BLUE OCEAN STRATEGY FOR HIGHER EDUCATION

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ABSTRACT

In today's higher education world we see a shift in teaching and educational trends that are slowly materializing due to the advent of new technologies, new academic frameworks and the need to adapt to society's incremental advancements. The implementation of reforms, however, did not have the desired outcome since those were applied to an education system that currently still mimics the XIX century Prussian system. There is the need for blue-ocean creating, disruptive innovations that can be sustained in new business models, which can holistically cater for education while rejecting past traditional higher education structures.

KEYWORDS

Education, IT Alignment, Blue Ocean Strategy

1. INTRODUCTION

The present education system should not be based on a Central European framework, which is centuries old. The Prussian system, however, has never been discarded in spite of its obsolescence. This means that education reforms have been repeatedly recycled in order to catch up with all the new technological advancements that have been made available to the public. This approach has been widely unsuccessful and has created a certain frisson between all stakeholders. It has promoted a misalignment in several sectors by hindering the cooperation between the technological environment and the socio-economic environment. New business models based on blue ocean theories might affect positively the status quo and create synergy between all stakeholders by enforcing a healthy interaction between both environments.

2. STATUS QUO AND PROBLEM ANALYSIS

Educators work in a platform that has not changed structurally since the XIX century. The world, however, is in constant mutation. The most recent technological trends managed to influence how we behave, learn and communicate with each other. A massive amount of information is now available anytime and anywhere. The way education is delivered should have changed in function of that but it did not due to a growth mindset problem. Even though the people running higher education institutions were forced to add technology to their modus operandi, they were inflexible when it comes to making structural changes. Presently we see technology being used as a tool to double up processes or to merely digitize old practices, which are routinely performed inside or outside the classroom environment. We have seen generational clashes hindering disruptive change. The older generation, which is normally hierarchically better positioned, has a generalized belief that academic processes have to be run in a specific way and be done as it has always been. They express an aversion to change characterized by the fear of not being able to adapt and the excuse that it is not reliable to use *unproven methods*. This creates a misalignment between processes (Rockart&Scott Morton's Framework, Appendix). "Yet alignment can be difficult for IT leaders in higher education to achieve. The heart of information technology's alignment with an institution is a common understanding of that institution's priorities. But higher education's idiosyncrasies cloud the process. Individual colleges frequently operate as independent entities, creating distinct organizational cultures and managing many academic, research, and administrative activities locally." (Pirani, J. and Salaway, G., 2016). In spite of the many

challenges there is a pressing need for systemic change coming from all sides illustrated in the framework mentioned previously. This becomes extremely hard to do in the region where I currently work since the Middle Eastern Gulf Region is new to these types of old processes and expresses an inclination to eagerly adapt and follow blindly the majority of Anglo-Saxon based frameworks, which end up being shaped or altered by local culture before its implementation. These cultural adaptations or alterations do not create value and end up provoking several unwanted bottlenecks most of the times. In order to implement new technological trends and use the "latest" educational practices, (i.e. constructivism, flipped classroom approach, active learning, etc.) it is imperative to revamp traditional structures. I can give a few examples to illustrate how does this translate to in my reality. I found situations where I observed a lecturer reading from keynote slides featured on interactive smart-boards while students were browsing unrelated content on their tablets. I have witnessed colleagues enforcing in-class online quizzes, which mimicked the paper format and brought nothing new to the learning experience since it is more than obvious nowadays how redundant traditional assessments have become. I have debated the validity of unexclusive course related content being uploaded over and over again on learning platforms while students can access it online freely. I have coped with management forcing lecturers to deliver grades and feedback using several online and offline platforms at the same time, which ultimately kept creating redundant admin work. If we endure this on a daily basis we can easily understand that technology did not revolutionize education. I believe it is slowly having the opposite effect. While I understand it is important to rely on structured education we cannot ignore the status quo. To make matters worst Higher Education institutions are not focused on preparing students for the world of the future because there is no real interaction between the institutions and the labour market. Many might see this as a generalized erroneous statement since worldwide many departments do liaison with the industry, however, when it comes to mass communication, new media, sound, film and other higher education based VET (vocational education and training) related disciplines this surely is not the case. If we focus on the MENA (Middle East and North Africa) region then these issues become even more relevant. These institutions have been disregarding potential collaborations with stakeholders, which could help creating shared value and promote a change in mindset. I have also witnessed a growing disconnect between academia and potential students from specific social strata and mature age groups. If we combine this with an increasing number of dropouts, who cannot relate to the current system and prefer to become autodidacts by using free online resources, then we can assume that there is ample room for improvement. I believe there is space for blue ocean strategies in academia. What does, however, the term "Blue Ocean" mean? It is a term coined by professors W. Chan Kim and Renee Mauborgne, which means uncontested market space. The idea is to go from a saturated market place ("red ocean"), where companies compete fiercely for market share, and flow into a blue ocean model that focuses on high product differentiation with limited costs. This seems unavoidable since "according to Larry Ladd, Grant Thornton's director of national higher education practice, only 25% of university administrators believe that the current business models will be sustainable for more than five years." (Dennis, M. and Lynch, R., 2016) Thus how can we move academia towards a "blue ocean" scenario? I believe the answer might be in Kevin Carey's "university of everywhere". This transformation will naturally take place due to IT's inherent potential but will not mimic entirely Carey's utopian description of a free for all, technologically backed, long distance, holistic educational experience. Carey's ideas might be flawed when it comes to providing a lens into the future; however, it is undeniable that big data and the Internet of Things can result in mass curricular customization and become a strategically savvy, personalized tool, which will enhance the learning environment. "As universities seek to transform in response to fiscal realities, new customer dynamics and technologies, some are recognising that the challenge is like starting a new venture built on 100 year-old infrastructure." (Dennis, M. and Lynch, R., 2016) From what I have exposed so far I think that there are unmet needs. While materializing and implementing a solution for those needs we might end up creating demand and value at the same time. We can do this by innovating in a way, which will make the competition inapt while untapping unequivocal terrain. "The next generation of students will not waste their teenage years jostling of spot in a tiny number of elitist schools. Their educational experience will come from dozens of organizations, each specializing in different aspects of human learning." (Carey, K., 2015) Brick and mortar institutions will not disappear entirely. Nonetheless expecting to rely on public/private funding and student fees for survival seems surreal under the current business model. Moreover it is unlikely that, in the future, researchers will continue to deliver content to undergrads in a stale, passive and inefficient way. Traditional academic denominations and paths might become extinct since, in the near future, with the developments in artificial intelligence and the information extracted from big data, we might create immersive learning experiences by gathering worldwide knowledge and packaging

it in new learning environments. This might seem challenging in the western world but it is even harder in societies with strict social constraints. I work in the UAE's most prestigious federal university, which bears a rigid hierarchical structure in a highly contextualized culture, where the major concern is, as mentioned previously, to follow proven western educational standards without losing cultural identity. This means that in spite of the issues that education is facing worldwide, we still need to cope with gender segregation, religious idiosyncrasies and engage in a *glocalized* implementation of the future to come. The interesting catch is that western education has been struggling with its own character. Its strategy for the future needs to be renovated and thus it can no longer be used as a solid example for others to follow. I have been describing the problems and hinting at generalized frameworks in order to fix or rearrange the reality we are presently facing. I have been doing this, however, without providing any actions or recommendations. Is there any way we can improve higher education in order to prepare it for the real world in the future?

3. RECOMMENDED ACTIONS

In order to help solving the issues highlighted previously we need to understand the technological world and see how it can be useful for education. We need to address the people that are currently being overlooked by decision-making academics and high level higher education strategists. We should use corporate social responsibility in our favour and create partnerships between industry and academia. This would be especially relevant for the fields of expertise that I have mentioned previously and in the regions of the world, which are still resistant to this type of approach. How can we see this happen in reality? Ensure there is a branded presence on the Massive Open Online Courses Community (MOOC). The best universities are using this to cater for autodidacts. It helps lowering education costs; it promotes collaborative-shared value for society and helps boosting the university's brand name. It might also help sway potential education migrants to make a decision regarding future physical enrolments. Online Massive Open Online Courses should be made available for free but the university can capitalize on a gated online community where additional exquisite content followed by instructor counselling and guidance is provided for a fee. This is an excellent solution to tap into the mature learner's market and corporate training. The first two can only be achieved if there is a strong partnership with companies, which are *socially aware*. Higher Education institutions need to be able to understand what companies want students to learn before entering the job market of the future. It is essential for industry representatives to be part of curriculum development especially when it comes to the VET sector. There should be an added contribution from the industry by delivering pro bono master classes and a proactive engagement in curricular internships since this will give them the opportunity to interact with potential future employees. Online/offline class formats and delivery approaches need to be adapted to industry accredited standards while working in synergy with the latest educational practices, which were mentioned previously. It is not farfetched to aim for a recreation of the industry environment and its challenges in the classroom, especially in fields with a strong practical component. Transforming academic research by shaping it in the same way as the creative commons[1] community did will also help immensely. This will boost collaboration between academics, soften competitive aggression between academic institutions and promote knowledge growth with sustainable value creation. Even though research shows that MOOC's success has not reached the adoption rates previously forecasted, we have several success cases, which we can learn from, such as Lynda.com, Khan Academy and Minerva Schools. Minerva, most notably, is taking a lean approach to education. Elitist as it may be, this school is stripping out well known academic inefficiencies and taking a holistic approach to technology in a way that uses MOOC's as a means to an end instead of competing with it. Minerva is a clear example of an academic institution currently navigating in a "Blue Ocean". It has several campuses around the world, which promote cultural and intellectual interchange as well as student mobility. It enforces real world skills with a customizable curriculum and it is completely student centric. Its classrooms are small in numbers and its in class modus operandi relies mainly on an implementation of deep cognitive tasks which has been proven to be highly efficient but rarely enforced systematically in a classroom context before. (Craik, F. and Lockhart, R., 1972)

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[1] The Creative Commons license allows for expansion, co-creation and sharing of creative work under a legal umbrella. Merkley, Ryan. 2001. *Creative Commons*. [ONLINE] Available at: https://creativecommons.org. [Accessed 23 February 2016].

4. CONCLUSION

I believe these blue ocean strategies can be implemented in the western world especially in the private education sector. It will probably be the most sensible interim step before an "Artificial Intelligence/Big Data revolution" takes place. I feel that there will be some *frisson* in the public sector due to its inherent nature but time can heal potential growing pains if new generations of educators and managers are interested in promoting change and growth in untapped market areas. The question is, however, are countries in emerging markets prepared for these changes? Can this be done in countries such as the UAE where cultural sensitivities and stiff working ethics need to be taken into consideration?

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## APPENDIX
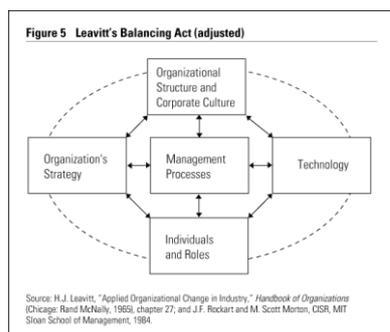
Figure 1. Rockart&Morton's Framework
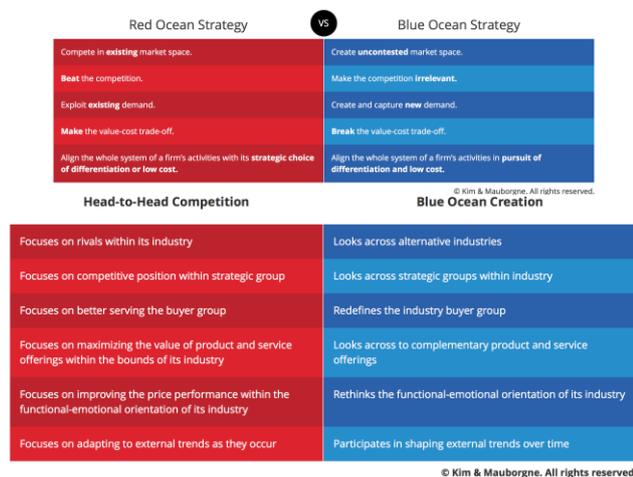
Figure 2. Red ocean vs. blue ocean strategy: competition vs. creation