

Megatrends in e-Learning Provision

Initiatives that failed to reach targeted goals

Scottish Knowledge

Introduction

Scottish Knowledge was, in many ways, a predecessor of the United Kingdom e-University (founded in the year 2000). Scottish Knowledge was founded on 1 August 1997 and closed in the year 2002. It was succeeded by the Scottish Interactive University, which was founded by Heriot-Watt University and Scottish Enterprise – the Scottish economic development agency funded by the Government of Scotland – and started in March 2003 and was, in its turn, closed on 17 April 2007 after four years in existence.

Historical context

Scottish Knowledge was a short-lived partnership between Scotland's 21 higher education colleges and universities which offered online courses and distance education courses to students around the world. It had offices in the United Arab Emirates, Malaysia, the USA and in Edinburgh, Scotland.

The company, Scottish Knowledge PLC, began operating on 1 August 1997, following a successful capital raising programme, which resulted in all the Scottish universities and their associated colleges contributing almost £300.000 to the venture. An additional £1.950.000 was raised from industry, government and private investors.

In September 1997 the Minister for Higher Education and Research in the United Arab Emirates, awarded Scottish Knowledge the contract to plan and develop the first phase of the Abu Dhabi International Petroleum Institute.

In February 1998 it launched its Distance Learning Investment Program and committed over £3 million to the development of over 30 postgraduate, undergraduate and vocational courses as online, web based programmes.

In June 2000 it was awarded a further contract to manage the \$50 million Abu Dhabi Petroleum Institute, which involved the delivery of oil and gas courses from 8 Scottish universities and colleges.

In 2000 it received a contract to deliver training to 100.000 Shell employees worldwide, through the Shell Global University.

By 2000 it had opened 3 International Offices, in Malaysia, North America and the Middle East, to support its increasing business activities in these regions

to promote Scottish education and training into sectors such as medical and healthcare, engineering and IT.

In 2000 it entered a joint venture with Malaysia's 11 public universities to provide online course to 150,000 graduates.

In 2001 it achieved accreditation of the worlds first foreign nursing course, approved for delivery into the USA to 2.5 million nurses.

In 2002, after 5 years in operation, the Scottish Knowledge University was closed and absorbed into a new e-learning venture launched by Heriot-Watt University and the Scottish government development agency Scottish Enterprise, called the Interactive University.

Online courses

Scottish Knowledge focused its courseware in programmes which met the markets it had identified in its key sectors:

- Information Technology
- Business Management
- Oil and Gas
- Telecommunications
- Medical and Health
- Law.

Its target markets were primarily in North America, Asia and the Middle East.

It sought to articulate programmes from the further education to the higher education sector that could be delivered using a flexible delivery format (modular, on the job etc).

The programmes ranged from medical and health services, to petroleum engineering, business and finance and information technology.

Technical issues

In Scottish Knowledge particular emphasis was placed upon the delivery of online programs using the latest web technologies and the Internet. Students without access to this technology needed to be provided with alternative access opportunities.

E-learning was used widely in the major projects, which were won: a contract to provide academic courses for the SHELL Global University to deliver training to 100,000 employees worldwide. a joint venture with Malaysia's 11 public universities to provide online courses to 150,000 graduates and accreditation of the worlds first foreign nursing course, approved for delivery into the USA to 2.5 million nurses.

The challenge for Scottish Knowledge and its partner institutions in the FE and HE sector was to find a way to continue to develop and deliver education and training in an increasingly competitive global environment. A high priority was also to develop programmes which articulated between the vocational and higher education sectors to provide students with a flexible study framework (modular, on the job, at home) as well access to international accreditation from UK universities and colleges and membership to institutes and bodies.

Management, strategy and attitudes

The goals of Scottish Knowledge were:

- Investment in high quality Higher Education courses to transform them into online (Distance Learning) materials.
- The global marketing and distribution of these Scottish higher education courses.

The priorities of Scottish Knowledge were to:

- Identify niche market opportunities for distance education and training in the target markets of North America, Asia and the Middle East.
- Within the universities and further education colleges in Scotland to identify areas of academic excellence to meet these demands, and market these into the regional sectors.

Scottish Knowledge had development partnership agreements in all of its major markets to invest in a number of long term strategic programs to strongly position the company and the Scottish universities as global players in distance learning delivery.

The management structure involved 3 International Offices, in Malaysia, North America and the Middle East, to support the increasing business activities in these regions and to promote Scottish education and training.

The challenge for Scottish Knowledge and its partner institutions in the FE and HE sector was to find a way to continue to develop and deliver education and training in an increasingly competitive global environment. Particular emphasis was placed upon the delivery of online programs using the latest web technologies and the Internet.

The project involved all 21 Scottish universities and was based on pride in Scottish higher education courses.

Economic aspects.

At the beginning 13 Scottish universities and their associated colleges contributed almost £ 300,000 in share capital.

An additional £ 1.95 million was raised from industry, government and private investors providing the company with an initial capital base of £2.25 million.

A second round of funding of £3.5 million was raised in March 2000. This increased the market capitalisation of Scottish Knowledge from £2.25 million to £14.5 million pounds in a period of just over 2 years.

Company turnover increased from zero in late 1997 to just under £500,000 in June 2000.

Over £3 million was committed to the development of over 30 postgraduate, undergraduate and vocational courses as online, web based programmes.

Conclusion. Why did it fail?

In the *United Kingdom e-University Reports (No 6 Competitor Analysis: Interactive University)* Bacsish (2005) writes:

In 2000 the Scots already had an e-University, Scottish Knowledge, which was, in fact, set up in August 1997. In late 2001 the UKeU was considering the purchase of Scottish Knowledge for £12 million but in the end decided not to go ahead. Scottish Knowledge continued to operate in some form until late 2002, when it closed. Yet in October 2002, before Scottish Knowledge closed, Heriot-Watt University with help from Scottish Enterprise had jointly set up the Scottish Interactive University.

The following reasons can be given for the failure of Scottish Knowledge:

- 21 universities and colleges was a clumsy management system for an e-learning university
- there was a certain arrogance in assuming that Scottish degrees would be acceptable and receive accreditation in the United States, Asia and the Middle East
- the student enrolment that Scottish Knowledge dreamed of was not available on the ground in the United States, Asia and the Middle East
- Scottish Knowledge used up its government funding and no more was made available
- Before it closed the Scottish Government had already decided to found its own e-University through Heriot-Watt University and its own funding agency, Scottish Enterprise.

Reference

Bristow, S.F. (2005) *United Kingdom e-University Reports (No 6 Competitor Analysis: Interactive University)* edited by Bacsish, P. York: The Higher Education Academy.

