

# Online Higher Education – Moving From Ordinary to Extraordinary

## A Position Paper on Online Pedagogy Innovation

Part 1: State of Play – Online Pedagogy at Leading Schools

Summer 2013



## ABOUT THIS REPORT

This report poses the question: Can online higher education go from ordinary to extraordinary?

**Why is this report important?** Online higher education has been very successful in terms of perceived convenience compared to the traditional classroom, as well as with respect to access for underrepresented groups and stimulating career-oriented programming. Online has been much less successful on tougher objectives that ultimately matter most to students and policymakers – transformative pedagogy, compelling outcomes in terms of both quality and quantity, and substantial reduction of instructional costs.

This report is a guide for those interested in turning greater attention to these tougher objectives, starting with online pedagogy. Indeed, schools active online cannot ignore these tougher objectives. Simply offering online programs is no longer a differentiator. Throwing vast sums at marketing is not an option for most schools and offers diminishing returns from a savvy consumer. Trying to compete on convenience and flexibility, amid hundreds of schools touting the same message, is not a winning formula. Features that schools position as distinctive – career programs, student support services, an adult-friendly environment, practitioner faculty, and a well-known parent institution – are now commonplace. But with respect to pedagogy, the student experience, outcomes, and cost reduction – the things that matter most to students and policymakers – the landscape is wide open. There is huge potential for schools here, but complexities and sensitivities loom.

The main focus of this report is pedagogy but is also relevant for cost reduction and outcomes.

The report is available in three parts:

- ▶ **Part 1:** State of Play – Online Pedagogy at Leading Schools
- ▶ **Part 2:** Theory or Practice – Where is the Problem?
- ▶ **Part 3:** Map of the New Vendor Universe – Introducing the Eduventures *Class of 2013*

This is Part 1 of the report. Part 2 will be released in September, and Part 3 shortly thereafter.

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## BACKGROUND

In the United States, online higher education has come a long way from its origins in the 1990s, with more than three million students (c.14%) today studying totally online and more than seven million (c.32%) taking at least one online credit course. Students, particularly adult learners, have welcomed the convenience of online programs, which allow learners to juggle work, family, and study more effectively. More traditional students have come to regard online courses as a valuable complement to the physical campus. Eduventures estimates that in 2013, more than 60% of U.S. degree-granting schools – public, private, and for-profit – offer at least one online program, more than 90% offer at least one online course, and a growing number enrolls thousands of online students and sees online as a core business.

But as discussed in two prior Eduventures reports, *The Adult Higher Education Consumer: Which Way Now?* and *Online Higher Education Market Update 2012/13*, the days of building a suite of standard online programs and riding the wave of demand are over. Online programs, always associated with double-digit growth, are still growing in terms of enrollment, but growth rates are now down to single figures. Many larger schools by online headcount are experiencing negative growth. As numerous schools look to online learning to address other frictions – declining traditional student demographics, anemic state appropriations, pressure to restrain tuition – supply has most definitely caught up with demand. Consumers and regulators are comfortable with the basics of online higher education, but ordinary online is not the killer app it once was. A sure sign of maturity is the swirl of pretenders to the online crown – MOOCs, competency, adaptive learning, game-based learning – all touting forms of online that are allegedly faster, cheaper, and of better quality than the original.

Ordinary online programs are now “traditional.” Traditional is good for stability and acceptance but not so good for rapid growth and game-changing impact. Figure 1 shows online higher education’s success profile to date, highlighting where online needs to focus to reignite growth to become extraordinary.

**Figure 1. To Reignite Growth, Online Needs to Tackle Harder Objectives**

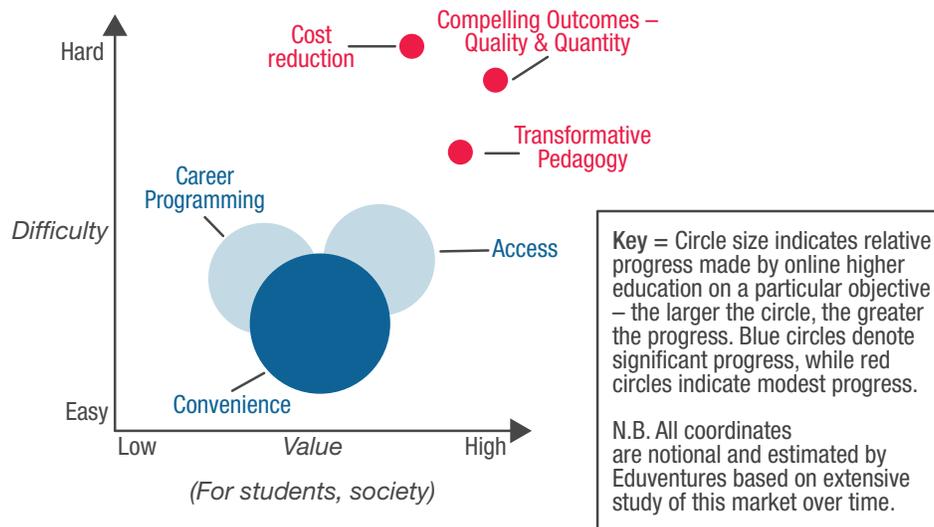


Figure 1 contends that online higher education has been most successful in terms of perceived convenience compared to the traditional classroom, as well as with respect to access for underrepresented groups and stimulating career-oriented programming. Online has been much less successful on tougher objectives that ultimately matter most to students and policymakers – transformative pedagogy, compelling outcomes in terms of both quality and quantity, and substantial reduction of instructional costs.

The main focus of the report is pedagogy, the key determinant of student outcomes and cost. The longstanding gap between abstracted “good practice” of online pedagogy and actual practice at leading schools is not a disagreement of theory but a matter of structure and culture. As discussed below, the ability of schools to consistently apply and implement “good practice” is a major barrier, distinct from what is in fact a quite stable and widely accepted literature.

Yet internal and external frictions – slowing online enrollment growth, new competition, regulator skepticism, growing consumer sophistication, funding pressures – are fostering an environment where structural and cultural change may be more feasible than in the past. At the same time, recent years have witnessed a burst of new tools, technologies, and vendors targeting online higher education and higher education more generally. This trend is indicative of the limits of the online pedagogic status quo and offers schools fresh means to innovate. This combination of a new climate for reform and an unprecedented array of tools and vendors marks an opportunity for a step-change of innovation in online higher education.

## STATE OF PLAY – ONLINE PEDAGOGY AT LEADING SCHOOLS

Part 1 of this report examines the pedagogical approach and positioning of 20 universities with an established presence in the online higher education market at degree level. The sample is a mix of public, private, and for-profit schools and confined to four-year institutions. See Appendix A for school names. Between them, these schools enroll more than 500,000 online students. Eduventures selected these schools as among the most experienced and successful with online programming, but the following characterization of online pedagogy is typical of almost all schools currently operating in the space.

Eduventures turned to school websites for market-facing description and positioning of online pedagogy. Of course, additional detail and nuances may exist behind the scenes, but the emphasis here is on what is presented to the prospective student. Such presentation is what most influences the market and how schools compete, and it is also a reliable indication of schools' assets and approach. Tensions between academics and marketing aside, websites represent the best collated account available of school-level approaches to online programming. Generic presentation of online pedagogy is omission at best, but this most likely signals the relative absence of distinctive assets.

The following section summarizes how online pedagogy is described and positioned at sample schools.

## KEY FINDINGS

- ▶ **Deference to the Campus.** Even 15-plus years into the online higher education market, schools continue to devote significant space to emphasizing the comparability of online and conventional instruction. Schools cite the 2009 U.S. Department of Education meta-analysis indicating the robustness of online instruction, or evidence from the *National Survey of Student Engagement* that online students self-report above-average academic participation (Chen et al., 2008). Yet the value of online learning is couched in terms of convenience and flexibility relative to the traditional classroom rather than a pedagogical benefit in its own right. This may be understandable insofar as many prospective students still have yet to take an online class. The downside is that in-person instruction is unchallenged as optimal and energy is diverted from any effort to craft a version of online learning that transcends the traditional classroom.
- ▶ A good example of online delivery as background rather than foreground is a school that does lay out a “Learning Model” for online programming, but where the model makes no reference to online technology and could equally apply to a campus program. The seven principles of this model are:
  - ▶ Faculty engagement
  - ▶ Student collaboration
  - ▶ Active learning
  - ▶ Frequent/prompt feedback
  - ▶ Time on task
  - ▶ High expectations
  - ▶ Student diversity

Of course, these are all essential elements of robust pedagogy, regardless of delivery mode. The point is rather that online is implied to be no more than a means by which certain types of student can access such pedagogy and not of distinct pedagogic value itself.

- ▶ **Distinctive Assertion, Ordinary Reality.** All examined schools claim a distinctive approach to online learning, but most describe a largely homogeneous norm. The terms “state-of-the-art,” “interactive,” and “multimedia” are widely used, but online course demos reveal an instructional model defined by a standard LMS, asynchronous study, text-based study materials, and text-based discussion with a scattering of audio and video clips. With the exception of greater use of audio and video clips, this instructional approach has been characteristic of leading online schools for many years.
- ▶ **Quality by Proxy.** Instead of speaking to online pedagogy directly, sample schools employ various proxies. These include:
  - ▶ Participation in or adoption of the *Quality Matters* rubric, the prominent third-party effort to drive good practice fundamentals in the design and development of online courses
  - ▶ Amount of required faculty training to teach online
  - ▶ Prestige of the parent institution and its faculty

- ▶ Small class size
- ▶ Practitioner faculty
- ▶ Relationships with industry, ensuring career relevance of programs
- ▶ Third-party awards (e.g., Sloan-C) and rankings (e.g., U.S. News)

Yet beyond anecdotes and assertion, these proxies either leave online pedagogy underdescribed, co-exist with very standard instructional design or faculty inconsistency, or speak to a threshold standard rather than excellence or differentiation.

- ▶ **No Online Brands.** Beyond a blanket “online” label, sample schools do not name or brand their pedagogical approach. On occasion, terms such as “active learning” or “problem-based learning” appear but are rarely defined or indicative of pedagogic specifics that are out of the ordinary. The well-known *Community of Inquiry* model developed by researchers at University of Calgary (Garrison et al., 2000), specifically for online delivery dominated by text-based discussion, was not referenced. The main exception is the competency model at Western Governor’s University (see below). Aspects of this model are also in place at SUNY Empire State College. Ashford University brands certain in-house tools (e.g., *Constellation*, a collation of in-house and third-party study materials) that influence but do not define online pedagogy at the school.
- ▶ **Outcomes Vague or Scattershot.** Few sample schools speak directly or at all to online program outcomes as evidence of a robust pedagogy. Most schools offer satisfied quotes from students or alumni or profile a handful of individuals but do not provide quantified outcomes such as graduation rates (overall or by program or demographic), graduate employment data, or salary information. Ashford University and Capella University both have dedicated “outcomes” sites featuring a wide range of satisfaction and performance data. Such systematic disclosure is welcome, but the problem then is inconsistent reporting among schools, lack of benchmarks, and limited commentary to help the reader make sense of the mass of information. A few other sample schools (e.g., American Public University System, Western Governor’s University, and University of Phoenix) disclose similar data but on a more modest scale. Ashford developed and uses *Waypoint Outcomes*, a student performance dashboard that it also sells to other institutions.
- ▶ Some sample schools were participants in *Transparency By Design*, a school-led effort to encourage institutions active in the online program market to disclose outcomes and other consumer-oriented data in consistent fashion on a single website – *College Choices for Adults*. The effort was laudable and benefited from funding from the Lumina Foundation, but it proved more difficult than anticipated to persuade schools to report high-value, transparent, and consistent data. After five years, membership stood at little more than 20 schools. In early 2013, the *College Choices for Adults* site was shut down.
- ▶ **Riding Alone.** Sample schools make few references to third-party organizations or technologies in terms of pedagogic value-add. Some schools name their LMS provider as a purveyor of “best-in-class” technology, but most do not even do that. LMS vendors aside, the only third-party tools or firms cited by sample schools appear to be Elluminate (Penn State World Campus) and IDEO (a design consulting firm that worked with University of Phoenix to create the recently launched “Innovator’s Accelerator” suite of non-credit

online courses; see below for further discussion of “Innovator’s Accelerator”). The Rossier School of Education at University of Southern California partners with 2U, the online services firm, and highlights its use of 2U’s proprietary delivery platform, customized as 2SC. Other sample schools may use relevant tools or work with relevant firms, but any differentiation potential is not named to the market.

- ▶ **Not Facing the Competition.** No sample school attempts to positively position “traditional” online – meaning conventional, relatively high-cost degree programs based on credit hours – against MOOCs, competency, or other newcomers. Some less expensive schools trade on low cost but do not draw an explicit comparison with free alternatives. A couple of sample schools (e.g., Bellevue University and Capella University) have launched their own competency degrees but position them simply as an extension of standard programming for students unable to accommodate the norm.

**Notable Exceptions.** Within the sample, particular institutions or aspects of online delivery stood out from the norm. These represent some of the possibility for online pedagogy innovation going forward. Eduventures identified four kinds of foregrounded, distinctive online pedagogy at sample schools:

- ▶ Competency
- ▶ Synchronous and more
- ▶ Residency
- ▶ High-end production

Each is discussed in turn, with institutional examples.

### Competency – Western Governor’s University

The pedagogy employed at Western Governor’s University and SUNY Empire State College, delivered online, stands apart from convention in many respects. All students benefit from prior learning assessment and work at their own pace through a mix of in-house and third-party resources and courses guided by faculty mentors, and assessment is purely competency-based, with no time element. Online delivery adds access, convenience, and scale, but it is not essential to the pedagogical approach. The rarity of a competence model in higher education makes the few schools like WGU highly differentiated, with online needing to carry less of the pedagogic or innovation burden.

Recent years have seen renewed interest in competency as a mainstream pedagogical model. Bellevue University’s new Flexive for self-paced Bachelor’s of Business Administration and Capella University’s new FlexPath competency-based BSc in Business and MBA are related developments at schools with otherwise “traditional” online programs. Northern Arizona University (not part of the sample) has developed a competence program where students pursue competencies rather than take courses, said to build interdisciplinary connections and deeper learning. The U.S. Department of Education issued new guidance in 2013. Competency promises more individualized instruction and lower costs to students, but it remains unclear whether the approach is ultimately feasible only for the disciplined few.

### Synchronous and More – USC’s Rossier School

The Rossier School of Education at University of Southern California was the first to partner with 2Tor (now 2U), an online services vendor created to help top-branded schools develop distinctive and appropriate online programs. Rossier continues to work with 2U, and its suite of online master’s degrees and other graduate credentials share some distinctive pedagogical features. Unlike the asynchronous norm, Rossier’s online programs all include a required synchronous class session every week. These sessions use live video chat where all participants can see each other simultaneously. Other standout elements at Rossier include student use of handheld video cameras in practice school classrooms, full class access on mobile devices, and a “portfolio-for-life” allowing students to craft and showcase work during their studies and through their career.

The Rossier example, and 2U generally, is a rare example of online technology being leveraged in very particular ways to achieve pedagogic enhancements and an online brand consistent with the positioning of the parent institution.

### Residency – Norwich University

An alternative to attempting to innovate online pedagogy directly is to combine online and in-person study. Most larger schools with significant numbers of online students focus on wholly online programs, making a virtue of zero campus attendance, but some smaller schools offer online programs with one or more required residencies. Instead of seeking online-specific differentiation, with the risks of the pioneer that may entail, a residency enables a school to focus on in-person activities familiar and potentially appealing to both students and faculty.

At some schools, the residency is positioned first and foremost as a requirement and less as a valuable program feature. Norwich University in Vermont, with a traditional undergraduate campus and a wholly online graduate school, is a rare sample school to both require residencies and put above-average effort into promoting the experience.

The Norwich residency is held in June each year. Described as a “capstone” experience, the five-day residency is typically the culmination of a master’s program. Some formal academic activities are laid on – guest speakers, faculty presentations and discussions, interdisciplinary conference – but the emphasis is on live interaction with faculty and students. Family and friends are encouraged to accompany the student, and various recreational activities are highlighted. The setting of the Norwich campus, the Green Mountains, is emphasized. The student’s room and board is free for the week. The residency ends with a graduation ceremony.

As the online higher education market continues to get more crowded and many schools begin to embrace regional as opposed to national markets, online programs with residencies may grow more common. More pronounced geographical co-location between schools and students will open up greater possibility for blended delivery. This may allow schools to leverage today’s online learning for what it can do best – convenience, access – and turn to the physical campus for differentiation. A blended model may also help integrate online programming with the broader institution.

### High-End Production – *The Innovator’s Accelerator* from University of Phoenix

University of Phoenix remains by far the largest U.S. higher education institution by online student headcount. Even following enrollment decline in recent years, the university boasts more than 300,000 online students. University of Phoenix was an online pioneer, claiming to have launched its first online course as far back as 1989, but over time, its online instructional approach came to embody the norm outlined earlier in this report. Conscious of a maturing market, the university has made various moves to reassert market leadership, such as partnering with simulation firms, announcing a “Learning Genome” adaptive learning effort to replace the in-house LMS, and purchase of Carnegie Learning, an adaptive learning firm.

The fruits of these efforts have yet to reach market, but a recent product launch may be indicative of things to come. The “Innovator’s Accelerator” is a suite of executive non-credit education courses offered by Apollo Group, the parent of University of Phoenix, and focused on the “innovation gap” said to face many firms. The courses are built around three “star” business school faculty (Clayton Christensen from Harvard, Jeff Dyer from Brigham Young and Penn, and Hal Gregersen from ISEAD), and course production is “broadcast quality.” Students watch short video segments featuring the instructors and various high-end supporting graphics and simulations. Students, who form a cohort, work on group projects. Assessment consists of a real-time “impact score” showing the influence a student’s comments have on other students, and also of a graphical indication of mastery of five skills (questioning, observing, networking, experimenting, associating).

The “Innovator’s Accelerator” combines familiar pedagogical tools (engaging faculty, text-based discussion) with exceptional “look-and-feel.” The assessment tools feature elements of competency plus automated aggregation of common online classroom activity into a visually appealing “score.” Eduventures is not aware of any enrollment or student satisfaction data or further insight into the student experience beyond marketing materials. What is clear is that the “Innovator’s Accelerator” is a glimpse of what next-generation online learning might look like – investment in capital (top faculty to build prepackaged content, upfront production) over conventional academic labor, with the latter seemingly confined to partial course facilitation and student guidance. It is premature to judge “Innovator’s Accelerator” as a success from a student perspective, and many difficulties may lie ahead, on both the student and faculty side, in pivoting this approach to degree programs. Nonetheless, this suite of courses is an important advance in “native” online higher education pedagogy. Moreover, for a school like University of Phoenix to combine world-class faculty and production represents a formidable point of departure.

## CONCLUSION FROM PART 1

Despite widespread claims about the innovative nature of contemporary online higher education and assertions of unique value by individual schools, online higher education pedagogy is, with rare exceptions, overly transactional and thoroughly commoditized. It is not surprising that early-stage online instruction emphasized core functionality. Any novel technique must start with practicality, and schools have understandably been busy developing online programs and getting online operations up and running. But now that online programming is commonplace and the basic appeal of online instruction for certain audiences is accepted, more needs to be done to support a healthy long-term future for the modality. If online higher education is to avoid sluggish growth and ultimate marginalization and individual schools are to find ways to stand out in a crowded market, the pedagogic core must be addressed.

Part 2 of this report, which will be published in September of 2013, offers a view on how institutional and program leaders should think about innovative pedagogy in online higher education. Part 3, which will be released shortly thereafter, examines 25 up-and-coming vendors purveying a host of prospective innovations and enhancements to the online student experience.

## APPENDIX A

- ▶ American Public University System
- ▶ Ashford University
- ▶ Bellevue University
- ▶ Capella University
- ▶ Colorado State University Global Campus
- ▶ Drexel University
- ▶ Empire State College (SUNY)
- ▶ Grand Canyon University
- ▶ Indiana Wesleyan University
- ▶ Liberty University
- ▶ National University
- ▶ Norwich University
- ▶ Penn State World Campus
- ▶ Quinnipiac University
- ▶ Southern New Hampshire University
- ▶ UMassOnline
- ▶ University of Maryland University College
- ▶ University of Phoenix
- ▶ University of Southern California UCS Rossier Online
- ▶ Western Governor's University

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