

## Business Schools + Ecosystems = ?

By  
Giuseppe “Beppe” Soda and Gabriele Troilo

# Edtech as a catalyst for the advancement of ecosystem-based management education

## **E**ducational institutions: from value chains to ecosystems

A prolific research stream has investigated the role of universities and schools in innovation ecosystems and their participation as economic development partners with industry and local, state, and national governments. However, the recent developments of business schools’ “business and organisational models” have opened a new question: are the emerging networks surrounding schools and the unbundling process of their provisions transforming them into educational ecosystems?

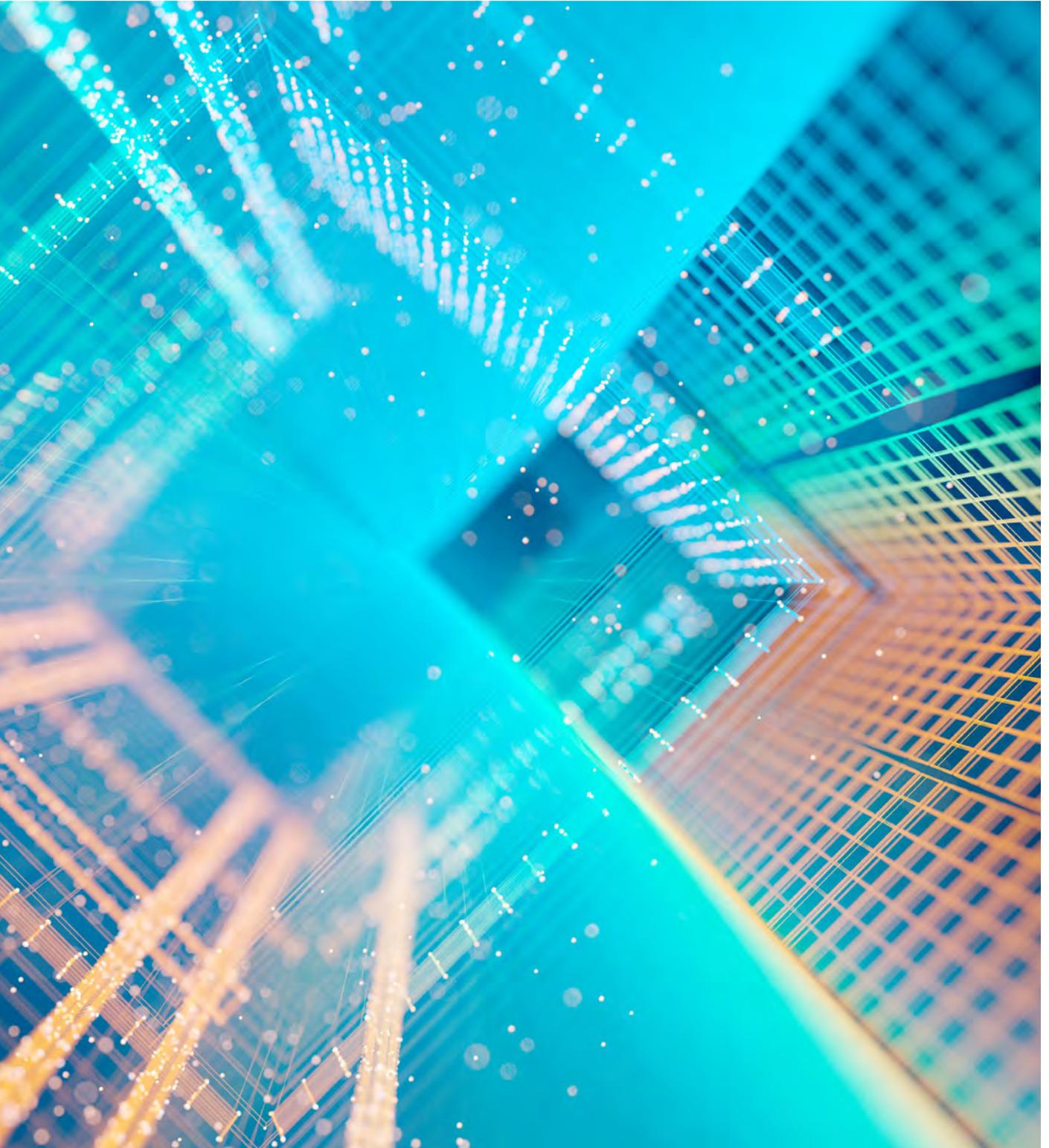
The question has been raised in the context of the radical transformations of the value chains of schools that are only partially related to the pandemic. Well before the COVID-19 hurricane, the global context of management education was extremely dynamic and competitive, and was experiencing both new entrants and a strong reaction from the incumbent traditional institutions. The main sources of revenue and the traditional forms of delivering management education have been disrupted by technology and by the rise of new competitors who have leveraged new learning technologies. The proliferation of online programs and new learning technologies, boosted by the pandemic, have led to novel ways of providing students and executives with specialised credentials in

part-time, flexible, multidisciplinary and non-degree programmes. In parallel, higher education is experiencing the unbundling revolution. Originally observed in other industries such as TLC and banking, the unbundling of educational services describes the process of disaggregating educational provision into its component parts, very often involving actors external to traditional schools and universities. As a result, a combination of several and intertwined factors are substantially transforming the competitive landscape of the education industry.

## **Our experience at SDA Bocconi School of Management**

We believe that the path taken by SDA Bocconi School of Management can be seen as a good example of how a traditional educational institution decided to face the opportunity offered by the technology disruption. Consistent with the organisational identity, we started our own learning process almost ten years ago with the first MOOCs developed for Coursera. We learned how to design an online learning programme and how to interact with a community of thousands of learners. We developed our internal competences by starting to hire instructional designers, software developers, video-makers and graphic designers





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in order to produce our first own productions of on-demand and live online programmes. We invested considerable efforts into training our faculty for their new job of designing online experiences, into making them accept losing part of their self-gratification of performing in a physical classroom in front of an applauding audience, and instead turning to the highly satisfying role of guiding a team of experts working to create unique online experiences. Meanwhile, we interacted with a number of specialised technology organisations and adopted new languages, new routines, and new operational models. In 2020, we felt we were ready to launch a new Division for Online Learning with the double role of orchestrating internal competences developed over the past few years, and, more importantly, of orchestrating the external network of international educational platforms, video production companies, podcast producing companies, UX designers and film-making companies, with the final goal of delivering unique online learning experiences.

### Online Learning as an ecosystem

Online learning is naturally conceivable as an ecosystem. In fact, for online learning to occur, two complementary platforms are needed: a knowledge platform, i.e., inter-connected contents and learning instruments as the base of the learning experience; and a technological platform, which makes the online learning experience possible by integrating contents and rendering them available to the community of learners.

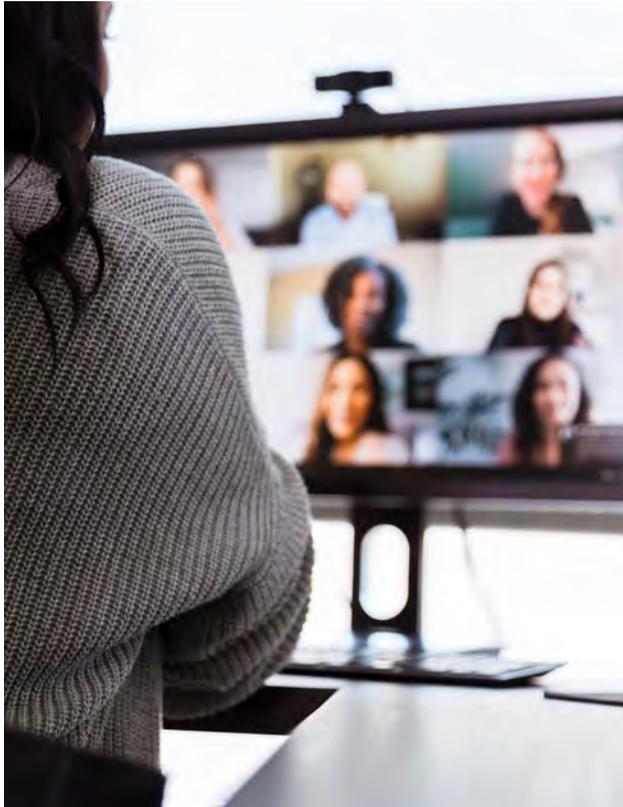
Online learning provides learners with the opportunity to challenge their established knowledge and mindsets, and acquire, develop or strengthen new sets of knowledge, skills and competences. They can do so via the interaction with content-rich, digitally-built sets of learning activities and objects. Therefore, an online learning experience is characterised by high levels of interactivity with the interaction being afforded and mediated by digital technologies. Interactivity regards the vertical level of the learning process



under the control of the educator who selects a number of learning instruments with different levels of learner involvement; interaction regards the portion of the learning experience due to the horizontal sharing of knowledge and experiences among learners. Online learning offers proficient educators a variety of digitally enriched learning objects that potentially make the learning experience much more interactive than pure classroom-mediated ones. Moreover, online learning relies on learning platforms apt to connect many more learners than any physical classroom, making the learning process truly community based.

The combination of a digitally enriched learning experience and a community of learners is what makes ecosystems come into place. Nowadays, an educational institution which relies only on internally-developed content bears the risk of being systematically out of time or out of date, given the pace at which new knowledge is developed and





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made available publicly. Moreover, technological developments are not core competences of an educational institution, they can be in-sourced from external providers. Educational institutions face a strategic and inescapable choice: to play the role of orchestrator of online learning ecosystems or to become a unique and specialised party of ecosystems designed by other players.

The first strategic alternative implies that educational institutions acquire and develop new competences: scouting the landscape of EdTech start-ups providing advancements for the different services connected to the online learning experience; establishing strong relations with tech-based educational platforms able to provide access to the wider community of learners; integrating new technologies into their educational and operational processes. The second strategic alternative implies a strong focus on the development of unique knowledge that can be of great appeal for educational platforms, together with a strong brand reputation management. Both options have their advantages and disadvantages in terms of their financial, operational and organisational implications.

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### Orchestrating online educational experiences

Focusing on the first strategic alternative, we envision two technological developments that will be impactful regarding the decision how to orchestrate online educational experiences in the next future, they relate to the learning experience itself and the additional, community-based services connected to the experience.

So far, the education industry has not played a leading role in embarking on the digital transformation of experiences it offered to its target customers. Other content industries – gaming, advertising, publishing – have set the pace by embedding digital evolutions in their offerings, thereby shaping their users' expectations about the "must-haves" and "nice-to-haves" of such experiences. Moreover, the same industries espoused a data-driven logic in their decision-making and launched several services able to leverage the huge amount of data generated through interactions with their communities, often in real time. As a result, content- and community-based experiences in other industries had a defining influence on shaping students' and executives' high expectations of their online learning experiences.

Many EdTech start-ups are replete with young professionals whose competences have been forged in such industries. They are much more proficient than traditional business schools' decision-makers at transforming technological and market insights into learning experiences that are born digitally and delivered online. The specialisation of such tech companies makes them a good counterpart to the broader competences of business schools in creating high quality educational content as long as schools are willing to pro-actively take on the role of orchestrators of ecosystems.

Many are the interrelated elements that define the online learning experience are going to be handled in an ecosystem logic. Admissions, the design of design of lifelong learning paths, testing and certifications, skill analysis and mapping, placement and career advising, are just some examples of schools' activities that are increasingly unbundled through the creation of a network of





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Researchers and practitioners have started discussing education as an ecosystem. The concept of ecosystem refers to a dynamic network of interconnection and interdependencies that connect different actors in which business schools can play the role of orchestrator. New services and streams of activities, from lifelong learning to coding boot-camps, have accelerated the unbundling of business schools through the creation of an ecosystem linking consolidated organisations and start-ups

specialised partners surrounding the traditional players of the education industry. Teaching and learning resources are being unbundled by becoming more granular, multifaceted, and multimodal and modular. Actors within the ecosystems could be extremely different compared to the traditional model. On top of this, the ecosystem has a “collective” intelligence that favours co-creation processes of new services and products.

However, as argued by McCowan (‘Higher education, unbundling, and the end of the university as we know it’. *Oxford Review of Education*, 43(6), 2017, 733-748), orchestrating an ecosystem of unbundled services may entail some worrying developments such as the removal of synergies between teaching and research and between different modes of learning. Although in a central position within the ecosystem, the price of flexibility will result in greater resource dependency from external partners in key functions of schools. Beyond the financial and operational impact, this evolutionary process speaks to the identity of schools and universities. Does the role of orchestrator of an unbundled, flexible offer match with the cultural, social and institutional identity of educational institutions?

## Conclusions

Researchers and practitioners have started discussing education as an ecosystem. The concept of ecosystem refers to a dynamic network of interconnection and interdependencies that connect different actors in which business schools can play the role of orchestrator. New services and streams of activities, from lifelong learning to coding boot-camps, have accelerated the unbundling of business schools through the creation of an ecosystem linking consolidated organisations and start-ups. Because of this process, the experience offered to students and executives is being disrupted across many core processes, functions, and revenue streams. Along this emerging trend, COVID-19 has pushed schools and universities to reinvent themselves, to accommodate remote learning and to make the education ecosystem more complex and differentiated. In fact, the need for a fast and effective transition toward online delivery has offered EdTech firms an unexpected opportunity to both grow organically and become more embedded into the ecosystems of established business schools and universities.

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## About the authors

Giuseppe “Beppe” Soda is Professor of Organization Theory and Network Analysis as well as Dean of SDA Bocconi School of Management. Before being appointed as Dean, he led the Research Division at SDA Bocconi School of Management and the Department of Management and Technology. His research focuses on network origins and dynamics, and on performance consequences of the interplay between organisational architectures and organisational networks. His work has been published in top management journals such as *Administrative Science Quarterly*, *Strategic Management Journal*, *Organization Science*, *Academy of Management Journal*, *Strategic Organization*, *Academy of Management Annals*, *Journal of Management*, *Organization Studies*, and *Strategy Science*.

Gabriele Troilo is Professor of Marketing and Associate Dean of Online Learning at SDA Bocconi School of Management. He was the Associate Dean of Open Market and New Business at the same School from 2017 to 2020. He was Vice President of European Marketing Academy from 2006 to 2012. Today he is a Fellow of the same association. His research interests are in strategic marketing, marketing organisation, big data marketing, creative industries.