Chapter 7.17
Expanding E–Commerce into E–Ducation

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BACKGROUND

The fall of the Soviet Union created a series of new economic situations in Eastern Europe. Soviet-style Communism quickly gave way to a radical and unbridled form of capitalism that led many outsiders to refer to the region as the “wild East” (Pei, 1994; Brady, 1999; Miller, Grodeland, & Koshechkina, 2001). Overtime, business practices began to settle as persons from the former Eastern Bloc focused on Western models of business and finance (Brady, 1999; Mikelonis, 2000; D’Anieri, Kravchuk, & Kuzio, 1999). Such a transition would not be easy, for 75 years of Communist rule left a limited framework upon which individuals could build capitalist-style industries.

As interest in Western business practices grew, so did the degree of online access Eastern Europeans had to ideas and consumers in industrialized nations (IDC Research, 2003; The new geography of the IT industry, 2003). Such access was important, for it allowed persons in these developing nations to connect with the greater global economy and improve the conditions of their businesses and the economies of their regions (Koretz, 2001).

In the summer of 2001, a group of business educators and businesspersons from the United States, Ukraine, and Poland converged in the Ukrainian city of Yalta to participate in two weeklong conferences dedicated to exchanging ideas on business and education. Organized in part by the USAID-sponsored Consortium for the Enhancement of Ukrainian Management Education (CEUME) and the Kyiv Mohyla Business School, the conferences focused on the development of business education programs in Eastern Europe and on helping local businesses become part of the greater global economy. One session within each weeklong conference focused on e-commerce. Participants in these sessions engaged in a dialogue on how the developing economies of the East and the industrialized economies of the West could modify e-commerce perspectives to benefit individuals from both cultures. These discussions included an examination of e-commerce, online education, and connections that could be made between the two. Out of these discussions
emerged a hybrid business–education model that used online media to benefit individuals in the developing East and the industrialized West. This article presents the results of those discussions.

AN E-COMMERCE PARTNERSHIP

According to several conference participants from Ukraine, many businesspersons in Ukraine, Poland, and Russia use the Internet to learn about foreign markets. The idea is to gain information about overseas companies in order to work with them as partners or to begin selling products abroad. Unfortunately, as many participants noted, when one is not part of the culture being examined, it can be difficult to conduct Internet-based research effectively. As several participants explained, the situation often becomes one where individuals have the money needed to achieve an e-commerce objective but lack the knowledge required to recognize that end.

At this point, participants from Ukrainian universities noted how this situation was also affecting education in Eastern Europe. Several individuals indicated that educational institutions in the region often lack funding. As a result, the facilities and equipment available for teaching and research are often insufficient. In most cases, an important source of capital to improve conditions is local businesses, and an obvious means of generating revenue would be to offer training to the employees of these businesses. When it comes to e-commerce, however, local businesses often have better facilities and equipment than those available at nearby universities. The question was then raised, “What do these universities have that can encourage local business investment?” In terms of e-commerce practices, many participants cited that an academic reputation can provide a special kind of access to international markets. The task for these institutions then becomes finding a way to use such a reputation as a means for creating links between East and West. Over the course of the conference sessions, parties from both developing and industrialized nations examined this concept from various perspectives, and a basic model for forging connections began to emerge.

American participants noted that university students in industrialized/Western nations often look for opportunities to study abroad, for courses or credits from overseas institutions can increase a student’s marketability upon graduation. Such study, however, can be costly in terms of transportation, living expenses, and lost employment. These factors often mean that many Western students cannot take advantage of such opportunities. What makes this situation particularly interesting is that these students have direct access to the markets and the cultures of businesspersons in developing nations such as Ukraine, Poland, or Russia wish to study. Moreover, because these students are a part of the related culture, they understand its workings in a way that outsiders cannot. The question then becomes can these two parties (businesspersons in developing nations and students in industrialized nations) be brought together in a way that allows both to achieve their goals? The mechanism for realizing this end can be educational institutions in developing nations. To bring these two parties together, such institutions need to create an Internet-based situation that combines educational objectives with business needs.

The key is for universities in developing nations to devise online international business courses or certificate programs designed for students in industrialized nations. The idea would be that students in industrialized nations could gain credit from universities in other countries without having to leave home. Rather, all class interactions and coursework would take place online. If the online courses being offered are international business, marketing, or finance, then universities in developing nations would have a mechanism for linking the needs of local businesses to those of international students.