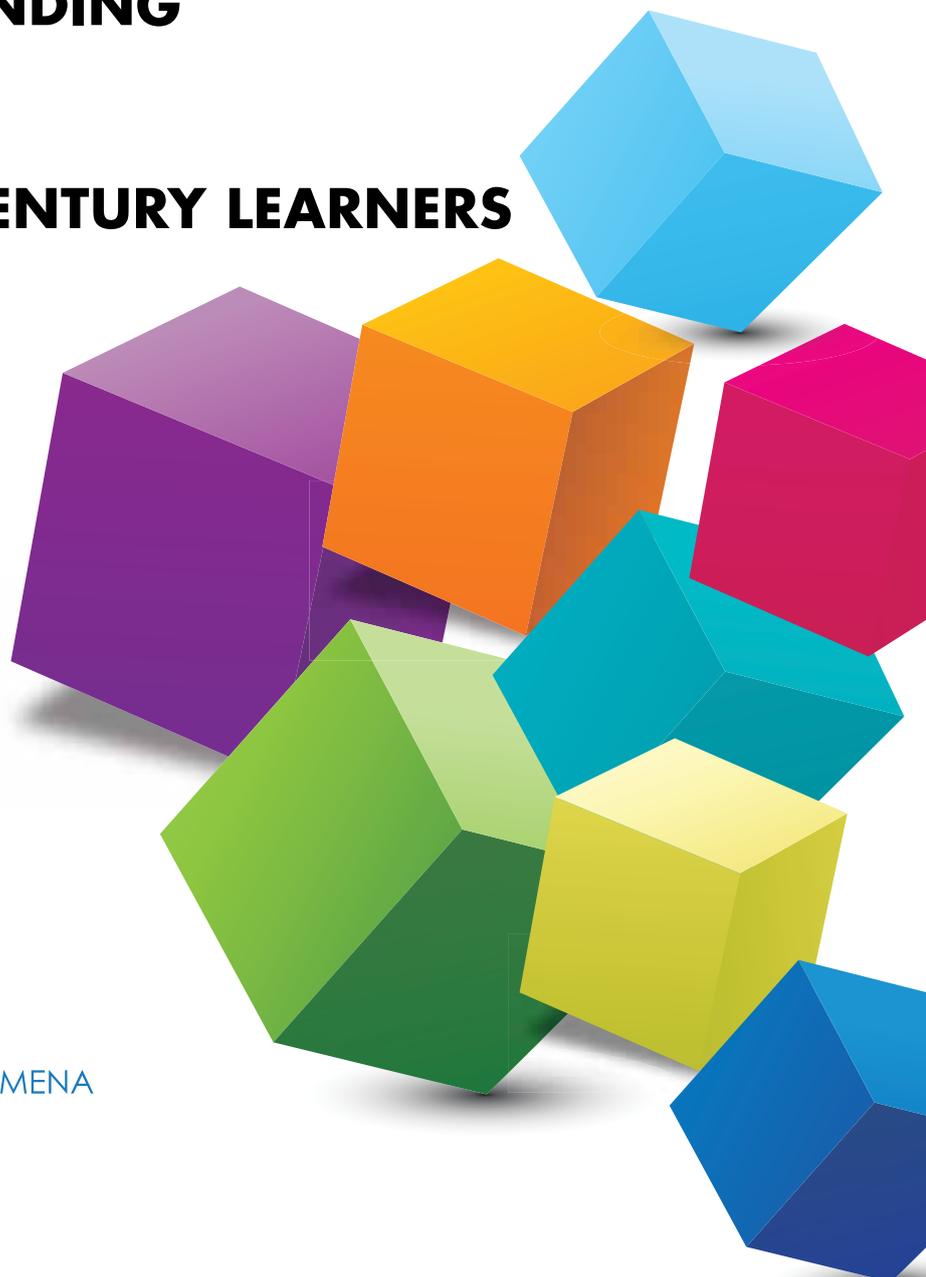


5 MAJOR CHALLENGES FACING THE PRIVATE EDUCATION COMMUNITY

- **THE IMPENDING TEACHER SHORTAGE**
- **ENSURING STUDENT EMPLOYABILITY**
- **FIGHTING FOR FUNDING**
- **INNOVATION**
- **TEACHING 21ST CENTURY LEARNERS**



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We interviewed six major influencers within education about five of the biggest challenges facing the private education provider sector in the Middle East today.

Read their candid interviews as they address major ideas surrounding:

- **The impending teacher shortage**
- **Ensuring student employability**
- **Fighting for funding**
- **Innovation**
- **Teaching 21st century learners**

Join them all at Education Investment MENA, 16-17 November 2015 at the Ritz Carlton DIFC, Dubai, UAE.

THE IMPENDING TEACHER CRISIS WE SHOULD ALL BE WORRIED ABOUT



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MENA countries which have made the judgement that it is in their national interest to encourage the growth of international education funded by private capital must also become significant producers of international school teachers, rather than just receivers. ”

Andy Homden, Founder, Consilium Education

Please tell us a little about yourself and your work

I've worked in international education throughout my career, in the UK, Hong Kong, Australia, South East Asia and the Middle East. In 2014 I founded Consilium Education, an educational consulting company facilitating international start up projects, and providing a range of training and advisory services to schools around the world. Consilium also publishes International Teacher Magazine.

Why in your opinion will there be such a shortage of teachers in the coming years?

In May 2015, the numbers of students in international schools passed four million for the first time, according to the research conducted by the International School Consulting Group (ISC). The demand for teachers to fill schools offering international programmes continues to rise in response. There are indications that there are now also increasing pressures on traditional sources of supply – essentially the Schools of Education in the most developed English speaking countries, which are having difficulty in attracting the best qualified undergraduate or post graduate students into their teacher training programmes. Anecdotally, drop-out rates from the teaching profession are reported to be rising, especially in the USA, which in turn exacerbates the problem of supply for all schools, including international schools.

Is this a global or regional challenge?

This is a global challenge: schools in the UK, for example are finding it increasingly difficult to recruit the sort of teachers that they need. This problem is not just the experience of state or government schools. Prestigious independent schools are reporting similar difficulties, and the issue is not restricted to the traditional shortage subjects such as Maths or Physics. Finding good class teachers, particularly for the early years is also becoming increasingly difficult. Ironically, the situation is exacerbated by the fact that western English speaking economies – particularly the USA and the UK are now emerging from the global recession: traditionally in more upbeat economic times, students entering university are less likely to start a teacher training course, which in more volatile economic circumstances is regarded as a safe option for developing a future career. As the UK is also experiencing a short to medium term growth in population, not least because of growing net immigration, a major teaching shortage is anticipated in the next five years, which will have a significant impact on the growth of British international education.

What do you think needs to be done to address the problem?

One very visible trend in the UK is the increasing number of gateways through which potential teachers can enter the profession. Although studying for a Bachelor's degree in education or Degree + PGCE is still the most common way to train, talented graduates, especially in shortage subjects,

are being encouraged to enter teaching by a variety of programmes such as Teach First and School Direct. These schemes, which are also echoed in the USA, enable pre-qualified trainee teachers to work in a school full time, often in a salaried position, without the need to attend a training institution as a full time student.

Following this example and to meet the growing need for international teachers in regions such as MENA, three things need to happen:

- The number of teacher training places involving the kind of high quality courses needed to meet the standards required by international schools must grow in the region itself
- Regional teacher training colleges need to attract high quality undergraduate students from developing economies outside as well as inside the MENA region
- International schools which are deemed fit by their host country regulators to play a direct role in graduate teacher training must be given the opportunity and incentive to do so

In effect, MENA countries which have made the judgement that it is in their national interest to encourage the growth of international education funded by private capital must also become significant producers of international school teachers, rather than just receivers.

Governments and educational investors will need to work together to make this possible. Visa regulations affecting the education sector will need to be scrutinised and if necessary reformed. Investors will additionally need suitable incentives not only to educate children in the K-12 sector, but also to train their teachers (Link).

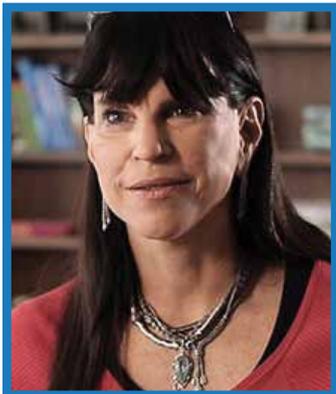
Is there an opportunity for technology to help overcome this challenge?

Technology of itself can neither significantly diminish the demand for high quality teaching expertise, nor increase the supply. Trainee teachers need supervision, mentoring and coaching as they develop their craft in placement schools. Technology cannot meet this need.

Is there any way, then, in which technology can help? Perhaps on a minor scale. K-12 distance learning is one area that has been transformed by on-line access to a huge variety of courses and the resulting growth of home schooling in the international K-12 sector may have a minor impact on the need for new international teachers (Link).

Distance learning has also become a regular feature in some schools offering the IB Diploma course. The IB has authorised the provision of individual on-line Diploma level courses in IB centres, which allows a school to broaden its curriculum in Grade 11 & 12, without necessarily employing additional staff. This is a very welcome development, and works. See Pamoja Education. However, in the wider scheme of things, technology is not set to have any kind of major impact on the growing demand for teachers in international schools for the foreseeable future.

HOW TO INCREASE THE EMPLOYABILITY OF THE REGION'S MILLENNIALS



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Millennials are lacking real world experience, but the education system should include more opportunities for their generation to succeed on their own. ”

Candice Carpenter Olson, Co-Founder and Co-CEO, Fullbridge

What prompted you to set up Fullbridge?

My husband Peter and I realized there was a step missing in the transition between higher education and the professional world after realizing that the excellent liberal arts education our children had received left them lacking the necessary skills to be workplace-ready. In January 2012, we launched a pilot program aimed at college students and recent graduates, and subsequently focused on larger programs that summer. Then Fullbridge established a suite of vertical business-to-business programs for law firms, consulting firms, financial firms, service organizations, universities, and corporations as we found it was a global issue.

Why do you think that there is such a gap between the skills that employers want today, and the skills students are leaving formal education with?

Millennials have many great skills and they are often underestimated based on how they've been portrayed in the past. In today's fast-paced workplace, managers don't have the time to wait until their new employees adjust to the speed, consistently perform, and build the other necessary skills that one needs to move successfully from school to career. There is so much competition, if students don't take the time to prepare before they enter the workforce, they are less likely to succeed. Additionally, students have never been taught skills like time management, working with a manager, design thinking, flexibility, presentation skills, and communication skills. To succeed in today's workplace you need these to remain competitive. Millennials are lacking real world experience, but the education system should include more opportunities for their generation to succeed on their own.

How does Fullbridge help solve this problem?

Fullbridge prepares students and young professionals to succeed in the global economy. Our programs are designed to shift mindsets to ensure our graduates are ready for the workplace. Our pedagogy combines an online platform with in person exercises and individualized coaching. Participants gain skills that resonate in a 21st century marketplace. For example, we have modules in finance, marketing, and sales, and also in design thinking, entrepreneurship, and communication. Participants are taught to be autonomous and self-sufficient, but also how to work well in teams and delegate work appropriately. They are constantly working on deadlines and learning skills like time management, project management, and workplace interactions throughout the process. The purpose of the program is to simulate a real-world work experience where you'll have to deliver quality work on a deadline while working with various personalities and communicating with your manager. Managers of Fullbridge graduates have shared that their Fullbridge-trained employees are outperforming their non-Fullbridge counterparts. This type of training prepares young people for the workplace in a way that a traditional classroom has not been able to. We change mindsets.

What one technology can help improve in the acquisition of 21st century skills?

Shorter, competency based programs that focus on a combination of hard and soft skills with access to coaching.



HOW TO BETTER HARNESS FINANCE TO DELIVER THE REGION'S EDUCATIONAL PROGRAMMES



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Globally, investors are looking for innovative models for investment. From affordable schooling to new models of student financing, investors are considering how to bring innovative models to the Middle East and how to adapt global models to best fit local requirements. ”

Ashwin Assomull, Managing Director, Parthenon-EY

Please tell us a little about yourself and your company

I'm a Managing Director with Parthenon-EY where I lead all work in education in the Middle East. We've advised clients in over 80 countries across the spectrum of education segments from early education to K-12 to post-secondary. We work with clients to develop growth strategies and advise on areas such as market entry, operational improvement, investment decisions, and performance optimization.

What are the biggest trends you see in education investment in the MENA region?

- **K-12:** K-12 continues to be the most popular segment for investors in MENA as in many markets and demand particularly for premium international schools outpaces supply. Investors are looking to understand the best configuration particularly curriculum to best meet parent preferences across a variety of markets.
- **Transnational Education:** In both K-12 and higher education, Western brands continue to be a popular option for parents/students as well as regulators looking to diversify their options. MENA is strategically located to also develop itself as a hub to enrol students at foreign branch campuses who may not want to pay full fees at the home campuses in the US, UK, or Australia. Investors have seen these trends and are looking at how to bring in the best models to fit demand. A recent trend has been for non-Western models to look to enter the UAE to attract Arab students from around the region.
- **Innovation:** Globally, investors are looking for innovative models for investment. From affordable schooling to new models of student financing, investors are considering how to bring innovative models to the Middle East and how to adapt global models to best fit local requirements

How does this compare to global markets?

Globally, the popular sector for discussion is education technology. However, we have not seen this gain much traction yet in the Middle East. Markets that have been successful in education technology such as Brazil and the US have developed models that complement traditional learning instead of trying to use technology as a substitute. Several operators are trying to expand their models to MENA but still need to configure options that best sit the local context. Regulators in Dubai continue to successfully promote it as a destination, making it a more viable destination for many operators and investors to consider investment in compared to other regions that make the process long and complicated.

To what extent do you think regional financial instability from oil price fluctuations will impact the education investment market?

Education has proven to be a stable sector despite market fluctuations. For instance, despite economic turmoil during 2008's recession, K-12 enrolments continued to grow. While expat growth does affect school enrolment, we expect to continue to see growth as governments focus on diversifying away from oil and continue to focus on bringing in expat labour for other events like Dubai Expo 2020.

What are investors' motivations generally when investing into education?

Many investors have standard motivations of strong financial returns. Education, particularly K-12 and higher education have many beneficial characteristics for investments including negative working capital, long-term revenue visibility, and demand greater than supply. The segments also offer high barriers to entry and prices rising higher than inflation. In addition to traditional motivations, many investors are also attracted by the inherent social nature of the segments. However, for most investors in the region, this tends to be a secondary benefit as opposed to the primary motivation for investments.



WHY THE INABILITY TO INNOVATE WILL SOUND THE DEATH KNEEL FOR EDUCATORS

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The call to innovate within education is so strong today due to the minimal change within the higher education business model over the past several hundred years. We need to identify new sources of non-traditional revenue streams, new lines of business, and potentially a whole new business model to face these challenges. ”

Shawn Nason, Chief Innovation Officer and Innovation Evangelist, Xavier University

Please tell us a little about yourself and your company

I have a diverse background in my professional career from being a musician, to a financial controller for the Walt Disney Company. On to being a Consumer Innovation Director within the healthcare sector, and finally a Chief Innovation Officer at one of the nation's leading universities. The Xavier Center for Innovation is all about the spark. Inspiring and igniting the unique spark that exists in each and every person, community, organization, and company. With a wealth of diverse business and academic experiences at our disposal, we leverage our collective innovation expertise in both the global marketplace and higher education. And through our proven system of innovation design, we know just how to tap into those individual sparks and how to use them to achieve great things.

Why is the call to innovate within education so strong today?

The call to innovate within education is so strong today due to the minimal change within the higher education business model over the past several hundred years. The traditional model has been to continue to raise tuition prices by three to five percent every year with the expectation our consumers will continue to pay that. That is where business model innovation needs to take place. We need to identify new sources of non-traditional revenue streams, new lines of business, and potentially a whole new business model to face these challenges.

What is the biggest hurdle facing new innovative education models?

In my opinion, the biggest hurdle facing new innovative education models is tradition. We have a model in place that has not seen significant change historically, from tenure to class structure. But most importantly, to look at our students, parents, and community as our consumer. We are offering a product, and it must be a product they want to purchase.

What projects or ideas have you seen recently that you admire or watch closely?

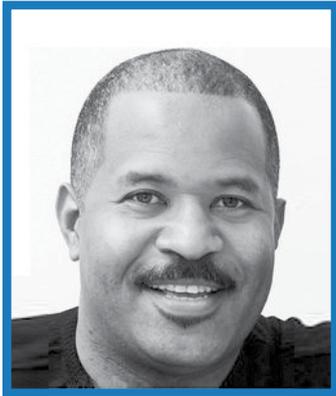
There is one project in particular I have been watching the past year within our landscape. It is known as UnCollege – the gap year. This business model is for students who do not feel they are quite ready for traditional higher education and want to take a gap year to focus on personal skills. Although this is very new, I believe it has the ability to be a disruption within the landscape in the future.

What role is there for technology in education innovation?

The role of technology in education innovation is imperative. In a rapidly changing landscape no longer does technology grow at a linear rate, but much more so at an exponential rate. If we in higher education do not keep up with this growth and change, we will not meet the needs of our consumers, but most importantly, the needs of the ecosystem around us.



HOW TO KEEP PACE WITH AND PROVIDE FOR TOMORROW'S LEARNERS



“

Technology is the key to meeting the life-long learning needs of a dramatically increasing global higher education market. Given that most of the world has a supercomputer in their pocket, I think higher education is poised for a leapfrog moment. ”

**Gene Wade, Co-Founder and CEO,
One University Network**

Please tell us a little about yourself and your company

My name is Gene Wade and I am a US-based education entrepreneur. I am Co-founder and CEO of One University Network, a company that enables students throughout the world to earn a college degree using their mobile device.

How are students' learning requirements changing in the 21st century?

In the 21st Century, the need to develop new skills and knowledge is continuous and life-long. Many of the fastest growing jobs in the fastest growing industries did not exist 10 years ago. This trend has important implications for how educational institutions are organized and how they prepare students.

Do you see this as a regional or international phenomenon?

This trend of lifelong learning and continuous up-skilling is a global trend, the pace of which is accelerating. It is driven by globalization and the transition to knowledge-driven markets.

How does your work address this problem?

In partnership with leading universities and employers around the world, OUN develops affordable degree and certificate programs that students can earn using their mobile devices.

What role does technology play in helping meet these new learning needs?

Technology is the key to meeting the life-long learning needs of a dramatically increasing global higher education market. Given that most of the world has a supercomputer (i.e., smartphone) in their pocket, I think higher education is poised for a leapfrog moment. The ability to reach students everywhere with a customized curriculum tailored to their individual learning needs is within our reach. Furthermore, there is not enough concrete to build traditional campuses to meet the global demand for higher education.



HOW TO KEEP PACE WITH AND PROVIDE FOR TOMORROW'S LEARNERS



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Are MOOCs a silver bullet? They're not a silver bullet. That is the problem with a lot of the talk around education. Everybody's looking for sort of a 'silver bullet.' I don't think there is a silver bullet in education. I think what we a lot of just normal lead bullets and we just need to be able to use them in the best way we can.”

Nafez Dakkak, Director, Edraak

Tell us a little about yourself and your company.

After graduating from Yale I started work as an educational consultant in PwC's Education Advisory Team, primarily consulting for GCC clients on education and education-to-employment transitions. Afterwards, I joined the Queen Rania Foundation, and shortly afterwards Edraak was formed with the goal of examining how MOOCs and online learning technologies can revolutionise access to and delivery of education across the Middle East. A year and a half later we have over 340,000 registered learners, almost 20,000 certificates issued, 26 unique courses and well over a million fans on Facebook. So far, observing most of our metrics, we're very happy about the way things are going.

How do you think that 21st century learners' requirements are changing today?

I will answer this question based on the majority of our students, who are adult learners. One concept that has changed dramatically overtime is the learner's need for the modularisation of both knowledge and content. Previously, we just thought about education as individual pieces – such as secondary education, full four years of university education, a 2 year diploma etc. However now learners need content in smaller doses, to fit better with the lives that they lead and the changing nature of work. Thanks to technology, we can finally modularise content, which enables us to reach and engage with students in a very different way than was previously possible. The second change is that of the concept of the half-life of knowledge. In general, the half-life of knowledge (or how relevant a piece of information that you learn today is) is around five years from now. This shorter shelf-life means that it's increasingly important to constantly update what we're teaching learners and to make sure that they have access to knowledge easily.

Is this shift a global phenomenon or is it just particular to the Middle East?

These trends are certainly global. What makes this a greater challenge for the region to meet is the lack of quality Arabic content. We often forget that over 65% of the region does not speak English in a functional capacity. A more recent study by the English proficiency index, EFI, ranked the MENA region – and this, of course, includes the other country like Iran, Turkey, et cetera, –as the worst region in the world in English proficiency.

And so while a lot of content is being created online, it's not relevant to our primarily Arabic-speaking population in the Middle East; and thus they are not accessing or gaining anything from it. Our course with the highest subscriptions right now is actually a course launched together with the British Council that teaches the English language to non-English native speakers. We have over 80,000 registered learners for this course, which would make it the largest MOOC run in the Middle East. And if the numbers keep growing, there is a chance that this will be the largest massive open online course run outside of North America, Europe and China.

How can quality Arabic content be generated on a larger scale?

Only 1.5% to maximum 3% of online content globally is Arabic, which is nowhere near proportional to the percentage of the global population that the Arab world constitutes. Unfortunately most investments in Arabic content have been focused on pure translation from English, which is sounds effective but is usually very costly, and culturally irrelevant. It is much more cost-effective – in our experience- to create content from scratch (relying on non-Arabic sources), and it is also is much more effective pedagogically as well as much more appealing to the end-consumer or the end-user. Localisation over translation really is the key in content development.

Regarding how to fund this content generation. I believe the funding is available in the region, it's just not being directed properly. You have great initiatives such as Twofour54 and Open Sesame who are creating fantastic content, but these are small pockets of promise and we require a larger coordinated approach to make this available on a wider scale. I do think that government should be more heavily involved in providing the funding. Once there is sufficient government investment for this to become a lucrative sector, then the private sector will be tempted to invest and drive continued innovation within the sector.

What will also help create scale within this movement is open licensing - more openly licensed material through frameworks like the Creative Commons License is very important. It allows people to reuse and adapt content, as long as it is fairly attributed. We have already openly licensed three of our courses on Edraak and hoping to license more under a creative commons license in collaboration with our content partners.

There's been a lot of talk about the lifespan of MOOCs. How long do you think they will be around, and will there be any difference between the Arab and Western worlds?

The trends that we are witnessing at Edraak are very comparable to those you see internationally. For example our completion rates are between 10% to 6% - which is what you'd expect globally.

Are MOOCs a silver bullet? They're not a silver bullet. That is the problem with a lot of the talk around education. Everybody's looking for sort of a 'silver bullet.' I don't think there is a silver bullet in education. I think what we a lot of just normal lead bullets and we just need to be able to use them in the best way we can.

MOOCs are a reflection of how education is developing today. Looking retrospectively, we'll see that they had a big impact on how the trajectory of online education has developed, but I think it's way too early to tell if this is their final form. I think there's a lot more to be done in improving MOOCs and making sure that engagement and completion rates are higher.

The one thing though that I think is relatively still missing from the global debate on MOOCs is what impact they can have on non-Western audiences. Much of the debate around MOOCs has been on focused on their significance to a global, primarily Western audience – that tends to have better infrastructure and access to education. I think that we need to broaden the debate around MOOCs into how they can improve access to education and employment in the developing world, in the areas of refugee education, etc. These are areas that Edraak is working towards.



WANT TO KNOW MORE?

Call us to find out how you can get involved in the debate this year at Education Investment MENA, 16-17 November 2015 at the Ritz Carlton DIFC, Dubai, UAE.

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