

Leading the University in a VUCA World:

**How eLearning Can Offer a Response to Change in
Higher Education**

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INTRODUCTION

This report details our University Leadership and Development (ULEAD) Team's exploration of leadership in higher education in a volatile, uncertain, complex, and ambiguous (VUCA) world, and describes how eLearning is both a response to the changing environment in higher education as well as a driver of change. In this report, we examine the concept of VUCA and consider its impact on higher education, as well as present recommendations to encourage the adoption of eLearning.

We chose to examine the VUCA forces' relationship to eLearning in higher education within the UNC System because we recognize the traditional educational model is no longer sustainable. We believe eLearning has great potential to usher in a sustainable educational model for the future. For almost 20 years, eLearning has been a disruptive innovation that has had a significant impact on the way institutes of higher education operate. Interestingly, eLearning has emerged as both a VUCA force that is inciting change, and a response to dealing with other VUCA forces. Our purpose is to encourage the use of eLearning to spur on a paradigm shift in higher education. We believe the positive aspects of VUCA forces will encourage meaningful change in higher education.

IT'S A VUCA WORLD

Throughout history, technological advancements have both improved and disrupted the ways in which we live and work. For example, the wheel, the printing press, the steam engine, the assembly line, the automobile, vaccinations, antibiotics, the personal computer, the World

Wide Web, mobile phones, and GPS are just a few of the many major technological advancements that have revolutionized the lives of millions of people in a short period of time. In the early 1990s, the acronym VUCA (volatility, uncertainty, complexity, and ambiguity) was coined at the US Army War College as a means to envision the world after the breakup of the Soviet Union, and to define and examine the conditions of excitement and grave concern that existed at that time (Lawrence, 2013).

Since its creation, the term VUCA has been used to describe various aspects of society. *Volatility* represents the frequent change that often creates instability and unpredictability. *Uncertainty* exists when there is a lack of knowledge about whether an event or condition will result in change. *Complexity* is present when there are elaborate and indirect networks of procedures and information that contain interconnected parts. And, *Ambiguity* is present when cause and effect relationships are not understood, when basic operating rules are unknown, or when there is no precedent for predicting what the organization can expect in the near future (Lawrence, 2013).

VUCA has been used to describe turbulence and unpredictability in the business world and in other aspects of society. Some stark examples of the presence and power of VUCA forces are the Y2K crisis, unstable financial and housing markets, and the cost and availability of fuel. And of course, there is no greater example of VUCA forces at work than the recent US presidential campaign and election.

VUCA can also be used to describe and envision change in higher education. Over the past millennium, VUCA forces have repeatedly and radically disrupted virtually every industry and sector except higher education, which has remained resistant to change and disruption since

the establishment of the form at the University of Bologna in Italy in 1088. Since its very founding, the predominant method of teaching and knowledge transfer in the university has been face-to-face instruction. Ironically, one of the major reasons for this resistance to change in higher education has been an almost complete lack of reliance upon technology (Stewart, Schatz & Khare, 2016). Despite this resistance, it is becoming increasingly more apparent that major forces have started to disrupt the way in which institutions of higher education operate in the 21st Century.

Some of the VUCA Forces currently acting upon Higher Education are: 1) Pressure from legislators, governing boards, and the public to broaden access to higher education, and to increase retention and graduation rates (UNC Board of Governor's, April 2016); 2) Shrinking state operating budgets and allocations for higher education; and 3) The relatively recent introduction of eLearning, or teaching that occurs outside of the traditional classroom using an electronic medium, typically the Internet, While eLearning is by no means a new innovation in higher education, there are still many who have not yet fully embraced and leveraged its capabilities (Christensen & Eyring, 2011)

VUCA forces can generate threatening conditions, or they can help create unique opportunities, depending on the way they are perceived and the degree to which they are embraced by those who are forced to confront them. Our team discovered that eLearning is both a cause of and a response to these and other disruptors in Higher Education.

CURRENT STATE OF HIGHER EDUCATION & eLEARNING

Today there are over 20 million students enrolled in institutes of higher learning in the United States. In 2014, over 5.8 million students took at least one distance learning course and nearly 3 million students exclusively took distance education courses (Seaman, Poulin & Straut, 2016). Currently, The University of North Carolina System (UNC System) has about 225,000 students. In the 2015-16 academic year, 46% of students took an online course, which is an increase from 39% in the prior year. Furthermore, in 2015-16, 22% of faculty members taught one or more online courses. (Straumsheim, 2016).

Moreover, many of the Universities in the UNC System have a long history of success with eLearning and offer degrees, certificates, and continuing education programs online and student interest in eLearning continues to grow. Recognizing a strategic need to increase the presence of online learning, the Office of the Provost established a Taskforce on Online Learning to Improve eLearning Access and Success at UNC-Chapel Hill in 2014. The Taskforce proposed many initiatives to increase the adoption of eLearning and some have already been successfully implemented, such as the establishment of the UNC Center Of Online Learning (UNC COOL) (University of North Carolina, 2014).

Even though eLearning has been and continues to be a growing trend, acceptance is not. In the 2016 Online Learning Report Card from the Babson Group, the authors indicated only 29% of Chief Academic Officers believe faculty accept eLearning and 32% believe faculty attitudes present a significant obstacle to the growth of eLearning (see Figure 2) (Seaman, Poulin & Straut, 2016).

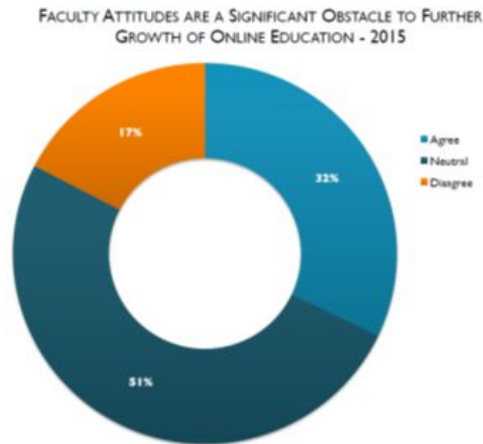


Figure 2: Faculty Attitudes on Online Education in the US, 2016 (Seaman, Poulin & Straut, 2016).

We believe faculty acceptance needs to grow in order to further advance eLearning to respond to VUCA forces. Although, there has already been significant adoption of eLearning among innovative faculty, resources must be offered to help nudge resistant and reluctant faculty toward adoption.

ADOPTION OF TECHNOLOGY

Everett Rogers described in his Diffusion of Innovations Theory how change is adopted by members of society with varying levels of enthusiasm and confidence at different rates (Rogers, 2003). Rogers’ theory can be used as a lense to examine the adoption of eLearning in higher education. Foremost, faculty members can be categorized according to their propensity to embrace or employ eLearning , their innovativeness, and their self efficacy in using eLearning.

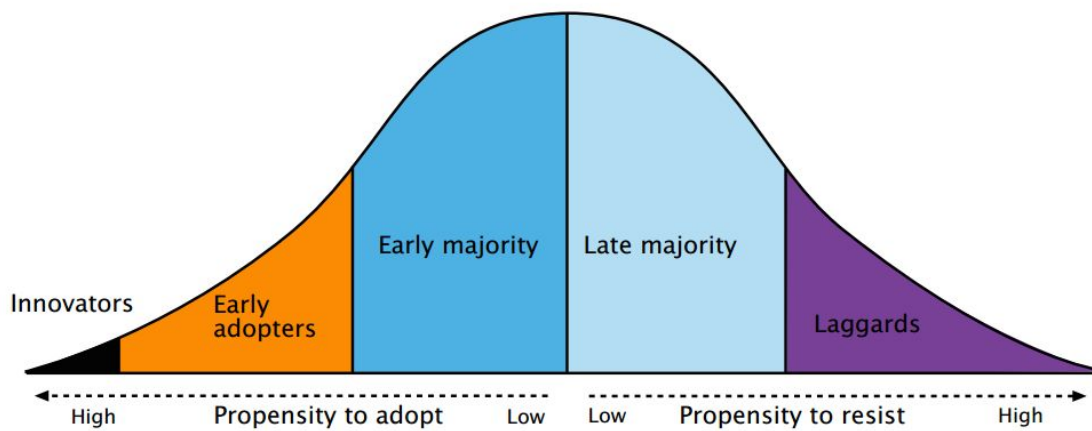


Figure 1 from Everett M. Rogers Diffusion of Innovations (Rogers, 2003).

Rogers' theory describes five adopter categories: Innovators, Early Adopters, Early Majority, Late Majority and Laggards. These categories are based on abstractions from his empirical investigations. Innovators are individuals who are willing to try untested and new technologies and ideas, such as eLearning. Just behind the innovators are early adopters who are considered "first movers". This group sees the value in innovation and joins the innovators in adopting technology in its early stages. As a group, early adopters provide the validation of the innovation and serve as a bridge between the risk taking innovators and the more conservative majority who are slower to adopt innovations (Rogers, 2003).

Individuals who are in the early majority have the propensity to adopt innovations. However, these individuals do not adopt innovations immediately but rather, join the innovators and early adopters in using an innovation once they reach a level of comfort with the idea. Individuals in the early majority, often gather information from the early adopters and consider

potential benefits and risks before making a decision to adopt an innovation. In contrast, those in the late majority are resistant to adopting innovations. They require a recognized innovation that has proven worthy of adoption before they will consider an innovation. Individuals in the Late Majority are often convinced and pulled along by the Early Majority. Finally, Laggards are skeptical of innovation. They tend to view the world from the past and see no need to veer from the *status quo*. Laggards will adopt technology when it is required or has proven economic benefits (Rogers, 2003).

An effective way to encourage eLearning adoption among those in the early majority is to offer incentives. Several ways to encourage the early majority include: 1) offering giveaways or competitions to stimulate interest, 2) using mainstream advertising and media stories to promote eLearning, featuring endorsements from credible, respected and similar individuals; 3) lowering the entry cost and guaranteeing performance, 4) redesigning courses and programs to maximize ease and simplicity, and 5) providing strong customer service and support (Rogers, 2003).

Moreover, instructors who are in the late majority category are likely conservative pragmatists who are risk averse and are uncomfortable with new ideas. They are likely driven by the fear of not fitting in and therefore, will follow mainstream fashions and established standards. Several ways to encourage adoption among the late majority include: 1) Focusing on promoting social norms rather than just producing benefits; 2) Refining the product to increase convenience and reduce costs; and 3) Emphasizing the risks of being left behind. (Rogers, 2003).

VUCA PRIME

While examples of VUCA are found throughout different sectors and industries, strategies for how to lead in the face of these forces are harder to find. There are skills and effective responses available to help leaders identify and seize opportunities that are often hidden in the VUCA environment. These are captured by the VUCA Prime model. The VUCA Prime model builds on the knowledge, skills and abilities that leaders possess by providing a framework for reacting and leading in a VUCA world (Lawrence, 2013).

Foremost, the model encourages the leaders to have *vision* -- to accurately imagine the future which is critical during **volatile** and turbulent times. Leaders should also be encouraged to cultivate their ability to *understand* the environment beyond the boundaries of their expertise to properly discern, decipher, and positively leverage **uncertain** and changing conditions. Furthermore, achieving *clarity* allows leaders to elicit and acquire useful information to be used to manage the **complex** environment. *Agility* encourages leaders to communicate swiftly and effectively across organizations to make decisions and changes when faced with **ambiguity**. Ultimately, *Vision, Understanding, Clarity,* and *Agility* are both intertwined and synergistic tools to help leaders leverage opportunities in the **volatile, uncertain, complex, and ambiguous** environment (Lawrence, 2013).

RECOMMENDATIONS

We recommend the adoption of a comprehensive change management plan which leverages a behavior change model, the 4 P's of behavior change, created by Zoe Chance and Ravi Dhar at Yale, to target early and late eLearning adopters who we estimate comprise about 60% of the faculty in the UNC System. The model, which is grounded in behavioral economics theory, uses four elements to encourage change: process, persuasion, possibilities, and person (Chance & Dhar, 2016).



Figure 3: The 4Ps Framework for Behavior Change at Google (Chance & Dhar, 2016).

Using the 4Ps model, we recommend employing four strategies to encourage faculty adoption and acceptance: 1) develop an instructional incubator, 2) use incentives to encourage

eLearning adoption, 3) develop champions to serve as change agents and 4) create an organization to facilitate communication. First, we propose making the eLearning process appealing to reluctant faculty. Primarily, we will work to make it convenient for faculty to teach online courses. To accomplish this, we will connect faculty with partners such as the Center for Faculty Excellence, North Carolina Central University's Center for Online Learning, and the UNC Center of Online Learning (UNC COOL) to aid in the creation of online courses.

Moreover, the key component of our recommendation is to focus on adapting an existing program, i3@UNC, to encourage online teaching among instructors who are resistant to developing and teaching eLearning courses. The current instructional innovation incubator program or i3@UNC, was developed by the University of North Carolina General Administration to train instructors at the seventeen UNC institutions how to develop and teach highly effective online courses. The program uses evidence-based pedagogy coupled with an incubator approach to engage instructors in a week-long fellowship program. During the program, instructors learn techniques to design and enhance the eLearning experience and have the opportunity to apply the information gleaned from the training to create their own online course. The instructors who currently participate in the program are both eager to learn how to teach online and to develop online courses. It is estimated about 20% of UNC system instructors are eager to learn how to teach online and to develop online courses. The remaining 80% are not as interested, with 20% being highly resistant to online learning (personal communication, Matthew Rascoff, October 20, 2016; Rachel Lillis, September 30, 2016). Furthermore, we would encourage the practice for all new classes being offered to be delivered in an online format as a default.

We recommend a persuasive communication strategy to encourage faculty to adopt eLearning. One way is to frame communications to faculty as a loss or a gain. For example, we will use comparisons to other universities who have been successful at widespread adoption of eLearning. Additionally, messages should be communicated by peer champions who serve as change agents at a time and place where faculty will most likely be receptive to the message with vivid language to elicit an emotional response. Change agents will encourage resisters by setting an example for those reluctant individuals in the department. Communication can be framed by Champions to convey how eLearning can address pervasive concerns in Higher Education. For example, as costs continue to rise, and tuition increases are capped, along with state funding cuts, a bottleneck will likely occur. eLearning can serve as a solution because it can increase the number of students being served, has lower administrative costs and provides an additional revenue stream.

Most importantly, we recommend focusing on meeting the needs of the faculty member - the person using incentives. Recognizing small wins will help advance eLearning adoption and initiatives as well as the achievement of individual goals. This may be accomplished by establishing a teaching innovation award to reward experimentation and new methods in teaching. This award would be most impactful if it targeted individuals who initially expressed resistance to eLearning, but who eventually achieved success and became enthusiastic about online teaching. This award could be given in conjunction with a monetary reward.

Additionally, to encourage faculty to move toward online courses, schools and departments may establish a system where faculty are expected to teach online by incorporating eLearning into the tenure or bonus model. Incorporating these suggestions creates endless

possibilities and moves the eLearning initiative forward.

Finally, we recommend a Communication Consortium to facilitate the sharing of ideas between faculty, which is key for adoption. Communication should include discussing the possibilities eLearning can provide that face to face learning cannot. For example, online learning can increase access for students, which in turn allows for a more diverse student body.

Instructors who recognize the benefit of online learning can be further motivated through rewards such as preferred times to teach online or hybrid courses or the ability to teach specific, in-demand courses. Additionally, instructors could be given the option of team teaching courses to share the workload and enhance the coverage of materials. Moreover, faculty can be shown how eLearning courses are structured differently than in-person courses and may in turn allow for more time to focus on research or other desirable activities, after the majority of the work constructing an online course has been completed. Once a course is built, it will only require modest yearly updates of content to keep the material current.

In addition, communication of best practices and benefits of eLearning amongst faculty is essential to establish rapport, to connect individuals, and to demonstrate what is possible. To accomplish this, we recommend leveraging the Peer Champion Faculty who already teach using online methods across the UNC System. Through this model, more experienced individuals in the group can help junior or less enthusiastic instructors to recognize the possibilities with eLearning and will continue to reinforce universal adoption of eLearning options across their schools and our UNC System.

CONCLUSION

As part of the ULEAD program, we were asked to take on a team project, to apply our leadership skills and to forge partnerships for the purpose of improving the UNC System. Through this project we discovered the current higher education model is unsustainable. Notably, rising costs, capped tuition, and system-wide budget cuts are causing significant challenges for campuses throughout the UNC System. Moreover, we discovered that eLearning is both contributing to Volatility, Uncertainty, Complexity, and Ambiguity in higher education primarily through faculty resistance and is also impacted by external VUCA forces including pressure to broaden access to higher education, as well as to increase retention and graduation rates while keeping costs and tuition down.

We used the leadership response of VUCA prime (Vision, Understanding, Clarity, and Agility) to find a behavioral economics model, the 4 P's (Process, Persuasion, Possibilities and the Person) to encourage change from this current unsustainable state and provide the 'nudge' to faculty members in the majority who may still be resistant to adopting eLearning. To encourage this paradigm shift we suggest: the following: 1) Scaling online course development; 2) Leveraging the expertise of Peer Champions; 3) Facilitating Communication through a consortium; 4) Incentives like a teaching innovation award.

The time to implement our recommendations is now. If North Carolina wants to remain a leader in the field of higher education, the UNC System must embrace strategies that will facilitate innovation and will encourage leadership in this VUCA world.

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