

EDUCATION

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Coursera's bold new world

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Coursera co-founder Andrew Ng believes his company's largest revenue stream over the next year will be a new service offering students identity checking and secure online exams which lead to course credits.

Coursera is the world's largest provider of massive open online courses (MOOCs) which enable anybody to take top-level university courses, which are presented online in a user-friendly format, for free.

Mr Ng told a Sydney conference last Wednesday that the new service, called the "signature track" would enable students to identify themselves online via biometrics, their typing pattern, or a webcam.

"Because it costs us things to do this on our end we have to charge a modest fee for this," he said, speaking online to the conference organised by the Business-Higher Education Round Table (B-HERT).

"In the near future I anticipate the signature track will be our largest revenue stream and any revenue we bring in is shared with the university partners that produce the content."

Coursera is looking to create revenue for its 33 university partners – all top global institutions including the University of Melbourne – and for its Silicon Valley venture capital backers who have invested \$US16 million.

Mr Ng's optimism gained validation last Thursday when a key US accrediting body, the American Council on Education (ACE), said it was recommending five Coursera courses – four higher education and one vocational – be eligible for credit. All five courses are in maths and science and are provided by three prestigious universities, Duke, University of Pennsylvania and University of California, Irvine.

ACE's recommendations are used by 2000-plus US higher education institutions in deciding whether to give credit for prior study.

If US educational institutions follow ACE's Coursera recommendation, then studying online with Coursera will suddenly become a very cheap way of gaining university credits in the US.

On course

April

Coursera established with \$US16m of venture capital and four university partners – Princeton, Stanford, University of Michigan and University of Pennsylvania

July

12 more universities partner with Coursera to offer courses, including the first non-US institutions, and student numbers reach 690,000

September

17 more universities join Coursera, including the University of Melbourne and student numbers reach 1.35m

February

Coursera students number 2.6m



It will cost less than \$US200 to take Coursera's signature track and sit the secure online exam for a unit of study.

The signature track is not available for all courses – only those where the university providing the course agrees for it to be offered.

ACE is also examining whether some MOOC courses offered by Coursera's rival provider, Udacity, should be eligible for credit.

If enough US educational institutions offer credit for MOOC courses it will put massive

downward pressure on the high prices for higher education in the US, where student debt has exploded due to high fees and lack of growth in graduate jobs.

Mr Ng also told the B-HERT conference that he had a very strong commitment to making education available at no cost.

"For philosophical reasons I feel very strongly that content should be free," he said.

"Before announcing the signature track I felt very strongly that we need to serve the neediest in our society and so I actually told my product team that we needed to implement financial aid for this.

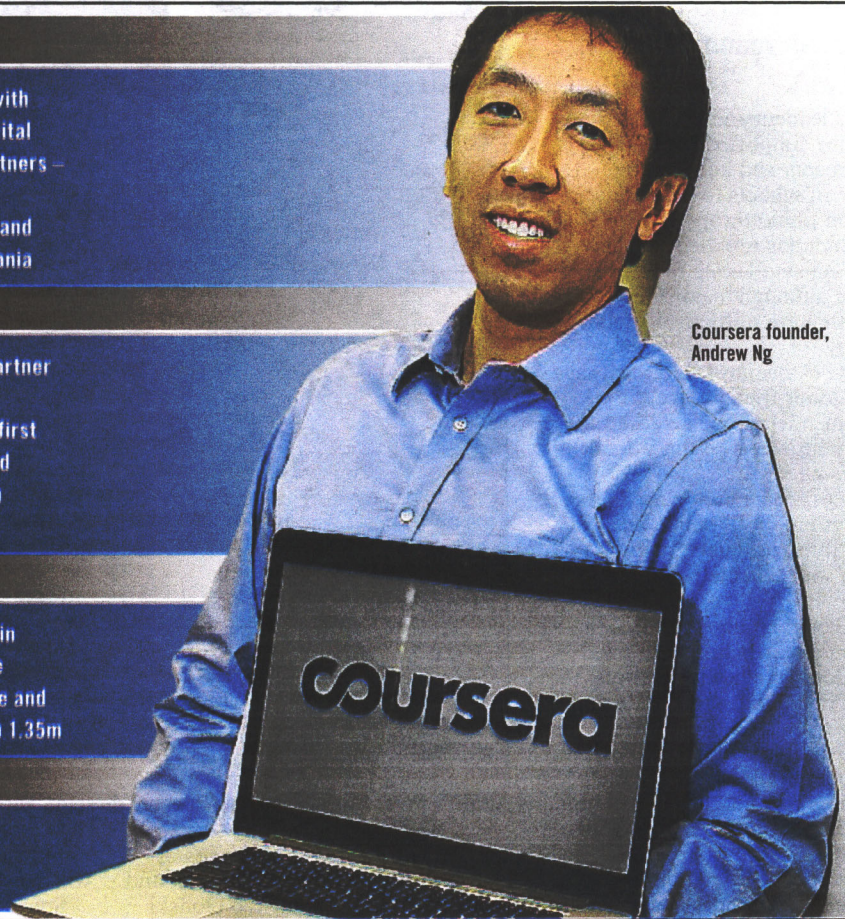
"This is probably not the decision of a normal company, but today if there's a poor kid in India who doesn't have a credit card but would benefit from taking a Duke

University class and earning a certificate with a Duke University logo with the signature track, we ask them to fill out a short one-page financial aid application and we will give it to them for free."

Coursera's website warns that if the company suspects abuse of the financial aid program it may be forced to discontinue it.

Coursera is also developing other revenue streams. One is content licensing where "we will take the content we have and stream it to universities to help them offer courses to local students at low cost and high quality. For that we request a small fee from tuition-charging universities," Mr Ng said.

Another is a job-finding service for Coursera graduates where employers pay a fee to have access to graduates with key skills.



Coursera founder, Andrew Ng