Challenges and opportunities for growth of e-Learning enrolments: an international business perspective

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This study investigates e-Learning as a mode of university internationalisation. Drawing from business and higher education literature, trends on cross-border digital service delivery are analysed. Through a content analysis of recent strategic or corporate plans of Australian and United Kingdom universities, predictions are made about how these strategic priorities might create future challenges and opportunities for university educators and administrators. Internationalisation plans from Australian universities are also used to better understand whether e-Learning is prioritised as a current or future mode of internationalisation. Strategic and technological responses are discussed to help overcome challenges such as the trade-off between teaching quality and profitability which will become more significant as online cohorts expand.

Keywords: Online learning, e-Learning, internationalisation, international business

Introduction

Information communication technologies (ICT), especially the Internet, facilitate the processes of informing, investigating, interacting, distributing, transacting, eliciting feedback and supporting service providers and their clients (Berthon et al. 1999). The Internet can facilitate direct export channels especially where products or services can be digitised and delivered online (Morgan-Thomas and Bridgewater 2004). In higher education, ICT facilitates communication; stores and disseminates knowledge; and allows providers to offer programs through online education (Altbach and Knight 2007). Online education may ease the pressures of burgeoning university enrolments and limited campus facilities while encouraging life-long learning (Kellogg 2011).

Online education also has potential as part of a third wave of internationalisation for universities (Mazzarol et al, 2003). Evidence from Tayar and Jack (2013) and trends in student enrolments reveal however that the first wave of internationalisation involving international student recruitment is still the most significant for the sector. International student enrolments in Australian higher education institutions show only 31.3% study offshore (AEI 2011). Roughly three quarters of the 100,492 students who studied offshore in 2009 were on-campus and the remainder served through distance education including online modes (AEI 2011). So e-Learning is currently not a major export revenue earner but still may be important for onshore international students.

Competition has intensified between countries to recruit international students and there has been increased volatility and decreased predictability of overseas student flows (Woodfield 2010). In 2010 the upward trend of onshore international student enrolments ended with total enrolment numbers across all education sectors dropping but commencements in higher education increasing slightly (Deloitte Access Economics 2011). Tighter visa regulations, the strong Australian dollar, fears of racist attacks and the collapse of some private colleges are generally blamed for this poor market performance (Whyte 2011). These trends have continued to intensify and have led to negative growth in commencements (-1%) in 2011 (AEI 2013). Despite this broader decline in the sector, IBISWorld (cited in Parker, 2011) forecast significant growth in online education in Australia of 52.2 per cent over the next five years. Globally, e-Learning revenue is forecast to grow an average

of 23 per cent from 2012 to 2017 (HM Government, 2013) so our sector may be headed for significant change.

A Coalition government in Australia may also further prioritise e-Learning as a mode of internationalisation. Education was flagged as one of the 'five pillars of the economy' in Liberal party election campaigning (Liberal Party of Australia, 2013). Their campaign document (Liberal Party of Australia, 2013: 10) stated that "in the education sector, we will expand our exports, particularly in the Asian region using a number of channels including online." The new Minister for Trade and Investment Andrew Robb and the new Parliamentary Secretary Alan Tudge have both expressed enthusiasm for online education by flagging the Internet as a tool for widening access available and greatly reducing costs (Moodie, 2013). Austrade (2013) has also flagged Massive Open Online Courses (MOOCs) as a 'try before you buy' opportunity for international students. In the United Kingdom, the Minister for Universities and Science in an 'industrial strategy' (HM Government, 2013: 4) claims that "explosive growth in Massive Open Online Courses (MOOCs) and their global reach has opened up a new door to education." If this enthusiasm leads to shifts in government funding to the sector and rapid online enrolment growth, university-wide strategic responses will be needed.

Preliminary literature review

The process of internationalisation is widely seen as an outward movement in a firm's international operations (Welch and Luostarinen 1988). For universities, internationalisation is defined more broadly. Knight (2004) identified four common yet distinct interpretations of internationalisation: (1) international activities such as international mobility of students and teachers; international linkages, partnerships, and research or teaching projects; (2) delivery of education to other countries through campuses or franchises involving face-to-face or distance delivery; (3) incorporating international, intercultural, or global dimensions into curriculum and teaching; and (4) an increasing emphasis on trade in higher education. This fourth perspective concerns itself with the export of higher educational services and is a controversial aspect of the internationalisation of higher education (Harman 2004).

For services exports broadly, the General Agreement on Trade in Services (GATS) defines four modes of service supply across borders. These first three modes emphasise the need for suppliers and consumers to come together in the same physical location in 'physical co-presence'. The fourth delivery mode involves cross-border flows of services between countries (WTO, 2011). These flows of services may not require physical co-presence such as with information services that are embodied in electronic media or delivered over the Internet (Baark 1999). In the same way that distance and online modes have transcended great distances in Australia, the potential for transnational delivery has significant potential in environments where the movement of students, lecturers or branches is not financially or practically feasible. Table 1 below identifies these modes for services generally and outlines common modes adopted by universities. New modes may also emerge and but as Harley (2002) suggests that the diversity and speed of change in e-Learning means that predicting new modes may be impossible.

Table 1: Examples of service delivery modes for universities

Physical co-presence	Digital Modes
• Franchises, branch campuses or delivery partnerships • International students relocating to a host market to undertake a course (international student recruitment) • Lecturers travel temporarily to deliver a whole course or block of lessons ('fly-in, fly-out')	• Online education with synchronous communications such as live lecture streaming and instant messaging • Online courses with prepared asynchronous communications such as pre-recorded materials or learning support by email • A hybrid mode using synchronous and asynchronous communications

Methods

This research analyses the strategic plans of all 39 Australian universities to understand priorities for e-Learning modes and to determine whether there is support for these modes from chancelleries. To compare Australia's priorities with other university sectors, a random sample of 72 UK universities are studied. Strategic plans hosted on Australian or UK university websites were collected and logged in a spreadsheet and then manually coded. Only documents created by the university after 2006 and labelled as a 'strategic plan' or 'corporate plan'

and hosted on an official university website were included.

After an initial round of manual coding and systematic keyword searching, the methods and approach of Bradmore and Smyrnios (2009) were followed using the software Leximancer (Desktop Academic Edition - Version 3.5). Leximancer uses semantic and relational algorithms to extract information and map relationships between concepts in large corpus of text (Smith & Humphreys, 2006). Maps created in Leximancer provide "a diagrammatic view of the data, visually demonstrating how different concepts and themes are related" (Crofts & Bisman, 2010, p. 187). The documents varied in length and nature but followed similar conventions and headings. The concepts 'e-Learning' and 'online learning' were the key focus of the content analysis but other related themes and concepts were explored including MOOCs, distance education, distance learning, social media and the web or Internet generally. To see how these concepts are related to internationalisation, relational queries were used in Leximancer. To further understand the relationship between e-Learning and internationalisation, an additional set of 21 Australian university internationalisation strategies were collected from the only universities which publish these strategies and these additional documents were manually coded and then analysed in Leximancer.

Initial results and discussion

The manual coding and Leximancer concept mapping suggested that e-Learning is a strategic priority for a minority of Australian universities. Of Australia's 39 universities, 7 universities (17.9%) mention e-Learning or online learning. Of the 72 UK universities sampled, 15 universities (20.8%) mention e-Learning or related concepts in documents labelled 'strategic plans' or 'corporate plans'. Of the 111 plans, 69 plans (62.2%) were dated from 2011 or later and yet only one plan mentioned Massive Open Online Courses (MOOCs) or related terms. If 2012 was the 'year of the MOOC' (see Pappano, 2012), this is not reflected in the 45 UK and Australian plans prepared in 2012 or 2013 with the exception of the University of Adelaide which mentions MOOCs but only as a future challenge and not a strategic priority. In the internationalisation plans published online by Australian universities, e-Learning and online learning are only mentioned by 3 of the 21 plans (14.3%). This included comments such as seeing e-Learning as an area for expansion and additional budgeting (Australian Catholic University); increasing the number of online programs and student satisfaction with these programs (University of Tasmania); and supporting offshore students (University of Wollongong).

Online interaction between students of different cultures already has promise for enhancing students' "global competencies in the areas of knowledge, empathy, acceptance, foreign language ability, and intercultural teamwork." (Patterson et al. 2012: 182). Even so, the strategic or corporate plans of all Australian universities and a large sample of UK universities suggest that e-Learning is not yet a strategic priority for chancelleries. Online education may also have the opportunity to build greater legitimacy as a valid mode of rigorous study through improvements to online exam proctoring and verification. Such legitimacy-building technologies could open Australian higher education to untapped student markets. Still, the findings of this study suggest that MOOCs have yet to build internal legitimacy within universities.

Conclusions and future research

With increased adoption of the Internet and faster Internet speeds, online modes of delivery are likely to continue to grow in significance. So far, recent technological improvements and enthusiasm for online learning from governments and media have failed to significantly shape strategic plans. Even in recent planning documents, Australian and UK Universities' do not mention MOOCs as a strategic priority. If MOOCs are indeed the disruptive force they have been claimed to be, there needs to be greater strategic planning to ensure they contribute to university objectives. For e-Learning more broadly, there appears to be a relatively small cohort of universities prioritising these modes as important to their institution-wide strategies and internationalisation goals.

There are a range of challenges relating to online learning. The open and global nature of these programs is likely to create new cultural and language barriers that may exceed those already evident at highly internationalised universities. At faculty and course levels, administrators and educators may struggle to digitise courses especially those requiring specialised lab equipment or techniques difficult to record or simulate. As universities increase the scale of online programs, there will be a need for new responses to effectively manage more students and engage them with new technologies. Overcoming the trade-off between quality and profitability may involve resourcing of new tools and platforms to deliver quality outcomes at significant scale. The efficacy of these tools and platforms should be investigated in terms of both quality and profitability.

This study is limited to only identifying intentions and publically-stated priorities at the institutional level. Future studies may indicate that e-Learning and MOOCs are already being prioritised at an operational or faculty level. Currently though, the lack of institution-wide approaches suggests there may be problems aligning new online programs with university goals and budget priorities. The lack of e-Learning strategies in strategic and internationalisation plans, also suggests that universities in Australia do not have clear institution-wide plans to leverage e-Learning as a mode of export. At the student level, future studies may also seek to understand inter-mode and inter-institutional learning pathways which will become increasingly easy to understand with application and enrolment digitisation and international standardisations of student data through Digital Student Data Portability (DSDP) initiatives.

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