

The challenge of speed: Education



About the research

The report is based on a survey of 461 Europe-based senior executives. Of these, 55 are from the education sector. Of the education sample, 40% are C-level executives or above and 35% were senior vice-presidents, vice-presidents or directors. In addition, The Economist Intelligence Unit conducted three in-depth

interviews with education leaders, as well as substantial desk research. This article aims to offer some guidance to managers in education hoping to deliver greater speed, as well as harnessing the potential of changing technology to better serve the goals of their stakeholders.

Education: Pressure to change quickly from above and below

Education is the beating heart of the knowledge economy. However, that heart may not be beating sufficiently fast to feed an economy that needs prodigious amounts of intellectual capital to grow. European educators believe they need to change—and fully 98% are under some level of pressure to adapt to rapid change.

Most educators recognise that greater speed is needed. Almost eight in ten (78%) education executives say that it is moderately to extremely important for their organisation to carry out rapid change. A large majority surveyed (73%) believe that their organisation needs to change faster now than at any point during the past three years. However, attaining this change is no easy task; bureaucracy can be a serious obstacle and the lack of a common approach can exhaust even those pushing for change in the education sector adapt in order to take advantage of emerging digital avenues.

The European context

The need to change is found at all levels of education systems, but the pressure on tertiary institutions is particularly acute. The cost pressures are sharper for the tertiary segment, as universities are being called upon to deliver more, often with fewer resources than in previous years. “All of a sudden, universities are centre-stage, much more than in the past, as centres for knowledge production,

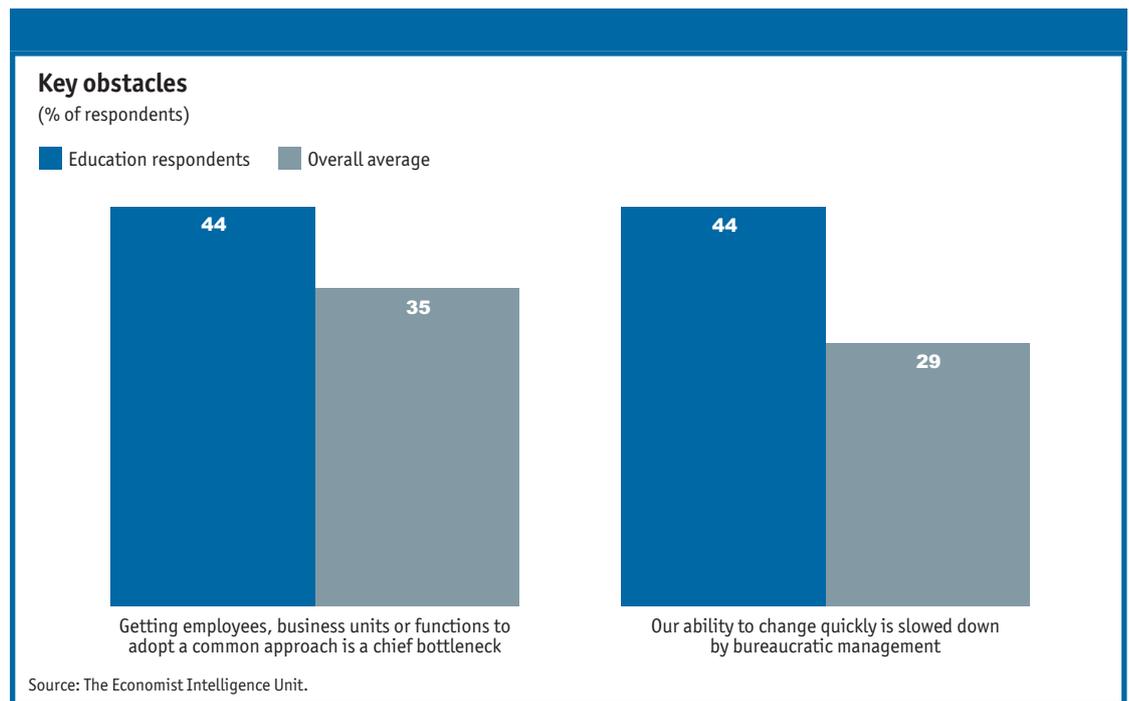
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dissemination and transfer, and as agents educating larger numbers of the population,” says Lesley Wilson, secretary-general of the European University Association (EUA). “The pressure comes from politicians and society at large, and has been reflected in the Bologna Process, which aims to make national education systems more compatible with one another, while increasing student mobility across Europe.”

Meanwhile, the European Commission’s Opening Up Education initiative, launched in September 2013, is driving the move towards open educational resources, including massive open online courses (MOOCs). “The pressure to change is not just from the bottom up,” says Fred Mulder, UNESCO Chair in Opening up Educational Resources at the Open Universiteit in the Netherlands and one of the advisors of the Commission in this respect. “The European Commission has been a pretty important player in driving change as we have seen with the Bologna process, harmonizing the higher education sector in Europe. Top down and bottom up merged in a very fruitful way and the same can happen with Opening up Education.”

In the face of these drivers, educational institutions are under pressure to improve their ability to enact accelerated change. However, the respondents surveyed highlighted three obstacles to rapid change in the sector: bureaucracy, lack of consensus, and recruitment.



- **Bureaucracy.** Nearly half (44%) of education managers affirmed that their ability to change is slowed down by bureaucratic management, compared with 29% for the survey population across all sectors.

“The bureaucracy exists at two levels,” says Ms Wilson. “One is the level of national legislation in Europe. It’s hard to move from one country to another. Employees are civil servants in many systems. The other is at the level of universities themselves. Some have been there for a thousand years. So they have their ways of doing things and they take a while to change.”

- Lack of consensus. The same proportion—44% (more than any other sector surveyed) —cited the difficulty of getting employees, business units or functions to adopt a common approach as a key obstacle to greater agility. The sector is highly dependent on human capital and this makes consensus still more important. And, in a political federation with often overlapping mandates, peopled by a multitude of instructors, researchers, and administrators, finding a common roadmap for even one institution can be incredibly challenging.

“As human beings, we are generally against change. It’s normal. So you have to think of ways to overcome that attitude,” says Mr Mulder. “There is no shared vision, which is [a very common situation] in professional organisations.” Furthermore, oft-politicised education reforms can set different stakeholders, for example administrators and teachers, at odds with one another. This is certainly not to claim that all education systems need to operate in the same manner, but at the level of institutions and the government, there needs to be a common perspective for the future.

- Recruitment. When asked in which area adapting to change will be most critical over the next three years, educators stand out in citing the recruitment of new staff—42% versus the average of 29%. This may reflect natural turnover, the need to replace the overhang of baby boomers, to bring in more tech-savvy employees, or simply to spread promising innovations. Regardless of the reasons, it’s not surprising that a sector so reliant on human capital would see recruitment as being a key to change.

One route forward is for organisations to focus on their core business processes, improving traditional ways of working. This was cited most frequently (44%) by education respondents as the area of their sector where rapid change will prove most important over the next three years. This can serve as a guiding focus to cut through the bureaucracy and the array of related obstacles above.

How technology partnerships accelerate change

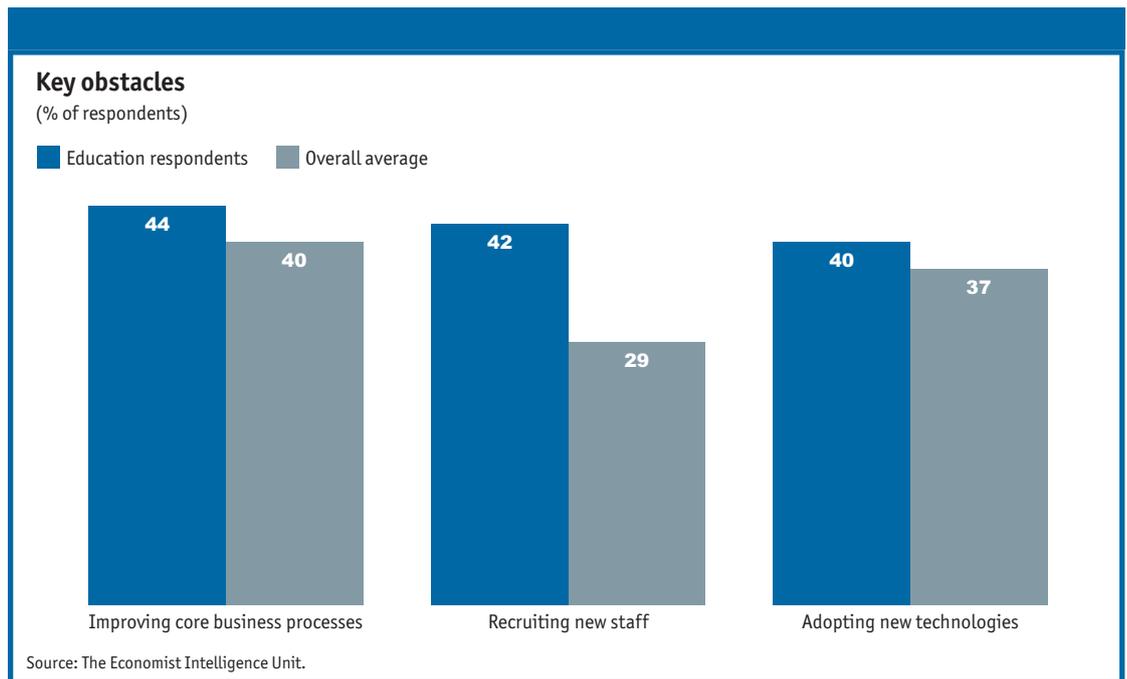
More than any other sector, educators say that they excel at forming new partnerships in order to accelerate the process of change. Almost half (49%) of respondents say their organisations are faster than competitors at developing new partnerships, compared with only 33% on average.

There is no shortage of partnerships to point to, especially when it comes to the use of technology. MOOCs were pioneered by MIT, Harvard, and Stanford in the US, but they are now offered in almost every country in Europe. They are typically developed by universities in collaboration with outside partners such as edX, Coursera and Udacity, although some institutions (such as the University of

Amsterdam) have started their own MOOC platforms. A taskforce at the EUA, with a membership that covers the vast majority of higher-education institutions in Europe, is evaluating how Europe can best adapt to the MOOC phenomenon.

Partnerships offer one way to quickly pilot and scale technological innovations efficiently. This can be useful, as fully 71% of education respondents have experienced moderate to extreme disruption driven by technological change over the last three years. And it will only become more important, according to the 40% of educators citing technological adaptation as the area where change will be most critical for their organisations in the next three years.

“Technology adoption typically occurs in an S curve. Its effects take longer than expected to gain momentum, but, once they do, change happens faster than anticipated,” says Charlie Harrington, who co-heads the London office of the digital education start-up, Knewton, which partners with publishers and universities to tailor educational content using analytics. “We’ve recently witnessed an increase in European publishers and content creators interested in integrating adaptive learning technology into educational materials, suggesting that this uptake has already begun.”



The promise of augmented technology

One glimpse of the future for European educators is their enthusiasm for augmented reality—technologies, including games, that superimpose computer-generated images on a user’s view of

the world—as a way to enhance the transfer of knowledge. One-quarter of education respondents (compared with a mere 5% of the other sectors) highlighted augmented reality as one of the leading technologies innovations most likely to improve their organisation’s performance.

The use of augmented reality in education is happening already. For instance, Augmented Reality in School Environments (ARiSE) is an EU-supported programme that aims to enable teachers to develop new teaching practices, using 3D presentations and virtual objects in a shared virtual space. Furthermore, the EU’s Archeoguide project has developed an augmented-reality system to allow visitors to learn about cultural-heritage sites without physically disturbing those sites.

Poised for rapid change

Survey respondents identified a number of obstacles to rapid change. There are multiple levels of bureaucracy, layers of administrators and instructors without a strong shared vision, and institutions that have endured for decades without significant change. But, countering inertia, large numbers of European educators are coming forward with exciting new ideas for transforming the production and dissemination of knowledge.

European educators are striving to meet this challenge; they are aware of the need for rapid change, but are held back by bureaucracy. The EU’s digital agenda calls on member nations to mainstream eLearning. There are also initiatives intended to help schools adapt to European integration, to increase mobility across institutions in different countries and to align knowledge transfer with the demands of employers. The rise of MOOCs is helping the sector to scale up the delivery of education and, more broadly, technology is offering the opportunity to share knowledge with an ever-wider audience. The nature of educational opportunities is changing quickly: the first steps in this transformative journey have already been taken.

Educators recognise that greater speed and efficiency are important, but, while technology is opening up new horizons, these organisations need to get their core business processes right in order to leverage the benefits afforded by more connected operations. The good news is that education leaders are not alone; both government initiatives and private-sector innovation are supporting the sector as it strives to move forward.

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