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REPORT 06

Competitor Analysis:
Interactive University

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Editor's Introduction[*]

The setting-up and early development of UKeU occurred at a time when the unitary nature of higher education policy in the UK was breaking up into its four "home nation" components, and new UK-wide initiatives were becoming harder to bring about. Thus although the *structure* of the "UK e-University" was fully UK-wide, including membership of the Holding Company by nearly every UK HEI, the public *funding* of UKeU came overwhelmingly from England (via HEFCE).

This dichotomy seems to have affected some of the earlier analytic work. In particular when HEFCE set up and funded in summer 2001 the "Impact of the Internet" studies (competitor analysis in all but name) there seems to have been an ambivalence about whether Scotland was a "competitor" or not (Scotland is not mentioned in the Invitation to Tender). Yet in 2000 the Scots already had an e-University, Scottish Knowledge; in fact it was set up in August 1997. Scottish Knowledge had been mentioned in passing in the market research report done in summer 2000 by John Fielden's team and looked at briefly in January 2001 in one of the second phase of technical studies. (See Chapters 3, 4 and 22 of the e-University Compendium for the details.)

In late 2001 Scottish Knowledge came "on radar" again when the Interim Management Team were considering its purchase. But UKeU in the end decided not to go ahead. As noted in the Select Committee Report on the e-University:[†]

> ***Mr Beaumont:*** The interim team, including HEFCE, were looking at an acquisition of Scottish knowledge for £12 million, and we put a stop to that within first month of the two of us being there.

Scottish Knowledge continued to operate in some form until late 2002, when it closed. It seems that many in England then assumed that Scotland's experiment with e-universities was over.

Yet in October 2002, before Scottish Knowledge closed, Heriot-Watt University with help from Scottish Enterprise had jointly set up the Interactive University.[‡] Despite this launch getting considerable coverage (and not only in the Scottish press – see Appendix B for details), it seems not to have entered the minds of English e-learning planners to any great extent – who might have been forgiven for assuming that it was just another of the single-HEI "Virtual Campus" operations still prevalent at the time.

However, in summer 2003, when UKeU set up its "official" competitor analysis function, a Scottish e-university was definitely seen by it as, if not as a competitor, then certainly as a distracter – not only for potential students overseas and in terms of the "full UK-ness" of the UKeU brand, but for the attention of Scottish HEIs, with whom by that time UKeU was beginning to negotiate deals. (Contracts had already been

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[*] By Paul Bacsich.

[†] The Education and Skills Select Committee of the House of Commons of the United Kingdom Parliament produced a comprehensive 153-page report, "The UK e-University" on 3 March 2005, available at http://www.publications.parliament.uk/pa/cm200405/cmselect/cmeduski/205/205.pdf.

[‡] Interactive University is a company limited by guarantee, just like e Learning Holding Company (see Report 11 for more on this). Heriot-Watt University and Scottish Enterprise were founding members.

signed with e-university type Virtual Campus operations in Wales and Northern Ireland.)

Thus the Interactive University was put on the analysts' list and a document produced, which forms the main body of this report. Though the report here is dated as late as January 2004, drafts of it circulated in UKeU for some months previously and were drawn on for various comparison tables produced to inform tactics.

The Classification Scheme

The structure of this report follows the standard classification scheme used within UKeU for analysis of competitor providers. (See also Report 08 on Phoenix.)

1) Brand and general company data

2) Offerings and prices (including other services than courses)

3) Buy-in e.g. partners, government support, accreditation

4) Business model

5) Client demographic (including foreign language issues)

6) Route to market (marketing strategy)

7) techno-pedagogy (including offline services)

8) Content and related issues

9) Technical issues.

Note on Provenance

Versions of this report were in wide circulation at UKeU from late 2003 through the early part of 2004; the final version was stored on the Sales and Marketing area on the UKeU electronic archive.

Production Note

There were no report-specific issues other than the need to add Appendix B to the document (this was retrieved from the archive) and reorganise the lists in Appendix B.

As usual, the footnotes from the author have been transformed into endnotes.

Acknowledgements

Thanks are due to Roy Leitch, CEO of IU, for reading over an earlier draft of this report.

The Historical Context and Recent News

Historical Context

The Interactive University has now been in operation for nearly three years, about as long as UKeU was in existence. Indeed, if one includes the era of Scottish Knowledge (and it would be a matter of debate even among experts the extent to which know-how and material crossed the boundary between the two regimes), there would have been some continuity of operation for nearly eight years since summer 1997. This should mean that the cumulative experience built up is valuable to many in the sector.

It is hoped that in the not too distant future some information from the UKeU archives on Scottish Knowledge can be published. In the meantime, there is a succinct but useful summary of that entity in a paper presented to the Enterprise and Lifelong Learning Committee of the Scottish Parliament on 13 September 2000 (Agenda Item 2, paper EL/00/19/2, http://www.scottish.parliament.uk/business/committees/historic/x-enterprise/papers-00/elp00-19.pdf). Among other items of interest it notes that:

- Scottish Knowledge[*] began operating on 1st August 1997

- An initial capital base of £2.25 million was made up of £1.95 million from investors and £0.3 million from the then 13 Scottish universities

- A second round of funding of £3.5 million was raised in March 2000

- By September 2000 over £3 million had been committed to the development of "over 30 postgraduate, undergraduate and vocational courses into online, web-based programmes".

These figures are interesting to compare with UKeU figures.

Recent News on Interactive University

Since this report was first written (in January 2004), the Interactive University has continued to grow and thrive. Footnotes (from the Editor) provide brief details of the main updates and some additional information on other issues in the report.

The original document now follows, starting on the next page.

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[*] The full name of the company was Scottish Knowledge Public Limited Company (company number SC175063).

1. Brand and General Company Data

The Interactive University (IU) was established as a private, not-for-profit company (limited by guarantee) in October 2002. It represents a joint initiative between Heriot-Watt University and Scottish Enterprise, Scotland's national economic development agency.[*] IU offers courses ranging from Scottish Highers preparation to full post-graduate degrees; 45,000 students are presently served by its Highers-focused SCHOLAR[1] programme, which has achieved full penetration across secondary education in Scotland. The recent[†] SARS outbreak gave IU an opportunity to expand briefly into the Hong Kong secondary school system as well.

IU offers Scottish undergraduate, masters and MBA degrees to students at partner institutions worldwide (described in more detail below), but it seems unlikely that HE enrolment totals more than a few thousand students.[‡] IU has rather built its reputation on the success of its SCHOLAR programme, which has subsequently set the stage for its launch into the global HE market.

Like UKeU, the Interactive University partners with UK (in this case, Scottish) Universities to generate courses to be offered online. Rather than target individual students worldwide with fully online offerings once these courses are developed, however, IU emphasises the use of overseas partner universities for recruitment and supplementary face-to-face education. An IU student always develops a relationship with IU's overseas partner and participates in various forms of "traditional" classroom-based schooling to supplement IU's online and printed materials.

It is important to note that the Interactive University was born as Scottish Knowledge collapsed – at the time, some described this (politely) as a merger between the two, while others reported that Heriot-Watt had absorbed Scottish Knowledge and rebranded it as the Interactive University.[§] IU did inherit some intellectual property from Scottish Knowledge, but it is now known that Scottish Knowledge entered a full "members' voluntary liquidation", with backers receiving some 70p for every pound invested.[**] At the time, Scottish Knowledge sources blamed the company's closure on rivalry from the very Scottish Universities with which it had partnered, whose independent efforts (they claimed) had driven them out of the market.

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[*] The company's full name is The Interactive University (company number SC236686), incorporated on 11 September 2002 as a private company limited by guarantee. Information in several places on the Web indicates that the company is 50% owned by each of the two founding members. The company should not be confused with Interactive University Press, a dormant private limited company wholly owned by Heriot-Watt University.

[†] At the time of writing the original report.

[‡] The Heriot-Watt University Strategic Planning Documents for June 2004 (http://www.hw.ac.uk/reference/stratplan.pdf) report that the undergraduate business and management programmes have around 1,400 registered students. Yet indications to the casual reader from press and other comment (e.g. from ScotFEICT) in later 2004 report that there are "currently more than 10,000 students". The difference appears to be caused by the Heriot-Watt distance learning MBA programme – *not part of IU*, yet a useful brand enhancer to IU – which has around 8,500 registered students, in many more countries.

[§] IU state that it was IU not Heriot-Watt that bought over some aspects of Scottish Knowledge.

[**] This took place on 29 November 2002. The company was finally dissolved on 30 December 2004.

The Interactive University's emphasis on the face-to-face component of education is a primary differentiator between its efforts and those of Scottish Knowledge. This was stated explicitly upon the launch of IU, via the release of statements confirming that IU would "improve on Scottish Knowledge by working with local institutions so that students can use nearby facilities"; and that "people need teachers for a rich educational experience".[2] This difference and many others make it clear that today's Interactive University has very little in common with what was once Scottish Knowledge.

IU has 50 employees, with offices in Edinburgh, Singapore and Dubai. Its headquarters at Edinburgh Park,[*] Scotland's largest business park, are sublet from Fujitsu; its Singapore office is within a recently-opened Scottish Development International (SDI) "incubator" for Scottish business in Asia. IU seeks to establish a leading international education business; to be a Centre of Excellence for the Scottish Sector;[†] and to offer development opportunities and services for Scottish universities.[3]

2. Offerings and Prices (Including Other Services e.g. Admissions, Online Library etc)

2.1 Course Offerings

The Interactive University offers two distinct online products, with different target markets.

The first is SCHOLAR, which was launched by Heriot-Watt in 2000, 2 years before the formation of IU. Scottish Knowledge initially marketed SCHOLAR internationally; the Interactive University now manages all SCHOLAR publication and distribution on behalf of Heriot-Watt University.

- SCHOLAR is purportedly the largest online learning programme in the world, with over 45,000 registered students,[4] 3,900 tutors and more than 10,000 hours of online content (across 23 courses).[‡] SCHOLAR is based on a concept of "supported e-learning, designed to strengthen links between the pupil and teacher". SCHOLAR includes a Staff Development Programme.

- SCHOLAR provides online support for students taking Scottish Advanced Higher, Higher, Higher National Certificate and Heriot-Watt first level courses. All local Scottish authorities are members, and 95% of Scottish schools use SCHOLAR materials. Schools register through their LEAs, while

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[*] The registered office is in Glasgow.

[†] The HW Strategic Plan describes IU as "a national centre of excellence in elearning that is playing a leading role in Scottish efforts to accelerate development and marketing of distance and e-learning materials in order to take a significant part in global e-education and develop new income streams". This is an interesting difference from current English emphases.

[‡] More recent press figures indicate around 60,000, but SCHOLAR claim "over 45,000". See later for more on this issue. There have been recent SCHOLAR pilots in Northern Ireland and in India. For current details on SCHOLAR see
http://www.interactiveuniversity.net/about/programmes/SCHOLAR.htm.

ten FE colleges have joined as members. SCHOLAR International works with overseas partners; more detail below.

- Learning materials have been developed in Mathematics, Physics, Chemistry, Biology, Computing and French, with more courses (and foreign languages in particular) in development. SCHOLAR interactive online materials are meant to complement printed texts.

Secondly, the Interactive University presently offers several other courses, from foundation to MBA level. Most were developed by Heriot-Watt University, which acts as IU's "parent company" in most respects;* IU has absorbed staff from around the university who were developing and managing said courses prior to IU's involvement. Courses now available are from Heriot-Watt and Stirling Universities, and comprise one Foundation course, six Bachelors, one Masters, and one MBA as follows:

- The Heriot-Watt Business Foundation course, which provides an entry route to the Heriot-Watt Management Programme.

- The Heriot-Watt Management Programme, which currently has roughly 1,000 students in more than 35 countries. Students select from 5 degree pathways:

    o Bachelor of Business Administration;

    o Bachelor of Arts in Business and Accounting;

    o Bachelor of Arts in Business and Finance;

    o Bachelor of Arts in Financial Management and Accounting; and

    o Bachelor of Arts in Management.

- The Heriot-Watt BSc in Information Technology.

- The Heriot-Watt MSc in Information Technology.

- The University of Stirling MBA in Entrepreneurship.

2.2   Other Offerings

The official division of labour between the Interactive University and its overseas partners is described in various places as follows:

> IU provides course materials while the overseas university provides tutoring, IT facilities and face-to-face recruitment.

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* While there may be some substance to this appearance, the legal reality is that IU has a separate existence, even if Heriot-Watt is one of the two founding members. It is not clear how the revenues from IU are split between the founding members, but HW does gain substantial revenue from IU as the HW Strategic Plan makes clear.

IU's web site[5] advertises that IU will convert Scottish university courses into online and print formats, then deliver them globally. In fact, it seems that most, if not all, courses available at present were completed prior to the birth of the Interactive University. Further development of course materials would presumably be undertaken by the same Heriot-Watt teams who have worked on the SCHOLAR materials (some of whom are now part of the IU).

2.3   Prices

Courses are priced on a sliding scale, and specifics are not widely available. However, it was reported in July 2003 that Iranian students would be paying £1,600 each for year-long business courses. This confirms early reports that IU would seek to charge most overseas students some £1,500 annually.

3.   'Buy-in' e.g. Partners, Government Support, Accreditation

3.1   Heriot-Watt and SCHOLAR

The Interactive University's immediate success after only a year in existence seems heavily reliant on Heriot-Watt's earlier prowess in the distance learning market. By the time IU was announced, Heriot-Watt was already delivering programmes to more than 10,000 students in 25 countries.[6] IU has recently moved its headquarters to a prestigious Edinburgh business park, but it was initially housed at Heriot-Watt itself.

The SCHOLAR programme was also well underway before IU's creation. Launched in 2000, it received £700,000 from the Scottish Executive in 2001.

3.2   Scottish Enterprise

Support from Scottish Enterprise has been critical to IU's entrance into the e-learning market. Scottish Enterprise has contributed £2.3 million to the IU's creation, and considers IU to be its "first Global Companies Development Programme higher education pilot".[7] Scottish Enterprise has fostered IU's relationship with Scottish Development International (SDI) as well.

3.3   Scottish Knowledge

The only non-Heriot-Watt degree offered by IU, the MBA from Stirling University, was inherited directly from Scottish Knowledge. This demonstrates one way in which IU has been able to own Scottish Knowledge's successes while disowning its failures.

3.4   Scottish Universities

Although all Scottish universities are said[*] to be members of the Interactive University, there is no evidence of new course development with the majority of the partners.[†]

3.5   Commercial Partnerships

There is no evidence that IU participates in any commercial partnerships, nor that it has maintained any of the early relationships established by Scottish Knowledge (e.g. with News International or Shell). However, IU has established an informal relationship with Microsoft via the *globalscot* network, an "international business network for making Scottish connections globally".[8‡]

3.6   Accreditation

IU does not award degrees directly, but rather relies on its Scottish partner institutions.

4.   Business Model

Early in 2003, Interactive University's CEO Roy Leitch stated that Scottish Knowledge's business model was fundamentally flawed:

> It was built in the dot.com days when you would put stuff up on the website and people would come and buy it… There is not a real demand for a degree qualification from the web – completely virtual learning. People need teachers. The basic model was not appropriate.[9]

IU has thus sought out partners willing to provide face-to-face tutorial support from the start. As stated above, in a typical IU arrangement, IU provides course materials while the overseas university provides tutoring, IT facilities and face-to-face recruitment. The IU business model enables up to 50% of the revenue generated by student fees to remain with the local learning partner.[10]

For example, in IU's recently-announced partnership with the Nanyang Institute of Management, in which more than 1,500 Singaporean students are expected to enrol in

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[*] It is not clear by whom it is said; and the Heriot-Watt Freedom of Information documents indicate that Heriot-Watt has "50% ownership" of IU (see http://www.hw.ac.uk/foi/publication.pdf) – thus any further member would be in a minority position given that Scottish Enterprise is also a member. As with UKeU, a "member" (in that case of UKeU it would be a member of e Learning) is quite different from and unrelated to being an "academic partner".

[†] However, note that the current list of academic partners also includes the Central College of Commerce in Glasgow. (See http://www.interactiveuniversity.net/partners/academic.htm.)

[‡] IU is also a member of the eLearning Alliance (http://www.elearningalliance.org), which has several of the more commercially e-learning aware Scottish universities and colleges as members. Note in passing that in an interesting development, the Alliance puts its Memorandum and Articles of Association online (see http://www.elearningalliance.org/members/memorandum_of_association.pdf and http://www.elearningalliance.org/members/articles_of_association.pdf). Avid readers of Report 11 will find this interesting; others may not.

IU courses over the next 3 years, IU will share half the revenues (which may total £6 million). The remainder goes to Nanyang, which will provide local tuition and teaching support.[11] No details of future financial arrangements between the IU and Scottish universities interested in developing new courses have been made public.

5.   Client Demographic (Including Foreign Language Issues)

5.1   Demographic Overview

IU's success to date relies primarily on its SCHOLAR courses, now offered by every secondary school in Scotland. SCHOLAR's immediate success at home led to the creation of SCHOLAR International, targeting students overseas. SCHOLAR has been used by the Open University of Malaysia (UNITEM) to deliver materials and services to at least 2,000 teachers; and by Agder University College in Norway, where maths courses have been translated into Norwegian. (Courses for the OCR A level syllabus have also been prepared for delivery through partners in England.)

SCHOLAR figures aside, it is quite difficult to pinpoint the precise number of HE-level students studying with the Interactive University. IU's only explicit acknowledgement of non-SCHOLAR programme student numbers is in its Heriot-Watt *Management Programme* brochure, which refers to "around 1,000 students in more than 35 countries". Thus it seems clear that most IU students are in fact SCHOLAR students. However, IU possesses the *potential* to explode into the HE sector at any point, given its growing reputation for excellence in e-learning worldwide – as is evidenced by its recent penetration into the Singapore market.

Although IU has not released the following in press releases itself, these other IU partnerships were reported by *The Scotsman* in July 2003 as follows:

1. SCOTLAND'S Interactive University (IU), one of the largest e-learning facilities in the world, has continued its expansion by signing a major deal in China. The contract to supply business courses to the Long Way College in Harbing and three similar deals, agreed in principle, with universities in Beijing, Nanjing and Shanghai, will be worth more than £5 million a year to the Edinburgh-based company. IU's chief executive, Roy Leitch, who will be addressing delegates in Edinburgh today at the world's first Elearn China conference, said that within two or three months IU will also sign a contract to supply all of its degree courses to one of China's largest universities in Weifang. The one-year courses are targeted at students looking to enter international tertiary education. The overseas university provides tutoring, IT facilities and face-to-face recruitment.[12]

2. Interactive University (IU), the Edinburgh-based e-learning firm, has expanded into Iran after signing a contract with an education centre in Tehran to supply business courses. It is expected the programme, written by Heriot-Watt University and developed by IU, will generate revenues of up to £400,000 within three years. The one-year course will enable students in Iran to develop a range of business and management disciplines through self-study, individual or class tuition. Revenue is generated by the student paying a £1,600 fee, which is then split between the IU and the International Creative and Education Centre in Tehran, which provides tutoring, IT facilities and undertakes the initial face -to-face recruitment.[13]

The press has also made reference to partnerships with the Syrian Virtual University[*] and Hong Kong Polytechnic University.[†] However, the contract with Nanyang is the only one that the Interactive University itself has announced as of December 2003; and no further information has been made available in any medium regarding the contracts discussed above.[‡]

Considering that IU makes it known that it has partners in 40 countries, one has to wonder why a partner list is not more readily available.[§]

5.2   Scholar Student Numbers

Determining precisely how many students are enrolled in IU's SCHOLAR programme is difficult, as recent reports vary from 45,000 to 90,000. The IU web site declared 45,000 as of December 2003, but throughout the Autumn of 2003 (e.g. in October press releases re IU's recent Singapore deal), 90,000 was the figure most commonly quoted. A January 2003 presentation on SCHOLAR by CEO Roy Leitch broke down student numbers as follows:[14]

- Scotland – National Programme (44,000)

- England and Wales – London Pilot (50,000)

- Norway – Converted to Norwegian (5,000)

- Malaysia – Matriculation Colleges (22,000)

- Malaysia – Teacher Updating (7,500).

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[*] The Syrian Virtual University does not list IU as a "potential partner", although some UK universities are listed, including Ulster and Robert Gordon who are strong in distance e-learning. See http://www.svuonline.org/sy/eng/partners/list.asp.

[†] Confirmed – see http://www.interactiveuniversity.net/partners/local_learning_partners_china.htm.

[‡] The earlier deal with China has been followed up by a strategic partnership signed with the China Ministry of Education via FCCSC (the Foundation College of the China Scholarship Council) in April 2005. As reported in http://www.pressbox.co.uk/Detailed/27276.html and on university Web sites,

> IU, which currently hosts 50,000 students worldwide, will deliver undergraduate programmes from September 2006, from a consortium of Scottish Universities including Heriot-Watt, Robert Gordon, Dundee, Stirling and Napier. The University of Strathclyde is also likely to join this first phase roll out. It is expected over the next five years that more Scottish Universities and Higher Education Institutions will be enrolled in further phases to deliver a wider portfolio of programmes.

> FCCSC has agreed to introduce five new Chinese universities to the programme each year for the next three years, and to co-ordinate training, staff development and induction events, as well as hosting the intensive 'vacation schools' delivered by staff of the Scottish Universities.

[§] Now readers can check http://www.interactiveuniversity.net/partners/local_learning_partners.htm for a list of local learning partners. This tells us that there are local learning partners in China, Iran, Jamaica, Kuwait, Malaysia, Mauritius, Papua New Guinea, Philippines, Singapore, Trinidad, United Arab Emirates, Zambia – and the foreign country of England! This is well worth comparing with the UKeU list of local learning partners (see Report 01). There is also a clickable map at http://www.interactiveuniversity.net/about/map.htm.

We might assume that only Scotland's national programme is operational at present, given the apparent reduction to only 45,000 students.

Note that in May 2003, SCHOLAR's student numbers increased by 30,000 during the SARS outbreak in Asia. IU established contact with the Hong Kong authorities though its local partner, the Hong Kong Polytechnic University, and agreed to offer its SCHOLAR courses to Hong Kong schools between May and August 2003. This seems to have offered IU a valuable opportunity to establish itself in the region.

6.   Route to Market (Marketing Strategy)

In its HE-focused activities, IU does not sell courses directly to individuals seeking online degrees, but rather depends upon partner institutions to attract and manage student bodies at the local level. IU's marketing materials therefore target universities[*] (Scottish and overseas) rather than individuals.

For example, potential overseas partners are encouraged to fill in an online expression of interest in the IU. IU will then review the university's facilities, finances and marketing plans, and help to create a local business plan. The overseas institution then fills in "Approval Support Centre" forms for each course offered by a Scottish University; the Scottish University reviews these forms for Quality Assurance purposes and may visit the overseas institution. Finally, IU assesses and trains its overseas tutors.

The IU web site advertises to Scottish universities as follows:

> We can increase your number of students by distributing your material to developing countries. This will provide you with an additional source of income... Firstly, we convert your courses into online interactive and print formats. Then with our established links to many local learning partners around the world we can deliver your courses to students globally.

The IU web site advertises to foreign universities as follows:

> We can increase the number of courses you can offer your local students by supplying a number of different courses from a variety of Scottish Universities and Colleges. We convert your courses into online and print formats,[15] then we deliver your courses globally.

The IU web site advertises to prospective IU students as follows:

> We can give you access to an accredited Scottish qualification without having to move from your home country. We distribute the materials through Local Learning Partners, in your local area.

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[*] To be accurate, many local learning partners are colleges (often commercial ones) not universities. This is the operational reality. There is some overlap of the IU list with the list of overseas partners of UKeU – again to those in the business, this is hardly surprising.

7.   Offline Services and Techno-Pedagogy

7.1   Offline Services

The SCHOLAR programmes have an online core complemented by consistent printed texts.[*]

IU courses are advertised as offering "online support, high quality printed materials and local tutors". Students may attend several face-to-face sessions per term, depending on the course. The MSc in Information Technology offered by Heriot-Watt, for example, is described as a "distinctive blend of traditional and modern teaching and learning methods". Students are offered "summer school" modules and have access to computer laboratories, student support services (e.g. career planning), and local support centres with tutorial materials.

IU's COO David Farquar was recently quoted as saying, "Many of our students study in a mixed mode – that is both through supported distributed learning in their home country and coming to Scotland for a few months of study".[16] In all literature analysed for this study, this is the only reference to such a learning model.[†]

7.2   Techno-Pedagogy

It is difficult to obtain much detail about the online learning environment in use by Interactive University courses. SCHOLAR does have some form of VLE accessible through a standard browser, described as possessing interactive learning materials e.g. simulations, an activity reporting system, (regional) student discussions areas and (regional) teacher discussion areas.

CUE is the assessment system at the heart of SCHOLAR. CUE was developed by the Computer Aided Learning in Mathematics (CALM) Group of the Department of Mathematics at Heriot-Watt University. It allows use of numerical expressions, mathematical formulae, word and phrase matching, and the scoring of partial credit; and has had extensive use inside Heriot-Watt University with science and engineering undergraduates.[‡]

8.   Content and Related Issues

SCHOLAR is considered to be primarily a content-focused initiative, supplemented by discussion groups and online assessment. SCHOLAR content has been developed by staff members across Heriot-Watt University departments i.e. Learning Technology, Biology, Chemistry, Computing, French, Mathematics, Physics, Engineering,

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[*] This is rather similar to many other university suppliers of e-learning. Scholar claims that "more than 10,000 hours of online content [has been] specially written for more than 20 different courses".

[†] Possibly this is a reference to some students who start a course in online mode and then transfer to face to face. Such things happen in other distance learning programmes.

[‡] For more detail on CUE, CALM and their history see http://www.calm.hw.ac.uk.

Media Services and Printing. The SCHOLAR web site features a page of Acknowledgements, prefaced as follows:

> The SCHOLAR programme has been created by a team of planners, educational designers, subject specialists, learning technologists, graphics artists, publishers, printers and administrators. [17]

SCHOLAR is still expanding, drawing on resources such as Heriot-Watt's involvement in the Advanced Long-Distance Language Education System (ALLES), an RTD project funded by the European Commission under the IST Programme (IST-2001-342461).[18]

If new IU courses are requisitioned, it seems likely that the Heriot-Watt staff members who developed SCHOLAR (some of whom are now IU staff members) will be called upon to generate any necessary online/ print materials.

9.   Technical Issues (Where Relevant)

A document entitled 'Technical Requirements for Heriot-Watt University SCHOLAR On-line Learning Materials', updated in June 2003, is available online at http://scholar.hw.ac.uk/heriotwatt/scholar2003/menu/gettingstarted/HWU-SCHOLAR-tech-req-Jun-03.pdf. The document does not raise any issues of particular interest.[*]

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[*] For those interested in the underlying technology used in IU, this is now the subject of a Microsoft case study at http://www.microsoft.com/resources/casestudies/CaseStudy.asp?CaseStudyID=16003.

Notes

[These were footnotes in the original document.]

[1] See http://scholar.hw.ac.uk/

[2] Douglas Friedli, "Heriot-Watt's virtual university backed by SE", *Business a.m.* (Scotland), October 16, 2002.

[3] "Scotland established the Interactive University (IU) to work in partnership with Scottish Higher and Further Education Institutions to develop high quality e-learning content for Scottish education and… to export this knowledge abroad. The IU was established by Heriot Watt University in 2002." (From a briefing statement by the deputy first minister and minister for

Enterprise and lifelong learning, Scotland; see http://www.scottish.parliament.uk/european/papers/eup03-03.pdf.)

[4] Interactive University reports of student numbers fluctuated between 45,000 and 90,000 in 2003; this is discussed in further detail below.

[5] See http://www.interactiveuniversity.net/.

[6] "Scottish Knowledge Goes Interactive", *The Times Educational Supplement*, October 25, 2002, 38.

[7] "Scotland-Catalonia trade mission", *Executive Online* (official website of the Scottish Executive), September 18, 2003, http://www.scotland.gov.uk/pages/news/2003/09/SEEL068.aspx

[8] See http://www.scottish.parliament.uk/european/evidence/eue03-promotion-scotland-inq.pdf

[9] Christopher Hope, "Scottish Knowledge fails to last distance in learning field", *The Herald* (Glasgow), February 13, 2003, Pg. 21.

[10] "Interactive University for Singapore", *Executive Online* (official website of the Scottish Executive), October 27, 2003, http://www.scotland.gov.uk/pages/news/2003/10/SEEL128.aspx

[11] IU's Singapore deal is not necessarily as exciting as the headlines portray it. A contract has been signed to allow students of the Nanyang Institute of Management access to IU's undergraduate management course (Heriot-Watt) and MBA in Entrepreneurship (Sterling). 1,500 students total means only 500 students per year, which are not astronomical figures. And although it is hoped that the deal will generate up to £6 million over a three year period, nothing guarantees this kind of return.

[12] William Lyons, "Scottish Online University Boosted by Deal With Chinese Institutions", *The Scotsman,* July 22, 2003, 22.

[13] William Lyons, "Scottish University Takes Online Learning to Iran", *The Scotsman,* July 17, 2003, 27.

[14] "The Interactive University: Opportunities for Partnership", http://www.learn.uhi.ac.uk/british_council/presentations/r_leitch.ppt.

[15] As mentioned previously, it does not seem that IU has yet performed any such course conversions.

[16] "Distance Learning", *Education Travel Magazine, http://www.hothousemedia.com/etm/etmbackissues/octetm03/octetm03focus.htm.*

[17] See http://scholar.hw.ac.uk/credits.html.

[18] See http://alles.sema.es/partners.htm

Appendix A: Online Courses Offered by the Interactive University

- The Heriot-Watt *Business Foundation course,* which provides an entry route to the *Heriot-Watt Management Programme*, below.

- The Heriot-Watt *Management Programme,* which currently has roughly 1,000 students in more than 35 countries. Students select from 5 degree pathways:

  - Bachelor of Business Administration;

  - Bachelor of Arts in Business and Accounting;

  - Bachelor of Arts in Business and Finance;

  - Bachelor of Arts in Financial Management and Accounting; and

  - Bachelor of Arts in Management.

- The Heriot-Watt BSc in Information Technology.

- The Heriot-Watt MSc in Information Technology.

- The University of Stirling MBA in Entrepreneurship.

SCHOLAR courses are not listed here.

Appendix B: Full Lists of Sources Consulted[*]

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[*] These lists were not part of the original report but have been retrieved from the "Interactive University" area in the UKeU electronic archive.

[†] These have been placed in date order.

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David Farquhar, "Logging on for Interactive Learning", in *Broadcast (The Journal Of The Scottish Further Education Unit),* Autumn 2003, no. 61.

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[*] Unknown date. This page was last updated on: 16 August 2004.

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