



**eLearning as eBusiness:
The hope, the hype, the power, the pain.**

Is the E-era over?

Jack M. Wilson

CEO UMassOnline.net

www.UMassOnline.net

Models for Virtual Universities

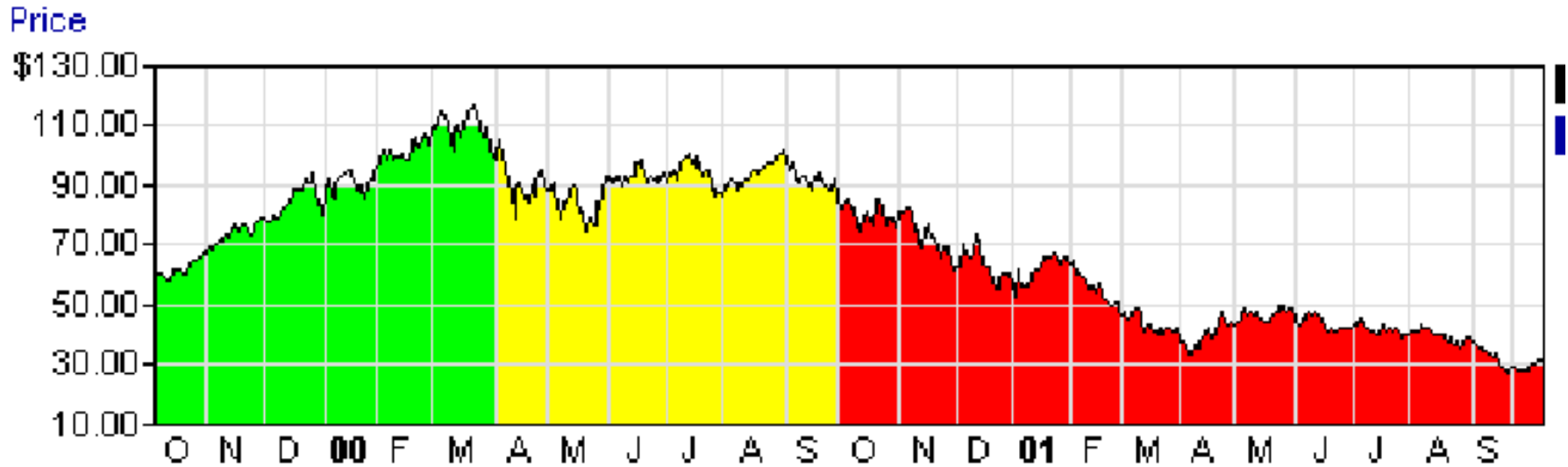


- **For Profit Universities**
 - Pure plays: Phoenix, Capella, etc.
 - Joint Ventures: Cardean, Caliber, Pensare, U21
 - Internal: UMUC, eCornell, etc.
 - Outside VC (Original Fathom plan) versus internal
- **Not for Profit**
 - Internal Collaborative (UMassOnline etc.)
 - Independent (WGU, etc)
 - Solo or Consortia

- **www.UMassOnline.net**
- **Virtual University for the State of Massachusetts**
- **Intellectual capital of the UMass system.**
 - Amherst
 - Lowell
 - Boston
 - Worcester (Medical School)
 - Dartmouth
- **Collaborative Non-Profit model**
- **Financed by \$15 M loan at 7.5%**
- **Grant of \$ 2.25 M this summer for platform**
- **Will consider:**
 - Independent non-profit
 - For profit

From dot-boom to dot-bust

- **NASDAQ**



High hopes for eLearning



- **Pensare teamed up with Duke.**
- **Click2Learn teamed with NYU Online.**
- **Fathom teamed with XanEdu.**
- **U. of Penn Wharton School teamed with Caliber, a spin-off from Sylvan Learning.**
- **Cornell spun of eCornell**
- **UNext created Cardean University and partnered with Columbia, the London School of Economics, Stanford, and the University of Chicago.**
 - **Reportedly Cardean had pledged to pay Columbia, and perhaps the others, \$20 million dollars if they failed within five years.**
- **North Carolina, Harvard, and USC went to University Access for help in getting online.**
- **Harcourt Higher Education was launched as a college in 2000 and confidently predicted “50,000 to 100,000 enrollments within five years.”**

Big investments



- Kaplan Ventures, Knowledge Universe, Pearson, and Sylvan Ventures made investments and acquisitions totaling \$3.6 billion in 2000 and were expected to invest at least \$2 billion additional in 2001 and 2002.
- eLearning, Is it Over? -Jack Wilson
www.JackMWilson.com/eLearning/IsItOver.htm

And Now?



- **Pensare is gone.**
- **Fathom had to obtain \$20 million in financing internally.**
- **Cardean laid off over half its work force and asked universities to restructure arrangements.**
- **Temple University quietly closed its spin-off without really ever activating it.**
- **Harcourt is gone after enrolling a total of 32 students in 2001.**
- **eCornell is open now, but with very small programs and drastically reduced expectations.**
- **Caliber has filed for bankruptcy.**
- **University Access has changed its name and withdrawn from higher education.**

Content and the Value Chain



- **Given what MIT has done, how can UMassOnline compete? – Boston Globe reporter**

What MIT provides

- **Course materials**

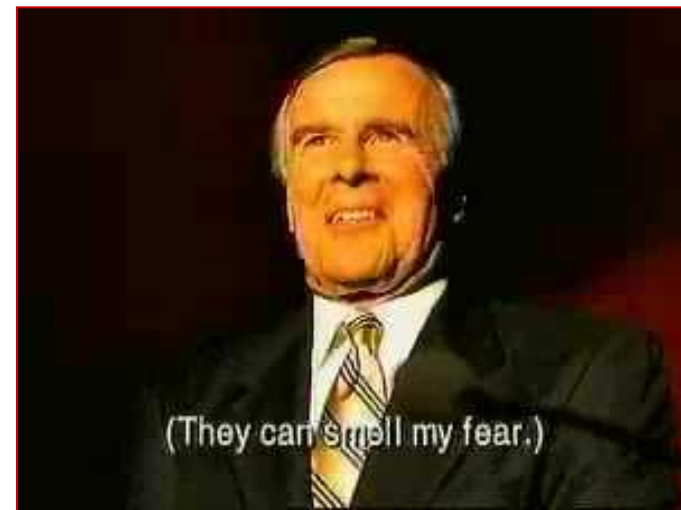
No access

- **Reputation**
- **Courses**
- **Faculty**
- **Credentials**
- **Students**
- **Alums**
- **Library**
- **Facilities**

Introduction to eBusiness

The hope, the hype the power, the pain

- **Fall: 125 (50 on/75 off) campus students**
 - IBM, Ford, GE, Lockheed Martin, Pratt and Whitney, Ford, Consolidated Edison, NY Power, J. P. Morgan, Carrier, Otis, etc.
- **Extensive Website:**
 - <http://www.jackmwilson.com/eBusiness/Syllabus-Spring2001/>
 - MBA, MSIT, MS
 - On-line studio style miniLectures, Discussion, Student presented cases, & asynchronous interaction (ALN)



Content?

- **The smallest part of the value chain.**
- **Introduction to eBusiness**
 - 75-125 students (business execs)
 - \$ 3000 per student (indicator of value?)
 - A book might be \$50 (content)
 - Web site is open and free
 - Revenue: \$225,000 - \$375,000
 - One faculty, one full time TA



Questions



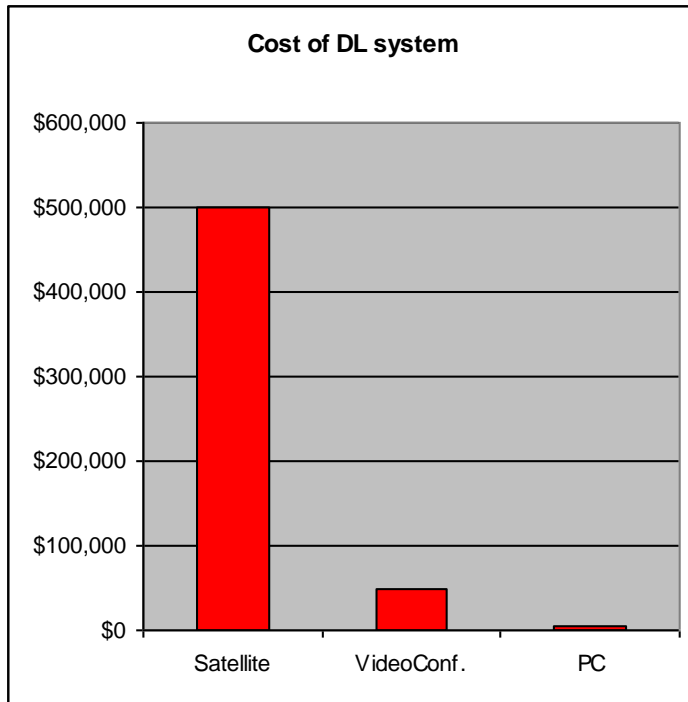
- **What are the advantages and disadvantages of various financial models?**
- **Are joint ventures between universities and for-profits viable (Pensare, Caliber, NYUOnline, U21 Global, etc)**
- **Can one borrow brand equity from one institution to another: (Cardean, Pensare)**
- **Can one transfer brand equity from a different business to eLearning (Harcourt)**
- **Given that content is a commodity, how much to invest in content?**

Is it over?



- **Hardly!**
- **No one has repealed Moore's Law**
- **The Bandwidth Law (Gilder's law) is slower but still on track**
- **Metcalfe's law remains the a key indicator for success.**
 - Microsoft, AOL-TimeWarner, eBay, Amazon all demonstrate the power of the large network.

Distance Learning Technologies



- **Satellite Video (\$500,000)**
- **ISDN Videoconferencing (\$50,000)**
- **PC Collaborative (LearnLinc, Centra, Interwise, Placeware, etc) (\$5,000)**
- **Web Based Asynchronous (ALN: Prometheus, WebCT, BlackBoard, eCollege, etc.) (\$5,000)**

The horrible mismatch

- **People change very slowly**
- **Technology changes very rapidly**



- **Built upon the successes of the 5 campuses.**
- **Is already the largest on-line university in New England**
 - Over 6000 enrollments
- **Portal: www.UMassOnline.net**
 - Launched in this spring
- **Closely coupled to the University mission**
- **Operates over the M.I.T.I.**
- **Received \$ 2.25 million IT Bond funding to create statewide platform in partnership with M.I.T.I.**
 - Eventually open to all state institutions

Update on Activities



- **Launch this past spring**
- **LearnTone: platform is being deployed for the campuses (no charge for use).**
 - IntraLearn and Prometheus
- **Staff:**
 - 7 central and growing,
 - 5 CE Deans @ 20-75%
 - Contract Services from UMITS, CE, CFO,
- **Good Union relations thus far**
- **Good faculty senate support (with concerns)**
- **5 Campus collaboration is a messy process**
- **Marketing Plans developing**
- **Request for Programs to Campuses**
- **Internal and external advisory committees**

Investing and Developing Programs



- **Twenty five degree and certificate programs**
 - Bachelor's, Master's, and Certificate programs
 - 12 new programs this fall
- **Three of our programs have been recognized by US News and World Report as top on-line programs in the October 15, 2001.**
 - MBA – UMass Amherst
 - MEA – UMass Lowell – Ed. Administration
 - MPH – UMass Amherst- Public Health

Serving Community Needs



- **BSIT ***
- **MSIT**
- **Nursing ***
- **MBA ***
- **Techno-MBA**
- **MPA**
- **MPH ***
- **MS Substance Abuse Professionals**
- **BLA – Liberal Arts ***
- **Degree Completers**



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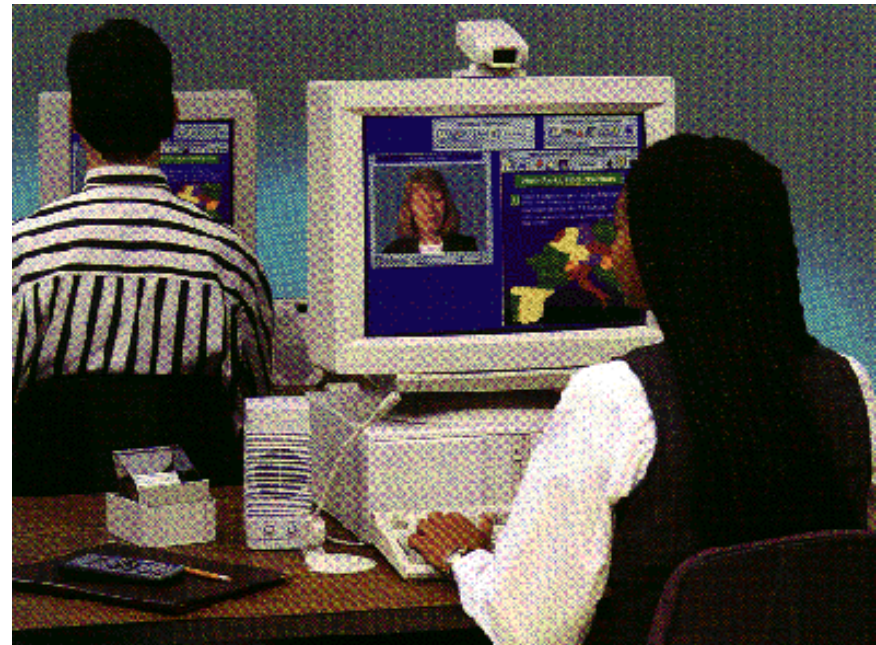
The End

www.JackMWilson.com/eLearning

www.UMassOnline.net

Remote Physics Course

- **Introductory Calculus Physics**
- **Delivered via ILINC [LearnLinc](#)**
- **Cobleskill High School in rural upstate NY**
- **Collaborative between the physics teacher at Cobleskill and faculty and graduate students at Rensselaer**



LearnLine Client

File Run Tools Help

Nichole



Live from: San Francisco, CA

Mute

People

Name

- Isaiah Beres
- Owen Carter
- Tom Elliot
- Wally Emerson
- Ben Frank
- Geoff Gamache
- Alicia Hoffman

Agenda

2 25

- 0 Not much progress
- 5 Still working
- 7 Almost finished
- 13 Completed



Note: Yes. Could you please review the chapter on formating graphs in Excel?

Raise your hand when you see the AppShare window. Send

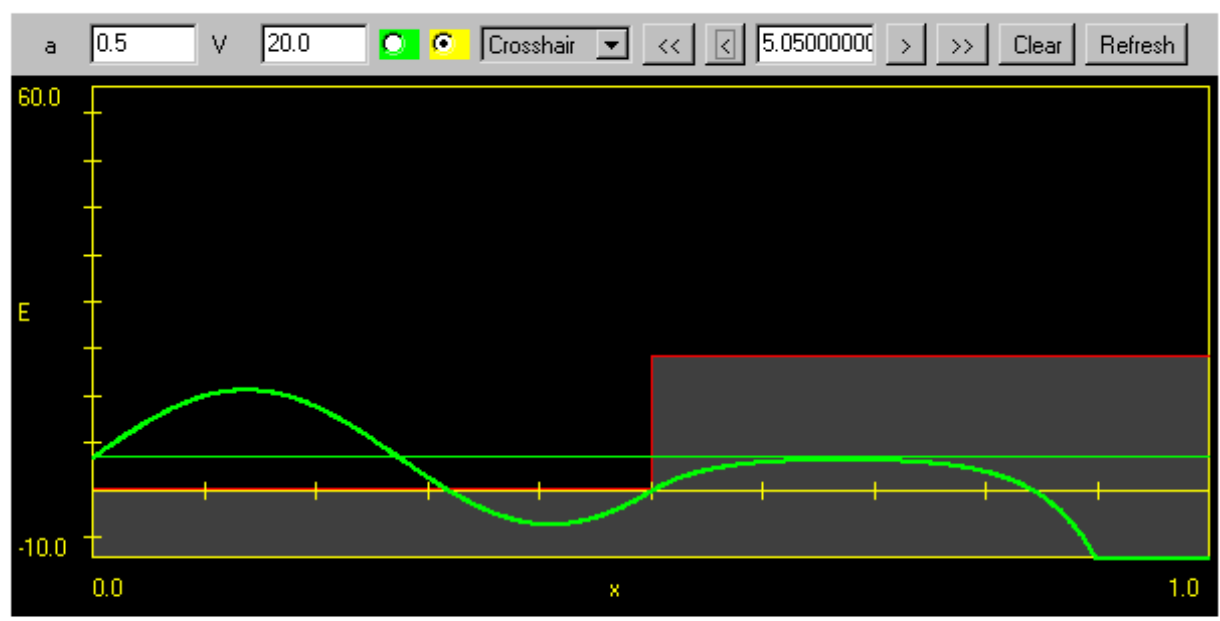
SquareWell - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites History Mail Print Edit Discuss

Address <D:\JavaPrograms\cde\SquareWell.html>

This illustrates the solution of a quantum well with an infinite wall at $x=0$ and a finite potential of 20 V at $x=0.5$ nm. - Jack Wilson



Author: Jack Wilson

Using the buttons to each side of the Energy window, you can adjust the energy of the particle in the well to see if the energy leads to a bound state. In a bound state the wavefunction will satisfy the boundry condition at infinity (on the right). It must go to zero to do that. You should find several bound states of the particle for the energy selected here.

Notice that you can select various annotation possibilities, including "Crosshair," "Derivative," "Integral," and "Chalk." You can use each one in combinations with the mouse and mouse button.

What shapes my views?



- **Service as:**
 - 31 years as a professor, department chair, research center director, dean, and provost
 - Physics, engineering, information technology, and management.
- **Founder, CEO, Chairman of LearnLinc**
 - a successful eLearning Co
 - Now Mentergy Corporation (NASDAQ: MNTE)
 - Sold in February 2000.

What else shapes my views?



- **Industry Consultant (IBM, AT&T, Lucent, Ford, GM...)**
- **Army TRADOC Advisory Committee**
- **Pew Center for Academic Transformation (\$8.8 M)**
- **One of founders of the Nat. Learning Infrastructure Init.**
- **Chair, NY State Task Force on Distance Learning**
- **Wash. DC: 8 yrs on Science Education: HS. and Univ.**
- **National Acad. of Science/National Research Council**
 - Committees on Information Tech., Physics Decadal Overview Committee, and National Digital Library Committee
- **Lots of visits, speeches, writing, reading, and visitors**