ACCOUNTABILITY IN OPTIMIZING THE VALUE CHAIN

It is superlative the importance education systems hold in any country focusing on development and in the continuous increase of its citizen’s quality of life, sustainably. Yet as very keenly the 2017 UNESCO’s Global Education Monitoring Report has identified, “education constitutes a – if not the – major budgetary expenditure in most countries”. Therefore the urgency of assuring that educational systems provide effectively the tools for generating social mobility with a lean strategy is crucial in maximizing value and hence, the return on countries’ investments in education. In my commentary I will support the need for deploying a Supply Chain –or better put, ‘Value Chain’– framework in the designing, planning, connecting, and resources allocating of processes along the education system, pivoting on the tertiary sector which is the most important structural driver to link investment sector and local strategic know-how which can detonate the generation of further knowledge but also additional financial resources simultaneously.

EDUCATION SYSTEM

Considering the various definitions in which some authors exclude private institutions from the scope of the education system, I will assume education system to be the cluster of formal educational institutions that comprehend primary education, secondary education, and tertiary education including and emphasizing universities, colleges and research institutions. Certainly the definition has to consider the geographical feature of the education system which translates in regional or state education systems of countries. This feature is particularly important when reviewing the pivotal role colleges, universities, and further specialized research institutions play in the process of social and economic development of regions.

It is impossible not to acknowledge the extraordinary interconnectedness of the education system within its different levels. Although the vertical interconnection from elementary schools up to universities is obvious, it is also evident that the geographical or regional dimension grant horizontal interconnectedness to the education system as well. This suggests that the logical way in which education systems should function is not as a collection of institutions or organizations but rather as a network: chains of institutions and organizations. As intuitive as it might seems, this chain framework might not be the case in which educational systems function. Within the particular case of tertiary education universities remain siloed and decentralized organizations which often prohibits further engagement with communities (Menendez, 2015). This situation far worsens in emerging economies where development is most urgent and bureaucracy often reduces state effectiveness. The fact that educational institutions function more as silos than as chains should come as no surprise since this situation is neither exclusive of education sector. Silo working is rather common to many public institutions in many countries with education systems not being the exception.

Education is about creating capabilities and education systems must aim to that goal. But there is an understated fact regarding the creation of capabilities; systems are much more focused on creating individual capabilities rather than collective capabilities. This issue is absolutely critical when we see education systems as potential drivers of the social and economic development process. Properly
addressing the education challenge is highly demanding because of the responsibility—particularly of the tertiary level—to combine the training of skilled workers and professionals (individual capabilities) within the comprehensive focus of the strategic social and economic areas (collective capabilities) that may leverage development of regions.

THE GOAL

The new 17 Sustainable Development Goal from the United Nations addresses education as the number 4 main objective. It states as follows:

“Goal 4: Ensure inclusive and quality education for all and promote lifelong learning”

The 2017 theme for the Global Education Monitoring Report draws on the different types of accountabilities perceived as safeguards to ensure education systems alignment with the new Sustainable Development Goals. These types of accountabilities are:

1. Financial
2. Regulatory
3. Professional
4. Performance-based
5. Market-oriented
6. Participatory
7. Global and National accountability

There is no doubt that all accountability dimensions are key in helping institutions—particularly public institutions—to attain their social objectives efficiently. Yet one of the questions the Report invites us to answer opens the possibility for constructively question the whole traditional mindset in education accountability:

• Which accountability frameworks are more or less effective, and how are they used or abused in different circumstances? What are political, economic and social factors that make different forms of accountability work or fail?

Without overstating nor diminishing the vital importance the seven chartered accountability types or the questions posed, still several more incisively questions remain unanswered.

Regarding the untransferable importance the tertiary education sector has in the identification and capitalization of regional opportunities to generate economic growth and to further help translating such economic prosperity into positive social mobility processes:

• How do we assure or guarantee that the tertiary sector direct and potentiate their training & research towards the most critical and/or promising social and economic issues within developing countries?
• How do we enhance international financing and cooperation directly to universities so they can identify and address accurately and efficiently geographically sensitive opportunities to drive socially inclusive and environmentally sustainable economic growth?
• Which of the chartered accountability types assesses these issues?
• Does any of the accountability types assesses these issues at all?

THE TERTIARY EDUCATION CHALLENGE
Education systems in developed economies have a greater interaction with the private sector and with industries, businesses, and service companies by transitivity. This induces positive competition in the sector that drive universities to permanently calibrate how efficiently they are in capitalizing geographically sensitive economic opportunities to generate new businesses, industries, services, or further valuable knowledge and innovation. Private sector is increasingly outsourcing its innovation efforts on other organizations such as universities (Perkmann and Walsh 2007). This is not to say that in all cases this translates directly into broad social inclusion but at the very least, it constructs economic diversification on solid bases with the capacity to further fuel and self-finance –partially and in some cases, totally– the tertiary education growth and sophistication.

It seems that the dilemma the tertiary education sector faces –particularly in emerging economies– is not how efficiently and responsibly the resources are being used but rather if there are being used for what they are supposed to be used at all. As it’s been said, in developed countries markets help universities constantly addressed the opportunities regarded as the most valuable ones. But there are also many examples in which such public-private alliances in research manage to get social problems translated into economic opportunities that drive the creation of new inclusive businesses models that generate profits while solving social and environmental issues.

The dilemma the tertiary education sector always needs to be confronted with is as Peter Drucker pondered: are we doing things right or doing the right things?

“VALUE CHAIN”

It is intuitive to conclude that development processes require the majority of sectors in emerging economies to walk more or less synchronized to address broad social and economic challenges. It is commonly the case that some sectors in a country are far more sophisticated than others and such advantage can be used as leverage. But wherever production systems –and the education system is a production system– are complex and entail a myriad of different stakeholders keeping priorities in sight is always a challenge. Understanding the value chain can be extremely helpful if maintaining the aim on the target is the objective. The value chain approach can simultaneously concentrate the system’s efforts to identify and capitalize traditionally strategic or novel regional productive sectors to redesign both the logistic chain while determining the relevant information and special capabilities needed from upstream. Education systems can and should be portrayed as value chains to guarantee an approach for serving the client or clients.

Probably the major obstacle to fully conceive the education system as a value chain is the characterization of “the client”. Indeed, in supply chains the most important goal is to satisfy the client’s needs, provided that the client or clients are known and understood. This is certainly complex given the myriad of stakeholders embedded in education systems. But for practical reasons, let’s assume that the main objectives of the tertiary education sector are –as stated above– the generation of capabilities, individual and collective ones. This means individual students are indeed clients, but also broad sectors of society to which universities should serve and help develop and improve in a symbiotic iterative process.

Failure in understanding the critical relations and links the tertiary education sector should sustain and strengthen is extremely harmful for the whole development process. It pertains far worse consequences than any other systems failures –probably only outpaced by the public health system. If the very system
that has as a core responsibility the generation of applied and useful knowledge as well as to design the specific set of local solutions to mitigate social and economic bottlenecks, does not comply with the basic skill of connecting up, down, and sideways to other educational institutions, economic sectors, investors, and to its environment, it is impossible to start a regional social and economic sustained development process. Much less nationally.

Rathee and Rajain (2013) discuss in their paper different service value chain models for higher education: Sison and Pablo (2000), Van der Merwe and Cronje (2004), Makkar, Gabriel and Tripathi (2008), Pathak and Pathak (2010) and Khaled Ahed Hutaibat (2011). They are all reviewed only to conclude that since higher education has undergone so many changes due to the increase of competitiveness in the world, bottlenecks need to be removed from the supply chain if a quality service is to be provided. This is coherent with the necessity of conceptualizing tertiary education sector as a value chain to optimize the major budgetary burden education systems represent.

In conclusion, adopting a value chain mindset to guide the operations and performance of education systems and tertiary education sector in particular, will also directly impact the tactical level in which the UN expects to attain the education goal. Out of ten specific targets, five of those listed below can strongly benefit from stressing the “value chain” approach:

- By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university
- By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
- By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations
- By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture’s contribution to sustainable development
- By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially least developed countries and small island developing states

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