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So You Want a Job in 2005? Bringing Extension Back from the Brink

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So You Want to Have a Job in 2005?
Bringing Extension Back from the Brink

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This is the text of a presentation delivered at the United States Agricultural Communicators' Congress, July 24, 2000, Washington, D.C. The quotations in bold were graphics used in the presentation to communicate to the audience that our new competitors in providing information are rapidly adopting new technologies and paradigms, and that we must not only respond but lead.

"We are in a brawl with no rules."
Paul Allaire, Xerox

Background

Information is gaining value.

Competition to provide information and education is increasing as private-sector organizations realize they can capture some value by offering anytime, anyplace tailored responses to customer needs.

The terms and characterizations in this discussion could lead you to assume we are suggesting a wholesale adoption of corporate practices within our universities. Although we'll use terms such as "Brand Identity," "Customer Satisfaction," and "Competitive Marketplace," don't be fooled. We are finding much middle ground. We are promoting as much adoption of university core values by corporate organizations as we promote adoption of corporate practices by universities.

UNC's Robert Allen, writing in the June 21, 2000 *Chronicle of Higher Education*, closes his excellent article "Why Can't Universities Be More Like Businesses?" this way:

"…if you're suggesting we should out-Wal-mart Wal-mart in our zealous dedication to a set of core values that imbues everything we do, I agree with you 100 percent. Just as long as you don't assume those values must be the same as Wal-mart's."

Let's look at the *why* as much as at the *what* in this process.

During the discussion today, I'll focus on Issues and their Impact. Then, to wrap up, I'll provide the detail of our proposal for future viability of Extension and for the expansion of learning opportunities to a significantly larger and more diverse set of audience segments.

Change

Issue: Significant Educational Change

Peter Drucker (May, 2000) predicted significant change in education as far back as 1992**. "More change in the next 50 years than we've seen in the last 300 since the invention of the text book."**

Impact

That change has begun. We can't afford to hide from it. *Successful* educational institutions will embrace it.

Issue: Rate of Change

The rate of change will be greater than we can imagine or predict, and the level of competition will be greater than we've seen to this date. This is based on a continuing increase in technology adoption rates and on the access that technology provides to a broader group of consumers, as well as competitors.

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Those within higher education who have become comfortable with previous environments and adoption rates for new practices will be lost before they even realize the magnitude of the impact.

Issue: Shift from Distribution to Access Paradigm

We're moving from a distribution to an access paradigm.

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"Provider mentality" focuses on the process of distribution, meaning it is driven by what we want to distribute. A "user mentality" focuses on access and the customer, meaning we need to anticipate customer needs and provide them access to our knowledge base.

Issue: Technology & Access

Technology has opened doors for access that weren't realistic before.

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The traditional education market is also more easily accessible for competitors--other universities, private education developers, and commercially based education and training organizations.

In reality, technology has allowed greater access by customers to information and education, and therefore has enticed private information providers to step up the competition for our previously dependent users. Technology is also the vehicle or mechanism by which we can respond to this competition if we move quickly.

There appear to be three primary implications to this new technology-based marketplace:

- Technology enabled the emergence of the competitive knowledge marketplace.
- Extension is moving from being a sole source provider to being a participant in a competitive, and now, commercial knowledge marketplace.
- Technology will enable Extension's (potential) response.

Winners & Losers

In 1998 the Harvard Business School, using the World Wide Web, published a paper projecting the winners and losers in the digital convergence of voice, video, and data technology.

Authors Bane, Bradley, and Collis predicted the winners will be those who provide the highest quality content at a reasonable price. They point out that winning will not be based in any way on current distribution strength.

However, they suggested that Content Packagers would appear in positions of strength. Successful packagers will link quality content with customers through almost invisible distribution systems. People won't care a whole lot about the technology, as long as they have access to it, can use it effectively, and it provides them access to the content they want, need, or for some reason, must have.

Ultimately, customers will link with whoever has the most versatile combination of quality content and user-friendly technology.

Fast forward to 1999.

In the opening months of 1999, Ernst and Young, the international consulting company, talked with 100 information technology CEOs around the world about the future of their areas of interest. The outcome is the report "The Connected Society."

Initial findings: Content Packagers are emerging as key gatekeepers between technology and the consumer.

These Content Packagers sort through massive amounts of available content and information, and bring the customers just what they need, when they need it, and how they want it. Those who are successful make the users' experience simpler, more tailored, and more efficient.

Both the Harvard Business School and Ernst and Young emphasize the importance of getting in and established early. One CEO quoted in "The Connected Society" put it this

way: **"Players who win the content battle early will dominate by winning brand loyalty in the rapidly growing new market."**

Issue: Newly Defined Market Niche

The first competitor in a newly defined market niche will maintain a significant market share (maybe as much as 50%), while others fight over the remaining available customers.

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Information consumers do not define our historical dominance of the educational outreach market as a new niche. Up until very recently, Extension has been the sole-source provider of information and educational opportunities for our traditional agricultural and consumer-based audiences.

However, our experience with face-to-face (F2F) education for these audiences is considered an old niche. Our experience may give us a head start toward a successful entry into a newly defined niche of technology-mediated outreach for broader audience segments, but, if we don't move quickly, others will carve out this niche for their commercial use.

Issue: Fast Eat the Slow

Now and even more so in the future, speed of response will be rewarded. The "20 in 2020" prediction that says there will be only 20 Land-Grant Universities in the year 2020 projects winners based on speed of response to customer needs rather than on size.

"It used to be the big ate the small…now it's the fast that eat the slow."
Geoff Yang, Institutional Venture Partners

Impact

Sorry, we don't make the rules. The public does, and if this is how they measure value--and reward us for that value--then we either compete or get out of the way. Our structure must allow, and in fact promote, multidiscipline approaches in order to effectively satisfy user/learner/customer needs.

Issue: The *Never* Satisfied Customer

Basically, we are facing customers who have expectations set by the marketplace. We are not placing parameters on customer expectations in education or anywhere else. Whoever has satisfied their customer best and most recently ratchets up the standard.

"We're in the age of the *never* satisfied customer."
Tom Peters

The public judges effectiveness of any organization (public or private) based on a model of competition developed through exposure to commercial organizations. Thus it doesn't matter if you are competitive among your educational peer intuitions. The public will judge your ability to satisfy their needs in comparison to how other commercial organizations satisfy their customer needs. This is why "anytime, anyplace" and "just in time" are becoming basic demands in the knowledge marketplace.

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Successful competitors in the knowledge marketplace will understand their customers' needs better than others do and will respond to those needs better than competitors.

Issue: Changing Reward Model

There should be no rewards for those who don't build educational programs on well-defined audience analysis. Evaluation must also be included so that the circle of content development can connect from audience needs to audience satisfaction. This is a circular model of accountability.

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In a competitive environment defined by concepts like "just in time" and "anytime, anyplace" requirements from the audience, if you don't directly connect your ongoing efforts to anticipated audience needs, you run the risk of wasting considerable resources and then losing to the competition anyway. We estimate Extension may connect with learner audiences up to 80 percent of the time. However, we can't afford to be 20 percent wrong.

The Challenge to Land-Grant Universities

Issue: Changing/Expanding Expectations

Society is already looking to universities for more than a 4-year education of 18-22-year-olds. New graduates from our institutions are now expecting much more ongoing access to research, information, education, and training during their working careers.

Even research expectations are changing. Customer expectations have changed from the days when accuracy and objectivity were valued primarily. Now, some customers want access to information that may be "under development" by university standards. Timely and credible information that is not 100 percent complete has more value than complete answers that are 2 months late.

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Universities with a history of outreach may or may not have a competitive advantage. Success will depend on taking the best of our traditional strengths during the transition, while jettisoning any process or structure that prevents meeting audience needs.

Issue: A Concern University-Wide

Universities as a whole can be described as being responsible for the process of *knowledge creation* (research, which builds the public knowledge base) plus providing *knowledge access* (teaching and outreach). This has been our domain for some time. However, now we are facing increasing competition.

We have looked at this as a problem for the Cooperative Extension Services to this point, when, in fact, the growth of private knowledge bases makes this an issue for the whole university.

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As Internet traffic doubles every 100 days, the ability to develop proprietary knowledge bases for any discipline in a relatively short amount of time increases. The private sector is now discovering how valuable it can be for them to create their own proprietary knowledge bases rather than just refine and capture value from the public knowledge base housed at our institutions. As private knowledge bases begin to grow, the challenge

to public sector outreach grows. However, since we've never been challenged in how we create and distribute new knowledge, we've been slow to perceive the challenge.

Issue: The Favor of Competition

Competition should improve performance.

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Our new competitors may actually be doing us a favor.

Commercial providers recognize the critical importance of providing feedback from the customers to the product developers. The research and outreach continuum that has been the traditional land-grant model for 100 years has included a feedback loop. However, as our institutions have become more specialized and the outreach programs have not faced any direct competition, we have been universally lax in closing the loop between field evaluation of the effectiveness of education and the research arm.

This disconnect is not lost on our competitors. The specialized and tailored information provided by private-sector providers is of greatest value only when the concerns of the users have been factored into the development of the information.

Issue: Changing the Academic Model

The telecommunication future is based on convergence of content and technology. At the point of convergence, you will find customer satisfaction. In education, we are not dramatically different.

For education, who will drive and/or manage this convergence? Technology leaders? Content developers? This may require rethinking the academic model. For example, university wide, we should consider creating a content packaging function that parallels the existing academic model of in-class teaching.

This parallel model will provide off-campus outreach. It should begin with audience analysis, pull research information from across disciplines as needed to meet audience needs, and manage and share the analysis and feedback from learners back across disciplines. This could allow for quick, trend-oriented reaction to audiences' needs.

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Creating a new method of response to societal needs that parallels the current academic model offers the opportunity to maintain the best of what we have been doing in on-campus teaching and research while establishing a foundation for growth that takes full advantage of the continually developing knowledge base of higher education, as well as of technological change.

Issue: Knowledge Management, Content Packaging, & Extension

Knowledge Management (KM) appears to be an important concept. Private-sector providers are adopting principles of KM rapidly.

Content Packagers are predicted to be the ultimate winners in the new digital economy, according to analysis we noted earlier by the Harvard School of Business (1998). Extension has been in both the Knowledge Management and Content Packaging business for decades. However, during current discussions on the impact of these two concepts, neither authors nor decision makers refer to Extension as an effective model.

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With CES brand identity waning or non-existent in relation to these two important and emerging concepts, Extension will need to demonstrate successes before it will be accepted as a method of effectively competing in the knowledge marketplace of the 21st Century.

We must use the existing foundation of traditional Extension to create the new educational Content Packager of the future. Or we must create a new and competitive organization from scratch to compete. Why let someone else who has the vision for where we ought to be reinvent Extension and leave the Land-Grant University (LGU) outreach providers on the outside looking in?

Issue: Reinventing Land-Grant University Outreach

LGUs have been built on the ability to solve problems and develop new knowledge. However, those who have benefited most from this effort (farmers) are no longer in the mainstream of political influence.

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In order to maintain an effective educational/training relationship with the traditional audiences as well use that foundation of success to grow with new audiences, LGU Outreach must address the following issues.

Brand Profile--Not enough politically active people recognize LGU Extension/Outreach as useful to broader segments of society.

Process Evolution--We must take what we have learned from years of F2F education, training, and information transfer and begin to apply that to issues within LGUs' sphere of competitive advantage (e.g., the sciences of food, consumer issues, economics, etc.), using technology to magnify opportunities.

Human Resources--Current efforts have been successful to the degree they have, in part, because of long-standing relationships with traditional audiences. It may require a different set of skills to be successful with new audiences. It may require information and education on a broader set of issues using a more technological set of communication tools.

Reinventing LGU Outreach will position the university with a new foundation for growth and ongoing viability. Conversely, if this doesn't happen, learners will turn to other sources, and Extension will be reinvented by other, possibly commercial organizations that will develop stronger consumer loyalty. That will further and possibly terminally erode the political base of LGUs.

Or it may require a different and "brand new" organization.

Issue: Reach, Richness, & Capturing Value

According to Evans and Wuster (2000), the continuum of Reach and Richness--similar to the Reach versus Frequency axiom of advertising--is driving success in the new information marketplace.

"Reach" means how many individuals you can touch and influence. "Richness" means the detail and depth of your interaction. Typically, to get one, you sacrifice the other.

Advertisers have faced this for years. Resources naturally limit your ability to either reach a lot of people with a minimal message or a few people with a detailed and rich message.

Technology has allowed new providers the opportunity to provide Richness to a broader reach of customers. Some private providers are providing the F2F Richness we value so highly in CES, mediated by technology.

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You can't overestimate the value of Reach. If you can't reach enough people with your message, you can't capture enough value to continue to be viable. However, if you can compress the process and reach more people with a greater degree of Richness, you have the opportunity to capture significantly more value.

Value to a private-sector firm will be in profits. Value to a public-sector provider could be in support for ongoing programs from traditional funding sources. As we've suggested in our previous work (Boehlje & King, 1998), ceding the marketplace to private providers will make us invisible to decision makers and opinion leaders, and ultimately we'll lose funding.

Issue: Information Technology as a "Disruptive Innovation"

Christensen first broached the idea of "disruptive technologies" in *The Innovator's Dilemma: When New Technologies Cause Great Firms to Fail* (1997). He further defines the concept in the *Harvard Business Review* article, "Will Disruptive Innovation Cure Health Care" (Christensen, Bohmer, & Kenagy, 2000).

"Many of the most powerful innovations that disrupted other industries did so by enabling a larger population of less-skilled people to do, in a more convenient, less expensive setting, things that historically could be performed only by expensive specialists in centralized, inconvenient locations."

Information Technologies (IT) provide many more people with access to the knowledge base of higher education. Clearly, Extension can be described as having relatively "expensive specialists in centralized, inconvenient locations," when you compare the traditional Extension model to the competing model of getting what you want, when you want it, in the convenience of your own home or business.

New technology redefines our LGU customers and what services we can provide. IT expands Richness and Reach, and the opportunities for what Evans and Wuster (2000) call the "Navigator."

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Evans and Wuster say Navigators can be software (Quicken), evaluators (*Consumer Reports*), or search engines (Yahoo). However, Navigators can also be people. They predict the rise of Navigators as private-sector businesses will drive fundamental power shifts among the other players. With ongoing privatization of information, if we don't respond, the private sector obviously will.

Issue: Combining Reach & Richness

Reach *and* Richness will determine success in the new competitive environment. Effective use of IT provides the opportunity to expand our audience reach beyond the "centralized, inconvenient locations" and take what we've learned for years in F2F to bring Richness to the learning opportunity for many more people.

As an example, Amazon.com personalizes interaction with vast numbers of customers by remembering what individuals have ordered before and suggesting books or other items they might find interesting. Basically, Amazon.com enhances the Richness of their commercial interaction using technology.

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Using technology, Extension can have a type of F2F personalized exchange with a greater number of people than driving door to door. We can get Reach *and* Richness through the same technology that forced us into the new information marketplace in the first place.

With information available in such volume on the WWW, the value of Evans and Wuster's Navigator--or in some ways, the Content Packager--becomes critical.

Extension has been pointing people to answers for decades. We are known for that. It is, in fact, our competitive advantage. It's what gives us our brand identity.

Issue: Maintaining Our Advantage, or Failing

Now that private-sector information providers are doing what we've been doing as a sole-source provider of information--and gaining value from it--can we maintain *any* advantage?

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If we are perceived as effective Navigators or Packagers, meaning that we satisfy customer needs, then Extension can maintain an advantage. However, if we don't understand the customer well enough to provide the most effective pathway to information, or package the appropriate information to meet their needs, then we'll have no advantage. In fact, we will no doubt fail in the long run.

A Brand New Organization

"Incrementalism is innovation's worst enemy."
Nicholas Negroponte, MIT (TP)

Proposal: Cut Loose, Compete

Rather than reinvent from the inside, we propose the creation of a new virtual Extension Service from scratch. The express goals of this new organization will be to match and surpass the traditional CES customer base in 5 years. Working from a virtual foundation on the World Wide Web and other technologies, the e-CES will attract new talent able to overcome some of the traditional barriers to which incumbents appear blind.

Christensen's Principle #2 has it that small markets don't solve the growth needs of large companies (2000). What that means for us is that large organizations can't respond to smaller but evolving markets effectively. The disruptive technologies that enable the new market to emerge will, in fact, be the driver for success if you choose to compete in the new market.

"Become distinct or become extinct."
Tom Peters

There are precedents. Bluelight.com is K-Mart's on-line alter ego. In partnership with Yahoo, K-Mart has decided to compete in e-commerce with a completely new and separate organization.

Wal-Mart has stepped up with a commercial portal that allows the customer to set up "My Wal-Mart," a customized portal that provides immediate access to those aspects of the Wal-Mart sites that they find most useful. It appears that both retailers have established separate, Web-based organizations with the mandate to compete with the parent brick-and-mortar corporation.

K-Mart and Wal-Mart are using the primary values of the parent organizations--reach and brand identity--but are trying not to let the tradition and immense size of the parents, basically the brick-and-mortar limitations, hold them back.

Are we up to it? Ladewig and Rohs, in their June 2000 *Journal of Extension* article, describing a southern states leadership program, say that Extension is facing a challenge in the emergence of the information technology era. They question whether Extension organizational structure and leadership combine effectively to provide a competitive stance in the "information rich global marketplace." Their conclusion is that "new management competencies and leadership styles will be needed."

We'll take it one step further and suggest that the new competencies and styles required are too new and "disruptive" for our traditional organization. We suggest that we need a new, free-standing structure within the arms of the brand identity of the parent.

For example, we're not talking about a new Purdue University, but a new, free-standing organization within Purdue University with a new customer base. It requires *institutionally* disruptive innovations: new ways of delivering, new ways of rewarding, and new ways of operating.

This will not be easy. In *Dancing with the Devil, Information Technology and the New Competition in Higher Education* (Katz, 2000), James Duderstadt, former president of the University of Michigan, quotes Machiavelli:

"There is no more delicate matter to take in hand, nor more dangerous to conduct, than to step up as a leader in the introduction of change. For he who innovates will have for his enemies all those who are well off under the existing order of things, and only lukewarm support in those who might be better off under the new."

Not re-inventing, but starting anew. It will take perseverance.

Three Critical Issues

Content Packagers Equal Winners

What is required to be successful as a Content Packager? Again, according to IT CEOs interviewed by Ernst and Young:

- Heavy investment in brand identity.
- Constant improvement of the user access and interface.
- Development of new products and services tailored specifically to the user needs.

Brand Identity Is Critical

Our brand identity is one of Extension's most important assets, even if it lacks widespread recognition. Tom Peters, quoting the *Economist* and citing Intel Corporation, says most people don't have a clue whether anyone else makes a better microprocessor, but "Intel Inside" has become a "*trust mark*--a trademark consumers put trust in."

We have a trust mark--if we don't tarnish it. It is a very fragile commodity. We build trust slowly over time, but if we don't deliver up to customer expectations in a timely fashion, we can lose it.

Know Your Audience

I have said for some time that "Rule No. One" in our business is "Know Your Audience." But that doesn't mean just giving the audience what they say they want today. It means anticipating their needs and having your response waiting for them when they show up. To know your audience is to know what drives them and what they *will* want.

What will these new learners want? Why will they want it? When will they need it? How are they willing to access it?

The needs assessment process is much more complicated than it has been in the past. It's more than simply needs assessment. We must define a complex matrix of needs, wants, and motivations.

If We Build It, Will They Come?

Is the world ready to endorse the disruptive technology that will be required to operate Extension's new virtual competitor? Consider these points.

- Daily Web sales of Dell computers generate $35 million.
- Internet Traffic doubles every 100 days.
- Network capacity doubles every nine months (Landry, 2000).

As an IT CEO put it in Ernst and Young's "The Connected Society" (1999):

"Legacy players who feel challenged and scared may be the ultimate winners. Those who don't yet feel challenged and scared don't have a chance."

Authors' Note: Join the discussion of the issues we raise on our discussion site, available at <http://www.agcom.purdue.edu/AgCom/EXTonBrink>.

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