Online Education Programs Marked by Rising Enrollments, Unsure Profits, Organizational Transitions, Higher Fees, and Tech Training for Faculty

Enrollments are up and rising, profits are often uncertain, and organizational arrangements are in transition according to a new national survey of senior campus officials responsible for managing online and distance education programs conducted by WCET—the Western Cooperative for Educational Telecommunications (wcet.info) and The Campus Computing (campuscomputing.net). Additionally, the new survey data suggest that students enrolled in online programs may pay higher fees than their on-campus counterparts, that many campuses have mandatory training for their faculty before sending them “into the web” to teach online courses, and that quality still looms as a large question for online education programs.

Three questions about enrollments indicate that campuses participating in the survey have experienced healthy gains in good economic times and bad – and that campus officials expect enrollments in their online programs to continue to rise in the coming years. Fully 94 percent of the survey respondents – typically the senior campus officer responsible for online or distance education programs – report enrollment gains in their online programs between 2006 and 2009; almost half (48 percent) report online enrollments rose by 15 percent or more during this period. Similarly, asked about past year numbers (fall 2008 vs. fall 2009), 95 percent report rising enrollment in their online programs; almost two-fifths (38 percent) report a one-year gain in online enrollments of 15 percent or better. Finally, when asked to project enrollments in their online programs over the next three years (2009-2011), 98 percent of the institutions participating in the survey affirm enrollment gains: almost half (47 percent) expect online enrollments grow by 15 percent or more over the next three years.

The survey data suggest that campuses across all sectors are struggling to deal with the organization of their online programs. Almost half (45 percent) report that they have reorganized the management of their online programs in the past two years, while more than half (52 percent) anticipate that their online education programs will be reorganized in the next two years. Additionally, almost a third (29 percent) have experienced the reorganization of their online programs in the past two years and also expect another reorganization in the next 24 months.

“The enrollment data, coupled with the new information about organizational transitions in online education programs, document the official ‘arrival’ of online education,” says Kenneth C. Green, founding director of The Campus Computing Project and director of the study. “These data confirm that campuses confront new operational and managerial challenges as online education moves from the periphery to become a much larger and more significant component of the instructional portfolio for many institutions.”

The survey data raise some interesting questions about the profitability of online education programs. Just 1.6 percent of the campuses participating in the survey report that their institution lost money on online programs and courses in the fiscal year that ended in June 2009: 7 percent report that the online program broke even, while 45 percent claim institutional profits on their online initiatives; more than a fourth – 27 percent – report profits were greater than 15 percent. These numbers appear to provide good news for campuses that view online and distance education as an important new source of enrollments and revenue. However, almost half (45 percent) of the campuses participating in the survey checked “unknown” when asked if their program made or lost money. The “unknown” responses ranged from 26 percent in private master’s institutions to 63 percent in community colleges.

“Although institutions know that the rising enrollments in their online programs are generating revenues, they just don’t know if these programs are really making money. Many campuses have a very hard time with the kind of cost accounting required to assess real profits from online education,” says Green.

The survey provides new data about the student costs of online education. A third (31 percent) of the campuses indicate that tuition is the same for online and on-campus students. Interestingly, a fifth (20 percent) report that tuition
is lower for students in online programs. Yet at almost half
the surveyed institutions, tuition for online students is often
higher than for on-campus students: in some instances
students in online programs may confront tuition charges that
are 10 percent or more than the tuition paid by students in
parallel on-campus programs.

In addition to the possibility of higher tuition, students in
online programs may also incur additional fees not imposed
upon their on-campus counterparts. For example, almost a
fifth (19 percent) of campuses participating in the survey
impose a one-time registration fee that averages $232 (range:
an average of $51 in public master’s colleges to $1316 in
private universities). Admittedly, these one-time fees may be
limited to special programs, but they are charges not imposed
on students in the on-campus program. Other fees that may
await online students include special charges for individual
courses (27 percent), course materials (18 percent), or
technology resources and services (24 percent).

The survey data confirm that many campuses invest in
preparing their faculty to teach in online programs. Fully half
(53 percent) have mandatory training requirements for
faculty who teach in online programs; the mandatory training
averages about 27.5 hours.

![Tech Support for Students in Online Programs]

Technical support is a major issue for students enrolled in
online programs: the survey data suggest a range of campus
strategies in providing technical support for students. For
example, one-sixth (16 percent) of the campuses participating
in the survey limit tech support to campus workdays (e.g.,
“Monday-Friday, 9-5”). A fifth (22 percent) provide tech
support for students during campus workdays and during
some limited evening hours, while a fourth (25 percent) offer
support services on workdays with limited evening and
weekend hours. Finally more than a third (35 percent of
campuses in the survey) report “24/7” tech support services
for students.

“Tech support really is a key component of the infra-
structure for online programs. Done poorly, it has the
potential to be the ‘Potemkin Village’ of online education,”
says Green. He cites a winter 2009 survey of community
college presidents conducted by The Campus Computing
Project and the League for Innovation that revealed two-year
colleges were hiring part-time faculty to respond to the rising
enrollments fueled by the economic downturn. But, says
Green, “these same institutions were not hiring academic
advisors, career counselors, or tech support personnel to
assist the growing numbers of students. It’s a hollow promise
when campuses add courses without the concurrent
commitment to provide appropriate instructional and tech
support services for students and faculty.”

Despite the reliance on the Internet and the Web, the
survey data provide ample evidence that online courses
depend heavily on traditional print materials. More than four-
fifths (85 percent) of the survey respondents report that
traditional textbooks are “widely used” in their institution’s
online education courses and programs. And although large
numbers of campuses report the use of online text resources
(74 percent) and asynchronous text-based discussion (76
percent) in distance education classes, other electronic and
web-based technologies such as asynchronous video
discussions, eBooks, online whiteboards, wikis; and web
conferencing are not widely deployed in online courses and
programs.

![Comparing the Quality of Online vs. On-Campus Programs]

Quality looms as an important issue for online education.
Almost all respondents affirm that faculty quality is
comparable in their online and on-campus programs (93
percent), while four-fifths (79 percent) assert that the student
learning experience is similar, student outcomes are the same
(84 percent), as is employer acceptance of the credentials of
students from online and on-campus programs (93 percent).
Additionally, large numbers of the respondents report that
technology is about the same in the on-campus and online
programs (65 percent), as are course completion rates (60
percent) and student retention/degree completion (54
percent). Yet there is not much evidence from this survey or
other sources that campuses are engaged in a coordinated
and systematic examination of their online programs: respondents
at half (48 percent) of the campuses participating in the
survey indicate that student assessment in online courses and
programs resides primarily with faculty, while the primary
responsibility for program evaluation resides within
individual departments (49 percent of campuses).

The 2009 Managing Online Education Survey is a
collaborative initiative of the Western Cooperative for
Educational Telecommunications (WCET) and The Campus
Computing Project. The survey data are based on responses
from 182 senior campus officials at two- and four-year public
and private US colleges and universities who were surveyed in
September and October 2009. Survey respondents were
typically the senior campus official responsible for the
management of online and distance education programs at
their institutions. The survey report will be available from
The Campus Computing Project (campuscomputing.net) on
November 20th.
**Project Goal:**

**Bring Data!**

“In God we trust; all others bring data.”

W. Edwards Deming

---

**Project Goal**

- **FOCUS:** operational, instructional, and IT issues for online programs
- “Bring data” to the campus planning policy discussions about online/distance education

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
What’s Driving the Growth of Online Ed

- Economics
- Experience
- Infrastructure
- Evidence

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)

Top Issues Confronting Online Ed Over the Next 2-3 Years

1. Responding to rising demand
2. Internal organizational challenges
3. Instructional support for faculty
4. Institutional financial support for building the online program
5. Improving student retention in courses & programs
6. Effective assessment
7. Keeping pace with emerging technologies
8. Intense competition for students
9. User support for students
10. Earning a profit on our online ed programs
11. ADA Compliance
12. Union agreements that define faculty workloads

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
MANAGING ONLINE EDUCATION PROGRAMS
Kenneth C. Green • The Campus Computing Project

Enrollment Trends in Online Programs

The Profile of Students Enrolled in Online Courses and Programs

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
Institutional Efforts to Expand Online Education Impeded by:

- Employer Resistance
- National Accrediting Agencies
- State Regulations/Authorities
- Fed Regs Governing Student Aid
- Union Agreements
- Programmatic/Disciplinary Accreditation
- Lack of Key Resources
- Faculty Resistance

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)

Online Courses & Programs Also Offered On-Campus

- Large overlap between online and on-campus courses and programs
- Online certificate programs less likely to be offered on-campus

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
Who’s the Boss?

Senior Officer for Online Ed Programs Reports to:

- President/CEO
- Provost/CAO
- Chief Adm. Officer
- VP/Dean
- Other Sr. Campus Official
- No Senior Officer

The Official Title of the Senior Operating Officer for the Online Program is:

- President/CEO
- Provost/CAO
- Other Assoc/Assistant VP
- VP/Dean
- Chief Info Officer
- Other Sr. Campus Official

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)

Organization Issues

At My Institution the Online Learning Unit

percentages, fall 2009

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
**Organization Issues**

**At My Institution the Online Learning Unit**

![Organization Issues Chart](chart.png)

- Separate Tech Services for Students: 70% Yes, 20% In Part, 10% No
- Separate Career Counseling: 90% Yes, 10% No
- Separate Curriculum Development Service: 60% Yes, 40% In Part
- Uses Same Assessment Tools for Common Courses: 90% Yes, 10% No
- Uses Same Syllabi for Common Courses: 80% Yes, 20% No

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)

---

**Reorganizing the Mgmt of Online Ed**

Organizational structures for online education programs are in transition.

- 45% have restructured the mgmt of online programs in the past two years
- 29% have restructured in the past two years – and expect to restructure again
- 52% expect to restructure in the next two years

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
Do Online Programs Make Money?

- Almost half don’t know if they are profitable!
- More than a fourth (27 pct.) report profits greater than 15 pct.

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)

Do Students In Online Programs Pay the Same Tuition as Students On-Campus?

- A third (32 pct) of survey respondents report that all students pay the same tuition, online or on-campus

For institutions where the tuition is not the same for online and on-campus students

Tuition is Lower for Online Students: 30%
Tuition is Higher for Online Students: 70%

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
Additional Fees for Students in Online Programs (not charged to on-campus students)

- One-Time Reg Fee: $422
- Special Fee for Online Courses: $51
- Special Fee for Online Programs: $44
- Course Materials: $127
- Technology Fee: $56
- Student Activity Fee: $26
- Other Misc. Fees: $11

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)

Class Size in Online Courses

- More than three-fourths (77 pct) of institutions in the survey report that they limit the class size for online courses (range by sector: 63 to 90 pct)

- Among institutions that do limit class size for online courses, the enrollment cap averages 37 students/class or section. (range by sector: 18 to 84 students)

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
ADA Compliance in Online Programs

- No Set Policy of Procedure: 34%
- A Central Office Reviews Each Course: 18%
- A Central Office Reviews a Sample of Courses: 19%
- Academic Units Are Responsible for ADA Compliance: 9%
- Individual Faculty Are Responsible for ADA Compliance: 20%

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)

Tech Support for Students in Online Programs

- 24 Hrs / 7 Days: 36%
- Weekdays - Mon-Fri / 9-5: 25%
- Weekdays, Evenings & Limited Weekends: 25%
- Limited Weekends: 17%

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
Instructional Content in Electronic Format
(textbooks, course assignments, etc.)

- Large variation by sectors
- Proportion of instructional content in digital format could grow by more than 25% by 2012

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)

Instructional Media and Resources Used on Online Courses & Programs

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
**MANAGING ONLINE EDUCATION PROGRAMS**
Kenneth C. Green  •  The Campus Computing Project

---

**Instructional Media and Resources Used on Online Courses & Programs**

![Graph showing percentages of media and resources used in online courses and programs.](source)

**Development and Support for Online Ed**

![Graph showing development and support percentages for online education.](source)
Development and Support for Online Ed

Comparing the Quality of Online vs. On-Campus Programs

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
Comparing the Quality of Online vs. On-Campus Programs

![Quality Comparison Chart]

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)

Mandatory Tech Training for Faculty in Online Programs?

- Over half (53 percent) of institutions in the survey report mandatory technology training for faculty teaching in online programs

- Average numbers of mandatory training: 27 hrs. (range: 17-55 hours)

- Average number of annual continuing education training hours for faculty in online programs: 2.5 hrs.

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
LMS Strategy

- Most campuses (88 pct.) report that they use the same LMS application for the online and on-campus programs.

- Almost half report (47 pct) that they are currently reviewing the LMS strategy for the online program.

- More than a fourth (28 pct) report plans to change the LMS in their online program with the next two years.

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)

Primary LMS Application for the Online Program

88 pct of campuses use the same LMS for their online and on-campus programs.

- 47 pct are currently reviewing their LMS strategy.
- 28 pct report plans to change their LMS in the next two years.

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
Rating the Resources and Services in Online Programs

Key Performance Indicators for Online Education Programs

Source: MANAGING ONLINE EDUCATION 2009 (WCET/Campus Computing Project)
Summary / Key Issues

• Management and org. structures online ed in transition on many campuses
• Almost half the institutions appear unsure about the profitability of online ed
• Content delivery remains heavily text based; LMS key to online infrastructure
• Strong emphasis on initial tech training for faculty teaching in online programs
• Inconsistent assessment across online and on-campus programs