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Written monthly by Bob Heterick and Carol Twigg, The Learning MarketSpace provides leading-edge assessment of and future-oriented thinking about issues and developments concerning the nexus of higher education and information technology.

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WHO SAYS FACULTY DON'T GET IT?

From a probably little noticed (other than by the American Association of University Professors) paragraph in a Chronicle article about the accreditation of Jones International University (a totally virtual university).

"Jones employs 56 faculty members, of whom only two work full time. The rest are adjuncts who hold academic posts at other universities and work for Jones, either teaching or working as 'content experts'."

Now, such freelancing isn't unheard of in higher education. Faculty write textbooks that frequently lead to a similar relationship with a publisher. Many faculty "moonlight" teaching for-profit seminars and workshops and others can be found teaching in the night schools of other local post-secondary institutions. But, is this a harbinger of a new relationship between faculty and post-secondary institutions? Is this the academic equivalent of free agency in sports?

Why, for instance, shouldn't we expect some faculty to enter practices such as those of the professions of law or medicine? And if such practices were formed, why wouldn't we expect that they might bid on doing the complete instructional package for freshman English or math at an institution? Certainly the increasingly popular position of independent contractor (as opposed to employee) in the high tech industries would work as well for "teaching and 'content experts'." Given the current misalignment of institutional goals and faculty rewards in most of higher education, such freelancing arrangements on the part of some faculty may signal a positive trend.

The article goes on to observe:

"Content experts help develop the courses' subject matter and structure, while the teaching-faculty members execute the courses from locations around the world . . . ."

This takes the textbook example live and "on air." The nagging question is whether or not this economically viable. The examples we have, including the Jones case, likely have faculty working for marginal cost and profit. Some other institution is providing them with work space, office support, salary and benefits. Would Jones, or the textbook publisher, be much interested in freelancers if they were to charge their fully loaded costs? That is an open question and we will keep watching for signs that provide more definitive answers.

—RCH

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COURSES TO GO

In our first issue, we noted that efforts to create the virtual university that merely replicate the processes of the place will have limited success for they fail to take full advantage of the space. Let's take a look at an example of what we mean.

A key feature of the marketspace is portability. Just as the Web offers faculty an ever-increasing panoply of learning resources from a variety of sources that can be included in their courses, so too does it offer students a rich variety of courses that may be used to construct certificates, degree programs and other kinds of learning sequences. Students as consumers instinctively see the benefits of such opportunities.

Colleges and universities have always offered students the ability to transfer courses from other institutions, but to do so in a limited way. Many believe that transferring more than a few courses from elsewhere violates the integrity of a particular institution's degree. This view has been easy to uphold since, in the past, students needed to make a physical move to another campus to take such courses. Today, they can take hundreds of courses from many highly regarded institutions without leaving their dorm rooms.

The argument against transferring more than a few courses begins to break down when we consider that most high-enrollment courses rely on perhaps a half dozen textbooks that cover basically the same material. In addition, national norms in many professions push toward standardization of content and state requirements for
A decade ago, only a minority of faculty, staff, and students were active consumers of technology services. Today, everyone seems to be complaining about the IT support crisis on campus, but not many people are doing anything about it.

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THE BENEFITS OF OUTSOURCING

Ralph Waldo Emerson once observed that "a foolish consistency is the hobgoblin of small minds". We've never thought of the Academy as a place of small minds but it is certainly consistent in one thing—tuition increases. For those who choose public institutions won't, in general, be hit so badly as many states have begun trying to stem the tide of rising costs with increased state funding. Are college costs rising? No doubt, but then so is the Dow Jones. The same institutions that have seen tuition and fees nearly double in the past Ten years have seen their endowment stock portfolios more than double as well. Are institutions trying to do anything about these increases in cost? Probably, but the question lingers as to whether it is with much effect.

If the price of a bottle of Coke had risen at twice the rate of inflation every year for the past two decades we would all be drinking Pepsi. If the price of computers, or long distance phone calls, had been rising at twice the rise in the Consumer Price Index, personal computers would cost $5,000 rather than $700 and phone calls would cost 40 cents rather than 10 cents a minute. Perhaps if student learning had also doubled in that period we could be less troubled by what seems to be a set of costs out of control. But, what a number of Federal study commissions and anecdotal reports from employers would suggest is the contrary.

Maybe the folks who brought us the personal computer and the long distance phone call are on to something to which we in higher education should pay attention. Technology can not only reduce the cost of education--or at least stem the growth rate of rising costs--while improving the quality of learning. To do so, we first have to lay aside our rose colored glasses and admit that we have a problem.

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THE BENEFITS OF OUTSOURCING

These days everyone seems to be complaining about the IT support crisis on campus, but not many people are doing anything about it.

A decade ago, only a minority of faculty, staff, and students were active consumers of technology services.
Today, almost all are—at least to some degree. It's not just the exponential growth in requests for support that are contributing to this crisis. The need to master new kinds of software, services, and hardware requires staff to constantly update their knowledge while continuing to support older versions as well. Competition from private industry for highly skilled people further exacerbates the problem.

Rather than trying unsuccessfully to keep up with this demand, why shouldn't colleges and universities take the lead from the business world and hire outside companies to help manage their IT needs?

Traditional business models—those that are vertically integrated and self sufficient—are becoming obsolete. New business models are more strategic. They identify and focus on a handful of core competencies—the two or three things they do better than any other organization in the world—and rely on a flexible network of service providers to provide non-core competencies.

An organization's core competencies are those products and services that create value and differentiate it from its competition. In higher education, core competencies are teaching, research, and public service. No one would contend that facilities management, food service and bookstore management are core competencies. Today these functions are increasingly outsourced. One can argue that, outside of a handful of "high-tech" universities, IT services fall into the latter category.

The leading area of outsourcing in business is information technology. Companies do so because the cost of developing technology infrastructures is so enormous and the pace of change so rapid that investing on their own is very risky. The risk makes more sense for service providers that make the investment on the part of hundreds of clients. IT is their business—their core competence—so they are committed to staying on the cutting-edge of technology development.

Outsourcing can benefit institutions in several ways: It can help contain costs, eliminate or reduce staff time spent on learning about new hardware and software, protect institutions from technical obsolescence, and smooth out the bumpy "ups and downs" of technology innovation and life-cycles. Further, colleges and universities are sure to benefit from residual research and development initiatives as technology vendors increasingly pursue innovation or benefit from such efforts by their clients.

In an earlier era, institutions developed their own administrative applications or toiled to customize off-the-shelf software to achieve the same effect. That era is long gone. Many institutions now turn to contractors not only to develop sophisticated and integrated modular administrative systems but also to help implement and manage such systems. External service organizations can develop and maintain Web sites, staff help desks, manage campus network(s), select and install telephone systems, and select ISPs for off-campus use.

With interest increasing in distributed learning, and academic computing becoming an enterprise-wide rather than an individual support issue, many campuses are repeating the mistakes of the past and growing their own products and services. Campus IT organizations would be well served by moving from service-provider to service-procurer mindsets.

Does this mean that every campus should outsource every IT function? Of course not. Campus leaders need to realize that the way to create value in today's environment is not by owning and managing resources but by leveraging relationships aimed at producing results. The marketspace makes new solutions to old problems possible—let's take advantage of it!

—CAT

UPCOMING LEADERSHIP FORUM EVENTS

What Trustees and Policy Makers Need to Know about IT
September 29, 1999, Washington, DC
Moderators: George Connick and Carol Twigg

A not-to-be missed session for institutional trustees and other policy makers involved with higher education. Building on a monograph recently published by the Association of Governing Boards, Getting Results from Investments in Technology, and The Public Policy Implications of a Global Learning Infrastructure, a monograph published by Educom and SHEEO, this seminar will provide insight into IT's key role in the major issues of access, quality and productivity that are facing higher education today.

The Learning Marketplace: New Resources for Teaching and Learning
November 11, 1999, Atlanta, Georgia
Moderators: Bob Heterick and Carol Twigg

An increasing number of companies are entering the higher education market, offering a growing variety of commercial products and services to support network-based teaching and learning. At this workshop, the leading providers of such products and services will participate in a moderated discussion. If you are involved in decisions regarding expenditure of funds for teaching/learning services and products, you can't afford to miss this workshop!

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