Plenary Session III:
The Vendors of Outsourced Education

Monday, May 16, 2011
1:30 - 3:00 pm
Stanford East
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The Vendors of Outsourced Education

In the beginning, American colleges and universities did it all. While instruction, research, and service were their core businesses, other essential services for the campus community – residence life, student affairs, athletics, food service, and security – were also provided almost exclusively by the institution. As expectations of quality experiences for tuition dollars spent have sharpened the debate, it has become clear that some noncore activities can actually be offered for less money and sometimes with greater quality when provided by external vendors. With reduced costs and improved services in sight, institutions now frequently contract for such services with external providers.

The first substantial movement in regard to outsourced services was with campus food services; it then progressed into student housing, bookstore management, and beyond. Core services – instruction, assessment, advising, course and curriculum design, and learning content management and distribution – continued as the center of institutional activity. In an earlier era, it would have been inconceivable to imagine letting some entity other than our own faculty be the captains of our destiny.

But alas, the inconceivable has been conceived: outsourced instructional services are becoming fairly standard fare in the world of postsecondary education in the United States. With the advent of technology-enabled, online education, it quickly became evident that institutions, acting on their own, didn’t have the expertise or the financial resources to ramp up many essential new instructional services. So evolved hundreds of variations of a technology platform known as the learning management system (LMS). In the world of education, market-leading LMS companies include Blackboard, WebCT (now part of Blackboard); Angel (now part of Blackboard); and Desire2Learn. Open source alternatives include Sakai and Moodle. Publishing companies like Pearson Education (which has acquired LMS companies, including eCollege and Fronter) and online ed vendors like StraighterLine are also in the mix.

LMSs gave institutions capacity for developing and delivering their own courses with their own faculty, using a technology platform licensed from a commercial vendor. As LMS adoption has hit ubiquitous levels, LMS companies see that their future may actually lie in the provision of a variety of diversified services: online tutoring, course modules to supplement on campus instruction, remedial instruction, course examinations, and now full-blown college-level courses and degrees.

Have we lost our way? Or have we simply found more productive methods for delivering our important services that enable better
attention to the institutional core missions of teaching, research, and service? For this session we have invited representatives from three highly regarded education service providers to discuss with the commission how they found their niche in this business, how they developed their own unique business plans, and what they envision for their companies for the future.

Speakers: Deborah Everhart, chief architect, Blackboard; Matt Leavy, CEO, Pearson eCollege; Burck Smith, CEO and founder, StraighterLine

Facilitated Discussion on the Vendors of Outsourced Education

Facilitator: Ellen Wagner, executive director, WCET

Biographical Information on the Speakers & Facilitator

Deborah Everhart is chief architect at Blackboard, where she provides leadership in product strategy and development. Her responsibilities include researching, analyzing, and designing features and functionality for Blackboard products. She is a director in Blackboard’s Exemplary Course Program. She teaches as an adjunct assistant professor in Georgetown University’s Medieval Studies Program. She received her Ph.D. in English from the University of California, Irvine. Everhart has written numerous articles and presented papers and seminars on medieval literature, education technologies, and the future of teaching and learning.

Matt Leavy joined Pearson eCollege as its chief executive officer in 2007 after leading the acquisition of eCollege and currently oversees all daily operations, including new business development, account management, customer care, professional services, product engineering technology, and product management across the organization. Prior to his appointment as CEO of Pearson eCollege, he served as executive vice president for Pearson Education, where he was responsible for developing Pearson’s education technology strategy worldwide. Prior to that Leavy held the president’s position of Pearson Education’s Latin America Group and directed and transformed this region’s education business operations. He joined Pearson Education in 1995 and was responsible for mergers, acquisitions, and strategic-partnering activities. He has served as a member of the board of directors for Safari Books Online, a Pearson joint venture. Earlier in his career, he held the position of investment banking associate with Veronis, Suhler and Associates. Leavy earned his bachelor’s degree in Spanish with a minor in Latin American Studies from Georgetown University.
Burck Smith is the CEO and founder of StraighterLine. Before launching StraighterLine, he was the founder and CEO of Smarthinking, the dominant online tutoring provider for schools and colleges. In addition to building StraighterLine, Smith has written chapters for two books on education policy for the American Enterprise Institute (AEI) and is a member of the AEI’s Higher Education Working Group. Smith worked as an independent consultant who contracted with for-profit and nonprofit educational organizations, including the Gates Foundation, Microsoft, Computer Curriculum Corporation, the CEO Forum on Education and Technology, the Milken Exchange on Education and Technology, Teaching Matters, Converge magazine, and others. As a writer about education and technology issues, he has been published by Wired, Wired News, Converge, University Business, and the National School Boards Association. In the early 1990s, he wrote articles on a variety of subjects, including creating community telecommunication networks, electronic access to political information, telecommunications deregulation, and the ability of utilities to serve as telecommunications service providers. Smith holds a master’s degree in public policy from Harvard University’s John F. Kennedy School of Government and a B.A. from Williams College.

Ellen Wagner is executive director of WCET (WICHE Cooperative for Educational Technologies), a cooperative association of institutions, vendors, and educational stakeholders looking to advance excellence and accelerate adoption of innovative technology-enhanced teaching and learning practices and policies in higher education. She is also a partner and senior analyst for Sage Road Solutions, where she is responsible for industry intelligence and enablement services. Wagner is the former senior director of worldwide e-learning at Adobe Systems and was senior director of worldwide education solutions for Macromedia. She also served as chief learning officer and director of education for Vivianc new education, a Swiss-based e-learning company with offices in 10 North American and European countries; and chief learning officer and VP of consulting services for Informania. Wagner was formerly a tenured professor and chair of the Educational Technology Program at the University of Northern Colorado and held a number of administrative posts, including director of the Western Institute for Distance Education and coordinator of campus instructional and research technologies, Academic Affairs Division. Her Ph.D. in learning psychology comes from the University of Colorado, Boulder. Her M.S. and B.A. degrees were earned at the University of Wisconsin, Madison.