have all tried varying approaches to education reform. The funding battles between the city and state forced the city to enter into a partnership with Harrisburg, which now controls the School Reform Commission by three members to two for the city. The business community has also changed radically thanks to a host of mergers and acquisitions.

To date, nearly 20 years after the Annenberg Challenge, there has never been another instance where Philadelphia's corporate community has united around a common cause and put its dollars and its muscle, which has atrophied considerably, toward a common system-wide effort. Corporate money for education continues to flow—often quite generously—but it tends to flow toward efforts that often support the business goals of the donors. Corporate advocacy continues, as well, but for efforts that tend not to exacerbate multi-faceted relationships.

Recently, real estate developer Mike O'Neill has emerged as a potential educational leader, forming the Philadelphia School Partnership as a mechanism to rally support and funding, but his effort is still in its earliest stages. In addition, public schools no longer are alone on the educational frontier. Vouchers, private schools and charter schools have become real competitors.

Given these and other changes, it would take the charismatic vision and means of another Walter

Annenberg to assemble a corporate armada to sail into battle on behalf of the public schools these days. But the reasons for the business elite to do so are, as the saying goes, as obvious as the nose on your face.

Philadelphia is responsible for a third of Pennsylvania's economy, but it is also home to a disproportionate share of Pennsylvania's poorest citizens. High school dropout rates hover close to an appalling 50 percent. Statistics released by the Mayor's Office of Education show that 32 percent of the jobs available in the city demand a college education, which only 24 percent of all Philadelphians can claim. An additional 30 percent of available jobs demand at least some college or technical training, which only another 24 percent of Philadelphians can claim. But when it comes to unskilled labor, Philadelphia has an abundance—53 percent, which is a shame because only 38 percent of the available jobs require no education at all—leaving tens of thousands of our fellow citizens with no hope of gainful employment.

As any banker can tell you, the bright spotlight of regulation—as imperfect as it has recently been demonstrated to be—is a great incentive to strive for excellence. I would suggest that the same is true for public education, especially in Philadelphia.

The organizations to provide that oversight and “encouragement” already exist, starting with the Mayor, the School Reform Commission and the school

administration, which need to open their doors and welcome the corporate community inside, inviting senior corporate participation up to and including the selection of the superintendent, as was done with Hornbeck. New York City has raised hundreds of millions of dollars by doing so. Then there are groups like the Greater Philadelphia Chamber and the CEO Council for Growth and Select Greater Philadelphia, which operate under the Chamber's umbrella.

Time for some fire in the belly, guys. Philadelphia's kids and Philadelphia's future are really worth the organized effort.

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