



EDUCATIONAL SERVICES & PRODUCTS SECTOR

STRATEGIC ROADMAP

Final Summary

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Disclaimer: The views and opinions expressed in this document are solely those of the author and/or the contributors and do not necessarily represent the views of Education New Zealand.

Gate	Departures	Time
A2	AUCKLAND	09:45
B2	DUBAI	10:15
B1	GENEVA	10:50
C2	NEW YORK	11:00
A2	HONG KONG	11:20
B2	SEOUL	11:45
A1	KUALA LUMPUR	12:00
B3	LONDON	12:25



FOREWORD

The Leadership Statement for International Education was released in September 2011 – setting targets that include doubling the economic value of international education to \$5 billion by 2025.

The Leadership Statement outlined proposed actions for achieving this target, based on trends and predictions at that time. We all know that the international education market has changed – emerging student markets, the increasingly important role of technology, new competitors and products, and different expectations about how and when learning and assessment will take place. Commentators agree that this pace of change will continue.

There is also agreement that globally the number of students seeking an international education experience by 2025 will be in the region of 8 to 9 million and that there are many opportunities to grow and succeed if our education packages are flexible and able to continue to meet student expectations. This is at the heart of the roadmaps process. How does each segment of the industry need to position itself to respond to new opportunities and challenges and what is the industry's view of success in 2025?

“The next step is to ensure that this industry view is reflected in government and industry planning documents....”

I've been heartened by the way the industry has embraced the roadmaps development process. Each sector's roadmap process has been led by a respected person from that sector and over 400 industry participants have directly had input into this product: either through workshops, interviews or questionnaires.

The next step is to ensure that this industry view is reflected in government and industry planning documents to provide a meaningful way ahead for individuals, businesses and agencies. I look forward to working with you all to make this happen.



Grant McPherson
Chief Executive
Education New Zealand



OVERVIEW – HOW THIS ROADMAP WAS DEVELOPED

The development of a roadmap for the Educational Services and Products (ES&P) sector of New Zealand’s international education industry has been facilitated by Education New Zealand as part of developing an overarching international education industry roadmap.

The process for developing an international education industry strategic roadmap commenced in early December 2013 and has involved a team of independent Project Managers working with key sector advisors and international education providers to produce a roadmap for their respective sectors via:

- > 10 sector-based roadmap development workshops held in Auckland, Wellington and Christchurch with over 370 industry participants
- > 117 in-depth interviews with key industry participants

- > Analysis of nearly 220 opportunities for industry growth
- > 7 regional ‘test drive’ workshops held in Auckland, Hamilton, Wellington, Christchurch, and Dunedin with over 200 industry participants

This sector roadmap should be read in conjunction with the following related sector documents:

1. ES&P Sector Discussion Paper
2. ES&P Sector Roadmap Workshop Outcomes & Key Themes
3. ES&P Sector Interview Summary
4. Innovation Café Discussion Paper
5. Innovation Café Workshop Outcomes & Key Themes



PURPOSE

This roadmap has been developed by the Educational Services & Products sector of New Zealand's international education industry to guide its future growth and success towards 2025.

The roadmap contains a number of 'strategic choices' and 'specific actions' which have been identified as key enablers of future success.

It is important that the strategic choices contained in the roadmaps are seen as just that – *choices*. They may only be relevant to some providers, either individually or as groups, or in conjunction with government or the private sector.

DESTINATION 2025

		CURRENT	2025 SCENARIO 1	2025 SCENARIO 2
PARTICIPATION	Number of exporters	91	110*	130*
	Offshore students	3,000	10,000	10,000
	Average students per provider			
VALUE	Tuition fee income			
	Tuition fees per student			
	Offshore Revenue	\$104m	\$502m	\$742m

* Calculations are based on growth rates which were proposed by participants in the roadmap interviews of either 400% or 500% increase in estimated average income and a growth in the number of exporters to reach and exceed the Leadership Statement goal of \$500m of offshore revenue by 2025.

DESTINATION 2025

	Current	Destination 2025
Markets	<ul style="list-style-type: none"> > Siloed approach to entering markets > Duplication of effort 	<ul style="list-style-type: none"> > High quality market intelligence and customer understanding > Digital showcase of New Zealand Educational Services & Products story > Government support to spot and broker offshore market opportunities
Products & Pathways	<ul style="list-style-type: none"> > Established content export sector for English-speaking markets > Emergent EdTech sector > Consultancies and TNE providers at different stages of maturity 	<ul style="list-style-type: none"> > Products play to our unique IP strengths, including use of public sector IP > Tailored to meet demographic and geographic market needs > More digital channels and blended delivery
Resourcing	<ul style="list-style-type: none"> > Many businesses lacking scale and export capability > Little cross-sector networking or collaboration 	<ul style="list-style-type: none"> > Strong collaborative industry clusters > Improved access to capital > Better digital infrastructure
Capability & Leadership	<ul style="list-style-type: none"> > No professional association for ES&P > Patchy government understanding of the potential and the needs of the sector 	<ul style="list-style-type: none"> > ES&P peak body > High quality industry standards > More digital workforce > Active cross-government support for export
Partnership	<ul style="list-style-type: none"> > Competitive mind-set prevents international collaboration > Content and technology providers not joined up 	<ul style="list-style-type: none"> > Joined up NZ Inc. approach to markets and product development > Effective public / private partnerships

INDUSTRY ROADMAP STRATEGIC THEMES

Markets

Products and
Pathways

Resourcing

Capability
and
Leadership

Partnership

MARKETS OVERVIEW

To achieve transformational economic growth, we will share quality market intelligence to better understand the needs of the customer and the opportunities within high growth international markets.

We will promote the New Zealand Educational Services and Products story to a larger audience through digital platforms.

We will leverage the New Zealand country brand, our quality in-market relationships and the full value of our government and business networks to support successful market entry.

STRATEGIC CHOICES — MARKETS

1

Create and share relevant and timely market research and intelligence

2

Use digital channels to present the New Zealand Educational Services & Products story

3

Government acts as broker to spot opportunities into high growth markets

MARKETS

		DURATION (YEARS)			
		0 - 3	3 - 5	5 - 10	
1	STRATEGIC CHOICES Create and share relevant and timely market research and intelligence	SPECIFIC ACTIONS			
		Collate and share best practice knowledge on how to grow internationally	■	■	■
		Provide sector-relevant intelligence on geographic and demographic markets, political and cultural landscapes	■	■	■
		Spend time in market to better understand needs	■	■	■
2	STRATEGIC CHOICES Use digital channels to present the New Zealand Educational Services & Products story	SPECIFIC ACTIONS			
		Promote the ES&P story within the New Zealand Education Story	■		
		Create a digital catalogue of products and services		■	
		Enable on-demand delivery of digital products through a New Zealand portal and other digital channels			■
3	STRATEGIC CHOICES Government acts as broker to spot opportunities into high growth markets	SPECIFIC ACTIONS			
		Appoint roving or in-market ES&P BDMs with ES&P expertise to act as brokers, spot market opportunities and support visits	■	■	■
		Government highlights ES&P export potential in trade agreements and trade promotional visits	■	■	■

KEY RESPONSIBILITY

- Sector
- Sector and Government
- Government

PRODUCTS AND PATHWAYS OVERVIEW

To achieve transformational economic growth, we will develop and promote high quality, niche products and services that meet the needs of specific markets and play to New Zealand's competitive strengths.

More blended learning products will be developed and delivered across a range of digital channels.

STRATEGIC CHOICES – PRODUCTS AND PATHWAYS

1

Align product development to customer needs

2

Focus on niche sectors where New Zealand has competitive advantage

3

Adopt more agile R&D approaches

4

Develop more digital channels and blended delivery

5

Protect and commercialise exportable intellectual property

PRODUCTS AND PATHWAYS

		DURATION (YEARS)		
STRATEGIC CHOICES	SPECIFIC ACTIONS	0 - 3	3 - 5	5 - 10
1 Align product development to customer needs	Compete on relationships and innovation	■	■	■
	Price according to market volume and opportunity	■	■	■
	Customise products and services to local market technologies and learning philosophies	■	■	■
	Integrate valued added services around core offering to differentiate from competitors	■	■	■
2 Focus on niche sectors where New Zealand has competitive advantage	e.g. compulsory sector: ECE, early literacy, ESOL, career oriented and work ready programmes	■		
	Repackage and rebrand existing content and services for specific markets	■		
3 Adopt more agile R&D approaches	Adopt ICT sector Minimum Viable Product rapid deployment approach to speed up customisation	■	■	■
4 Develop more digital channels and blended delivery	Accelerate the development and delivery of blended learning via diverse platforms, including gamification, apps, wikis and MOOCs	■		
	Promote the possibilities of distance learning, online qualifications and badging to New Zealand providers to encourage innovation	■	■	
	Develop products to take advantage of big data and learning analytics	■	■	
5 Protect and commercialise exportable intellectual property	Make MoE and other agency IP available for commercial development by exporters	■	■	■
	Promote business models and agreements that protect intellectual property rights	■	■	■

KEY RESPONSIBILITY

Sector
 Sector and Government
 Government

RESOURCING OVERVIEW

To achieve transformational economic growth we will create collaborative industry clusters and build capability through professional associations.

Capable industry providers (individually or in clusters) will have access to capital for investment in product, infrastructure and market development.

STRATEGIC CHOICES — RESOURCING

1

Focus on developing and growing industry clusters

2

Enable better access to capital and R&D for international growth and risk sharing

RESOURCING

		DURATION (YEARS)		
		0 - 3	3 - 5	5 - 10
STRATEGIC CHOICES	SPECIFIC ACTIONS			
1 Focus on developing and growing industry clusters	Professional associations promote collaborative activity and capability building with ES&P and the wider sector			
	Government incentivises collaborative frameworks to change silo behaviour and encourage more comprehensive solutions			
	More local and international VC and angel investment in ES&P start ups			
	Source corporate / multinational funding partners for larger scale product development			
	Lobby for Government R&D incentives for ES&P sector to support speedier product innovation			
	ENZ helps fund multi-year projects with serious growth potential			
	Government provides networks and expertise to help create investment-ready opportunities			
2 Enable better access to capital and R&D for international growth and risk sharing				

KEY RESPONSIBILITY

Sector
 Sector and Government
 Government

CAPABILITY AND LEADERSHIP OVERVIEW

To achieve transformational economic growth, we will develop strong professional networks and quality standards.

We will promote the value of digital careers and encourage continuing skill development.

We will ensure public sector education agencies understand and support the commercial export effort.

STRATEGIC CHOICES – CAPABILITY AND LEADERSHIP

1

Better sector co-ordination
and representation

2

Promote the educational
and employment value of
digital skills

3

Government agencies take
a joined up customer-centric
approach

CAPABILITY AND LEADERSHIP

STRATEGIC CHOICES	SPECIFIC ACTIONS	DURATION (YEARS)		
		0 - 3	3 - 5	5 - 10
1 Better sector co-ordination and representation	Establish a peak body or professional association for ES&P to encourage sector representation and collaboration	■	■	■
	Facilitate networking among providers to enable better partnering	■	■	■
	Establish credentialing of products and services and industry wide quality assurance standards and criteria	■	■	■
2 Promote the educational and employment value of digital skills	Support to find and bring on skilled digital staff	■		
	Ongoing training for sector participants	■		
	Promote digital careers to school leavers	■		
3 Government agencies take a joined up customer-centric approach	Public sector leaders incentivised to contribute to economic growth	■	■	■
	MoE and NZQA engages with and improves support to educational exporters	■	■	■

KEY RESPONSIBILITY

Sector
 Sector and Government
 Government

PARTNERSHIP OVERVIEW

To achieve transformational economic growth, we will deliver greater speed and scale through industry, government and private sector partnerships.

We will benefit from increased capacity and efficiencies by using a range of collaborative models between providers nationally, and engaging with international supply chains.

STRATEGIC CHOICES — PARTNERSHIP

1

'Co-opetition':
Compete locally /
collaborate internationally

2

Build / establish partnerships
to form a seamless supply
chain

3

Develop public /
private partnerships

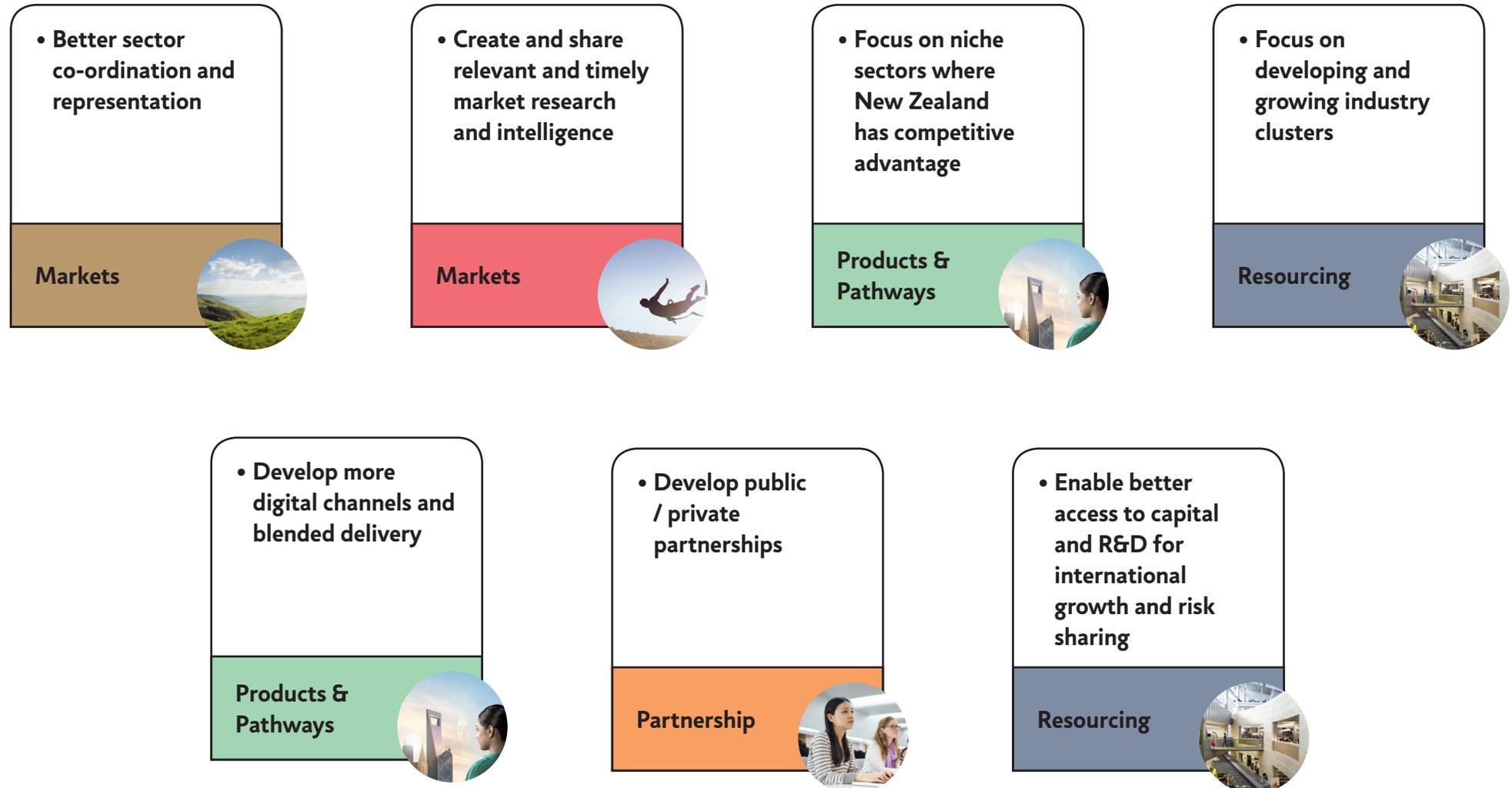
PARTNERSHIP

STRATEGIC CHOICES	SPECIFIC ACTIONS	DURATION (YEARS)		
		0 - 3	3 - 5	5 - 10
1 'Co-opetition': Compete locally / collaborate internationally	Form product development partnerships to afford greater speed and scale	■	■	■
	Partner with New Zealand corporates offshore in order to build on existing sales channels and relationships	■	■	■
	Create a 'Fonterra' co-op model where partners invest in joint market brand and / or share back office resources	■	■	■
2 Build / establish partnerships to form a seamless supply chain	Partner with international and local in-market organisations to deliver programmes offshore that bring students onshore	■		
	Combine New Zealand content/expertise with global technology companies and platforms		■	
3 Develop public / private partnerships	Landing pads in Asia, the Middle East and the US	■	■	■
	Public sector secondments into private sector projects	■	■	■
	Private sector leaders lobby to be involved in G2G frameworks	■	■	■

KEY RESPONSIBILITY

- Sector
- Sector and Government
- Government

PRIORITY CHOICES



SUPPORTING YOUR JOURNEY TO SUCCESS IN 2025...

A roadmaps analogy was used throughout this process because it was always going to be about the journey *as well* as the destination. While these documents are final drafts, it's far from over. ENZ will support industry to start the journey by:

1. Working with providers, peak bodies, sector groups, regional bodies and other key stakeholders to widely communicate the sector and industry roadmaps and their key features.
2. Working with each sector to develop a joint work plan that will identify what the highest priority roadmap projects are and who (industry, ENZ, or jointly) will take responsibility for leading them.
3. Working with each sector to develop the detail of how each priority sector-focused project will be approached, what costs and benefits can be delivered, and when it can be delivered.
4. Facilitating the establishment of a cross-sector project steering group to lead a collaborative approach to high priority roadmap projects where they require a multi-sector or pan-industry approach, including the identification of best practice across sectors.
5. Working alongside each sector and the cross-sector project steering group to appropriately support the implementation of the agreed high priority roadmap projects for 2014/15.

YOU'RE IN THE DRIVING SEAT NOW

To create the kind of future mapped out in the roadmap we seek your commitment to starting the journey and leading the way by:

1. Working with your colleagues, stakeholders, other providers, and peak body or sector groups to widely communicate the sector and industry roadmaps and their key features.
2. Working with other providers in your sector to develop a joint work plan that will identify what the highest priority roadmap projects are and who (industry, ENZ, or jointly) will take responsibility for leading them.
3. Working with your sector to develop the detail of how each priority project will be approached, what costs and benefits can be delivered, and when it can be delivered.
4. Working alongside other providers in your sector to support the implementation of agreed high priority roadmap projects for 2014/15.
5. Adopting the changes in your School, institution or company that are part of making the journey to 2025.

“Change will not come if we wait for some other person or some other time. We are the ones we’ve been waiting for. We are the change that we seek.” Barack Obama

ACKNOWLEDGEMENTS

Education New Zealand would like to thank all those who contributed to the development of this strategic roadmap for the ES&P sector, including workshop attendees and the following institutions and individuals:

Programme Manager: Alasdair MacLeod, Growth Solutionz

Project Manager: David Glover, Creative Strategies

Advisory Committee: Dame Wendy Pye, Managing Director and CEO, Wendy Pye Publishing
Tracy Strudley, Director Sales and Marketing, Global Education Systems
Richard Wyles, Chief Executive, Totara Learning Solutions
Sandie Guscott, General Manager – Education, Uniservices
Ian King, Managing Director and CEO, Academic Colleges Group

Interview Participants: Wendy Pye Publishing, Global Education Systems, South Pacific Press, Totara Learning Solutions, Open Polytechnic, Language Perfect, Otago Medical School, Maven, Uniservices, Cognition Education, Waikato Institute of Technology, Massey University, Victoria University of Wellington

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