**‘Always L’earning’: Concerns and contradictions in Pearson’s global business strategy**

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***Introduction***

The focus of this paper is on the world’s largest edu-business, Pearson plc. But while Pearson is in the spotlight, it is important to note that it is only one part of the much broader phenomenon, namely the explosion of commercial entities seeking to profit from various aspects of public education. The rapid growth of the global education industry is set against shifting governance structures where national governments now look to the private sector for ‘solutions’ to their various education ‘problems’ (Ball, 2012). In the Global North this relationship is formed on the basis of testing and accountability infrastructures, data management and online learning needs. In the Global South the focus has been on the rapid expansion of low-fee, for-profit schools in the absence of quality public schooling.

By capitalising on these global needs, Pearson generated £4.9 billion in sales and had an adjusted operating profit of £720 million during 2014. These results netted Pearson shareholders a 32% increase in their share price over the previous 12 months and made it the 23rd consecutive year for increased dividends per share (Pearson annual report, 2015). These impressive statistics show that Pearson is an incredibly successful business, committed to increasing profits for its shareholders. However, the obvious concern for many of us committed to democratic public schooling is how the public interest can be supported by edu-businesses when profit making is their bottom line?

This concern has been the focus of much critique of Pearson, particularly in the United States where the company’s influence is currently felt to be most pervasive (see Ravitch, 2013, Hursh, 2016). Social commentators tend to view corporations like Pearson as powerful, monolithic entities working to monopolise the education market. As Ravitch (2012) observes, ‘it is widely recognized by everyone other than Pearson that its tentacles have grown too long and too aggressive’ and that soon every aspect of American education will be ‘invaded by Pearson’s corporate grasp’. Pearson is now acutely aware of its increasing influence—the ‘Pearsonization’ of American schooling—and public concern about its reach into public education. As Hozler (2010) points out, it is near impossible for corporations to avoid the ‘goldfish bowl’ of public scrutiny and, as such, they are forced to respond to the public’s perception and evaluation of their actions. Indeed, Pearson has been working hard over recent years to reconstitute its public image and position itself as simultaneously accountable to its shareholders and the public.

***Investing in a positive public image***

Pearson has been fashioning its image as a socially responsible edu-business. In the past, corporate social responsibility (CSR) has been considered a matter of philanthropy, whereby corporations invest some of their profits back into the community to make a positive contribution to society. This approach to CSR was evident in Pearson’s business model until late 2014, when it announced an end to the work of the Pearson Foundation. As explained by the Pearson Foundation (2014), ‘this [followed] a decision by Pearson plc to integrate all of its corporate social responsibilities and functions into its business as a way to maximise social impact and to no longer fund the Foundation as the primary vehicle for its philanthropic and community activities’. This effectively ‘mainstreamed’ CSR for Pearson, integrating its philanthropic functions into its everyday business activities. Bishop and Green (2008, p.177) describe this phenomenon as ‘philanthrocapitalism’, in which CSR is driven by the belief that doing good can also be profitable.

A very tangible aspect of Pearson’s CSR agenda is its Efficacy Framework. The Efficacy Framework is part of Pearson’s commitment to ensure that its educational products and services have a measureable impact on learner outcomes. Pearson’s emphasis on ‘efficacy’ borrows from usage of the term in the pharmaceutical industry and reflects the trend toward the medicalization of education research. Indeed, the promotional materials describing Pearson’s Efficacy agenda include an image of a researcher in a laboratory working with test tubes, conjuring an association between Pearson’s evaluation of its products and the ‘rigour’ of medical research.

Pearson’s Efficacy Frameworkis a standardized review process, including a review tool in rubric format, which is used by the company to evaluate how well its products and services achieve desired outcomes. The Framework enables the rating of a product, program or service against criteria in the following four areas: outcomes; evidence; plans; and capacity. By giving each criterion a rating on a four-point colour scale, from green to red, the Framework can be used to assess how well a product is achieving its objectives and how it might be improved. As stated in Pearson’s 2013 annual report, ‘the Framework serves to identify specific areas which, if improved, will increase our likelihood of intended impact. Teams are able [to] focus their activity on taking these steps before the product is assessed again’ (p.15). Pearson claim that ‘all new product developments will have defined and measureable student outcomes’ (Pearson plc, 2013, p.15).

In an age of what Nigel Thrift (2005) calls *Knowing Capitalism,* it is clear that Pearson’s Efficacy Framework is about accountability. As Thrift (2005) explains, in the increasingly complex and unstable global economy, businesses ‘now live in a permanent stage of emergency, always bordering on the edge of chaos’ (p.78). In an effort to manage this context, Thrift argues that capitalism has in some ways become a research project of itself. Pearson realises that it has reached an influential and powerful position within the education marketplace and, if does not appear accountable for its products and services, it faces the risk of being interpreted as ‘irresponsible’ by the critical public. By ensuring its products and services are *efficacious*, Pearson has responded in a way that moralises its activities, presenting a corporation focused on a double bottom line of profitability and social responsibility, and thus, offers the public sector a means to trust their use of Pearson products and services.

***Capitalising on a positive public image***

Pearson’s new focus on efficacy is allowing the company to position itself as a legitimate education policy actor that has the potential to be influential in ways similar to national governments and international organisations. For example, Pearson has developed *The Learning Curve (TLC),* a fifty page report and associated website and database that offers recommendations for the reform of national schooling systems. *TLC* draws on international performance data collected by various international organisations, such as the Organisation for Economic Cooperation and Development (OECD), the International Association for the Evaluation of Educational Achievement (IEA) and the United Nations (UN). In synthesising these data, Pearson argues they have been able to assemble ‘in one place a wide range of data sets which will enable researchers and policymakers to correlate education outcomes with wider social and economic outcomes more easily than ever before’ (Pearson, 2012, p.3).

While Pearson expresses caution about using their research as a ‘holy grail’, *TLC* nonetheless outlines a number of ‘definite signposts’ for educational policymakers. The key findings of the report include the observation that strong relationships are few between education inputs and outputs; that income matters but culture matters more; that there is no substitute for good teachers; that good information is crucial for school choice; that there is no single path to better labour market outcomes; and that a global index can help highlight educational strengths and weaknesses (Pearson, 2012, p.8). The report then offers five key lessons for educational policymakers in terms of reform:

1. There are no magic bullets
2. Respect teachers
3. Culture can be changed
4. Parents are neither impediments to nor saviours of education
5. Educate for the future, not just the present (Pearson, 2012, 11)

Despite drawing out these ‘key lessons’, *TLC* was able to show only a handful of strong links: that higher GDP related to better PISA results; that better scores on the United Nations Development Program (UNDP) Human Development Index and Income Index are associated with higher upper secondary graduation rates; and that there is a link between more years spent in school and higher labour productivity.

The report explains that straightforward correlations are difficult to find and, as a result, ‘education remains a black box in which inputs are turned into outputs in ways that are difficult to predict or quantify consistently’ (p.7). In fact, when reading the report there seems to be a marked shift from the strong beginning claims that *TLC* is an important tool for assisting policymakers to quantify the link between knowledge and skills and economic competiveness, and the realisation that ‘the most striking result for correlations is the overall paucity of clear linkages’ (p.14). From here the report suggests that the ‘main message of the lack of strong correlations should be humility’ (p.17).

Despite these shortcomings, the reductive nature of *TLC* that condenses well-established data sets into easy-to-read formats with clear policy prescriptions is part of the new policy genre that plays on the anxieties of national policy makers. In providing national governments with a succinct construction of policy ‘problems’, Pearson can then offer policy makers *guaranteed* ‘solutions’ through the selling of their *efficacious* products and services. We would argue that *TLC* is a branding device for Pearson, indicative of their new focus on outcomes, and an evidence-base for potentially demonstrating return on investment for its customers: national and provincial governments, education systems and individual institutions, in both developed and developing countries.

While Pearson may be working to present itself as a socially responsible edu-business, clearly the success of the company rests upon profit. For example, the recent work of Junemann and Ball (2015) and Riep (2015), who have analysed how Pearson’s support for low-fee for-profit schools in nations of the Global South, shows how the company is seeking to increase profit by expanding access to its education services. In the process, Pearson’s projected image of social responsibility is being quickly eroded by the positioning of low-fee for-profit schools as part of its corporate growth in emerging economies in Asia, Africa and South America. Here we see a complementarity between Pearson’s business strategies in the Global North and those in the Global South, with a likely further push by Pearson to open for-profit schools in rich nations and expand testing and data management in poorer nations.

***Concerns for public education***

We should be critical of these developments in education from the grassroots to the global level. For example, the Efficacy Framework effectively bowdlerises the complexity of teaching and learning processes. The idea that one product or service can have a *guaranteed* impact on student outcomes could only be based on ignorance of the reality of what happens in classrooms; the vast contextual differences amongst schools and the diverse individual learning needs of students raise serious questions about the validity of Pearson’s claims. Equally, the expertise of teachers and their wealth of professional knowledge, including pedagogical training, comprehension of content and their ability to differentiate learning is under-valued. Teachers are positioned as simply the implementers of Pearson’s efficacious products that are *guaranteed* to improve learner outcomes. In fact, Pearson found through its efficacy reviews that one of the key issues preventing the desired outcomes of their products was the teacher’s lack of skill in delivery; hence their new focus on professional learning around these issues. In Australia, for example, Pearson offers professional development for teachers through the Pearson Academy, and sends personalised emails to teachers on a daily basis.

Pearson is also impacting on global education policy. Pearson has the contract to prepare key elements of the 2018 PISA tests, and while I would argue that *TLC* does not currently function as an influential public policy instrument, it is reflective of the enhanced involvement of Pearson in the global politics of educational comparison. While Pearson’s relationships with governments and other organisations is often contractual, their services for governments involve conceptual, technical and design work, as well as data generation, and this moves its contributions into the realm of policy making. This is particularly evident in Pearson’s focus on low-fee for-profit schools, and is enough to discount their claims of being a socially responsible edu-business. I am critical here as well of aid agencies such as the UK’s Department for International Development (DfID), which provides aid money for the creation of for-profit schools in some parts of sub-Saharan Africa. I stress, as well, that it is the restructured state and the values underpinning public policy that enable these developments. Given this enhanced role we should also be concerned about the potential democratic deficit in these developments. Given that Pearson does not have a democratic constituency, its growing involvement in public education corresponds with diminished capacities of national political constituencies to influence policy production and thus the surreptitious weakening of democracy in relation to processes of education policy making.

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