

RECOUP Working Paper No. 37

Public-Private Partnerships and Educational Outcomes: New Conceptual and Methodological Approaches

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Abstract

Increasing the coverage of education to ensure that all children go to school has been addressed by national governments and international agencies, both donors and financiers. The framework of Public Private Partnerships (PPPs) has been regarded by some international financial institutions such as the World Bank as a possible way to ensure this objective by bolstering demand-driven provision as well as more cost-effective supply of education (World Bank 2003, Tooley and Dixon 2005). Other international agencies, such as United Nations Economic, Social and Cultural Organisation have been less enthusiastic in their support for PPPs as a means of increasing the access to and quality of education available to poor communities.¹ The considerable attention accorded to the impact of PPPs on improving the educational outcomes of the poor has made PPPs the subject of considerable policy interest.

*This working paper makes a contribution to our understanding of how such partnerships affect the educational experience and outcomes of the poor. The paper sets out the conceptual framework and methodology developed for the project on Public Private Partnerships and Educational Outcomes for the Poor (P³EOP). The indicators used by the project were based on motivation and action set out by the Hirschmanian framework of the 1970s to understand how individual choice operated the market for education (Hirschman 1970, 1978). The choice exercised by parents in leaving a particular school when they are no longer satisfied with the education provided is termed **exit**. In contrast, when parents and pupils undertake political activity to improve the provision of education is termed **voice**. Within this framework the term **exit** denotes choice in a market context while **voice** is evidence of political responsiveness. The notion of **loyalty** indicates the personal affinity of parents and pupils in the school system to a particular school. Section 2 of the paper begins with a discussion of the key terms and analysis provided in the original papers of Hirschman. Section 3 provides a discussion of the reasons for expanding the original framework. Section 4 sets out how combinations of exit, voice and loyalty can affect the manner in the demands that can be made by parents within government schools and private schools. In Section 5 presents the methodology and data collection and mapping methods that are envisaged. Finally, in Section 6 there is an exploration of how the expanded model might permit us to advance our understanding of **voice**, **exit** and **loyalty** in relation to both parental strategies as well as those of school authorities in relation to parental demands and their stated objectives in expanding the supply of education might play a role.*

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¹ Genevois (2008) provides a useful analysis of concerns of the International Institute of Educational Planning (IIEP) that PPPs would not be able to ensure equitable provision for the poor.

Introduction

The need to ensure Education For All (EFA) and the challenge of the Millennium Development Goals has resulted in growing support for partnerships as a vehicle that will increase the current provision of education during the first decade of the twenty first century. There is no consensus on the particular form of partnership that is best suited to the provision of education. The term ‘partnership’ is taken to imply that more than one sector, i.e., government and a non-profit or for-profit collaboration, to provide a service. By implication, Public Private Partnerships are regarded as engagements between the state and non-state sector, which could be private corporate, non-profit or philanthropy (Draxler 2007)

The growing number of cross-sector collaborations to provide education has led to a new category of Multi-Stakeholder Partnerships (MSP) to explicitly bring in collaborations between civil society organisations and other sectors, whether state or non-state actors. The increasing number of schools provided by such partnerships in the last decade with a growing enrolment of children has been identified as measure of success that these partnerships in education have achieved by increasing the choice available to households. This benefit, however, is more readily available to the more economically well-to-do households in a community. The second measure of success identified is the increased supply of schooling brought about of by these partnerships, whether MSP or PPP. A greater availability of schools for the poor is positive, yet there is also evidence that very low quality of educational provision and substitution for a non-functional state school (La Rocque 2008).

The early models of partnerships focussed on the gains from private corporate financing and due to greater efficiency, superior resource raising ability of the sector. More recent models have encouraged the introduction of social and political dimensions of educational provision. The importance of PPPs has become particularly evident in the last decade, with both international and national initiatives in expanding education regarding partnerships in finance and provision of school education as a possible method to ensure educational access and quality within the education system (Patrinos 2005).

Section 1: The Provision of Education and the Rise of Public Private Partnerships

The importance of PPPs appears to lie in their ability to improve the provision of education. On the demand side the major improvement is achieved through introducing competition and so allowing parents to choose between school providers. On the supply side the advances are made through improved management and the greater availability of finances so that more teaching and better facilities can be made available. The early literature on PPPs was focussed on improving the supply and demand aspects of educational provision through introducing of economic incentives that would

bring about a closer approximation to market conditions (Burchardt 1997). The ushering in of market forces was regarded as sufficient to ensure that there is both an expansion and an improvement in the provision of education.

In the more recent literature on schooling there is indication that the successful provision of education is also dependent on the larger social and political terrain (Akerlof and Kranton 2002, Di John 2007). The manner in which state and non-state players regard each other in the education sector is also an important starting point. If competition is to eventuate it requires both types of providers to be prepared to actively interact and to move towards establishing PPPs. If there is little, or no, willingness to engage then the creation of a market can become an insurmountable obstacle (Srivastava 2007).

Furthermore, the term ‘private’ sector in these partnerships has become a generic term for all non-state actors-corporate entities, NGOs and faith based organisations-fall into this category. These different players are likely to have distinct approaches to education provision emerging from their own historical evolution as well as economic motivation (Fennell 2007). The educational objectives each provider pursues within the educational sector also influence the nature of educational provision in the sector. It therefore behoves a study of the supply and demand of education that the economic, social and political strands within educational provision should be separated out.

Such an objective provides the intellectual motivation for embarking on a project that examines the role of PPPs in the provision of education for the poor. This is a priority policy area as the under-provisioning of education is particularly evident among the poorer sectors of society. There is also intellectual value-added in such a project as it encourages an interdisciplinary research between politics and economics to understand the impact of PPPs of the educational sector. Thirdly, the mapping out how PPPs have played out in economic, social and political arenas can shed additional light on the consequences of decentralisation of service provision in low income countries.

Section 2: Towards a new trespassing between the economics and politics of educational provision

The increasing synergy between economic and political dimensions of provision through partnerships has become a matter of considerable academic interest (Ackerman 2004). There is particular interest in moving away from a solely economic approach to the role and impact of PPPs in developing countries towards a more multi-dimensional framework that can more effectively identify strategies for pro-poor development. The method of combining exit (choice) with voice (participation) with regards to provision of services has gained interest in the fields of political science (Greener 2007) and in development (Di John 2007) and the is in line with the reasoning employed on this project that the is

intellectual and policy potential for analysing the financing and/or providing education using tools that can cross disciplinary divides.

The possibility of using the concepts of **exit**, **voice** and **loyalty** that were developed in the 1970s in political science to understand the behaviour of individuals in organisations, such as firms, in a market place to analyse the provision of education permits us to draw economic, political science and educational research together. These terms were set out by Albert Hirschman and intended to examine individual behaviour within organisations that operated under the rules of the market (Hirschman 1970). His idea of **exit** drew on the mainstream economic understanding of free entry and exit with the latter occurring when individuals were no longer satisfied with what was on offer in the market. Within the context of an organisational set up the notion of **exit** relates to the market like behaviour of the consumer with regard to the decision to leave a provider on account of dissatisfaction. The term **voice** was used to describe political activity undertaken by an individual while remaining within an organisation to ensure the continued provision of a good and/or the quality of the good. The notion of **loyalty** was brought in to indicate the extent to which the individual identified with the objectives and actions of the organisation. The level of identification was seen to be positively correlated to the use of voice by the individual within the organisation and inversely with the decision to exit.

These concepts can be used to analyse how consumer behaviour affects the quantity and quality of education. If the phenomenon of exit is present it indicates **choice** by the consumer with regard to the quality of education that is being provided by current providers in the locality. Where **voice** is exercised by parents and pupils in the school system there is evidence of political activity ranging from complaints to campaigns to obtain a higher quality and wider coverage of education in the school. If **exit** indicates choice in a market context while **voice** is evidence of political responsiveness then we have two important tools to understand the relationship between consumers, the school and the providers in the local sphere.

The extent of **loyalty** to a school and to the school provider provides an indicator of affiliation of the individual with the organisation. The manner and extent to which both **exit** and **voice** are exercised would be affected by the self-identification of individuals with the objectives of the provider as well as the brand image created by the provider. Consequently, **loyalty** can be regarded as an indicator of how identity politics as well as the market brand of the educational provider affect the way parents and pupils decide to use, on one hand, the benefits of political representation and the associated politics of that representation and the gains from using the market with its accompanying emphasis on price and efficiency, on the other.

Local environments with more than one school permit educational users to make an informed choice about the type of school as well as the extent to which they wish to use the existing educational provision. The key to understanding use of the educational system is linked firstly to identifying the rationale for the different actions undertaken by parents within the school sector (state and private), and secondly to the consequences of shifting from state to any of the providers within the private school sector (corporate private, NGO, religious). In environments where both public and private schools operate, the phenomenon of exit can provide an indication of the failure of the state education system to provide a sufficient coverage and quality of education (De and Dreze 1996). The use of exit itself can create further unravelling in quality of provision as the large scale exiting of the middle classes from the public education system may trigger a reduction in state commitment to finance state education (Easterly 2000). At the level of the local educational system the large scale use of voice could result in an improvement in educational provision (Chubb and Moe 1988). The impact of voice on educational provision is also useful in understanding how a large scale shift by community members between public and private schools impacts on the responsiveness of the state provider given political economy considerations that the state is more amenable to responding to the demands of the articulate middle classes than that of the poor.

The social context within which schooling provision changes and schooling choices are made was a matter that was given considerable thought by Hirschman in his original formulation of exit, voice and loyalty. He was aware that it was difficult, if not inappropriate to regard public and private schools as competitors on a single playing field in the context of the U.S.A in the 1960s-1970s as the making choices was largely subjective and that the power that might be wielded by voice and exit in the private sector might far exceed that within the public school system. Consequently any direct comparison of the extent to which voice and exit were used without evaluating the social context, particularly through self-identification with the school as well as the social class and influence of the parent body would be inappropriate and lead to faulty conclusions regarding the implications for the quality of education in each school.

“public schools have several strikes against them in their competition with private schools: first, if and when there is deterioration in the quality of the public school education these schools will lose the children of those highly quality-conscious parents who might otherwise have fought deterioration; second, if thereafter, quality comes to decline in the private schools, then this type of parents will keep their children their for much longer than was the case when the public schools deteriorated. Hence, when public and private schools coexist, with the quality of education in the latter being higher, deterioration will be more strenuously fought “from within” in the case of the private than in the case of the public schools. And because exit is not a particularly powerful

recuperation mechanism in the case of public schools-it is far more so in that of private schools which have to make ends meet” (Hirschman 1972: 51-52).

This paper provides a conceptual framework and methodology to use **voice**, **exit/entry**, and **loyalty** to evaluate and measure the manner in which school authorities respond to parental demands in relation to expenditure on educational resources and how changes in the types of school providers and their stated objectives in expanding the supply of education might play a role.

Our research proposes to use voice, loyalty and exit to identify the impact of changes in the extent of provision and type of education provided by both state and non-state providers in the local sphere. We begin the building of our conceptual framework by exploring Hirschman’s own concepts of exit, voice and loyalty to develop new meanings of these terms would take us forward in understanding how partnerships affect the economic and political choices that parents make regarding the schooling of their children.

Our interest is how current partnerships in developing countries should be interpreted using the new meanings that arise out of current day contexts of these terms, voice, exit and loyalty that were first used by Hirschman in the 1970s. We are particularly interested in learning more about whether the rising number of non-state initiatives to provide education in many low income countries is a response to the inadequacy or absence of state provision of education and if so what are the implications of educational provision by an increasing number and type of provider on the extent, quality and brand of education available in the local sphere. In the current educational environment where educational provision by the state is still not universal the context is rather different from that of the U.S educational system that was described by Hirschman in the 1970s. Also, the heterogeneity of the non-state sector in education -ranging from the established private schools that cater for the well off middle classes to the private organisations that operate religious establishments-church schools, *madrasahs*, Buddhist schools (*viharas*) and Hindu schools- provides an educational context where it would be possible to examine the role of identity and market brands in education provision.

The intellectual thrust in this project is to bring the political and economic aspects of the original Hirschmanian model into a socially embedded approach so as to be able to bring identity politics, personal association and organisational branding into the original exit, voice and loyalty model. The theoretical framework developed in the next section will explore expanded meanings of exit, voice and loyalty that can be used to understand parent and provider behaviour in the school system in the local sphere.

Section 3: School choice and reworking the concepts

The concepts of **exit**, **voice** and **loyalty** were first used by Hirschman to examine individual behaviour within organisations that operated under the rules of the market (Hirschman 1970, 1978). In relation to the provision of education, these concepts can be used to analyse how consumer behaviour affects the quantity and quality of education (Hirschman 1978). If **exit** is present it indicates a choice exercised by the parents (and children) between the types/quality of education provided by different providers in the locality. Where **voice** is exercised by parents and pupils in the school system there is evidence of political activity ranging from complaints to campaigns to obtain a higher quality and wider coverage of education in the school. Using the term **exit** to denote choice in a market context while **voice** is evidence of political responsiveness provide two important tools to identify the relationship between consumers, the school and the providers in the local sphere. The extent to which the parents and pupils in the school system have a degree of **loyalty** to a particular school they would tend to use voice rather than exit in a situation of deteriorating quality. Such loyalty could be a result of two distinct reasons. The first is having considerable influence in that school or the second, having considerable attachment to the school.

Notions of exit, voice and loyalty have been drawn on by studies that focus the entry of a large number of non-state providers in areas where the quality of education offered by the state school has deteriorated with the school almost ceasing to provide education where there has been extreme teacher absenteeism. The value of choice that becomes available to parents where a private school is set up as an alternative to the collapsing state school has emerged as a major finding (Kingdon 1996, Kremer and Muralidharan 2005). The notion of choice has also been expanded to differentiate between ‘choice_s’, where choice is available to parents in a very highly regulated state education system with , and ‘choice_m’, where there is market competition between the private providers and the state provider, to identify the impact that competition has on the quality of education provided (Tooley 1997). This novel analysis shows that the importance of the social and institutional context within which parents choose a particular school changes the choice type.

The consequence of parental choice can, in turn, also affect the private and social incidence of costs. For instance, where both public and private schools are present in a locality the phenomenon of exit can provide an indication of the failure of the state education system to provide a sufficient coverage and quality of education. However, this exiting of parents from the public education system can cause further deterioration in quality of provision and thereby can affect the cost of overall education provision in the local sphere (Pritchett 2004). Similarly, a political response, such as voice, has more than one effect. Firstly, the use of voice by parents and communities impacting on the provider in a demand driven environment and articulation of demands could prevent further deterioration in the

current provision of education. Secondly, it could also change the resource allocation across categories of expenditure by both private providers as well as in local state providers. Thirdly, while the political response of using voice can improve the quality of education from an existing provider this possibility needs to be read alongside the possibility that voice could be the chosen form of response owing to a strong sense of loyalty to a provider. In such a situation the use of voice might not result in any actual improvements in the quality of education but in a greater emphasis on branding education by the provider so as to further lock the parents and pupils (Srivastava 2007). This would imply that there would be further weakening of the exit option.

When parents and pupils in a community chose a school in a choice_m situation, there could be a wide range to choose from. The distinction among providers can be set out as follows: between state providers and private providers, where there is a further distinction between profit and non-profit providers, with the latter being constituted by the modern non-governmental organisation and the older and more established community/faith providers. To understand how the choices made by parents affect the provision of education and are affected by the providers of education requires knowledge of the objectives and actions of each type of provider.

The *government* school has had a long history of provision spanning over the colonial and well as post-independence eras and is regarded as a monopoly provider of education fitting in within its representation as a universal public good. The inability of the *government* school to provide quality education provides the fundamental rationale for partnerships that bring in the private sector. Within the private sector, the range of providers is immense. There is the *for-profit private provider*, viewed as a relative newcomer into the educational sector and drawn into the sector by the phenomenon of ‘*marketisation*’ of education with a focus on the provision of education as a profit-making operation. At the top end of the income ladder the *private provider* appears to improve the quality of education and their presence is supported by upwardly mobile middle classes (Hirschman 1972). An important aspect of such provision at the top end is the creation of ‘brands’ of education to improve their competitive edge. Lower down the income ladder the schools set up appear to less predictable in relation to quality of education but do draw on market notions of competition and emphasise brand value (Srivastava 2007).

Another aspect of private provision is that returns tend to be restricted to the individualized private returns rather than a broader understanding the role of social returns from education. They do not take into account any notion of *externality*, or financial spillovers/synergies between projects that might reduce the cost of each project, nor any note of socially beneficial aspects of investment in the community such as increased value attached to schooling with the establishment of a local community school (Bennell 2002). Within the non-profit categories of providers, there are two distinct types the

Non-Governmental Organisation and the Community/Faith Organisations. The non-profit providers see provision in terms of a political project, often framed in terms of social justice goals. The *non-governmental non-profit* provider opts for the secular/non-religious route to provision and operate on the principle of ‘inclusion’. The *faith/ community* provider of education differs in focusing on community notions of ‘identity’, such as in teaching in the vernacular or working within religious mores (Fennell 2007).

The somewhat simplified division of school providers into four categories sketched out above is to highlight that an increased choice menu of schools cannot be regarded as list of equal alternatives to be compared in an uncomplicated manner in terms of the opportunity cost to the individual parent or family. Each type of provider has a specific understanding of the nature of the ‘educational good’ and an associated objective they wish to achieve when operating within the educational sector. Moreover, a restrictive study of parental choice that looks only at shifts out from the government school to the private sector would only allow us to register exit type behaviour. The emphasis of private providers on branding as well as competition would indicate that voice is more likely to be exercised than exit in such scenarios. The additional possibility that non-profit providers such as NGOs and community/faith providers regard manifestly political aspects such as inclusion and community identity as driving forces behind educational provision points to a high degree of loyalty, whether through self-identification or provider emphasis on particular types of affiliation, leading to further emphasis on voice type behaviour.

Finally, choice is not the only concept that can be usefully reworked to understand the impact of new and more education providers. The notions of exit, voice and loyalty themselves can be usefully expanded upon both in relation to social context within which new partnerships are emerging in the educational sector as well as the range of partnerships themselves. The notion of exit in Hirschman’s model was used to indicate a costless exiting from an organisation in response to deterioration in the service/product in a market. Exit did not incur a cost and identically nor did entry into a new organisation or service provider. There was no consideration of a situation where there might be costs associated with exit and exit was presumed to be automatically followed by entry into an alternative and preferred organisation. In the case of societies where education is not accessible to all it would be useful to expand the original Hirschmanian notion of exit to bring in *cost of entry* into an educational market as well as the *social and political cost of exit*, the latter which Hirschman acknowledged in a later paper (Hirschman 1980). The former notion that entry might have a cost associated, and that in a social setting this cost might actually exclude some households from accessing the educational sector is novel and potentially valuable in identifying both active and passive economic behaviour in the educational sector. Secondly, the range of partnerships that a household might be able to avail off might not be operating in a competitive framework but in a strictly hierarchical structure either in

terms of fees (carving up the market by fee gradation, even an informal cartel) or use a strong set of social hierarchies to exclude the household that is exiting a particular school.

Section 4: Devising a framework for drawing on exit, voice and loyalty

Drawing on the expanded notions of exit/entry, voice and loyalty can identify various economic and political strands at work in parental choice and provision of education by a range of educational providers in the local sphere. Exit has been regarded as the economic response to deteriorating educational quality. It changes the number of pupils in a particular school, and can change the enrolment of pupils across schools in the local sphere triggers a new and increased supply from the increasingly favoured schools/school type. Voice is seen as a political response from within the organisation that can work to improve the quality of provision. The presence of loyalty affects the use of voice in a positive manner through increasing the affinity an individual feels for a particular organisation and therefore stirring up greater political action and personal motivation for making improvements from within.

The typology below sets out the implications of using both exit and voice by working through combinations of exit and voice and mapping them onto different types of education providers. The relationship of voice and exit to economic and political responses to the provision of education is set out as in Table 1 below.

Table 1: Types of education provision with relation to the operation of exit and voice in Education

		Voice	
		Yes	No
Exit	Yes	new models (Case 2)	market based provision (Case 1)
	No	community (Case 3)	excluded groups (Case 4)

The table sets out the implications of combinations of exit and voice within the educational sector.

In the north-east corner is the case of where there is the possibility of exit and no possibility of voice (Case 1) where providers would respond to the threat of exit by parents/users of education but would not face political opposition. This situation occurs where there is a market-based provision of education and providers of education are concerned about individuals voting with their feet when faced with poor provision. If ability of the users of education to cease to take up education from a particular provider becomes an economic threat this could force private providers to improve the nature of provision. Where the exit does not have adverse negative consequences for the providers, for instance where educational provision does not depend on payment by the user, there may not be any adverse impact of exit on the provider.

In the north-west configuration (Case 2) is the situation where there is the presence of both exit and voice. This scenario emerges where parents feel able to use both the options of exiting the sector as well as making demands on the provider when faced with a falling quality of education and/or returns from education. The possibility of using economic pressure and political representation places the parent/community in a strong position. The Case 2 scenario is dependent on parents/users having both economic and political wherewithal to use exit and voice respectively. Where the consumer was able to participate fully it might be possible for partnerships to develop between the state and non-state providers to meet the demands for an improved and more effective provision of education.

In the south-west corner is located the case where there is the presence of voice but with no exit (Case 3). Case 3 highlights the possibility of using political pressure on the educational provider to demand improvements in education. The use of political action is linked to the extent to which collective action is used by the community concerned. This might be (a) due to a strong community feeling and associated political clout/agency to demand services with pressure on the educational provider to improve services. Or (b) might also be the case of traditional communities who tend to regard their group identity as a social marker and where exit is not seen as an option due to limited spatial and/or social mobility. A high level of loyalty would further strengthen the use of voice in both (a) and (b) but with different results. In the case of (a) there could be considerable improvement in quality while in (b) the communities while enunciate their claims do not have financial resources or engagement with the larger economic sphere making it hard for these claims to translate into improved schooling. There would consequently be little impact on the provision of education despite a situation of where education is failing to deliver any benefits to the community and strong self-identification with the educational provider.

Finally the south-east configuration is the case of no voice and no exit (Case 4) where the provision of education is marked by an absence of both economic and political challenge. The users of education are in a proverbial dead-end where they have no means to signal dissatisfaction with the education provided. Case 4 would be in operation where groups have neither political nor economic power. This can occur where there is a monopoly provider operating in very poor communities. It would also happen where there are groups that are denied educational access due to economic and social exclusion. These groups do not regard educational provision as a reality for their particular group or family on account of their exclusion and are unlikely to make any use of exit or voice. The group has traditionally been outside of the domain of provision and would not regard the provision of education as either an economic or political right.

The presence of an exit option indicates that a customer who is dissatisfied can make a costless departure from the market for education. However, there are costs if such a parent is unable to find

entry into an alternative educational establishment. If there is a cost to exit and entry this option of economic action might appear less attractive resulting in a greater emphasis on voice. There are also social contexts which might introduce penalties for exiting, or demand allegiance, such as brought about by a high level of identification with organisations. This can be signals by an examination of the role of loyalty within an organisation/school and will take us beyond combinations of voice and exit.

The second table (Table 2) shows the combinations of voice and loyalty and the implications for the types of parental behaviour and political action that might result.

Table 2: Types of political action based on voice and loyalty

		Voice	
		Yes	No
Loyalty	Yes	parent action committee Fund raising/lobbying	quiescent parent body pleas/ passive action
	No	parent demands Petitions/confrontation	exit exclusion

The combinations of voice and loyalty in Table 2 map out the consequences of political action in the presence and absence of loyalty, understood to emerge from either identity politics or brand image on the collective action by the parent body and the forms of action undertaken as a response. In the north-west quadrant, where voice is used in the presence of loyalty to the provider, there could be a strong push for collective action to ‘rectify past wrongs’ or to make greater advances in educational provision. The forms of political demands are likely to be collective not individual based through fund raising and other forms of parent contribution/action force.

In the north-east quadrant, loyalty does not generate voice and therefore no political action ensues as in the case of traditional communities. Such communities would display a very strong sense of affinity with the provider on account of either shared communal values (as with NGO or even more so with community/faith providers) or where it has been generated by externally generated brand loyalty (by corporate-profit providers) but would not automatically see an improvement in the quality of the education that they receive. In extreme cases where loyalty is high and there is almost complete identification with the provider the power relations are such that the provider could use such affinity to impose additional hidden costs of the community, charges or even hidden fees by emphasising the theme of common objective and/or a greater display or market branding. The response from the community if any is subaltern and more akin to a plea rather than action.

In the south-west quadrant there is voice but no loyalty and so political action is seen as an individual right and based on strong forms of demand. The parents are likely to be proactive in presenting the school with petitions but less inclined to contribute in time, kind or financial terms. There is likely to be more confrontational behaviour by the parent body and the response of the provider might therefore be conciliatory.

Finally, in the south-east quadrant neither voice nor loyalty exist and the only form of consumer action is through exiting the system, i.e., using the market mechanism or being excluded/deemed to exit by the educational system itself. So this quadrant can be seen as mirroring the Case 1 scenario in Table 1. However, the social and political configuration of exit in Table 2 throws additional light of the nature of consumer choice. Here market based choice could be the worst case default option where the only option in front of the consumer/ purchaser is to leave the sector altogether.

The overlay between the representations of exit, voice and loyalty that emerge from a joint examination of Tables 1 and 2 indicate that bringing all three concepts together in an expanded and interconnected manner gives greater depth to our analysis. This contrasts with a simple model of exit as demand led and voice as supply response in the educational sector which now needs to be amended to take into account not only each type of educational provision interacting with individual choice but also bring to bear the social context of branding and self-identification that is provided by bringing in loyalty in the analysis.

Section 5: Operationalising the framework and identifying educational outcomes

The intention of the project, Public Private Partnerships and the Educational Outcomes for the poor (P³EOP), is to undertake community and school level studies to identify the manner in which demand and supply factors operate in the educational sector, in relation to the use of voice and exit, in a social context where there are long established traditions of loyalty. The social context indicates that a straightforward analysis of demand and supply aspects of education provision needs to be replaced by analysis that takes into account the political economy considerations of identity politics and the growing marketisation of education.

Project design

The project examines how demand and supply aspects of provision are affected by the ability of parents, pupils and providers to use and respond to voice and exit respectively, in the absence and presence of loyalty. On the **Demand Side** the research will examine the impact of parental and pupil influence on school behaviour by using the mechanisms of voice and exit. The extent to which the social status of the parents, pupils and school affect the effectiveness of the mechanisms of voice and exit with regard to improving coverage and quality of education will be analysed by identifying the loyalty and the type of parental actions experienced within the school. On the **Supply Side** the focus will be on the extent to and manner in which the school responds to phenomena of voice and exit. The objectives of the providers in the educational sector and their understanding of the nature of the 'educational good' are the key to the education that they provide and the outcomes of provision will be analysed in relation to shifts in student enrolments in schools and changing price and non-price changes within the school.

Identifying the outcomes of provision of education

The guiding principles of the project are that

- (1) **voice** represents the political response to the provision of education and will therefore make claims and want to demarcate rights in the educational sector. Such a response is positively and strongly influenced by the extent of **loyalty** felt by the individual towards the organisation/school in question.
- (2) Similarly exit represents the economic response to provision and results in the purchase preferred type of educational provision and the rejection of the unsatisfactory provider's services. So the **demand** made on the educational system can be understood by analysing the combination of exit and voice taking full account of the extent of loyalty that the individual had towards the educational provider. The **supply** response of the educational system can be ascertained in the **financial** and **non-financial** changes that an educational provider makes in relation to changes in student numbers and parental actions.

Financial incidence (and shifts) can be measured through items such as

- (1) **tuition fees** or **subsidies** (free meals, scholarships) charged by the school represent a financial cost on the parents that is meted out through the market.
- (2) **Fund raising**, on the other hand, can be regarded as an activity that is supported by the parent body and could be voluntary and based on parental action committees. Community or individual charges are a form of financial imposition which can be hoisted on parents where there is a high degree of loyalty in evidence.

There are also **non-financial dimensions** of provider responses.

- (1) An increase in the **number of teachers** and the rising bar for the **academic qualifications** of new recruits into the teaching staff
- (2) Training programmes (**in-service training**) for existing teachers
- (3) **Teacher incentives** (performance pay or additional payment) to redress the problem of teacher absenteeism.

Research methods

The use of questionnaires and semi-structured interviews to understand economic and political responses, such as exit and voice, has emerged as a valuable methodology in recent research (Muralidharan 2006, Srivastava 2007). This research project looks to taking this qualitative approach further and using interviews with key stakeholders as the way into understanding exit, voice and loyalty within a school environment. The school-within-community is the site of this research project and the responses of parents/pupils to the provision of education as well as the objectives and responses of the providers will be ascertained through a range of qualitative techniques: comprising of interviews and focus groups.

Figure 1 below shows a schematic diagram of how schools respond to exit, voice and loyalty through different forms of financial instruments. The arrows indicate the kind of information that can be obtained from the school and how these data might map the use of the mechanisms of exit, voice and loyalty.

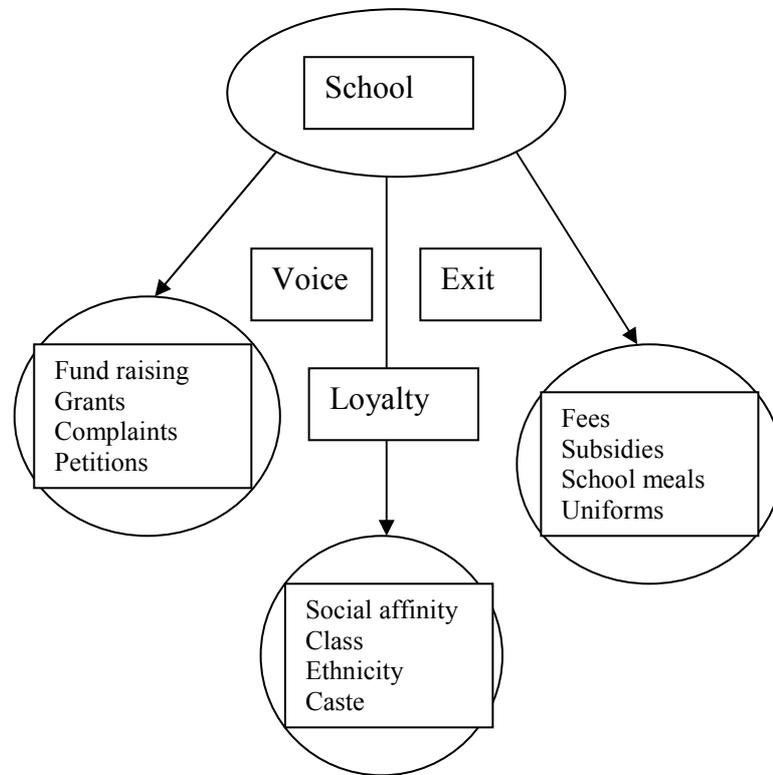
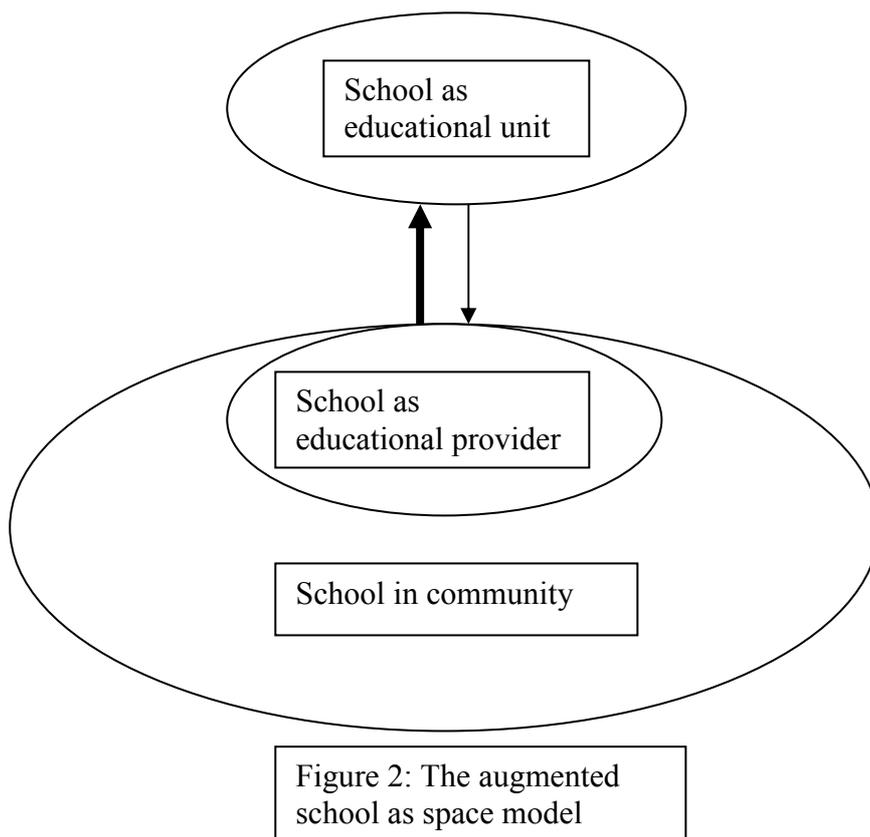


Figure 1: Parental and provider actions

Figure 2 provides a schematic representation of the various spaces assigned to the school. School based studies have regarded the school as having more than one institutional identity, on the one hand as a provider of educational services and on the other as state authorised unit that maintained educational records. These different facets of institutional identity of the school are interrelated and the two arrows show how the school as provider of educational services is linked to the school a unit of the official (local state) system.

- (1) The lighter arrow shows the requirement of the school as a provider to report to the local state on its delivery in relation to the demands of the state educational policy
- (2) The darker arrow shows the collection of data by the school as a state sanctioned/authorised educational unit directing the actual provision of educational services.

This two way interaction between the school as provider and the school as state authorised educational unit that informs school based studies is affected by the social context in which it is situated. Figure 2 undertakes such an embedding by inscribing the space of the local community into the two way interaction. This extension of school based research is informed by the intention of this research project to construct what constitutes exit, voice and loyalty within a socially constituted local sphere. The augmented model regards the school-in-community as the site where the everyday reality of teaching, resistance and subordination is experienced.



The methodological approach taken in this project is that it is the actions of voice, exit and loyalty that are identified in the interviews that **constitute the reality of education**. These indicators therefore provide the primary levers that direct education provision in the school and generate supply responses

from the providers (teachers/heads/education officials) as well as demand directives from the parents/pupils/community.

In this augmented school-in-community framework (Fig 2), the documentation and data that is provided in the official and formal school records reflect the interpretation of educational policy by providers and can be regarded as a *meta-record* for the actions and struggles witnessed within the school. This is represented by the darker and thicker arrow moving up from the school to the district level. The lighter and slimmer arrow from school to community is representing the lesser emphasis on the qualitative and the experiential in the representations of the official record. For e.g., there is considerable emphasis on enrolment and retention data that is collected and sent up to district officials, yet there is less concern regarding the educational experiences of the children in the school. The framing of the school into a community is to shift the focus to the internal constructions of exit and voice from the individual interview and focus group material. The rich qualitative data that is produced by this process will subsequently be mapped against the quantitative and externally constituted records of official documentation and formal record to gain a better understanding of how the meta-record corresponds to the everyday educational experience and outcomes of youth in a poor community.

Data Collection

- (1) Interviews and focus groups with parents and pupils will be conducted in the community.
- (2) Interviews will be conducted with teachers and headteachers/managers in the school.

Mapping the data

- (1) District and community level data that has been obtained from the secondary material collected from the Ministries of Finance, Planning, Education, Women and Children and other minor ministries and departments that have a devolved role in education provision/monitoring. These would already be available for the Household census in the community (Theme 1) and the Financing for Education paper (Theme 3)
- (2) Data collection from schools to obtain data on
 - (i) school budget: employment, outlays, maintenance
 - (ii) school educational data: enrolment, curriculum, examination performance, student data
 - (iii) school management data: mission statement, advertisements, official letters etc.

- (3) Data obtained from documents and interviews in the schools
- (4) Data obtained from documents and interviews in the community

Data Analysis

The interview and focus groups data will be used to trace identify mechanisms of **voice, exit** and **loyalty** through coding key actions (petitions, protests, meetings) and social contexts (ethnicity, class and gender) as well as key financial (fees, fund raising, charges, bursaries) and non-financial (free-meals, inoculations) outcomes. The materials from the interviews will be mapped out to construct proxies of exit, voice and loyalty emerging out of the actions/responses emerging from the interviews.

Conducting school-in-community studies across providers to explore the relative use of exit and voice, where there is likely varying degrees of loyalty, will allow us to understand the impact of their objectives and responses on the school system in the local sphere. The use of this data in a triangulation exercise with quantitative records of educational outcomes should throw up important differences between internal and external views of education provision and outcomes.

Section 6: Opening up the terrain of Exit, Voice and Loyalty

Exit from public to private schools has been identified as the typical example of choice in the original Hirschman model. In Section 4 we point out that it is possible for there to be cases of no exit or even exclusion (Table 2) with the former corresponding to a completely silent parent body and the latter to dropping out of the school system. These phenomena might appear as distinct strategies in the data and it would then become necessary to identify these as distinct forms of parental strategy. This would imply recognising that there is more than one type of exit (Dowding and John 2003). It might also be the case that where the new PPP schools are not responding to the parental concerns (quiescent parent body in Table 2) there might be a shifting back from the private to the public school.

We also noted in Section 4 that there was a cost associated with active parental strategies. In particular, for the most economically and politically disadvantaged families, both exit (as dropping out of the system might be a barrier to re-entering the school system) as well as with using active voice (sanctions from the community) would result in muted responses. Consequently, there is a possibility that we might see different types, or degree, of voice being expressed by different households, which might be correlated to their relative status within the community. The costs of dropping out and of social sanction are high where there is an incomplete educational market, so that those families that face the greatest number of deprivations are the first to fall of the educational map. There is the separate possibility that those families who constitute the lowest rung of the community ladder might not feel able to use individual voice and would resort to some form of collective representation that

gives them greater recognition. The possibility that voice can be graduated in use and that there might even be more than one type of voice indicates that we might need to set up a typology of voice similar to that suggested for exit. Finally, it would of particular interest if there was evidence that either the degree of type of voice had changed when youth moved from one type of school to another-e.g., from public to private school.

In the traditional model there is little mention of loyalty, while in poor countries there is considerable evidence of community ties and social affinity to others by ethnicity, caste or other social markers. Secondly, the Hirschman model regards loyalty in a positive vein, where it might be helpful in dovetailing the interests of the organisation with that of the household. Again, the socially embedded context of schooling in a poor local environment might throw up a negative association between family loyalty and the gains from education for a youth in a particular school. Finally, the entry of PPP schools, as well as schools provided by other non-state providers, could themselves provide new brands and symbols to signal their individual provision. The possibility of market brands as well as new schooling methods would result in a new type of market loyalty and niche being developed in the local educational market.

Conclusion

The growing use of PPPs by international financial organisations as a way forward to move towards universal access has added to the number of non-state providers of schools in the last two decades.² The schools that have been established under the umbrella of PPPs and MSPs have resulted in improving both the demand and supply of education for those who can afford to pay for private schooling but not for the poorest sections. While educational access can be extended by increasing the number of non-state schools, there is no guarantee that it will not simply be a low-quality alternative to a non-functional government school. Additionally, any competition between the state and the new schools will only emerge if there is voluntary engagement by the state with these new providers, rather than a lack of will to provide recognition for non-state providers for the poor (Fennell 2007).

This paper has investigated the way forward for examining the educational outcomes of PPPs using an interdisciplinary framework that goes beyond a conventional economic framework. The paper draws on Hirschman's original exit, voice and loyalty framework on the 1970s to understand the original terms. The original model was expanded to take into account the absence of a mass educational system in low income countries as well as to bring out the political and social dimensions of the provision of education. Through expanding the original model the exclusionary and financial implications of exit, voice and loyalty became more explicit. Also, the interactions between these three features showed

² A recent briefing note published by the ADB (2010) regards PPPs as a tool for providing 'affordable education'

that decisions regarding school choice and voice might be influenced by the social status and affiliations of the household.

The paper then sketched out how actions that could be designated as exit, voice and loyalty might be traced from parental actions with regard to the schooling choice and experience of their youth. The implications of the complex manner in which economic, social and political aspects of everyday life were intertwined indicated that rather than there being single actions that denote exit, voice and loyalty, there could be a set of types of each action. This would mean a more complex mapping of exits, voices and loyalties in relation to the educational experiences and outcomes of youth in poor communities.

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