

AAAF

Journal of Quality Management in Higher Education
Assessment and Accountability Forum

Spring 2001
Volume 11, No 1

Assessment and Accountability Forum

Spring 2001 - Volume XI, Number 1

ISSN # 1525-7495

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Submission Guidelines:

AAF invites the contribution of accomplished leaders and managers, program and platform developers, teachers, researchers, policy makers and others contributing to **AAF's** goals by way of innovation and processes of continuous improvement. With few exceptions, those considering submission should be senior members of their profession and should write of their relevant findings or views based on demonstrated accomplishments.

AAF seeks to stimulate the kind of innovation that leads to improvements in the efficiency, effectiveness, and reach of higher education venues. Prospective authors are urged to reflect this goal to ensure that their topics are congruent with them. The journal's primary method for achieving its goals is a forum in which appropriately qualified individuals explain their innovations and assert their views. The journal's sense of qualified individuals gives considerable weight to demonstrated accomplishment, theoretical or practical.

The journal's audience consists of senior academic administrators, program developers, market specialists, and research and assessment specialists (**AAF** is also distributed without charge to the U.S. Senate, selected house members, and the governors of all states). The safest generalization about these readers is that they are looking for a good idea that they might implement or adapt to their setting. Articles should provide insight into the author's perspective and practical accomplishments without the burden of extensive argument or citation. Readers tell us that they appreciate our crisp style and compact format. They also tell us when we fail to exercise the editorial control needed to achieve it.

Most articles should contain between 500 and 2,500 words. Preference is given to 1,500 word articles that leave **AAF's** readers with one or two important insights. In rare cases, topics requiring longer articles may be managed via a series of shorter articles to be carried over two to three issues. However, each part of such a series must be meaningful to someone who might read only that part.

Include a brief (100-250 word) biographical sketch with your article. Summarize your credentials and your senior professional accomplishments in the area addressed in your article.

To submit contact us by email at editor@InterEd.com or phone (208) 938-9007.

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Assessment and Accountability Forum was founded to provide a professional forum for enhancing the science and practice of quality management in university-based, adult-centered higher education. In 1995, **AAF's** scope was expanded to address innovation, growth, diversification and quality management in all venues of adult-centered higher education, including continuing, professional and corporate-focused education. While the range of permissible topics is greater, the unifying goal remains:

To stimulate the development of better visions, models, standards, practices and metrics for higher education leading to net increases in efficiency, effectiveness and the range of audiences served.

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Printing: Cereus Graphics
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Continuing Education's New Frontiers

ROBERT W. TUCKER AND RANDY LAMKIN

Our work helps colleges and universities as they develop new programs and methods of responding to the many new adult-centered education markets. Five years ago that work associated us almost exclusively with those who were responsible for developing adult-centered degree completion programs. Today, half this work is with leaders in continuing, professional and extended education, many of whom are focusing their work on non-credit or credit-option corporate clients and are finding new ways to grow through content and venue partnerships.

There is a story in the processes by which continuing education is innovating in response to the emerging needs for worklife-long education. We have begun to study this innovation systematically. This is an interim report.

The recent history of innovation in higher education is not a story of rational, incremental change. It is a story of externally driven change, driven by many levels of consumers and resisted by a socially privileged class whose primary defense is weakly formulated arguments relating to academic quality.

AN EXERCISE

It is instructive if not fascinating to look at continuing education units from the outside. I invite readers to try this exercise. Scan the websites of 15 to 20 continuing education programs. Do what you can to minimize bias in the selection of sites. Note the breadth and total number of programs, certificates and courses. Do offerings seem unfocused and excessively broad, having little depth and few central themes of competence? Note the resonance of the programs with emerging markets in new domains of

knowledge. Do you see programs in global supply chain management, project management for technology workers or finance for health care workers? Look for evidence of active community and corporate alliances. Are the logos of corporate and government partners proudly displayed as a sign of inclusiveness? Try to assess the user-friendliness of the program delivery systems. Do you find online, click-and-brick, onsite, one-night-a-week and large group options? Look for alternatives in delivery systems. Can you acquire the same content via two or more delivery platforms? Gauge your own reactions to the website itself. Does the website hint or even shout, “go away, we don’t want your business?” Or, does every click invite you to click again, welcoming you into deeper levels of relationship with the institution and its educational services? Try to find a section devoted to custom program development. If you find one, does it invite you into a dialog by offering the name and phone number of someone who can address your needs for rapid content development and delivery? Or, do you get the impression that this is a slow-moving program, resistant to innovation, run by faculty whose narrow definitions of academic quality take precedence over responding to your needs for education? (It seems that only the institutions themselves fail to see how disenchanted others are with their solicitous claims of academic quality.)

A new and sustainable vision has been unleashed on a market eager for change and sometimes competent to the challenge.

GROSS DIMENSIONS OF CHANGE

The above exercise is likely to reveal significant variation among the schools whose websites you visited. The dimen-

sions of variation you are most likely to notice include the following.

The sharpest line of demarcation between traditional continuing education units and QFP-Units is that the former are governed by traditional academic processes and the latter are managed to specific goals.

Alignment with Delivery Needs

A few of these units will offer anytime-anywhere or mix-and-match platform options for their major certificates; others will seem to believe that daylong Saturday courses are all that is required to respond to the business community.

Aggressive/Adaptive Posture

Perhaps one or two of the continuing education units in your scan will convince you that they are eager to meet your learning needs and can do so in a way that fits your personal and professional lifestyle and learning preferences. What percentage of these schools should convince you of their interest and capabilities? How many schools in your scan would you consider attending under the right circumstances?

Efficient, Business-like Approach

Although somewhat less visible from the outside, a few of these new-generation continuing education units are managed as aggressively and efficiently as any well-run small corporation. (Some, of course, are for-profit corporations.) They have well-organized units for leadership and management, marketing, sales, content development and operations.

Profitability.

Again, less visible from the outside, one or two of the units you visit

will nonetheless exude financial well-being. The best generate large revenues and handsome top-line margins.

Community/Corporate Integration

Many of these continuing education programs are respected by the communities they serve and are seen as a valuable resource by the corporations that make up the financial base of those communities. It will be a surprise to some of you to learn that many of these well-run units are operated out of community college systems.

THE PREDICATION FOR INNOVATION

Education historians are already pointing out that the recent history of innovation in higher education is not a story of rational, incremental change. It is a story of externally driven change, driven by many levels of consumers and resisted by a socially privileged class whose primary defense is weakly formulated arguments relating to academic quality.

Were history to be written fully and accurately, the mission and vision of the new-generation continuing education units would have multiple footnotes to the University of Phoenix (UOP), as would the recent histories of regional accreditation and adult-centered degree programs throughout the United States. It was the UOP model — crudely launched in the 1970's and refined enormously in the 1980's — which painted the vision of a better way to deliver education to working adults. From the early UOP, higher education learned marketing, sales and customer-driven logistics. From the later UOP, colleges and universities saw how practitioner faculty, quality management and assessment, rugged and generalizable content

development, financial modeling, distributed learning centers and academic and faculty development systems could be blended into an efficient, scalable, quality-managed learning environment. Because this 'better way' was so inclusive in its scope, it soon became both the object of derision and the model of inspiration for countless colleges and universities.

The mission of meeting the continuing education needs of the community is best fulfilled through an efficient, well-organized, adequately funded and aggressively managed structure that emulates, as closely as possible, the for-profit model.

Today's UOP is more nearly the sluggish behemoth that it once sought to replace than the nimble innovator that strikes fear in the hearts of higher education's old garde. Nonetheless, the gradual accretion of UOP's legitimacy unleashed a powerful vision of the possible and a model with which to accomplish it. It matters little that UOP, seemingly no longer capable of real innovation, is assuming a profitable position as the nation's largest crank-turner, grinding tens of thousands of students through its one good idea. What does matter is that a new and sustainable vision has been unleashed on a market eager for change and sometimes competent to the challenge.

It is the large, rugged and generalizable dimensions of corporate-focused higher education, defined and legitimized by UOP's successes, that we are tracking in the current study of continuing education and in our overall analyses of change in higher education. What follows is, first, a summary of the dimensions of change that most closely parallel the UOP model and,

second, a status report on the study of innovation in continuing education.

Does the website hint or even shout, “go away, we don’t want your business?” Or, does every click invite you to click again, welcoming you into deeper levels of relationship with the institution and its educational services?

WE WERE GREAT WHEN WE HAD NO COMPETITION

Tom Peters, management guru, was fond of reminding us in the 1980’s that General Motors (GM) was the greatest automotive company in the market, so long as it had no real competition. The rapid acquisition of market share by the Japanese automotive manufacturers, whose cars were superior because of their emphasis on process management (another lesson yet-to-be-learned by higher education), should remind continuing education professionals that their responsibilities for due diligence now include tracking the market and strategically managing market share. A company’s needs for higher education tend to be concrete and immediate. They will be met whether or not the local GM of higher education chooses to respond to them on target, on time and on budget. If the local GM of higher education loses the deal, even if they lose it to a private training company, they have lost market share. As we all know, it is more difficult to regain than to retain market share.

QUASI-FOR-PROFIT MODEL

For some schools, the mission of the continuing education unit has always been to generate revenue. For many more schools, the mission has been community service, perhaps with a sub-goal of self-sufficiency. Whatever

their specific mission, a still small but growing group of continuing education units can be unified under the following vision:

The mission of meeting the continuing education needs of the community is best fulfilled through an efficient, well-organized, adequately funded and aggressively managed structure that emulates, as closely as possible, the for-profit model.

Because of their intended emulation of the for-profit model, we are calling them quasi-for-profit continuing education units (QFP-Units). We have observed some instances where continuing education units have organized themselves under this model though much of their mission is to deliver programs that are not likely to become profitable. In such cases, the QFP-Unit supports the unprofitable programs as the corporate equivalent of charitable contributions.

A company’s needs for higher education tend to be concrete and immediate. They will be met whether or not the local GM of higher education chooses to respond to them on target, on time and on budget.

MANAGED VS. GOVERNED

The sharpest line of demarcation between traditional continuing education units and QFP-Units is that the former are governed by traditional academic processes and the latter are managed to specific goals. The most common categories of goals held by QFP-Units are:

- Revenue (total)
- Sales (new revenue)
- Operating Margins
- Time-to-Market

- Client Satisfaction
- Market Share

Those looking for the main point of leverage need to look no further. This single change in operating structure will lead to the other changes discussed here. More accurately, adopting a for-profit model will ensure that the program is aligned with the needs of the market and meets the needs of the learners. We are not aware of one continuing education unit that aggressively manages all of the above categories but several are close and the trend is clearly in that direction.

The growth of quality adult-centered programs will be defined not only by the supply of well-designed and scalable content, but by the availability of practitioner instructors who can drive high levels of learning.

MARKETING

Ten years ago we found very few continuing education units whose senior management team included a skilled marketing professional. Today, there are many marketing professionals guiding the growth of continuing education units. The primary shifts we see include:

- Marketing Managed by Professionals
- Decline of ‘Build a Catalog and They Will Come’ Model
- Less Focus on Supply-side (students)
- More Focus on Demand-side (employers)
- New Focus on Long Term Relationships
- Acquisition of a Reliable Market Intelligence

We believe that tomorrow’s successful continuing education units will have prominent positions for high-level marketing professionals.

Small colleges are moving into large markets across state borders and hundreds of miles away and are taking a significant market share away from large, well-established continuing education providers.

SALES

Sales strategy and systems are also areas where the most progressive continuing education units are distinguishing themselves. While most have been reluctant to embrace the linguistic conventions of sales (preferring euphemisms like Enrollment Representative or Corporate Liaison), modern sales ideas are fully in evidence in many continuing education units with which we work. Increasingly common are:

- Sales Teams Stratified by Content or Market Sector
- Professional Sales Management
- Sales Support Systems
- Sales Targets and Incentives
- Relationship Sales Models
- Outbound Relationship Building
- Outbound Telemarketing

We believe that a substantial portion of future growth in the continuing education market will be the outcome of creative partnerships. . . . A program with a proven online content development and management system has reason to join forces with a like-minded school that has a proven system for recruiting, managing and retaining practitioner faculty.

Of the many elements of effective sales, those having to do with building and sustaining relationships are most in evidence in growing continuing education units. The most rapidly growing and the most profitable sales sectors of the continuing education markets are the group and block sales to companies and organizations. The

satisfiers in these markets are neither price nor chimerical notions of quality. On balance, companies are satisfied with the outcomes of outsourced education relationships when:

- The vendor delivers the education as agreed upon;
- The process is nearly transparent to the company and, therefore, requires little of its time;
- Employees, supervisors and managers find the education an effective response to their needs; and
- Independent Level 3 assessment is included with the service.

Meeting these needs requires a trusted relationship between the continuing education unit and the company.

Like the sign in the window of the local fast food chain, the signs of the impending shortage can be found on the websites of many continuing education units: 'Instructors Wanted,' 'Start Now,' 'Part-time or Full-time,' 'Apply Within for Interesting and Rewarding Work.'

OPERATIONS

The operations of QFP-Units are recognizably different from the old continuing education units. The two most noticeable differences are that they are organized and managed around the goal of responding to clients' needs and desires, and there are metrics in place to tell everyone how well they are meeting these goals. In the most rapidly growing units we find:

- Operations Run by Operations Professionals
- Decision-support Systems to Support High Levels of Customer Service
- Customer Service Training
- Assessment of Customer Service
- Decisions and Actions Linked to Customer Service Metrics

- 100% Virtual Registration
- Websites (& Unit Policy) That Support Spontaneous Course Purchases
- Separate Registrar's Function Managed by the Continuing Education Unit

CONTENT DEVELOPMENT

Content development is an area where even the most progressive continuing education units are struggling to adapt. To support the demands of multiple delivery platforms, practitioner faculty, uneven learner inputs, click-and-brick and mix-and-match learner options, curriculum must be robust and fully specified. To support the growing needs for just-in-time course development, curriculum must be fully rationalized at the level of individual learning outcomes with associated activities, assessment metrics and other components. Our term for content designed to possess the necessary elements for adaptability and scalability is Rugged-Design CurriculumSM. Most rapidly growing continuing education programs are still developing content under the brute force model, in which an individual instructor-to-be writes or adapts a curriculum outline under a time constraint. The instructor then transforms the outline into varying degrees of full curriculum while teaching the course. The extent to which the curriculum outline is transformed rests with the expertise and motivations of the instructor. For the modern continuing education unit, there are many weaknesses in this approach. Some of these weaknesses will prevent the continuing education unit from responding effectively to the needs of the market. The result is loss of market share. In effect, much of the curriculum remains in the instructor's head, unavailable for generalization,

adaptation, scaling, redeployment and the like. Moreover, curriculum written this way, especially the tangible component of it, is seldom structured in a way that it can be assimilated into a content management system. Therefore, content management becomes inefficiently and inextricable commingled with the management of instruction. Continuing education units seeking to move to the next level in content development should consider developing the following capabilities:

- A System for Centralized Content Development and Management
- Precision Standards for Content Framework
- RFP/Bid System for Pairing Content Experts with Instructional Design Experts
- Content Created and Managed at the Level of Granular Learning Objectives
- Learning Activities Developed for Multiple Platforms
- Learning Activities Developed for Multiple Levels
- Learning Activities Developed for Multiple Learning Environments
- Learning Outcomes Specifications
- Assessment Metrics and Rubrics
- Embedded Training and Support for Practitioner Faculty

The most rapidly growing and the most profitable sales sectors of the continuing education markets are the group and block sales to companies and organizations.

It is our view that the shortage of Rugged-Design CurriculumSM and, especially, the lack of investment in an infrastructure to produce it, is the coming crisis in higher education. Continuing education is not likely to be an exception.

MANAGEMENT OF INSTRUCTION

The growth of quality adult-centered programs will be defined not only by the supply of well-designed and scalable content, but by the availability of practitioner instructors who can drive high levels of learning. At present, both are in short supply. Fortunately for the current providers, the market's sophistication with respect to these issues is only now developing. Like the sign in the window of the local fast food chain, the signs of the impending shortage can be found on the websites of many continuing education units: 'Instructors Wanted,' 'Start Now,' 'Part-time or Full-time,' 'Apply Within for Interesting and Rewarding Work.' For most courses, working adult students prefer (often demand or vote with their feet) instructors who have current practical experience in the applied subjects they are teaching. Practitioner faculty are drawn, part-time, from the ranks of leading employers. They have little teaching experience but have decided that teaching an occasional class is both a good way to supplement their income and, more importantly, to advance their professional interests. To ensure a growing supply of practitioner faculty and to ensure that these part-time instructors have the requisite skills, leading QFP-Units are turning to the following:

- Continuous Recruitment Processes
- Instructor Training and Certification Programs
- Embedded Process Management Systems
- Incentives for Facilitating Learning
- Procedures for Ensuring Faculty Input

- Procedures for Sharing Best-Practice
- Quality-Management Processes

FINANCIAL CONSIDERATIONS

By definition QFP-Units are viewed as a revenue and profit source for the institution but there are visionary and shortsighted approaches for allocating and dispersing this revenue. We have been pleasantly surprised to learn that a few of the largest and most successful continuing education units operate with a substantial reserve for research and development. A growing number are acquiring the budgets to develop effective marketing programs. In contrast, we see continuing units whose every dollar is siphoned off to the university's general or special fund, leaving inadequate money to manage and grow a program that can compete in today's markets. We are often asked what we see as the source of highest leverage in developing a modern QFP-Unit. While the specifics vary with the type of institution, its overall goals and the markets in which it operates, we believe four elements to be essential:

- Setting Financial Targets
- Aggressive Financial Management Practices
- Financial Incentives for Performance at All Levels of the Unit
- Accounting Systems That Support Aggressive Financial Management

Too many continuing education units work in systems which aggressively over-manage expenses and under-manage revenues or do not manage them at all.

Too many continuing education units aggressively over-manage expenses and under-manage revenues or do not manage them at all.

PARTNERSHIP DEVELOPMENT

Many heads of continuing education are concerned about losing market share to private training companies, such as the Provant Group (a roll-up), New Horizons, SkillSoft or Prosoft. Other units have stared the competition squarely in the face — and partnered with them. Creative partnerships are the competitive counterforce to large national training companies. At the most obvious level, most of these companies are open to various kinds of partnerships, including co-branding with the institution or, in some cases, the institution's client. If direct partnerships with for-profit providers are not an option, partnering with like institutions may be possible. A few schools are beginning to think nationally with respect to partnerships. Imagine the leverage and reductions in time-to-market resulting from a partnership between an East coast school with strengths in process engineering and a West coast school with strengths in distribution and supply management if they were to combine their offerings into a family of certificates in import/export management. Companies would see the advantage of being able to offer education to their employees on both coasts. The schools, even after sharing revenue streams, would gain competitive advantage over most private providers. Not all partnerships create advantage and all partnerships need to be negotiated and managed carefully. Nonetheless, we believe that a substantial portion of future growth in the continuing education market will be the outcome of creative partnerships. We would also suggest that your vision of partnerships not be limited to content. A program with a proven online content development and management system has reason to join forces with a like-minded school that

has a proven system for recruiting, managing and retaining practitioner faculty.

In some institutions, the restructuring battle is a philosophical one about the requirements of a revenue generating enterprise, to have for example, R&D and marketing lines in a budget.

BEST PRACTICES STUDY

Report on First Wave of Research

In March of this year, we launched a Best Practices study to understand the nature and diffusion of innovation within university-based continuing education programs, primarily non-credit programs. We divided the study into two phases. The goal of Phase I was to identify the issues and the important nuance that will be more fully explored in Phase II.

The shortage of Rugged-Design CurriculumSM and, especially, the lack of investment in an infrastructure to produce it, is the coming crisis in higher education.

As this article is being written, we are concluding Phase I and are soliciting ideas from interested parties related to the focus of Phase II. If you would like to provide ideas or view an update on the study's status, go to www.intered.com/cont_ed.htm. The questions on the website are designed to provide guidance in shaping the second phase of the study; they are not the study, per se.

The study itself is carried out through personal telephone conversations around the theme of strengths, weaknesses, opportunities and threats facing continuing education units. In the first phase of the study, we interviewed 21 leaders in continuing education, primarily from the larger and more distinctively innovative schools.

These conversations were quite open-ended and tended to follow the lead of the interviewee. In the second phase we will talk with 30-50 leaders. These discussions will still be open-ended with an additional focus suggested by the first 21 discussions.

The genesis of this study is interesting in its own right. Several of our colleagues and clients (all continuing education heads) expressed concern that their unit was not positioned within the institution to respond as effectively as they might to the many new opportunities for corporate services, external partnerships, etc. At the same time, other colleagues and clients were expressing just the opposite; they were on the fast track and growing almost faster than they could manage the process. From our vantage, certain differences in these two groups were clear and consistent. Those in the first group believed that having independent and objective information about how successful continuing education programs are structured would help convince their president or provost of the need to modify the structure and practices of their unit. That invitation — and the curiosity factor — was enough for us.

WHAT WE ASKED

Within the context of an interactive conversation, continuing education unit heads were asked about the mission and goals of the unit and the reporting relationship within the university. Questions were asked about revenue, the degree to which the unit is self-supporting or whether it receives non-recoverable support from the university, and whether the unit retains revenue for R&D, program development and marketing. We asked whether enrollees were corporate sponsored or individual students,

and whether marketing channels and sales channels were primarily focused on individuals or on corporations. We asked whether instructors are drawn from inside the university or are practitioner/adjuncts, and we asked several questions about content development. Finally, we asked what single change would they make to their current method of operating that would most improve it.

The inability to carry money forward from one fiscal year to the next in a state funded budgetary system is a common barrier to growth.

STRENGTHS

Intellectual Capital for Content Development

Continuing education units possessing the greatest total intellectual capital are generally at major universities. Institutions with major research efforts in engineering, the sciences and the health sciences see part of their mission as transferring primary research to the public. Knowledge and skills of practical value in the business world can be delivered by virtually any educational institution. Ever more units are also using practitioner faculty who have credibility with the corporate market.

Established Position as an Education Provider

Many state land grant universities have a long history of public service. These institutions established themselves early on as providers to working adults through Agricultural Extension and teacher continuing education.

WEAKNESSES

Internal Barriers to Growth

The public service role of continuing education usually requires keeping the cost low for participants. This finan-

cial structure offers no incentive to the institution to expand a money-losing enterprise. If the continuing education unit is taxed or otherwise required to produce revenue, there may be pressure to grow but no R&D and marketing seed money.

Lack of Expertise Competing in the External Market

Even those institutions with a long history of continuing education, have focused on serving individual professionals rather than large blocks of learners through relations with employers. The entire marketing and sales orientation, if there really is one, is toward the mass public market. The more successful continuing education units are beginning to learn that the mass distribution of massive course catalogs is akin to wielding a broadsword when a scalpel is called for. Unfortunately, broadswords are all they know. Many institutions lack the know-how to develop and implement more sophisticated and effective approaches. Many institutions lack a sales force, lack marketing resources, don't know how or have the resources to learn how to develop strong relationships with the corporate sector, do not use block sales approaches to large companies, do not customize programs and don't design and deliver programs to meet the scheduling, environment and learning needs of working adults.

The more successful continuing education units are beginning to learn that the mass distribution of massive course catalogs is akin to wielding a broadsword when a scalpel is called for.

Internal Barriers to Responsiveness

The most frequently mentioned internal barrier to responsiveness is the very long faculty approval pro-

cess. In some institutions, even non-credit continuing education must be approved by an academic department. Some institutions are obligated to use full time faculty as instructors and/or as curriculum developers, even though this is not a high priority activity for the faculty. Another common scenario is the difficulty of referral and coordination in a decentralized continuing education function. A company inquiring about the availability of a program may be sent to several departments looking for an interested partner. If the content does not fit neatly into one academic department, the process is even more difficult. Seamless customer service is impossible and employers are likely to (correctly) perceive the institution as disorganized and bureaucratic.

Need for Financial Restructuring

A few departments have re-structured their financial relationship to the institution. Sometimes, separate for-profit or not-for-profit entities are created. This change can make it easier to retain funds from one year to the next and thus make it easier to create and manage an R&D reserve. In other cases, a creative work-around is found to allow rollover of revenue. In some institutions, the restructuring battle is a philosophical one about the requirements of a revenue generating enterprise to have R&D and marketing lines in a budget.

OPPORTUNITIES

Significant Growth in Breadth and Depth of Market

The differentiation and proliferation of professions and occupations, the explosive growth of new technology, especially Information Technology (IT), changes in the law and in regulations, the development of new scientific knowledge, the development and

growth in entirely new industrial sectors, all are creating greater demand for continuing education. Labor shortages in critical fields, such as healthcare and IT, are persisting through the recent economic slow-down and continue to drive continuing education demand.

The initial exuberance about online education, caused by the 'dot com' revolution, seems to have been replaced by a more selective appreciation for both the advantages and disadvantages of online. Companies now are much more demanding and specific about what they want online and what they want on-ground.

Growing Acceptance of Online Delivery

Many institutions are targeting online delivery as a major growth area. Corporate interest in the convenience of online is fueling demand for online delivery. The initial exuberance about online education, caused by the 'dot com' revolution, seems to have been replaced by a more selective appreciation for both the advantages and disadvantages of online. Companies now are much more demanding and specific about what they want online and what they want on-ground.

THREATS

Competition from For-profits and Training Companies

The University of Phoenix is the leading for-profit higher education provider and has become a major competitor in most major U.S. markets. The emerging competitor group most often mentioned was corporate universities. As they fail to find satisfactory university partners, large corporations are bringing more training

and education inside the company through in-house delivery and a variety of partnerships with content providers, training companies and educational institutions.

Competition from Other Continuing Education Programs

Even in the delivery of on-ground programs, the size of the institution and its geographical location are no longer barriers to entry. Small colleges are moving into large markets across state borders. Hundreds of miles from home they are taking a significant market share away from large, well-established local providers. Online delivery has also eliminated geography as a deterrent to market entry and has created the classic paradigm shift that takes all players 'back to zero.'

Competition from Other Schools' Partnerships

Partnerships are erasing institutional weaknesses overnight and are enabling the transfer and leverage of brand equity between and among institutions. The potential impact of partnerships and alliances could easily dwarf that of online delivery as geographical and content market boundaries and patterns of dominance are eliminated.

Ten years ago we found very few continuing education units whose senior management team included a skilled marketing professional. Today, there are many marketing professionals guiding the growth of continuing education units.

Instructor Shortages

A growing problem is shortages of smart people who can teach well the skills and knowledge that people can readily use in their work. In

some disciplines and professions those shortages are approaching critical proportions. The highest profile example now is probably nursing. The transformation of the job of nursing, coupled with new job alternatives for those who might have selected nursing as a profession, has created a serious shortage of nurses. In turn, nursing instructors are in short supply. Shortages of practitioner instructors in economics, quantitative methods, finance and accounting are all widespread.

NEXT REPORT ON FINDINGS

The findings of this study will be made available to all interested higher education professionals, whether or not they participate in the study. If you would like to receive a copy of the final report, send an e-mail to either of the authors. The format will probably be a white paper, delivered via e-mail as an Adobe Acrobat file.

As always, your comments on this report are invited and welcomed.

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