

THE HISTORY OF THE NCCE: AN INSTITUTION OF INNOVATION

RALPH C. PORTER

*President
National Commission for Cooperative Education
Boston, Massachusetts*

RICHARD P. NIELSEN

*Associate Professor
School of Management
Boston College
Chestnut Hill, Massachusetts*

Increasingly, large, diverse organizations account for major portions of economic activity in nonprofit, business, government and higher education sectors. However, the ability of these diverse organizations to be innovative is in question (Burgelman, 1985; Arrow, 1982; Mintsberg, 1979). This is not unlike cooperative education within diverse higher education institutions and employer organizations. The central question is how to organize more effectively for innovation, development and marketing (Nielsen, Peters and Hisrich, 1985).

Even the advocates of innovation management doubt the ability of individual organizations to develop and market innovations without some form of external pressures. In economics, the concept of **positive externality** refers to benefits that individuals or organizations receive from others, with or without paying for them. The National Commission for Cooperative Education was formed by and has served the cooperative education community as a special form of "positive externality." In fact, the institution of the NCCE is a very significant innovation in itself. Its purpose is unusual: the development and marketing of innovation. While an integral part of the cooperative education community, it is at the same time external to individual institutions, employer organizations, co-op professional associations and the federal government. It works with and for the interests of all these organizations for greater inter-organization gain, cooperation and innovation.

NCCE Formation

The first cooperative education program was established at the University of Cincinnati in 1906. Over the next 50 years (1906-1956), nearly 55 more institutions implemented co-op programs, principally in the engineering and technical disciplines.

In 1957, Charles Kettering, Research Director of General Motors, after several years of recognizing that the growth of cooperative education had not yet achieved its enormous potential, decided to address the problem directly. Kettering, who was also Chairman of the Thomas Alva Edison Foundation, organized and funded a conference of 80 higher education institutions and 100 corporations on the status of cooperative education.

The conference participants shared Kettering's concern for helping cooperative education realize its enormous growth potential. They decided first to investigate and document the merits of the cooperative education innovation. It was believed that such documentation must precede serious efforts to expand cooperative education.

Kettering and the conferees also determined to involve additional foundations in the expansion of cooperative education. In 1958, The Fund for the Advancement of Education of the Ford Foundation was asked to and did provide the resources needed to study and document the merits of cooperative education.

By 1960, Ralph Tyler, James Wilson and Edward Lyons had conducted and published the results of the Ford Foundation study. It concluded that "cooperative education has important values for colleges and universities, for students and employers and that not only should these values be given wide publicity but co-op programs in American higher education should be greatly extended" (Wilson, 1971).

In 1961, the Kettering Foundation sponsored the Princeton Conference to announce publicly the results of the Tyler-Wilson-Lyons research and to provide experts with whom institutions desiring to initiate and/or expand co-op programs could consult. Additionally, a consensus recommendation of the Princeton Conference was to establish the National Commission for Cooperative Education to lead the expansion of cooperative education.

Emergence of the NCCE

As a result of the Princeton Conference and a Kettering Foundation grant, the NCCE was established in 1962. Its purpose was to give assistance to institutions planning to adopt the cooperative education innovation and to disseminate pertinent information.

Ralph Tyler, the chairman of the original Ford Foundation research study on the merits of cooperative education, became the first Chairman of the NCCE. George E. Probst became the first Executive Director. Roy L. Wooldridge of Northeastern University and J. Dudley Dawson of Antioch College were offered as educational consultants-on-loan on a half-time basis by their respective institutions. They, along with George E. Probst, served as the first professional staff of the National Commission.

The specific objectives of the NCCE were to double both the number of institutions with cooperative education programs and the number of students participating in those programs. Additional objectives were to encourage strengthening, expansion and innovation in cooperative education through conferences, consultations to institutions, public information programs, new forms of cooperative education and assistance in the formulation of national policy in support of cooperative education.

In 1963, the NCCE decided to help work toward the founding of the Cooperative Education Association. This would enable the NCCE to concentrate its efforts on the development and marketing of cooperative education innovations, while the CEA would carry out the traditional functions of a professional association.

Early on, it became apparent to the NCCE that the cooperative education movement required far greater resources to fulfill its vast potential. An important consideration in facilitating the adoption of innovation is the availability of external financial resources (Hefferlin, 1969; Dromgoole, 1983). When organizations need not divert resources from other purposes to advance innovation, in this case cooperative education, there is a lessening of opposition. Therefore, the NCCE decided upon a strategy to seek federal financial support as a key form of external "venture-capital" to advance cooperative education. After two years of intensive work with members of Congress and the Office of Education, Title III of the 1965 Higher Education Act was amended to permit Developing Higher Education Institutions to use Title III money to develop cooperative education programs.

By 1968, not only had the NCCE achieved its goal of doubling the number of institutions and students participating in cooperative education, but it had also managed to persuade Congress to amend the Higher Education Act of 1965 to authorize, under Title IV-Student Assistance, federal support specifically for cooperative education. Funding for cooperative education under Title III was no longer a factor.

In 1972, facilitated by NCCE testimony, money for cooperative education was appropriated for the first time. Consequently, a specific line item in the budget for Title IV-D was established. This was the beginning of large-scale federal funding for cooperative education. The NCCE

was subsequently able to expand the separate work-study line item for cooperative education into its own category of federal funding. For only the second time in history (the first was the Morrill Act), Congress financially endorsed a specific form of education.

Thus, by 1972, separate federal funding of cooperative education was established within the policy priorities of the federal government. Cooperative education legislation now existed and was of distinct importance. Increasingly, cooperative education was being adopted by students, institutions and government. Had anyone been left out? While certainly included, employers had not received the same degree of attention as institutions, students and the federal government. However, for cooperative education to maintain its now rapid rate of expansion, the employer piece of the cooperative education triad needed to be similarly stimulated. Therefore, in 1973, the NCCE organized the first of a three-year-long series of ten major Employer Institutes on Cooperative Education, to be held across the nation. Many more employers were made aware of and became active participants in cooperative education as a result.

Growth of the NCCE and of the National Co-op Movement

In 1974, Ralph Tyler and George Probst retired after having firmly established the NCCE as an important innovation development and marketing organization within the cooperative education community. The new leadership of Asa S. Knowles as Chairman, Roy L. Wooldridge as Executive Director and Ralph C. Porter as Associate Director was charged by the cooperative education community to foster the growth stage of the cooperative education innovation life cycle.

Noting the importance of federal funding in the growth of co-op, Knowles, Wooldridge and Porter decided to make even greater federal support of co-op a top priority of the NCCE. Their efforts met with almost immediate success. The federal government established separate Title VIII funding for cooperative education under the Higher Education Act of 1976. This large scale funding was accompanied by similarly important legislative efforts. For example, in 1976 the NCCE succeeded in having the legislative language "full-time" deleted from Title VIII legislation. Now, parallel and extended-day programs in which students work part-time or full-time on co-op jobs while attending school were permitted to compete for federal funding along with the traditional alternating programs.

In 1977, with the retirement of Asa S. Knowles, Edward J. Palkot became the NCCE Chairman, Roy L. Wooldridge, President, and Ralph C. Porter, Executive Vice President and Director. During the years lead-

ing to 1977, the NCCE had been a major force in the growth of co-op programs to include about nine hundred higher education institutions and thousands of employer organizations (Hefferlin, 1969; Dromgoole, 1983).

However, it was noted that most institutions had relatively small programs of less than one hundred students each. Under the direction of Porter, the Commission determined to focus on enlarging and strengthening existing co-op programs. To that end, in 1978 the NCCE organized the Comprehensive Cooperative Education Program Task Force to develop a model for implementing comprehensive co-op programs within higher education institutions. From this, the NCCE developed and published a series of monographs describing the task-force model for planning and implementing large-scale institutional comprehensive co-op programs.

To help implement the comprehensive program model, the NCCE, after first helping to reverse the Administration's decision in 1979 to seek the elimination of Title VIII funding, assisted the Administration in developing a funding strategy to expand the depth, size and quality of institutional co-op programs. As a result, in 1979, Title VIII regulations were amended to encourage large-scale demonstration projects based on the NCCE's task-force model. To date, the federal government has supported this initiative with 44 large-scale, institutional demonstration grants of up to \$1,000,000 each, totalling approximately \$22,000,000.

Concomitantly, in 1981, the NCCE began a series of training programs for institutions committed to establishing large-scale, comprehensive co-op programs and competing for federal funding support to carry out the program implementation phase. This important training continues to date. In 1980, the NCCE was successful in having Title VIII amended (by introducing the "unit" rule) to allow institutions which had exhausted their eligibility for Title VIII funding, to again be eligible to apply for funding for those "units" of the campus in which cooperative education had not been funded previously.

To employ the anticipated increase in the number of co-op students, the NCCE, in 1981, formed the National Employer Task Force on Cooperative Education to develop a model to help employer organizations plan and implement large-scale comprehensive co-op programs (Nielsen, 1982; Porter, 1982; Nielsen and Porter, 1982; Nielsen and Porter, 1983).

Also, in 1981, the NCCE achieved the reversal of a U.S. Department of Education decision to include co-op student earnings as income under the Basic Educational Opportunity Grant (Pell) program. As a result, earnings from a co-op job that are used to defray educational expenses can be considered a form of student financial aid, and therefore need not be reported as income in the Pell Grant application. In the same period, the NCCE was successful in helping to amend Title IV legislation to allow up

to 50 percent of any work-study residual funds to pass to co-op programs as supplemental grants.

In 1982, Porter noted that while there had been several successful local marketing campaigns for cooperative education, a comprehensive national marketing and advertising program had never been developed. To achieve such a program, the National Employer Advisory Council on Cooperative Education was organized and convened by the NCCE and hosted by the IBM Corporation. A plan was evolved which included as its central strategy a national advertising campaign for cooperative education. Corporate executives-on-loan were sought by and later made available to the NCCE to help initiate the plan.

Porter, having been appointed President of the National Commission in 1983, immediately initiated a dialogue with the Advertising Council to seek their assistance. In 1984, after more than a year of negotiations, research and planning by the NCCE, the Advertising Council agreed to undertake a national advertising campaign on behalf of cooperative education.

Located in New York City, the Advertising Council is a private, non-profit organization which conducts public service ad campaigns. Campaigns are carried out through a massive network of advertisers, media and businesses which volunteer expertise, media time and space. Resources include radio, television, newspapers, consumer magazines, transit, outdoor, special educational materials, direct mail items, business press and company-employee publications.

It was the Advertising Council which endeared Smokey the Bear and McGruff the Crime Dog to millions of Americans. Now the Ad Council, in collaboration with the NCCE, has chosen cooperative education as the focus for a major national advertising campaign. Scheduled for release in the fall of 1985, the campaign, valued at \$30 million per year of advertising exposure, is expected to reach virtually every person in the United States. Special target audiences are the 37 million youths from the ages of 16 to 24 and their parents, older students and 4.5 million employers.

The key goals of the campaign will be to increase public awareness of cooperative education and its benefits as well as to increase co-op participation dramatically. It is predicted that as a result of the campaign, co-op enrollments will double to 350,000 within five years.

In 1983, parallel to the advertising campaign thrust, the NCCE initiated a prototype state cooperative education council in Michigan and, in 1985, a second in Connecticut. The purpose of these state councils/task forces is to promote public awareness, support and participation in cooperative education in these and, subsequently, in other states across the land. This strategy is designed to complement and expand upon the

extraordinary opportunity provided by the national co-op advertising campaign.

Further, in 1985, the NCCE will sponsor and conduct national field training to assist co-op professionals to prepare their institutions to optimize the internal and external benefits of the national co-op advertising campaign. From this, we would expect that co-op professionals across the nation will become more sophisticated and aggressive in both the internal and external promotion of their programs. And the best kept secret in education over the last eighty years—cooperative education—will at last be unlocked and positioned to assume its rightful place in the mainstream of the American educational experience.

Summary and Conclusion

Over the years, the NCCE has been instrumental in the development and marketing of several types of cooperative education innovations on both the supply and demand sides. One of the most important types of supply-side innovations fostered by the NCCE has been the federal government's special recognition funding of cooperative education. This has grown from the early and small Title III Developing Institutions funding of the early 1970s to the million-dollar comprehensive demonstration grants of the 1980s. To date, a total of \$200,000,000 has been awarded to institutions under the federal grant program to start up, strengthen and improve cooperative education programs. This has benefited an estimated 700-800 schools. Such external federal funding makes it easier and more likely for higher education institutions to allocate the resources needed to develop cooperative education programs without having to divert often scarce resources from other campus-based programs.

Also, the NCCE has developed and offered education and training programs to literally thousands of institutional administrators and faculty over the years, from presidents and chancellors to co-op coordinators. Such education and training has greatly facilitated the ability of institutions to provide the necessary leadership to develop quality cooperative education programs.

On the demand side, the NCCE has played an important role in two key areas. It has greatly stimulated demand for cooperative education among both employers and students. Its employer task forces, training programs and manuals have encouraged literally thousands of employers to adopt and further develop cooperative education programs. The NCCE's current Advertising Council campaign holds the promise for dramatically increasing student, employer and institutional awareness and participation in cooperative education.

Appendix A

Chronology of the Significant Activities and Events of the National Commission for Cooperative Education

- 1906 First Cooperative Education program, University of Cincinnati.
- 1957 First Conference on Cooperative Education.
Charles F. Kettering, Research Director of General Motors and Chairman of the Thomas Alva Edison Foundation, leads Edison Foundation-sponsored conference; 80 institutions, 100 corporations participate.
Decision: objective investigation of its merits must precede serious efforts to expand co-op.
- 1958 Fund for the Advancement of Education of the Ford Foundation awards grant to Ralph Tyler, James Wilson and Edward Lyons to investigate merits of cooperative education.
- 1960 Ford Foundation study completed.
Conclusion: "Cooperative education has important values for colleges and universities, for students and employers and that these values should be given wide publicity and co-op programs in American higher education should be greatly extended."
- 1961 Princeton Conference sponsored by Kettering Foundation.
Workshop conference where results of the Tyler-Wilson-Lyons research are presented and where institutions desiring to initiate/expand co-op programs can consult with experts. Kettering Foundation asks for proposals to expand cooperative education.
- 1962 National Commission for Cooperative Education founded as result of Princeton Conference and Kettering Foundation grant.
Purpose of NCCE: give assistance to institutions planning to establish co-op and to disseminate information about co-op innovation.
Ralph Tyler, first Chairman. George Probst, first Executive Director. Roy L. Wooldridge, Northeastern University and J. Dudley Dawson, Antioch College, given half-time leaves to serve as educational consultants-on-loan to the NCCE.
Objectives of NCCE:
 - Double number of institutions and number of students in co-op.
 - Encourage strengthening, expansion and innovation through: 1) conferences; 2) consultations to institutions; 3) public information programs; 4) encouraging new forms of co-op; and 5) assisting in formulation of national policy in support of co-op.
- 1963 Cooperative Education Association founded.
NCCE instrumental in helping to establish CEA.
- 1965 Title III of the Higher Education Act of 1965.
NCCE achieves legislation that permits Developing Institutions under this law to use Title III money to initiate co-op programs.
- 1968 Title IV-D amendment to Higher Education Act of 1965.
NCCE instrumental in establishing co-op as a separate line item (D) under work-study funding, Title IV-Student Assistance.
- 1972 NCCE instrumental in having funds appropriated for co-op education under Title IV-D.
The U.S. Congress financially endorses a specific form of education for the first time since the Morrill (Land-Grant College) Act.

- 1973 Employer Institutes on Cooperative Education
First of a three-year-long series of ten major employer co-op conferences organized nationwide by NCCE.
- 1974 Asa S. Knowles named NCCE Chairman; Roy L. Wooldridge, Executive Director; and Ralph C. Porter, Associate Director.
- 1976 NCCE instrumental in establishing own title and funding for co-op as Title VIII of the Higher Education Act of 1976.
Co-op funding now freed from the financial aid "umbrella."
NCCE instrumental in striking out words "full-time" from Title VIII legislation. This allows for federal funding of parallel and extended-day cooperative education programs most frequently offered at community colleges.
- 1977 Presidents and Chancellors Seminars.
NCCE begins a two-year series of seminars, designed for institutional presidents and chancellors, on the benefits and management of cooperative education programs.
Edward J. Palkot named Chairman of NCCE; Roy L. Wooldridge, President; and Ralph C. Porter, Executive Vice President and Director.
- 1978 Comprehensive Cooperative Education Program Task Force.
NCCE organizes and convenes a task force of co-op experts to develop model for expanding co-op education programs within higher education institutions.
- 1979 NCCE instrumental in reversing decision by the Administration to "phase out" Title VIII funding.
Title VIII regulations amended to encourage first large scale demonstration projects as suggested by NCCE.
- 1980 NCCE publishes monograph series on model for large-scale adoption and expansion of institutional co-op education programs.
Funding begins under Title VIII for large-scale comprehensive co-op programs.
"Unit" rule amendment to Title VIII permits federal funding for co-op of previously unfunded "units" of an institution.
- 1981 NCCE begins training programs for institutions interested in establishing large-scale, comprehensive co-op programs.
NCCE convenes a National Employer Task Force on Cooperative Education to develop a model to assist employers in establishing cooperative programs.
NCCE gains the reversal of a Department of Education decision to include co-op student earnings as income under the Basic Educational Opportunity Grant (Pell) program.
NCCE helps attain the amendment of Title IV legislation to allow 50% of Work-Study residual funds to pass to cooperative education programs as supplemental grants.
- 1982 NCCE organizes and convenes the National Employer Advisory Council on Cooperative Education.
Comprehensive plan developed to promote cooperative education nationally.
Planning begins to seek Advertising Council national advertising campaign for cooperative education.

- 1983 Roy L. Wooldridge becomes NCCE Vice Chairman and Ralph C. Porter named NCCE President.
- Executive-on-loan Program**
 NCCE institutes Executive-on-loan Program whereby corporate executives work for a year on leave from their corporations on NCCE projects. Executives from IBM, Xerox and Burroughs participate.
- Prototype state co-op council established by NCCE to strengthen and expand co-op in Michigan.
- 1984 Advertising Council approves NCCE national advertising campaign for co-op education.
- 1985 NCCE assists Connecticut as second state to implement state co-op task-force initiative.
- NCCE publishes employer co-op program planning and implementation model.
- Advertising Council national advertising campaign begins and is coordinated by NCCE.
- NCCE sponsors and conducts national field training to assist co-op professionals in preparing their institutions to benefit, optimally, both internally and externally, from the national co-op advertising campaign.

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