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**eReality: Constructing the eEconomy**

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## **University eCommerce Forum: Challenges for Deans and Rectors**

### **Panel Members:**

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United States (Co-chair)

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#### **J. Felix Hampe**

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During this forum deans and rectors will provide perspectives on the academic and administrative impact of electronic commerce and technology on universities and colleges. These perspectives will be unique because they represent the views of those charged with the long-term success of their institutions, rectors and deans. The following provides some idea of the challenges that will be addressed by the panel.

**1. Academic Challenges**

The most significant academic challenge concerning the application of electronic commerce is distance education. While distance education is not new, the applications are increasing. Throughout the world, more and more institutions are using distance education for both degree and non-degree programs.

Certain universities and colleges, especially in Europe, have been in the forefront of the delivery of distance education for many years. Syllabi, papers, videotapes and other courseware were sent to students upon registration. In some instances, the students did come together to discuss the materials with a representative of the institution. Examinations were handled in a variety of ways.

The deliverers of such education became extremely knowledgeable about what works best in the classroom. For example, the lecture approach can be easily replaced using videotapes or television. Recently, satellites and video teleconferencing with call-in capabilities have enhanced this approach to allow viewers to participate more fully in the class.

In the past few years, the scenario for distance education has changed dramatically. The Internet and web-based technologies have allowed many organizations to enter the distance education market. These organizations range from traditional universities and colleges to new for-profit entrants.

The major advantage of such programs is allowing students the ability to learn at a location and pace that is more conducive to the time constraints of the student. Given the fast pace of business, such an advantage is significant. Also, these technologies have allowed traditional programs to shift their delivery approach. For example, several executive MBA programs now meet five or six times in two years

for periods of approximately two weeks. The remainder of the time the faculty and students communicate using web-based technologies.

However, while such programs offer significant promise, it is wise to think back to the advent of television. Many thought that television would have a major impact on the traditional approach to the delivery of higher education. Such a development has not occurred because of the limitations of that technology to facilitate student learning. It is important to understand that in the long run, the success of distance education using the Internet and web-based technologies will be determined by the abilities of these technologies to deliver student learning more effectively and efficiently than the traditional means.

While distance education will be a challenge, curriculum issues will also have to be addressed. The next century will see a remarkable transformation in the manner in which business and commerce are transacted. Electronic commerce will be an enabler of this transformation.

However, it is critical that organizations realize that electronic commerce is just an enabler. The business processes using the technologies are the means to a more effective and efficient organization. During the past thirty years, significant investments have been made in information technology without providing either the organization or the national economy the appropriate payoff. It should be pointed out that as connectivity increases, organizations and national economies are just starting to see increases in productivity.

Therefore, electronic commerce must play a similar role in the business school curriculum. Business processes should be analyzed first and then the students should develop the knowledge and skills to improve those processes utilizing information technology. The market for such individuals is significant as technology and consulting firms have a strong desire for individuals with such backgrounds.

To summarize, the challenges associated with the academic applications are as follows:

- The fit between distance education programs and the mission of the institution;
- The relationship of distance education offerings to other traditional programs;
- The extent to which distance education is employed in traditional programs;
- The niche markets to be served through distance education;
- The appropriate technologies to be employed;
- Partnerships or alliances to be pursued;
- The training and education of faculty to deliver such education;
- The assessment of the effectiveness and efficiency of distance education;

- Curriculum issues associated with electronic commerce.

## **2. Administrative Challenges**

Electronic commerce will play a more significant role in the administrative operations of the university. Universities have not necessarily been in the forefront of using technology to support internal operations. However, most universities are now realizing the importance of building strong administrative systems. For example, many universities and schools do have a common system to support the functions of admissions, financial aid, enrollment management, course scheduling, financial functions, and development activities. The use of a common system has allowed these institutions to increase their efficiency throughout the organization, a fact that many commercial organizations are now realizing. Others have adopted the best-of-breed approach and are willing to deal with multiple vendors and build integrating links.

While there is a growing awareness of the importance of administrative systems, higher education has not been in the forefront of using technology for the purpose of interacting with suppliers or students. During the past decade, some institutions did use the telephone to allow students to register electronically. This application met with mixed success as it also created significant bottlenecks and frustration at many schools.

During the next decade, this will change dramatically as the Internet and web-based technologies will allow registration, purchasing, and other administrative applications to be performed electronically. For example, registration systems using the World-Wide-Web will become prevalent allowing students to register online. In addition, students will be able to view their records such as transcripts, tuition statements and other pertinent information concerning their status. Payment and security issues still present problems to the implementation of such systems.

Academic units will also be allowed to purchase online. Several virtual malls have been developed to allow academic units in the sciences to purchase and pay electronically. Other academic disciplines will follow suit.

In summary, the following are the administrative challenges:

- Best-in-breed versus enterprise approaches to administrative systems implementation;
- Integration of best-in-breed systems;
- Implementation of enterprise-wide systems encompassing all administrative functions;
- Integration of instructional systems with enterprise-wide systems;

- Further development of electronic commerce systems for university suppliers of materials, supplies, and services;
- Administrative issues concerning the delivery of distance education;
- Development of alliances to support all of the above;
- Creation and further development of instructional management systems to facilitate the delivery of learning;
- Development of management and technology infrastructures to insure effective and efficient implementation;
- Implementation of such technologies into environments where significant organizational barriers exist;
- Security and payment systems.

### **3. Management Challenges**

While such shifts are occurring, a major issue confronting institutions is the management of this transition. Technology officers at universities and colleges will become major positions just as the Chief Information Officer (CIO) in industry. In addition, universities and colleges will see an increase in the technology component of their budgets. Such issues will have to be addressed in much the same way the private sector had to increase the amount of resources devoted to information technology.

Following the discussion of the above challenges, the panelists will respond to questions time permitting.