EXECUTIVE SUMMARY

The topic of e-learning is gaining much attention, especially because most of the universities and tertiary institutions have enhanced their classroom courses with e-learning systems. The case provides an overview of the implementation of a newly adopted e-learning system in ABC Higher Education College (AHEC). Any new way of doing things generates some resistance by the people affected. Just knowing the importance of e-learning is not enough. A lack of effective change strategies in AHEC resulted in low acceptance and usage of the e-learning system. Though there is no universal approach for every changing environment, the case aims to trigger readers to develop change management strategies and future directions with respect to the introduction of e-learning system in order to maximize the acceptance and benefits of the college.

Keywords: change management; e-learning; higher education; instructional technology; technology acceptance

ORGANIZATIONAL BACKGROUND

History of the Organization

As the world economy undergoes the transformation from an industrial economy to a knowledge-based economy, learning has become perhaps the most indispensable activity in our life. The ABC Higher Education College (AHEC) is a private post-secondary institution in Hong Kong, offering four-year degree programs and honors diploma programs for the local population. It was founded in 1971 at a time when public provision for tertiary education covered less than 2% of the relevant age group.
Seriously concerned about the acute shortage of college places for Secondary school Form 6 students hoping to obtain a university education, the two founders of the college conceived the idea of an independent liberal arts college. In the spring of that year, they decided to establish an institution of higher learning for the benefit of the young people and in the interests of society as a whole. Their aim in establishing the AHEC was not primarily for profit but more with the hope of providing the ideal education.

When the college was founded, it offered only diploma programs (sub-degree level) in seven teaching departments; namely, Chinese Language and Literature, English Language and Literature, Journalism, Accounting, Business Administration, Sociology and Social Work, and Law and Business. The Departments of Law and Administration, Sociology, Counseling and Guidance, and Chinese Literature and History were added in 1976, and the Department of Sociology and Social Work was split into two, creating the Departments of Social Work and of Sociology. In 1977, two more new departments, History and Economics, were established.

For more than 30 years, AHEC has played a consistent role in extending the range of higher education opportunities available to senior secondary school graduates in Hong Kong. In addition to running a variety of full-time diploma programs in Arts, Commerce, and Social Sciences, it has established affiliations and relations with universities and institutions of higher learning in both Mainland China and other countries overseas. In cooperation with them, it also provides part-time professional diploma programs and Master’s degree programs open to the working population of Hong Kong.

**Economic Climate**

By the mid-1990s, the expansion of government-funded higher education places in Hong Kong and the proliferation of post-secondary diploma programs had begun to erode the market for AHEC’s four-year diploma programs. While other institutions were offering three-year degree programs, the four-year program of study remained a defining characteristic of AHEC’s academic portfolio. In 2000, the full-time first-degree places available in government-funded tertiary institutions covered 18% of the relevant age group, and the number of institutions offering degrees had increased from two in 1971 to eight. In addition, a student who was denied access to a funded place could study for a degree on a part-time basis by distance education at the Open University or through the continuing education units of other universities in Hong Kong. Moreover, two-year, full-time Associate degree programs were offered by some existing universities. Students successfully completing these programs might be eligible to transfer to the second year of a three-year degree program in a related area.

With this wider availability of opportunities to study up to degree level, the AHEC diploma programs became much less attractive to potential applicants. Only by up-