The Future of Online Education in the USA

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Introduction and Overview

What I would like to talk about today is the future of online education in the USA. The chances are very good that despite how persuasive or logical my predictions may be, it is a safe bet that I will be wide of the mark. Perhaps not even close. Still, without trying to peer ahead, even a little, and sharing our thoughts, how else can we prepare ourselves for the inevitable changes that will surely occur? The future awaits us, and, to quote Shakespeare in *The Tempest*, "What's past is prologue." And from the same play, "Thought is free."

When I look at the state of online learning today, I see a world that was a mere glimmer of its present state just a few short years ago. To say that online education is ubiquitous is to state the obvious. In fact it is the most rapidly growing dimension of higher education. According to the recent Sloan Consortium Report (2003, p.1), the most comprehensive and timely analysis of US online education, over 1.6 million students enrolled in at least one online course during fall 2002. And of these, over one third (578,000) took all of their classes online. Additional data indicate many more institutions, many more programs, many more courses, and many more students; especially, many more part-time students. This is a world-wide phenomenon. Close to home, the Finnish Virtual University is an excellent example, essentially brand new, but robust and growing.

When it comes to faculty, there is a paradox. What is becoming a more central part of higher education is still staffed, in four year colleges and universities, from the periphery with reliance upon part-time faculty. This is becoming true of higher education overall; a small, central, tenured professorial staff surrounded by a larger ring of part-time instructors teaching one or two courses per semester, and still another group of non-tenure track faculty hired on multiple year contracts. Since virtual teaching overcomes the unity of place, faculty as well as students can be anywhere. So we now have the phenomenon of a person teaching part-time at three different institutions located in three different states! Therefore, in our list of growth areas (programs, courses, part-time students, etc.) we can now add part-time faculty. A significant exception to the preceding is at the two-year, community college level where online teaching is rapidly being recognized as part of the faculty's regular workload.

Hallmarks of Online Education in the USA

I now want to identify some features of e-learning in the US.

Self-funded programs. There is very little direct external support for distance education, except for some foundations (Sloan) and specialized government projects. Customarily campus distance education receives an internal budgetary allocation, supplemented by self-generated funds. The funding formula will vary from institution to institution.

Not usually a core activity. In certain institutional contexts where part-time students are a major constituency, such as two year community colleges, and in the proprietary, for-profit sector, online learning is moving closer to the core. In most four year colleges and universities electronic education is still a fringe activity, much the same as correspondence education.

Autonomy. Academic culture is characterized by independence. This makes it possible for subunits to pursue their own goals, but also creates barriers to communication and the

internal sharing of information. It is often difficult to gain support outside of one's unit since all are competing for a larger share of the same institutional resources.

Entrepreneurial and centrifugal. Continuing and distance educators actively compete for more students, following the market. These sectors are outward looking, with respect to the institution. By contrast, academic units are oriented towards their disciplines and respond to a different set of market pressures.

Innovative. Within the continuing education/distance learning profession there is a premium placed on developing and disseminating new knowledge and innovation. The professional organizations serve as "idea bazaars" through their meetings and publications. There is a spirit of continuous improvement

Destabilizing. The rapid pace of change in online education is a continuous challenge to the status quo in higher education, offering alternatives to the accepted way of teaching and learning.

Changing Patterns of Enrollment

Higher education in the US is becoming increasingly modular. Students have the opportunity to study for a sixty-credit, two year, associate's degree. If they complete sixty more credits they receive the bachelor's. A master's degree can be earned for an additional thirty or more graduate credits depending on the content area. The degrees of all accredited colleges are recognized and transferable nationally, so students are not limited to a single institution or even state. They can also pause at any point. This loose coupling between institutions facilitates learning for part-time and distance education students.

With respect to online education, the largest proportion of students is at the two year associate's level. The next largest is the bachelor's, and then the graduate level. Historically students studying part-time for a full undergraduate degree have found it

extremely difficult to earn all the necessary credits, usually 120, at a single institution. This was the classic dilemma of the old "night school" population who had to be committed to their education for the long haul. Even if a student regularly enrolled for three credits a term including fall, spring, summer, it would take over thirteen years to earn the degree. There is a story illustrating this point. Two men, a college president and a night school student, get into a conversation one evening while both were waiting for a campus elevator to take them to classes. The student mentioned he had been attending school part-time for seven years. When the president mentioned that he had been at the college for ten years, the student thinking that he was speaking with a fellow part-timer responded, "Then you must be close to earning your degree!"

This unreasonable delay in earning a bachelor's degree need no longer occur. The popularity of two year community colleges, the availability of online courses now also at four year colleges, and the practice of awarding college credit for prior experiential learning and by examination, both now common features of higher education in the USA, the time can be dramatically compressed. Students that I have known have been awarded from sixty to ninety credits towards their undergraduate degrees by Empire State College, a unit of the State University of New York (SUNY). So the door is increasingly open for part-time, working and intermittent students. E-learning folds very nicely into this framework, simplifying logistics for part-time students who may desire further education only at specific junctures in their careers.

The appeal of online education is equally strong among full-time students. Data from the SUNY Learning Network (SLN), a virtual consortium incorporating courses from all of SUNY's sixty four separate units including university centers, state colleges, and community colleges indicating approximately half of the enrollments are by full-time students supports this observation (Peter Shea, SLN Director, 10 December 2003). Beyond the convenience and a larger selection of courses, further reasons include a changing culture among students who grew up with computers, and the rising cost of college attendance, this year 14% (NASULGC, 2003) compelling more and more students to work at least part-time. My son, who is a full-time undergraduate student at

Plattsburgh State University, SUNY, for a time held down two low paying part-time jobs, and the same is true for a number of his friends. I am sure you will see similarities to these trends in Finland and within the European Community.

The World of Careers

When speaking about the changing world of careers, I am even on less firm ground here then when referring to the future of electronic education. Beyond the truisms of more frequent career change, of a longer working, post-retirement life, the international movement of labor to lower cost environments, there is the changing composition of the US workforce.

There has been a marked decline in manufacturing jobs, growth in the service sector, and also in the technology, high tech, and knowledge fields. Richard Florida in his new book, **The Rise of the Creative Class** (2002) sees the emergence of a new class of "creatives." Richard Reich (1991) a decade ago wrote about "symbolic analysts," Drucker (1985), of "knowledge workers." What is significant about Florida's schema is that it cuts across very disparate industries and all previous categories, encompassing within it for example, advertising, product design and manufacturing, science, education, entertainment, culture, and so forth. It looks at what people do, rather than focusing on where they do it and therefore finds "creatives" in *every* realm of employment.

Now what is very interesting about the individuals making up the creative class is their need for lifelong continuing education, whether it is formal or informal, degree or non-degree, for industry certification, or personal skill mastery. In order to stay productive and competitive there is an ongoing need for new knowledge and skills, regardless of the particular content area. A lifetime of continuing education in order to re-invent, grow, and change. The future will require more continuing education rather than less, and also, for our purposes, continued access to the types of educational experiences customarily

associated with universities and other institutions of higher learning. It is inconceivable to me that our future will require less education of this type.

A third feature of the new world of careers is the higher threshold of required education needed to qualify for membership; that is, to get a job. A college education for any professional or technical position is minimal, and preferably at a four year institution. For higher level management, graduate education is a *sine qua non.* As education becomes more widely dispersed, the competitive bar will be raised even further. Yet, education does not tell the whole story. The future world, above all else is a world of performance, of what value-added each person can contribute. Degrees may get you the job, but keeping it is another matter entirely. For that lifelong education, coupled with insight and inspiration, and of course, a strong work ethic are mandatory.

The Type of Learning Most Needed

Let me now briefly characterize the type of learning I believe to be appropriate to this new world of careers and to identify some of its most important features from a student's perspective.

Just in time. I can't wait; I need it now. From an employer's perspective, "We need them to know it now."
Episodic. I'm finished with school for now; I'll wait until another need occurs; then I will resume my education.
Progressive. I am building upon what I already know and am going further, higher, or longer. I'm not interested in repeating what I've already learned.
Individual and unique. I am determining the content I need and the level I need it at, based upon what I perceive to be my needs in terms of qualification or application.
Affordable. It must be within my means. Also, I must anticipate a close relationship between cost and the benefits I hope for. I will sacrifice time and money if I conclude it is truly worth it.

Accessible. Barriers to participation must be minimal; convenience is essential since I am a very busy adult.
Quality. I require a quality program, not only for its intrinsic value, but also to signal to others that I am a serious competitor with *bona fide* credentials.

Implications for Online Learning

If you could imagine a grid with the above criteria, I think you will perceive that it would be possible for online education to satisfy many of the important learning requirements. One serious weakness, that I hope will be remedied by time, is the greater availability of programs, especially in the sciences and technologies. I am optimistic, however, that problems associated with the delivery of courses and degrees in these areas will be successfully addressed as more and more institutions come to value the creative application of technology to distance education. The growth of "hybrid" programs that combine online learning with classroom instruction is also helpful in terms of introducing greater flexibility to education. It is also an effective and incremental way of acquainting many more faculty with computer and Internet-based learning platforms than are currently involved in teaching wholly online courses. The widespread demand for e-learning, across the educational spectrum…at all levels, types, and subjects, the low institutional barriers to offering online instruction--affordable software and hardware coupled with available intellectual capital; it is impossible for me to see a diminution of this trend.

Christensen in *The Innovator's Dilemma* (1997) observed that winning innovations in a particular field need not necessarily be superior to what they are replacing. They need only be of comparable quality, without the extra frills, bells or whistles. The innovations must, however, have appeal in other significant areas. Because he was studying manufacturing, the critical variable was price. In our case, I would have to identify "accessibility," lessening time towards earning a degree, as the **most important** variable,

even more than price. Conventional programs at traditional institutions cannot successfully compete for part- time students on this variable.

Christensen's book is worth reading because of the patterns he identified in how innovations at the margins ultimately altered entire industries. The inexorable movement of online higher education from the margins to the core can be viewed as another example of this principle. It is not surprising that, according to the Sloan Report (p.9), over two-thirds of senior academic leaders acknowledged that online learning is a critical long-term strategy issue for their schools.

The Proprietary Sector

Thus far, the proprietary sector has proved to be the most nimble in capitalizing on the many advantages of online education. These are colleges that function as businesses; they exist to make a profit. Their shares are actively traded on the major American stock markets. Among the most visible are the University of Phoenix (owned by the Apollo Group), DeVry, and Kaplan. This sector is trending upwards.

The major breakthrough made by these schools has been their ability to achieve accreditation by any of the six regional accrediting associations that evaluate American higher education as part of the Council on Higher Education Accreditation (CHEA). Once a school is accredited, it is recognized by the US Department of Education as well as other national agencies. Moreover its credits and degrees have the same official status as those of any other accredited college and university. The six accrediting bodies act independently with similar, but not identical criteria. To date, the North Central Association, representing states in the Midwest, Rocky Mountains, and some in the Southwest, has proved the most liberal in its approach to distance education. This is not surprising, considering the rugged geography of this region coupled with its low population density. Hitherto colleges were located in a central geographic location of each state, presumably to equalize inconvenience, with the expectation that those who wanted a higher education badly enough would travel to these state campuses.

In 1978 when the North Central Association accredited the University of Phoenix the groundwork was laid for a seismic change in the ground rules of higher education. When the school adopted online learning in the 1990's, one of the first colleges in the US to do so, their programs became available not only to everyone in the North Central Region, but also to other adults, living anywhere in the US. The University of Phoenix expanded in the 1990's to become one of the largest enrolled universities in the USA. Last year it received permission by the New Jersey Commission on Higher Education to offer degrees in New Jersey, paving the way for membership in the Middle States Association representing states in the densely populated East Coast. I should mention that even prior to its introduction of online learning, Phoenix as well as many other proprietary schools existed in the traditional campus based face-to-face mode, requiring students to drive to campus in order to take classes. By tailoring their programs specifically to the needs of adult learners they were even then successful by the standards of enrollment as compared to traditional institutions.

Some of Phoenix's innovations, now perceived as standard or at least acceptable to the mainstream, include the convenient location of campuses usually near major highways or their intersections, compressed semester formats (either five or six weeks), the use of cohorts and small study groups in all classes, and modular, sequential scheduling, in which students are limited to a single course per module. Phoenix's advertising proudly states that "most students can complete their online college education in two to three years." (http://online.phoenix.edu/) [12 December 2003].

About five years ago it was just about impossible to pick up any major publication in higher education and not read about the threat posed by Phoenix and its sister institutions to higher education in the USA. One magazine in particular, *Change*, published by the American Association for Higher Education, depicted on its cover the University of Phoenix as a fire breathing dragon scorching colleges left and right. One campus population, however, was grateful to Phoenix and the North Central Region, for providing alternatives and, yes, the possibility of serious competition for part-time

students to mainstream higher education. Naturally it was continuing and distance educators who could perceive the value of this new force in liberalizing educational opportunity on their own campuses.

As we now know, almost all state colleges, including some of the most prestigious, have followed, at least minimally, in the wake of Phoenix, also including schools in the private sector. So it is no longer an arena for low cost, low quality, low prestige providers. I also need to add the growing awareness in the USA of the Open University in the UK (OU), and others built on the OU model in Singapore, India, and elsewhere which intruded into the American consciousness as possible competitors, or at least offering alternative models of organization.

The OU especially became a popular subject for analysis. Most controversial has been its practice of separating course development from course delivery. In this model, teams of content specialists and educationists jointly develop each course, which is then delivered by instructors or tutors as they may be called. Phoenix, by the way, follows this model, using the services of the most prestigious experts it can purchase. Those of you who are familiar with education in the USA are aware that this is not the way we do things. For us, higher education is constructed at the classroom level, traditional or electronic. Despite being a multibillion dollar enterprise, at heart it is a cottage industry with individual instructors developing, teaching, and evaluating their own courses. Teams are used on occasion, but generally for large enrollment introductory or foundation courses, which are deemed special cases. These courses too are more likely to undergo a serious assessment of student learning outcomes. E-learning has by and large not sought to change this model; although it has added a category of individuals called “course developers” or “instructional designers” who will help orient faculty to the electronic environment and assist with aspects of course development.

International Competition and Collaboration in Distance and Online Education

One of the most interesting features of the spread of online learning has been in the areas of global competition and cooperation, adding a new virtual dimension. The now defunct United States Open University (USOU), designed as a major revenue generating tributary for the OU, illustrates what can go wrong. Several years ago the OU assembled a prestigious group of American advisers, selected a president who was experienced with US higher education (he had held a senior position in my own State University of New York, which, after California, is the second largest state university system in the USA), qualified as a "candidate for accreditation" within Middle States, the first stage of the accreditation process, and actively advertised its offerings and its lineage.

The transplant of this overseas model didn't take on American soil, and the USOU could not successfully compete in the US market. The Achilles Heel I believe was the reliance on OU generated courses which did not adequately translate to potential American students. I am reminded of Winston Churchill's quip that the US and Britain are two countries separated by a common language. There may have been other reasons too. The OU was banking on the support of US based multinational businesses who, it was hoped, would perceive the advantage of the OU's global span and its extensive course inventory. Partnerships with leading American universities also did not yield the desired results-faculties resisted the use OU materials in their classes. The OU's strategy and brand did not gain traction in the USA illustrating very clearly that what works in one home market may be a dismal failure in another. On the other hand, the Commonwealth of Learning, a consortium of national open universities based on the OU model, and organized among the countries of the British Commonwealth, has served as an effective catalyst for distance and part-time learning within that association.

Changing our focus to how US higher education institutions are competing abroad reveals several approaches which are all operating concurrently. The first is through

acquisition of already established colleges located in host countries. Although instruction is initially offered on these campuses through face-to-face instruction, it is predictable that this group of schools will go online too at some future point.

Another approach is the establishment of wholly owned branch campuses and physically locating offices in foreign countries. In a number of situations, these already exist, but only in rudimentary form, principally for study abroad by US students, or as research centers for US scholars. These branch campuses would grant degrees from US colleges. This strategy, I believe, will only succeed in the case of the most high-status schools with major brand recognition, who can locate their off-shoots in major metropolitan business or government zones. The substantial US tuition differential can only succeed with credentials from the most elite schools known worldwide.

Next is virtual competition. At an early stage, actually only a few years ago, the thought was held that US institutions (or the OU) would electronically swarm over other countries and capture their students. This threat never materialized. Although US virtual programs enroll many students overseas, these are usually American citizens abroad. Data that I have seen from the OU seems to be parallel. Instead, a bonanza of additional students for local institutions emerged when they began to use online education to probe deeper into their own hitherto untapped pools of students. I believe the Finnish Virtual University and other national Open Universities have successfully demonstrated this convincingly.

Regarding collaboration, I think what is transpiring now within the European Community, based upon decades of earlier partnerships in many different venues, is succeeding in spreading innovation, increasing access, promoting ethnic diversity, quality, and effectiveness in online education. To my knowledge, a level of cooperation between these EU countries is being achieved that is unique. From what I have observed, US institutions are largely on their own in establishing partnerships with schools abroad. Individual accords, usually specialized and limited, have been the outcome. For example, the University of Virginia is the sole US member of the international consortium

Universitas 21, an association of seventeen research universities drawn from ten countries, who are joining together to offer an online MBA. Therefore I am doubtful that meaningful collaboration on a large scale will take place across the Atlantic or Pacific involving virtual learning.

Social Implications of Online Education

I have some observations on the social implications of online learning. As educators I think I can safely assume that we share the same utopian values of progress and improvement through education. The physical decentralization of learning made possible through the Internet means that you no longer have to live near a university to obtain a quality higher education. You can even live in a remote zone, far from any town or village. For decades this been well known to the advocates of correspondence education, our distance education pioneers, and now we are similarly enlightened.

Still this may not mean a revival of small towns, unless work too is decentralized. Florida's book casts doubt on that development. He writes that creatives want to be near and with other creatives, not living in isolation. Several years ago I visited Lews Castle College in Scotland, located in the Outer Hebrides, on the Isle of Lews, and saw confirmation of this phenomenon. Principal David Green described to me the distance education programs Lews held in collaboration with, if I recall correctly, the University of Aberdeen. Now people did not have to leave Stornoway, where Lews College is located, to obtain a higher education. But, Principal Green observed, they continued to migrate afterwards in search of better jobs, further depopulating the island of its best and brightest.

As pointed out earlier, an entirely new class of education workers, namely part-time, online faculty, has emerged. Distance education as a dynamic, growing force could not exist without them. But from the larger perspective of higher education, this is really still flexibility at the margins. These electronic part-timers are truly "telecommuters" in the

original meaning of the term. Their office is their home, or wherever they happen to be. A startling paradox is that these online educators are more accessible to their students than campus based faculty who maintain office hours only several times a week. Yet, this too is changing as email has become a near universal feature of collegiate life.

A more significant change exists with the ways all students are engaging with their educational institutions. They exemplify and embrace the wireless, mobile, fast-paced future that can at times overwhelm earlier generations. To the extent that their colleges permit, they connect electronically whenever and wherever they can. As they move into the workforce and become candidates for continuing education, they will expect as much electronically from universities as they already receive in all other walks of life, including purchasing services, commodities, and in communicating with their peers.

Conclusions and Predictions

The synergy of pervasive broadband wireless networks, more portable and affordable computers, enhanced functions including visual, audio and multimedia will produce a technically more favorable environment for online learning. Improved software programs will offer greater flexibility for within class activities, more sophisticated forms of evaluation of learning and teaching, and through improved user friendliness, will demystify virtual learning.

Greater participation by a wider range of institutions and greater familiarity with electronic learning will lead to increased acceptance of online degrees. There will be a convergence towards a universally accepted standard with true portability as institutions compete for students. It will be usual for students to assemble a degree program made up of electronic courses from a variety of providers.

Students will come to approach finding out about a school and its programs much as they regard any other commodity they consider online. This means real-time browsing of

online catalogues, interacting by email to resolve questions, and if everything is positive, online registration, followed by participation in e-courses. Sending for catalogues, writing for information, and all of the other 20th century features of university admissions will be, at least for part-time adult students, a thing of the past, along with the requirement of physically being on campus. According to Weinberger (2002, p. 59), the conventional wisdom is that Internet time is seven times faster than regular time. And, above all else, adults value time.

Personally, I very much like the look of this new world, even though for some it resembles a dystopia. I have so many colleagues who wax poetic about the joys of being on campus and why it is essential that students be there, moving from class to class, eating in the cafeteria, rubbing elbows with their illustrious mentors. Sad to say, this vision is both inaccurate and dated, especially as it pertains to part-time or commuting students. It describes what some people want to see, not what really is, or what others actually require. The traditional college environment of course will persist for those fortunate to afford it. But unless it too adapts to the needs of working, part-time students, it will be missing an important opportunity to broaden its base of support.

Here is another possible scenario. As traditional public colleges become more self-supporting, they migrate towards the private college model which is tuition driven. As enrollment becomes a more powerful economic driver, the part-time electronic market is viewed as compatible with other revenue streams. Today's cynics will decry this development much as Thorstein Veblen, railed against the introduction of curricula relating to the world of commerce almost a century ago (1918). But I ask you to consider this: The greatest beneficiaries of online education are and will continue to be the students who learn, the faculty who teach, the companies and institutions which employ them, the families that depend on them, and the societies which they enrich. Don't you agree with me that this is a very worthwhile chain of events?

Thank you for inviting me to speak at the University of Lapland.

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