

the e-learning economy

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Education
in the
New
Economy



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by Jason Ohler

On June 8, 2000, Jason Ohler, an author, speaker, composer, and the long-time director of the educational technology program at the University of Alaska Southeast, delivered the Elam lecture of the 2000 EdPress conference in Washington, DC. The title for his lecture came from his book of the same name, Taming the Technology Beast: Choice and Control in the Electronic Jungle. The following text, edited for publication, focuses on one of his lecture topics: how distance instruction has changed the educational marketplace.

In 1992—the year the Internet came online—a teacher walked up to me with panic in his eyes. Eyeball to eyeball he said to me, “Jason, please help me. I’ve got to get on the Internet.” I asked him, “Why?” He said with even greater panic, “*I have no idea!*”

Thus began the rocky marriage of education and the new economy: The world of opportunity outside school and the world inside were colliding full force. Educators knew that they had to do something fast, but they weren’t exactly sure what they had to do or why. They felt like they were late for a party—that they would get there and all the food would be gone. But the Internet party was just beginning. It was a feast of non-stop change. And for the first time ever, local schools weren’t the only education banquet in town.

Here we are in Washington, DC, one of most exciting and historic cities in the United States. If you would rather be sightseeing, but are afraid you are going to be quizzed when you return to work about what the essential message of my presentation was, here it is in a sentence. If you understand this, you are free to leave: **education is now a buyer’s, rather than a seller’s, market.**

It used to be that we felt lucky to live within busing distance or walking distance of a school in order to take advantage of one of the greatest gifts our nation offers: a public education. While we are still lucky, it is no longer the whole story. We need to picture learners as shoppers with options. Perhaps they’re still going to class and carrying textbooks, but they now know that they have options—all that “cool stuff” that the digital age has wrought: interactive CD ROMs, international learning communities, and a host of “anywhere-anytime” learning options that conform to their schedules, rather than the other way around. Today’s students know that options are “out there” competing with what they are doing in a classroom, and that it is just a question of getting access to them, technically, and for lack of a better word, politically. For the first time in a long time, the local school has competition. It is now a buyer’s market.

So where is this leading us? For policymakers, educators, students, and families alike, there are several major implications of this shift to a buyer’s market that make up the heart of my message.

Implication #1: Local and distance education, once considered to be separate phenomena, are no longer separate, creating cooperation and competition in the educational marketplace.

Let's be clear. An "educational marketplace" as we now know it did not even exist ten to twenty years ago. The fundamentals underlying the creation of this new marketplace are as follows:

- We are moving from atoms to bits, as Nicholas Negroponte [of the Media Lab at the Massachusetts Institute of Technology] so succinctly puts it. That is, we are no longer transmitting just stuff via transport, we are sending representational stuff via media. Schools are online, as well as on-site.
- Once something is online, it is available anywhere there is a Net portal, a cable TV connection, a radio receiver, or whatever.
- In essence, when it comes to "schooling," we are all two places at once: at school, or online, where there exists a host of educational options.

The end result is that distance learning, once the stepchild of schooling, which students only turned to because they couldn't attend school, is now a viable option that is often included with—as well as an alternative to—onsite learning environments.

Students are taking distance-delivered courses from within traditional school settings—my daughter took an online class from Stanford at her school as an eighth grader in place of her regular onsite class. Teachers are logging on to the Internet to supplement or in some cases drive classroom activities entirely. Students are finding resources to teach themselves formally and informally, at home and at school. The bottom line for students or educational consumers is this: now that there is an education marketplace (the same way there is a marketplace for everything else from clothes to cars), they want the same treatment that they expect when they buy anything else. They want quality, options, and service. They will turn to distance education to get it, complementing and often times competing directly with the classroom teacher in their local schools. To make this point to my university's board of regents, I said to them, "Let's say somebody wants to take an entry-level accounting course at a distance." I then went online and, using an Internet search engine, brought up the first 25 course offerings I could find. Some were from well-known universities. It took less than a minute.

That's the competition. It is no longer the building next door. It is the website next door. And what makes this particularly scary—or exciting, depending on your point of view—is the fact that there are many reasons for turning to distance education, and therefore many different distance learning clientele groups to address.

Implication #2: The "distance-delivery" audience is vast.

Typically we think of the distance learner as being geographically disadvantaged. But that is just the tip of the iceberg. There are many reasons students and school boards decide to "go the distance" these days:

- *To improve and/or augment onsite offerings for the general student body, gifted and talented or disabled students, and students in need of remediation.* Many schools simply can't afford to employ teachers for every learning area, especially

in an information market place that is exploding with potential areas of expertise. Selectively "importing" teachers via media is an obvious approach to take.

- *To resolve a schedule conflict.* For many students, work, team or band practice, or other classes may conflict with a desired course offering. Scheduling conflicts, in the form of work or family responsibilities, was often the reason "returning" adult students couldn't attend onsite educational institutions in the past. It is one of the main reasons they turn to distance delivery now.
- *To escape tracking.* It used to be that some students were excluded from certain kinds of course work simply because school officials felt they were unable to succeed. Kids and parents can now do an "end run" around the system.
- *To overcome not learning in school.* "School" is simply not the locus of learning that it once was, geographically or psychologically. It is as though some students have an allergic reaction to it. Older schooling methodologies do not appeal to kids from the digital generation, in which learning replaces teaching as the focus of education. There are potentially many reasons for this. Perhaps these kids (and more and more adults) find the whiz-bang allure of the media inherently motivational. Perhaps they like the new media because they appeal to a broader range of learning styles (*à la* Howard Gardner). Or perhaps the new media offers them opportunities to learn in ways that are self-paced and individualized. Let me give you an example that places the potential of this category of distance learner in perspective.

Imagine this situation: Your tenth grader tells you her math teacher is an ineffective space cadet who makes her hate math. You reason to yourself that tenth graders are supposed to hate their math teachers, so maybe your kid is having a normal, probably even genetic reaction. Then you talk to some neighbors, and it seems their kids are saying the same thing. Before you know it, you've got a bunch of parents standing around at a party commenting that their kids hate the math teacher, and worse, that they hate math and are not learning because of it. Seeing the "teachable moment," I offer to bring into your home, using your computer and your telephone, an award-winning math teacher whom kids love and respond to and who has impressive student success statistics to back up her abilities. If you are a status quo kind of teacher or school board member, chances are that you are scared out of your mind—at least at first. If you are a parent, you say, "Take my money."

- *The students are incarcerated.*
- *To avoid and/or reinforce influence and content.* Many distance learning students learn at a distance for religious reasons. Their parents elect to use materials specifically geared for their belief system. Others find schools unsafe or simply not conducive to the kind of socialization they want their kids to be part of.
- *To maintain a lifestyle or culture.* It is part of the hope of Native Americans and others living remote lifestyles to pursue the best of both worlds by living the rural "good life" while importing education on their terms. The locus of living

and learning is community and family, rather than “school.” Not just math scores, but also the maintenance of community and extended families, become measures of success.

- **Taking advantage of a world of experts, resources, and opportunities.** While this is a subset of some of the categories already mentioned, it deserves special focus. The “school without walls” movement never in its wildest dreams anticipated anything as phenomenal as the World Wide Web. And it is not just the web that opens up the world to students. I often ask well-known educators and authors to, for example, audio-conference with my classes—and they are often happy to do so.
- **Learning in a more global context.** There are those families who are simply saying, “I recognize we have a new economy, and I want my kids to be prepared for it; I want them to learn in a more global context.” It is, after all, “the way of things,” whether acknowledged by “schools” or not.
- **Connecting to the work world.** Hand-in-hand with learning in a more global context is a desire to simulate the “real” world of work as it now exists. Education at a distance is good preparation for the virtual corporation.

As local and distance education merge, they begin to compete. But they don't need to. Besides the obvious benefits of on-site teaching and mentoring, local schools offer a great deal in terms of socialization and the capacity to broker and essentially value-add to distance-delivered materials. They offer tangible, on-site school-to-work and community application opportunities. They offer economies of scale that allow for the creation of gymnasiums, chemistry labs, and digital art studios. None—or very little of this—can be gained at a distance.

But from strictly a content perspective, at some point there will be widespread math in the classroom versus math from the Net. And that is direct competition. All of this puts the buyers in charge—and adding value becomes everything. I don't care what the business is—selling education or selling cars—if you are not adding value, you are out of the game.

Implication #3: Adding value becomes everything.

But how do you add value? By offering what others don't or can't. You must offer the best product at the best price. Here are a few of the things you can offer to accomplish this:

- **A name.** If you are Harvard, you can sell that. Brand names are as important in education as they are in stereo equipment. People will pay more for a can of Campbell's soup than something more generic, even if you can prove to them that there is no difference between the two. This aspect of human nature extends to market-driven education as well.
- **Expertise.** Your institution may have some of the best and brightest names in the business. Or it may have a reputation for doing a great job of teaching at a distance, which, those in the distance education business will assure you, requires special skills.
- **Superior content.** Imagine selling course offerings or materials simply on their merit. Watch out, it could happen!
- **Superior support and service.** Support, particularly in technologically dominated services like distance education, and par-

ticularly in remote areas, can make the difference between success and failure. If one aspect of your delivery system doesn't work—whether technical, administrative, or academic—and there isn't the support to help users recover quickly, then you will lose those “customers” in a heartbeat. They will in turn tell all their friends how you abandoned them because their modems didn't work, or their books didn't show up on time, or their online tutors took three weeks to respond to questions, or a dozen other things that can sink an online course. A nasty message about poor service placed on a few listservs or on a few websites can be ruinous.

- **The fun factor.** Some educators call it “edutainment”...and it terrifies them. While there is certainly much to be wary of as learning and fun blend, we should consider the following: for most of us, our most memorable teachers have been those who were interesting, excited, and animated. Even members of the status quo don't suffer boring teachers long or lightly. This fact simply becomes amplified in the information marketplace.
- **Low cost.** Needs no explanation. People want the biggest bang for their buck.
- **Competency recognition.** The only thing worse than not teaching students what they need to know is teaching them what they already know. To address an increasingly teach-yourself-via-computer population, schools and higher education institutions may offer two ways to achieve course credit, the way we do with our Online Educational Technology Masters through the University of Alaska Southeast. In scenario one, students take the course online in typical fashion. But in scenario two, students submit a portfolio based on competencies we have established for the courses, which are based on state and national standards. For half the cost of taking the course, we will assess their portfolios, recommend changes, and then grant full credit once the portfolio meets all the competency requirements. Clients—that is, students—love it. It not only saves them time and money, but it also honors them for all the hard work they have put in being a lifelong learner on their own.
- **Flexibility and personalization.** You will recall all of the different groups of distance learners described earlier, each of which have special requirements in order to be able to fit a course into their lives. So, if you have developed an educational product, you need to ask yourself how flexible it is. You need to ask: How can potential customers personalize it and adapt it to their own circumstances? Does it accommodate their schedules, their cultures, their work situations? Adapting to the lives of your customers is an excellent way to add value.
- **Free or cheap computers or web space.** A delivery institution can always use the time-honored approach to adding value of offering customers a premium for taking a course. It might be something extra they wouldn't get from another institution, like an opportunity to buy or lease a computer cheaply, or sign up for free e-mail or web space. Or an institution might offer them...
- **A blender.** I'm serious. Let's say that Harvard and Yale offer the same distance-delivered course in accounting. They are

roughly equivalent in all regards—price, reputation, availability, support, and so on. But Yale will give you a blender if you sign up. You know what you do? You take the blender—and *you don't even need it!*

Implication #4: The attitude is the aptitude.

“Adding value” leads directly to the next implication: the attitude is the aptitude. In order to add value, the people in your institution have to have the right attitude, not just toward customers, but especially toward learning new information, skills, and knowledge applications. The information we consume is so ephemeral that the “smart” people these days are those who can find, absorb, and apply new information quickly, a skill that I have come to believe is largely a matter of attitude. “The attitude is the aptitude” because content comes and goes, and the only thing that remains is the process of continually re-teaching yourself. If you rest on your knowledge laurels for a moment, your customers’ needs will move ahead of you, and they will want to know why you aren’t offering what your competitor is offering.

An interesting barometer to use to determine whether people in your organization have “the right attitude” is to look at how they adapt to new technology, because nowhere does knowledge grow obsolete more quickly than in the world of technology. Over the years I have identified four types of technology users in this regard:

- **Technology User Type #1: The Angry.** They are ticked off about all this new-fangled technology and proud of it. Their attitude toward technology is largely fear-based. They are tired of learning new stuff. You might say they are out of touch with the “child within.” They are not ready for the new economy.
- **Technology User Type #2: The Wistful.** When others aren’t looking they clutch their vinyl records and rotary telephones and stare longingly at their typewriters. They engage in bargaining, similar to the kind of reaction that often accompanies grieving someone’s death: “God, if I use the Internet this morning, could I use the mimeograph machine this afternoon?” They see change as a problem, not as an opportunity. They are grudgingly ready for the new economy.
- **Technology User Type #3: The Adopters.** They are basically happy people. They are unafraid of change and are often stimulated by the challenge that change poses. They can identify a learning need and actually seek training. An adopter will walk up to you and say, “You know, you are asking me to use PhotoShop, and I just don’t feel good enough with it. Can I go take a course someplace?” Or, better yet, they will tell you that they feel comfortable with Photoshop and offer to teach others in the office.
- **Technology User Type #4: The Innovators.** They have a restless curiosity and are always looking for ways to increase service to students. They are self-actualized and creative. They believe in themselves and their value in an organization. They always assume there is something new to learn, and that it is just a matter of finding out what it is. They see

opportunities, not problems. Because of this they add value to your organization; they *are* the new economy.

The attitude is also the aptitude in more traditional terms of customer service, too. After all, in the buyer-driven education economy, attitude is what adds value. It puts students first. And that attitude must be everywhere. We have all had the experience of flying on an airline in which a flight attendant was nasty. I like to consider such people “bad students”—they were unwilling to learn about my needs. The mechanics, pilots, and everyone else apparently did their jobs very well. But that one bad attitude with which the public interfaces can sink an entire organization in the educational marketplace.

You can’t have the teachers and the administrator and all but one customer service representative—formerly called a secretary—on board. If that person is the one who answers the phones, or responds to e-mail and is in a bad mood or is unresponsive, you are finished. Consumers will just go out on the Internet and look for a provider whose human interface is helpful and friendly, trashing your organization in the process. The provider they eventually turn to—your competitor—is only a mouse click away.

Implication #5: Local schools will need special, deliberate, and massive help if they are to survive—that is, if they are “to compete.”

This implication begs our most immediate and most emotional attention. Distance and local education are merging, and value-oriented education providers with the right attitude are competing with local educators. This means that we are going to have to help our schools compete if we are going to honor them as local institutions that are important to us and our concept of community.

And it is all new. For the first time since the institutionalization of public education, local educators compete in a marketplace that extends far beyond their school district. When they got into education, it wasn’t a marketplace. “School” was a done deal with a fixed “customer base.” They were told, “Here’s the school, here are the students. *GO!*” Competition? They never thought about competition. After all, prior to digital technology, with whom would they compete?

We need to recognize that the deck is stacked against the public classroom teacher who is bound by the rules of a publicly funded organization. The private sector can do things in the areas of creative budgeting and hiring that are simply not allowed in an equal-opportunity-driven, public-money-spending school. Public institutions will compete with one hand tied behind their back. So we need to help them all we can.

The 4Ts of Technology

To help our teachers in the area of technology, teachers need the four Ts of technology: technology, tech support, time, and training:

- **Technology.** Teachers need the technology, obviously. What is not so obvious is how to get them the technology, which unfortunately is beyond the scope of this article. Suffice it to say that the technology stream must be maintained and replenished.

- **Tech Support.** Teachers are teachies, not techies, and they need to concentrate on integrating technology into instruction, not fixing technology that breaks. Having the tech support necessary to keep teachers teaching requires restructuring the school organization, a topic which is also beyond the scope of this presentation. Do you get the feeling I am trying to invite myself back?
- **Time.** Teachers need time to play with the technology, to get used to it in an atmosphere of experimentation, to figure out what it can do for them and their students. The greatest gift you can give teachers is the gift of time.
- **Training.** Above all, teachers need training. The “training process” can be described in terms of the OIL acronym: Operation, Integration, and Leadership. Teachers need to learn how to operate technology, then how to integrate it into instruction, and then how to lead others with it by showing them how to operate it, integrate it, plan for it, and place it within “the big picture.”

That’s the training cycle: operate, integrate, lead. But there’s a raging debate out there: Do teachers need to take time off to learn how to use the gear, or can they hop right to integration? I must tell you, do not skip Step One. Most cannot learn how to operate technology on the fly and integrate it simultaneously.

CARE System of Incentives

And of course, teachers also need incentives to learn new technology. There are four incentives that make up what I call the CARE system of incentives: compensation, assistance, recognition, and education.

- **Compensation.** Teachers deserve to be compensated for all the extra duty they take on as technology-using instructors and leaders. Compensation does not always need to be in the form of money. It can be that software package a teacher has had her eye on, or a computer he takes home during the summers, or attendance at a conference. Be creative.
- **Assistance.** Teachers need help, especially technical help, if they are going to be effective technology users. But assistance can also come in the form of those helping teachers integrate technology into their content areas. Or it can come in the form of the creative use of student talent.
- **Recognition.** Teachers deserve to be recognized for what they do. A mention in the school newspaper, at a school board meeting, or on a school website can go a long way toward making teachers feel valued.
- **Education.** And teachers need and deserve—and will always need and deserve—more education to keep up with the rapid pace of change. There are many ways to approach this—the subject of yet another presentation.

Implication #6: The role of teacher and student will continue to change.

Lastly, no article about education in the digital age is complete without mentioning how vastly different the roles of teachers and students—and even parents, administrators, and community members—have become in the new economy. Everything has

changed, from who is responsible for knowing what, to who works with and for whom, to who is in charge of what, to who is responsible for communication flow, and so on. Again I am verging on a discussion of the R word—restructuring. We don’t have time to go into it here, but suffice it to say that as roles change, so must organizations change. The typical school system is one of the last hold-outs. Competition within the education market will be the do-or-die call to action for schools to restructure how they do business.

Conclusion—What Scares Us

Just in case I hadn’t made this point: *Education is now a buyer’s, rather than a seller’s, market.* That excites us, but it also scares and worries us. In particular, we worry about:

- quality v. quantity;
- consumerism v. scholarship;
- sales v. standards;
- edutainment v. hard work;
- pandering to the customer v. demanding rigor; and
- accountability v. the buyer beware.

All of this scares us because it is unfamiliar. This isn’t school as most of us grew up with it, where you sat down, shut up, and did your work; where not liking what you did was part of becoming smart; where you expected teachers who didn’t like your music to give you a hard time about the clothes you wore! Ahhh...the good old days. But do you know what educators today worry about more than anything? Losing. We don’t want to lose. And if you give us a chance to compete, we will play to win.

And we have the chance to win big. There are up-sides to where we are headed that we need to cultivate deliberately and passionately. We have the opportunity to have:

- Respect for all members of the learning community, which allows each of us to have more fulfilling roles in the educational process.
- Competition that could generate quality in education we have never seen before.
- A curriculum that is relevant and built on intelligence, insight, and conviction.
- Teachers whose job it is not just to be knowledgeable but to be wise.

But above all, we are free to reinvent ourselves. We now have technologies that let us imagine like never before, and—bonus—even allow us have what we imagine! In short, for the first time in history, we have come face-to-face with possessing the ability to have what we want. Therefore now, like never before, we need to face the question: What do we want?

Some advice: Be careful of what you wish for. Some even better advice: Be even more careful of aiming too low.

Jason Ohler’s latest book, Then What? A Funquiry into the Nature of Technology, Human Transformation, and Marshall McLuhan, will be out as an e-book as well as a “p-book” (conventional paper-based book) in the spring of 2001. For more information about Ohler and his activities, visit his website at www.jasonohler.com.