Online Learning at UST

President’s Task Force on Online Learning

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Executive Summary

University of St. Thomas (UST) President Dennis Dease has among his goals for FY2010 to “appoint a task force to define and establish UST’s vision for online learning.” The Task Force for Online Learning completed its work on May 14, 2010 with the submission of this report to President Dease.

The Task Force reviewed and discussed a wide variety of literature and reports on the growth of online learning offerings and markets in both not-for-profit colleges and universities and for-profit institutions and companies, the background of online learning at UST, the issues related to teaching and learning online across the continuum of methodologies, and the economics of online learning as an enterprise at UST and in the national context. The Task Force also commissioned a study of the market for online learning for UST and UST consulted with PiperJaffray’s Mark A. Marostica on his experience with the for-profit online education sector.

A broad summary of the findings indicates that:

- Online learning is growing nationwide at rates far higher than traditional enrollment.
- Online learning has entered the mainstream in higher education.
- UST has employed online learning widely as support for traditionally delivered courses and programs.
- UST has not entered the fully online learning market to offer degree programs.

The Task Force findings suggest that, given the limited capacity for traditional growth, failure to seize the opportunity to compete successfully in the online education sector may be very costly to UST.

The major recommendations of the Task Force are:

- The University’s executive administration should develop and recommend to the Board of Trustees a broad university-wide policy direction on online learning based on the vision recommended to Fr. Dease.
- Within the range of response options, the Task Force recommends the two following options, which are not mutually exclusive:
  - Increase the integration of traditional delivery with electronic resources and online learning courses and programs.
  - Add an online program initiative dimension to UST’s delivery modes and explore possible partnerships.
- The executive administration should appoint a strategic team involving vitally interested segments of the university community but particularly faculty and deans to develop a strategy and implementation guidelines for online learning program and courses for the University.
- In developing strategy and policy, the Task Force recommends that the following be addressed clearly: Institutional engagement, organizational structure and policy in how online courses and programs are developed, faculty development and engagement, faculty and student support and services, resource requirements, and technology support.
A Vision for Online Learning at UST

The University of St. Thomas is committed to enhancing student access through excellence in online teaching and learning and the increased use of electronic learning resources, flexible modes of learning and cost-effectiveness of courses and programs. This commitment is consistent with our mission, programs, the goals of the students that the University serves, and the themes of the University’s Strategic Plan – Access, Excellence and Catholic Identity.

Introduction

The 2009 Sloan Survey of Online Learning reveals that online course enrollment rose by nearly 17% from a year earlier. The survey of more than 2,500 colleges and universities nationwide finds approximately 4.6 million students were enrolled in at least one online course in fall 2008, the most recent term for which figures are available. These are among the most recent data reported from across the country. A week seldom passes when one does not read of one or another college or university that has decide to greatly expand its online learning programs to meet demand and increase revenue in difficult economic times. The Obama administration has begun a significant initiative to increase the availability of online learning at the secondary and community college levels, with initiative funding levels cited at between $11 billion and $15 billion. The current generation of students is broadly seen to be more “wired” at increasing levels each year. Mobile devices, the Internet, and a wealth of online resources have changed the way in which students expect to find information, complete class assignments, communicate with peers and faculty, and increasingly, to complete courses. At UST, the use of electronic resources and online learning resources has increased significantly in recent years in support of traditional program and course delivery, and the number of courses taught partially or completely online grows each year.

New technologies and new approaches destabilize existing systems. Re-thinking higher education as a partly online endeavor certainly does that. And change is not always improvement. However, the potentials for online instruction will have an enormous impact for good on participating students and faculty. This current generation of students, wired to the max, regards their wireless connections as an extension of their senses, a key component of their exposure to and interaction with the world. Therefore, they are attracted to online programs, and fit into them easily with little adjustment. More importantly however, these programs have the potential to facilitate transformative learning. Students, we have found, become deeply immersed in the subject in ways less readily available in face-to-face teaching. Faculty who participate in online learning expand their array of teaching methods in ways that revolutionize their more traditional classroom settings. Students and faculty expand their awareness of how to learn and communicate.

UST, and indeed most colleges and universities, face significant challenges in reducing costs and increasing revenue to maintain or improve current services levels. Increasing tuition and fees at past levels seems unlikely to be a viable strategy under current economic conditions. Given the physical and geographical constraints of increasing the size of UST’s undergraduate student body, increasing revenue in other ways is among the greatest of those challenges.
In addition to the continuing integration of online learning resources into traditional program delivery, UST may also find opportunity in creating and delivering online courses and programs that will increase access and provide needed growth.

Given the limited opportunities for growth, failure to seize the opportunity to compete successfully in the online education sector may be very costly to UST. There are several reasons for this.

- The growth in online learning programs from for-profit universities as well other traditional colleges and universities is manifest. The options are increasingly attractive to many different segments of students for varying reasons.
- We will certainly be unable to compete among some market segments that are essential to attract additional revenue, and may become less competitive in our ability to retain our current students without online options.
- The loss of even a modest percentage of our student credit hours to online learning providers could significantly impact our operating margins. There is an emerging sense that we are already seeing an impact of that trend as students continually seek to transfer in credits from other providers, some of which are fully online or provide online options.
- Increasing revenue through online learning could help offset challenges to UST’s operating budgets. Continuing to reduce our operational expenses will result eventually in a reduction of services in an increasingly competitive market for private universities at both graduate and undergraduate levels.
- While technical barriers in online learning are lower than in the past, the barriers to entry into the online learning market (related to experience, large marketing budgets, and expanding support services) are increasing rapidly, and competition will increase significantly.

If we accept these points as even probable in describing some of our challenges, what is the best response, and what is at stake in responding?
Background and Context

The Sloan Consortium’s definition of the online learning continuum is widely accepted and distinguishes the type of course and the percentage of course content delivered in an online format. Typically, a course that uses technology to facilitate a face-to-face course and has less than 30% of content online is considered a “web facilitated” or supplemented course. Faculty developing web facilitated courses in general make the syllabus, lecture notes, readings and assignments accessible online, most often through a learning management system. Some web facilitated courses may also incorporate online discussion.

The Online Learning Continuum

Courses with 30%-80% of online content and with a combination of online and face-to-face instruction and interaction are designated as hybrid or blended courses. The key characteristic of blended learning is the reduction of meetings on-campus in favor of increased interaction and learning activities online. Blended learning strategies often favor asynchronous activities such as discussions, reflective writing or blogging or listening to pre-recorded lectures but blended learning can also include many forms of synchronous activities.

A course in which more than 80% of the instruction occurs online, and which does not have any face-to-face sessions, or has a very small number of face-to-face meetings is classified as an online course. Like blended courses, online courses are largely asynchronous but often include synchronous sessions.

The online learning continuum is applicable to certificates and degree programs as well. A blended program may include a combination of face-to-face courses and online courses, or a blended program may be a set of blended and fully online courses. For both blended courses and programs, the appropriate mix of face-to-face and online, as well as synchronous and asynchronous interaction, depends on both the curriculum and the discipline.

A well designed online learning course, complete with appropriate learning management, can provide students with the following:

- For the advanced student. Through sound diagnostic methods and enhancement activities, advanced students can not only gain mastery of the subject quicker but can also dive deeper into the subject and/or branch out to related topics. The better students need not be bored with the pace of a classroom course keyed to the “average” student but can proceed at a pace that challenges their abilities.
For the below average student. Again, through sound diagnostic methods students can be prescribed reinforcement and remedial activities intended to bring the student along at a reasonable, personal pace. These activities can not only serve to increase learning but can also provide support and motivation for those students needing it. The below average student can proceed at his or her own pace and still attain course objectives.

For all students. Once again, through sound diagnostic methods immediate feedback can be provided to students to let them know how well they are doing and how well they are progressing through the course material. They don’t have to wait for the instructor to grade many of their assignments and return them, often long after they were completed.

Students are not the only beneficiaries of online learning. By going through a proven instructional design and development process, instructors can gain the following:

- A better understanding of what the course objectives should be. Instructors experience the need to state explicit, measurable objectives for their course often resulting in rethinking what really needs to be learned. This understanding helps instructors develop not only online learning courses but also can be used for the design and development of traditional classroom courses.
- A better understanding of how students learn the course material. The data gathered on students during the taking of an online learning course can be used by the instructor to pinpoint subject areas where students have the most difficulty learning the subject. Often these areas are not the areas the instructor thought students would have difficulty.
- A better understanding of the learning process in general. Designing and developing an online learning course forces the instructor to rethink a great deal about the learning process. Many instructors have reported that it is a transformative experience that had modified their approach to teaching and learning, with the emphasis clearly on the latter.
- It is of critical importance that the faculty do not simply use all of the same methods they use in their usual fully face-to-face courses and directly convert them into an online course. The approach to delivery is different and it must be considered carefully in the light of the media that are used for online teaching.

Finally, the university benefits from online learning. Providing high quality online learning, St. Thomas demonstrates its commitment to educating students through whatever means that have proven valuable.

**Nationwide Trends in Online Learning**

The annual growth rate for enrollments in online courses continues in the double digits, and over one fourth of all higher education students were taking at least one course online in fall 2008 (Allen & Seaman, 2010). Much of the recent growth in online learning is attributed to the declining economy and rise in unemployment as well as contingency plans for H1N1. Finding new ways of generating revenue in the face of decreasing endowments, flat tuition and increasing demand for financial aid has generated interest in online and blended learning for many institutions. Yet demographic factors such as shifts in population and changes in K-12 enrollment and graduation rates have also impacted online learning in higher education. As
high school graduation rates decrease competition for students has caused some institutions to turn to online learning as a means to increase enrollment (Betts & Oxholm, 2009). Other factors affecting an institution’s decision to offer online education revolve around increasing access to higher education opportunities for certain populations and meeting student demand for flexible scheduling (Parsad & Lewis, 2008).

Despite the seemingly negative influences driving online education, the trend in online learning shows continued market potential and growth. By 2014, just five million higher education students will take all of their courses in a physical classroom but more than 18 million students will take some of their classes online (Nagel, 2009).

According to data from the 2009 Sloan Survey of Online Learning, the majority of online students are studying at the undergraduate level rather than at the graduate level – just 14% of online students were taking courses at the graduate level. Degree programs, rather than certificate programs appear to draw students to online programs. Of the 11,200 online programs reported by the National Center for Education Statistics 66% were degree programs while just 34% were certificate programs (Parsad & Lewis, 2008).

For many institutions, online learning is not a new trend and has been a critical component for some time. Online learning is seen by most institutions as an important strategic direction. Fewer than 10% of academic leaders participating in the 2009 Sloan survey do not agree that online learning is critical to their long-term institutional strategy. And overall, nearly 74% of public institutions agree that online learning is critical for their long-term strategy, and over 50% of private for-profit or private nonprofit institutions agree that online education is a strategic direction.

While many institutions report that online learning is an important strategic direction fewer institutions have actually included online learning as part of the strategic plan for the institution. Sixty-eight percent of institutions participating in the APLU-Sloan National Commission on Online Learning benchmarking study indicate that online education is a critical component but just 41% include online learning as part of the institution’s strategic plan (McCarthy & Samors, 2009). Including online learning as part of the institution’s strategic plan is a key component in successful online programs (McCarthy & Samors, 2009).

At the suggestion of a UST Trustee, UST consulted with Mark A. Marostica of PiperJaffray on the current status of the market for online education programs among private for-profit institutions. His presentation to the Board of Trustees (see Appendix 5 for link) provided a number of insights into the growth of online learning nationwide, the role of online learning in retaining faculty, the acceptance of online learning and growth of its popularity, and the success of for-profit institutions.

Marostica added that embracing online learning could unlock significant value for UST. He recommended that in doing this UST could:

- Leverage St. Thomas’ solid regional brand, curriculum, and accreditation in other geographies
• Offer faculty opportunity to develop and teach online courses, which may help faculty retention
• Increase enrollments by driving better leverage in St. Thomas’ business model, leading to healthier financial performance

Marostica cited the success of Northeastern University’s online MBA program and what Northeastern “did right”:

• Convenience Built In: Online MBA designed be convenient for the student with multiple entry points – 9 starts per year (3 starts per semester x 5 weeks).
• Multiple Concentrations (i.e. Accounting, Marketing, HR, Project Management): Vanilla MBAs are not differentiated whereas unique concentrations enabled Northeastern to expand its reach.
• No GMAT Required: Work experience is substituted for GMAT (duration and level of experience).
• Quick ROI By Leveraging Population Density In Local Market: Northeastern was able to leverage its institutional brand in its local Boston market, where online MBA students were garnered initially, before building momentum and expanding nationally
• Recognized that online teaching is not a side job for faculty.

The Prospect of Federal Initiatives and Requirements

While there are numerous federal regulatory implications of the use of online learning tools and practices in higher education, the prospect of federal initiatives as part of the American Recovery and Reinvestment Act of 2009 (Recovery Act), which was signed into law on February 17, 2009. The broadband initiatives funded in the act ($7.2 billion) are intended to accelerate broadband deployment across the United States. The Recovery Act authorizes the Federal Communications Commission (FCC) to create a National Broadband Plan that seeks to ensure that all people of the United States have access to broadband capability and establishes benchmarks for meeting that goal. As significant as development of broadband infrastructure can be, there are two other elements that could profoundly influence the development of online learning. In addition to the broadband component of the plan, the FCC has two other components:

• Online Content and Learning
• Data Access and Transparency

The FCC will work closely with the US Department of Education to support its Core Assurances for K-12 education. Two of those core assurances – improvement of standards and assessments and development of advanced data systems – have implications for higher education assessment, student records, and online learning initiatives.

The Obama administration and federal agencies are asking how broadband networks can help:
The federal agencies have begun their exploration of models that may achieve the Open Access and Open Source standards. If the Obama administration achieves its goal of a $500 million online education plan proposed in July 2009 as part of its community college aid package, courses developed under these standards will greatly influence how K-12 education, community colleges, and universities will offer courses, manage records, and do business (Parry, 2009). Federal initiatives and requirements can be a “tipping point” in the growth and impact of online learning and a significant regulatory challenge to higher education.

The Online Learning Market: Private Not-for-profit Institutions

Although public and for-profit institutions have long established segments in the online learning market, opportunity for growth in online courses and programs for private, not-for-profit institutions exists but is rapidly shrinking. According to the most recent Sloan report, Learning on Demand: Online Education in the United States:

“...virtually all institutions that desire to offer online courses and programs are already doing so. Those few that may still launch their first online courses and/or programs are typically small and will have little impact on overall online enrollments.”

The barriers to entry in the online learning market have not deterred some private institutions from starting online initiatives. In 2005 – 2006, approximately one quarter of private not-for-profit institutions opted to enter the online learning arena, while in 2007 30% introduced online courses and programs (Allen & Seaman, 2008).

For all institutions, including private not-for-profit universities, the economy has positively impacted the demand for online education. Overall, the demand for online offerings is greater
than the demand for new or existing face-to-face offerings (Allen & Seaman, 2010). For private, not-for-profit schools nearly 60% report an increase in demand for existing online offerings whereas roughly one third report an increase for existing face-to-face courses (Allen & Seaman, 2010).

A study conducted by the National Center for Education Statistics (NCES) found that for private not-for-profits that offer online education, roughly 40% offer online courses at the graduate level while 47% offer undergraduate courses (Parsad & Lewis, 2008). Although a good number of institutions offer online courses, fewer institutions offer complete degree or certificate programs. The NCES study reports that in 2006-2007, 32% of all 2-year and 4-year institutions reported offering fully online degree or certificate programs. Just 24% of private not-for-profit institutions offered online degree or certificate programs.

**Online Learning at UST currently**

Faculty employ technology along a continuum of delivery modes from face-to-face courses supplemented with technology, to blended courses in which classroom sessions are replaced with time spent working online, to delivering all components of instruction online. At St. Thomas, the majority of courses are taught in a supplemented manner with online tools such as Blackboard to facilitate access to course materials. The use of Blackboard by faculty has grown steadily over the past five years: about 1200 sites in Blackboard are used each semester by faculty to facilitate instruction.

In a recent survey of St. Thomas faculty, over 200 faculty say they have taught one or more courses in which they have used technology to supplement a face-to-face course. Fewer St. Thomas faculty are teaching in a blended or online format. Thirty-six faculty members have taught blended courses in the past two years while twenty-one faculty say they have taught one or more online courses.

A review of offerings for the 2009-2010 year shows 16 fully online courses offered in spring 2010, three courses planned for the summer semester, and 12 online courses scheduled for fall 2010. Data on the number of courses offered in a blended format (with reduced face-to-face class sessions) is underrepresented as blended courses are not separately classified from traditional, face-to-face courses.

A list of fully online courses offered at UST is available in Appendix 2.

St. Thomas currently offers one online program, the HealthCare MBA in the College of Business, and two online certificates from the School of Education: the K-12 Learning Technology graduate Certificate and the Certificate in Gifted, Creative and Talented Education. The Opus College of Business inaugurated the executive type MBA program for professionals working in healthcare in 1993. That program was converted to an on-campus/distance program in 1995 with approximately 80% of the faculty interaction with the students online. That program continues and has been very successful – see Appendix 3 for details of this program.
The Online Learning Market: UST

Anecdotal information and the best of intuition and experience do not replace the need for solid marketing information about the opportunities for UST in the online learning space. The Task Force commissioned a first study by UST MBA students in Dr. John Sailors’ graduate marketing class to perform a study this Spring, and received a presentation on the results on May 4, 2010. The full report is available through a link cited in Appendix 4.

The President’s Task Force on Online Learning and the Information Resources and Technologies Division at the University of St Thomas asked the research team to determine if, and how, UST could enter this market and position itself competitively, while at the same time separating itself from other pre-existing “online-universities” and by differentiating itself from the competition. The research team’s first objective was to discover if market niche such as this exists.

Ultimately if a demand exists St Thomas wants to offer the same traditional high quality education without compromising its perceived brand image, reputation, or traditional pricing structure. After two initial meetings with members of the IRT department the research team set out to address UST’s questions and concerns surrounding the possible addition and implementation of an online component to the traditional university system.

The research team centered their scopes and determined that the best approach to this project was to center their research on the following objectives:

- What is the demand for UST online education?
- What UST can do to differentiate itself in the online education environment?
- If UST were to offer online programs, would it hurt or enhance the perceived quality of the school’s brand?
- What the benefits, shortcomings and costs of these programs from the perspective of potential students?
- How would UST leverage its strengths in order to enter this market?
- Where does the education interest lie and in which programs and degrees?
- What type of cannibalization could we expect to impact current UST graduate courses and programs?
- What tuition cost would potential students be willing to pay for online courses?

The team began looking for answers to these objectives through the synthesis of information found in-depth secondary research. Their secondary research involved the summary and collation of existing research. The team then centered their focus on conducting qualitative research. Information collected during this time was done so through the administration of a focus group.

Focus group participants provided an in-depth understanding of individual perceptions in relation to the online education market. From that newly gained insight, the research team developed two e-surveys that were administered to individuals who were considered to be “in the market” for higher education. Launching the surveys was the first step of the teams’
quantitative research which would later be concluded by in-depth statistical analysis and interpretation of the data. The multi-level analysis was then summarized, concluding the team’s findings.

The study’s sample included two groups that were surveyed:
- Upper Midwest Sample (N=206)
- UST Evening MBA (N=101)

The principal findings of the research team include:
- The samples segmented into traditional (2 segments) and non-traditional groups.
- A high degree of interest in online learning was apparent among non-traditional and one segment of traditional group.
- The research team recommends UST focus on the traditional segment as a closer match to the quality of UST offerings and exhibiting less price sensitivity.
- Offering online courses would not, in itself, adversely impact the UST brand.

Identification of Current Online Learning Opportunities and Challenges at UST

The importance of continued online learning development across the continuum

Faculty continue to adopt new ways to enrich traditional classroom experiences through the infusion of a variety of instructional technologies. A recent survey of St. Thomas faculty reveals that the main reasons faculty choose to use technology in their teaching are to:
- Increase access to course content and electronic resources
- Make teaching more efficient
- Increase communication between instructor and students
- Address different learning styles and the ability to use multimedia

“Smart Classrooms” are an important aspect of the traditional classroom setting. The equipment in Smart Classrooms varies by room and location but includes an instructor computer, LCD projector, mounted screen and speakers and a DVD/VCR player. The majority of UST faculty who teach in a Smart Classroom use the equipment for every class session. In fact, expanding the types of technologies in Smart Classrooms and increasing the number of Smart Classrooms at UST are of significant importance to faculty. In particular, technology to support recording of classroom lectures and activities is becoming increasingly important. For some, the ability to record the face-to-face instruction represents one of the first steps toward transitioning instructional elements into a blended course format.

In addition to the existing technologies in Smart Classrooms, faculty have enhanced the classroom experience through the use of personal response systems (clickers) – a small handheld device for polling students, taking attendance, and delivering formative assessments. The devices provide immediate feedback to the instructor and to students, and can aid identifying misunderstanding of the materials being presented and assessing whether learning objectives are met. The use of clickers in “large” or combined face-to-face course
sections can aid in engaging students and promoting active learning while providing instructors with valuable feedback they might not otherwise be able to easily gather in such a setting.

The learning management system (Blackboard), which boasts an impressive array of tools including blogs, wikis, podcasting, discussion boards, assessments and collaborative spaces, is an important means of augmenting face-to-face classes. The use of Blackboard by St. Thomas faculty has grown steadily since its introduction in 2001. Faculty are growing increasingly sophisticated in the ways in which they make use of Blackboard, and approximately 1,200 sites in Blackboard are used each semester by faculty to support instruction along the continuum.

The availability of an ever expanding variety of web-based technologies and increasingly sophisticated equipment in physical classrooms presents faculty with unique challenges in keeping pace and maintaining currency. Not only do students expect to be able to access course materials online and seamlessly interact with their instructor and classmates twenty-four hours a day, seven days a week, they are often the drivers of change for faculty. Faculty development efforts must also keep pace with this rapid change and provide faculty with a range of relevant training opportunities for instructional technology and pedagogy in the online environment.

The process of enhancing traditional course delivery with electronic resources, and transitioning face-to-face courses into a blended format through course redesign has a positive, transformative impact on pedagogy along the online learning continuum. Augmenting traditional instruction with instructional technology will continue to play an important role for both students and faculty – in addition to the model(s) that UST adopts for fully online courses, certificates and degrees.

**Online learning at the undergraduate level: Opportunities and challenges**

While there are a number of fully online courses offered at the undergraduate level, UST has not developed courses strategically around programs that lead to degrees or certificates. Development of extant courses has depended on the enthusiasm of a number of faculty members to carry this effort forward.

There are several considerations regarding future development.

1. We must understand clearly the impact of students’ transfer of online courses from other institutions in fulfillment of UST degree requirements. This behavior may be the result of lower per credit cost in other institutions, the lack of availability of timely online options from UST, the convenience to students’ schedules of online options from other colleges and universities, or some combination of these factors. The loss of revenue resulting from these transfers after students are enrolled may be significant, as anecdotal evidence suggests.
2. UST has not undertaken as an institutional strategy the development of full degree programs or certificate options (for adult students, for example). The traditional,
residential, face-to-face environment at UST and the success of that environment has led to a resistance on the part of many in the institution to the adoption and development of fully online degree programs at the undergraduate level. Indeed, UST’s undergraduate program capacity has been fully subscribed. Faculty make broad use of electronic resources in traditionally delivered classes, but the university has not to date seen fully online program offerings as viable or desirable.

3. There is some concern about whether offerings of fully online degree programs at the undergraduate level would have market viability. The cost of a UST degree may not attract sufficient market among traditional undergraduate students.

4. UST does not undertake at this time continuing education programs designed largely for adults seeking to advance their education. The viability of fully online programs in that market is an open question.

5. It is clear that some for-profit providers are convinced that there is viability in the markets described in items 3 and 4 above. Indeed, University of Phoenix and others have been successful with undergraduate offerings to “new majority” (formerly known as non-traditional) students for some time. Many for-profit providers are now beginning to pursue traditional students aggressively, and with success.

6. As alluded to earlier in this report, commitment to online and open access educational opportunities at secondary and community college levels by the federal government may significantly accelerate the expectations and comfort levels of future students.

Online learning in graduate and non-credit programs: Opportunities and challenges

A report on technology at UST in 2000 recommended the exploration of opportunities for online learning programs at the graduate level. However, the graduate programs were under significant reorganization and consolidation during those years, including the founding of the School of Law and the reorganization and founding of the Opus College of Business and the College of Applied Professional Studies.

The graduate programs have produced the most activity at UST in online course and program development. Opus College of Business’ Health Care MBA has been an online program for some years, but has been unable to scale the program beyond its current level. The College of Applied Professional Studies has seen significant development in online course and certificate offerings in recent years in the face of intense competition. The Department of Catholic Studies, School of Divinity, Social Work and Engineering are studying online learning opportunities. Opus College of Business’ Executive Education will pilot its first online program in the coming year, and fully online courses are planned for the Executive MBA program.

Avoiding the zero sum equation

In any formulation, UST will need to exercise care in its planning and implementation of an online dimension to its program offerings. There is certainly a possibility that we could incur the costs of online course and program development only to find that we have cannibalized current traditional offerings. The result would be that we have unintentionally replaced one offering for another and achieved no net gain – a zero sum scenario – with the added
possibility of a short-term loss in transition. Under such a scenario, a traditional class and an online class would split the enrollments that were formerly all in the traditional class with no net increase. However, there is precedent that suggests well-planned and properly marketed online learning options provide flexibility and reach wholly new markets.

**What is the possible range of options for change?**

It is important at the outset to array a range of options for consideration, even as we recognize that there may be overlaps among the options and that it is possible that more than one could exist with another. There are four principal options identified by the task force, with each considered in turn:

1. **Proceed without change to present operations.**

   Certainly UST has been successful to date, and we all honor the achievements that can be attested to by thousands of current students, alumni, faculty, staff and a remarkably generous donor community. In the face of current economic challenges worldwide and in the university, it is clear that we must make changes to our cost structures if we are to continue to be successful. That work has already begun. But we must also look to increase revenue to succeed in the future. The constraints of the current undergraduate environment limit the size of our enrollments, in spite of our success in maximizing enrollment in each new incoming class and maintaining a high level of retention. Graduate enrollments have not increased to levels that have been targeted. UST is operating under increasingly thin margins. Under these conditions, and given the overwhelming data on the rapid increase in online learning that is attracting increasing numbers of students, proceeding without change is not a viable option.

2. **Increase the integration of traditional delivery with electronic resources and online learning courses and programs.**

   The integration of online courses and programs into the current operations of the university is a manifest requirement if we are to keep pace with student demand and preferences, as well as with challenges from a variety of online degree providers. This must take the form of ongoing augmentation of traditional delivery integrated with electronic resources and online learning techniques, and the selective development of online programs where opportunities and market viability coincide. This is a minimal response from a market perspective, and increases UST’s risk in a highly competitive environment less than no response.
3. **Add an online program initiative dimension to UST’s delivery modes and explore possible partnerships.**

Many universities have successfully adopted models for online program marketing, delivery and support that work successfully within the context of colleges, schools and departments while recognizing the importance of uniform design, marketing, delivery and support for different student populations and market segments. Under such a model, universities have often combined development and programs through a variety of partnerships that share resources and pool expertise. There are organizational structures that enable these activities, and finding the right structure for UST depends on creative, entrepreneurial thinking and activity and careful study of the factors that have produced success (and failure) in other institutions and organizations.

4. **Convert UST’s delivery modes to fully online.**

At this level, UST would completely transform delivery modes to become a fully online university. There is precedent for successful transformation in a number of institutions (Grand Canyon Education, Inc., formerly Grand Canyon College, for example). Such institutions have made this change as a response to extreme stress or have chosen this model from the outset. Such a dramatic change seems unwarranted at UST.

**What are the challenges to adoption of change models?**

There are a number of challenges to be addressed in developing models for active engagement in online learning at the programmatic level. We will need to address standards and policies for the following topics as part of planning and implementation of program changes.

- Institutional engagement, organizational structure and policy: How are online courses/programs to be developed, supported and delivered?
- Resource requirements
- Faculty engagement
- Faculty and student support and services
- Learning Management Systems and technology infrastructure
- Assessment and accreditation
Observations, Conclusions, and Recommendations

Observations

Before examining conclusions and recommendations, the Task Force would like to call attention to three sets of observations.

The first is from the Association of Public and Land Grant Universities (APLU) – Sloan National Commission on Online Learning. This two-volume benchmarking study, *Online Learning as a Strategic Asset*, contains the results of 231 interviews conducted with administrators, faculty, and students at 45 public institutions across the country and more than 10,700 responses from faculty across the spectrum of teaching positions – tenure/non-tenure track; full- and part-time; and both those who have and those who have not taught online. The Commission’s observations are about the common characteristics of successful strategic online learning initiatives.

1. Online learning programs may work most effectively as a core component of institutional strategic planning and implementation.
2. Online learning initiatives benefit from ongoing institutional assessment and review due to their evolving and dynamic nature.
3. Online learning activities are strengthened by the centralization of some organizational structures and administrative functions that support and sustain the programs.
4. Online learning programs overseen by academic affairs units may be more readily accepted and may be more easily integrated into the fabric of the institution.
5. Online learning programs need reliable financing mechanisms for sustainability and growth.
6. Online learning programs succeed with consistent and adequate academic, administrative, and technological resources for faculty and students.
7. Online learning programs have the capacity to change campus culture and become fully integrated if presidents, chancellors, chief academic officers, and other senior campus leaders are fully engaged in the delivery of “messages” that tie online education to fundamental institutional missions and priorities.

From the MBA Students’ Distance Education marketing study:

- The study sample segmented into two traditional and one non-traditional groupings.
- A high degree of interest was found among non-traditional and one segment of traditional groups.
- UST should focus on traditional segment as a closer match to the quality of UST offerings and exhibiting less price sensitivity.
- Offering online courses would not, in itself, adversely impact the UST brand.

From Mark A Marostica’s presentation to the Board of Trustees, he observed that development of online learning programs could:

- Leverage St. Thomas’ solid regional brand, curriculum, and accreditation in other geographies.
• Offers faculty opportunity to develop and teach online courses, which may help faculty retention
• Increased enrollments should drive better leverage in St. Thomas’ business model, leading to healthier financial performance
Conclusions

- Online learning is growing nationwide at rates far higher than traditional enrollment.
- Online learning has entered the mainstream in higher education.
- UST has employed online learning widely as support for traditionally delivered courses and programs.
- UST has not entered the fully online learning market to offer degree programs.
- UST must understand clearly the impact of students’ transfer of online courses from other institutions in fulfillment of UST degree requirements. This behavior may be the result of lower per credit cost in other institutions, the lack of availability of timely online options from UST, the convenience to students’ schedules of online options from other colleges and universities, or some combination of these factors. The loss of revenue resulting from these transfers after students are enrolled may be significant, as anecdotal evidence suggests.
- Without online programs, we will certainly be unable to compete among some market segments that are essential to attract additional revenue, and may become less competitive in our ability to retain some current students.
- The loss of even a modest percentage of our student credit hours to online learning providers could significantly impact our operating margins.
- Increasing revenue through online learning could help offset challenges to UST’s operating budgets.
- Given the limited capacity for traditional growth, failure to seize the opportunity to compete successfully in the online education sector may be very costly to UST.
- The two major student population segments have expectations:
  o Traditional: Students will expect more flexibility in the way courses are offered and in the use of more electronic resources and online features.
  o “New Majority”: Students will expect options to include partially or fully online offerings that lead to degrees and certificates.
- UST would be able to leverage technology resources to accommodate increased access to online learning programs.
- UST must distinguish itself as a provider of online learning to separate ourselves and our brand from competitors. To do so, we must replicate in an online environment a set of distinct characteristics:
  o Excellence in teaching and learning
  o Excellence in student support services
  o Excellence through strategic partnerships with individuals and organizations with proven success in online learning
- Federal initiatives and requirements can be a “tipping point” in the growth and impact of online learning and a significant regulatory challenge to higher education.
- Online learning plans should incorporate ways to better integrate subscription electronic resources into online courses, and the transformation of existing licensing models for software and online library database content so that we can legally and effectively serve potential new markets and an evolving population of less-than-full-time online students.
Recommendations

1. The University’s executive administration should develop and recommend to the Board of Trustees a broad university-wide policy direction on online learning based on the vision recommended to Fr. Dease.

2. Within the range of response options, the Task Force recommends the two following options, which are not mutually exclusive:
   a. Increase the integration of traditional delivery with electronic resources and online learning courses and programs.
   b. Add an online program initiative dimension to UST’s delivery modes and explore possible partnerships.

3. The executive administration should appoint a strategic team involving vitally interested segments of the university community but particularly faculty and deans to develop a strategy and implementation guidelines for online learning program and courses for the University.

4. Among the considerations of strategy and policy development, the Task Force recommends that the following should be addressed clearly:
   a. Institutional engagement, organizational structure and policy: How are online courses/programs to be developed, supported and delivered under alternative models?
   b. Faculty development and engagement: Establish a unit under the supervision of the Executive Vice President of Academic Affairs. The unit, either a new center or a reorganization of units with similar responsibilities, will form a strategic alliance with IRT and the deans of various colleges and schools for faculty development in online learning initiatives.
   c. Faculty and student support and services
   d. Resource requirements
   e. Technology infrastructure
   f. Impact on assessment and accreditation
   g. Intellectual property and copyright policy and practice

Administrative action item: List and market current online courses in Banner and on the Web. Among the findings of the Task Force’s work is that UST needs to collect and publish more effectively current online courses and programs. That includes designating in understandable categories the online offerings at UST and developing appropriate Web resources.
Appendix 1

Selected Online Learning Articles and Resources


Organizations

Quality Matters: *Quality Matters (QM) is a nationally recognized, faculty-centered, peer review process designed to certify the quality of online courses and online components. Colleges and universities across the country use the tools in developing, maintaining and reviewing their online courses and in training their faculty. [http://www.qualitymatters.org/index.htm](http://www.qualitymatters.org/index.htm)*

The Sloan Consortium: *The Sloan Consortium is an institutional and professional leadership organization dedicated to integrating online education into the mainstream of higher education, helping institutions and individual educators improve the quality, scale, and breadth of education. Membership in the Sloan Consortium provides knowledge, practice, community, and direction for educators. Originally funded by the Alfred P. Sloan Foundation, Sloan-C is now a non-profit, member sustained organization. [http://www.sloan-c.org](http://www.sloan-c.org)*
### UST *Fully Online* Course List

<table>
<thead>
<tr>
<th>Course Number</th>
<th>Course Title</th>
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<tbody>
<tr>
<td>ACCT 601</td>
<td>Financial Accounting</td>
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<tr>
<td>ACCT 605</td>
<td>Managerial Accounting</td>
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<tr>
<td>BLAW 740</td>
<td>Legal Environ Hth Care Mgmt</td>
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<td>BLAW 745</td>
<td>Health Law Biomedical Ethics</td>
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<td>Princ of Educ Research</td>
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<td>CIED 505</td>
<td>Social Foundations of Educ</td>
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<td>CIED 551</td>
<td>Use of Tech for Instr</td>
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<td>CIED 700</td>
<td>Language, Culture &amp; Educ</td>
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<td>Great Catholic Minds: Augustine</td>
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<td>DSCI 600</td>
<td>Stat Methods for Dec Making</td>
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<tr>
<td>DSCI 610</td>
<td>Operations Management</td>
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<tr>
<td>ECON 630</td>
<td>Health Care Economics</td>
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<tr>
<td>EDLD 575</td>
<td>Independent Study: Ed Leadership</td>
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<tr>
<td>EDLD 840</td>
<td>Admin of Spec Programs</td>
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<td>FINC 600</td>
<td>Financial Management</td>
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<td>GIFT 729</td>
<td>Practicum and Seminar</td>
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<td>GMUS 608</td>
<td>Foundations of Music Education</td>
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<td>HLTH 345</td>
<td>Nutrition for Hlth&amp; Fitness</td>
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<td>Web-Based Curr Dev &amp; Assmt</td>
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<td>LHDT 528</td>
<td>Integr Tech Into Tchg/Life Lrn</td>
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<td>MGMT 610</td>
<td>Human Resource Mgmt</td>
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<td>Overview of Health Care Sys</td>
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<td>Community Health</td>
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<td>Financing The HC System</td>
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<td>MGMT 799</td>
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<td>MKTG 600</td>
<td>Marketing Management</td>
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<td>Understanding Music &amp; Culture</td>
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<td>PHIL 214</td>
<td>Introductory Ethics</td>
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<td>SPAN 301</td>
<td>Adv Written Spanish &amp; Culture</td>
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<tr>
<td>SPED 700</td>
<td>Topics: Idtfc &amp; Sv to SPED Lrms</td>
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<td>Course Title</td>
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<tr>
<td>SPED 731</td>
<td>Planning and Administration: Special Education</td>
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<tr>
<td>SPED 752</td>
<td>Fundamentals of Emotional and Behavioral Disorders</td>
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<td>THEO 205</td>
<td>Old Testament</td>
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<tr>
<td>THEO 330</td>
<td>Wisdom Writings in the Biblical Tradition</td>
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<tr>
<td>THEO 353</td>
<td>Women and The Old Testament</td>
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Appendix 3

UST Health Care MBA
Fritz Wenzel

The UST Healthcare MBA Program was founded in 1993 to meet a need that was perceived in the local, regional and national markets for an educational program for professionals working in healthcare. The program was initially established as an 18 course, 54 credit, (three credits per course) Program that was 27 months in length. The classes were held on weekends. This limited the geographic coverage of the student population therefore in 1995 the Program was converted from the weekend model to an on-campus/online model. The software that was used initially was provided by HealthOnline a software program developed for use at the University of Colorado Graduate School of Business. That software was later changed to WebCT and then when the University converted to Blackboard that software was put in place.

Four courses were taught on campus at a time and then two courses at a time were conferenced online over two nine week sessions using the Blackboard classrooms. That was later modified to have two on-campus sessions per semester with two courses then being taught and conferenced online simultaneously. All MBA core courses were included in the curriculum and they are listed elsewhere in this document. The courses had a healthcare emphasis in addition to the usual principles of business.

The program has continued as a cohort model which occasionally allows a student to slow the pace and join a following cohort. The graduation rates have been very high and the drop-out rates very low. Much of this is due to a very careful screening process and a requirement that the students have five years of experience in healthcare before entering the Program. Approximately 1/3 of the students in the cohorts are physicians. Other representatives from healthcare include healthcare managers, nurses, technicians, clinic, and hospital executives, pharmaceutical representatives, health insurance personnel and others.

The following is an excerpt from self-study report prepared for the Programs second accreditation site visit.

Philosophy

Before beginning the discussion of the curriculum and its design, it is important to present an overview of the philosophy and strategy for online learning. Formerly online learning was termed nontraditional but more recently it has taken its place with the traditional modes of Masters level executive education and it will continue to grow as professionals become more and more mobile and interested in Masters level education. Online learning is ideally suited for adults especially those who are seeking educational opportunities while working full time, however it is not the same as the traditional classroom format and it is not for everyone. In the online learning environment it is very important to establish a face-to-face social relationship among the students and between the students and the faculty. The socialization process makes possible opportunities for both horizontal and vertical learning. A cohort model is ideal
for online learning because once the students learn about each other they begin learning from each other on a continuing basis over the course of their studies. Each has significant knowledge and skills which can be shared.

It is very important for the faculty and students that the courses have significant discipline and structure and are able to adapt to the online learning process. It has been found that once the students are introduced to online learning using this discipline and structure they become very comfortable and utilize the system to its fullest. A multiplicity of modalities can be used for online learning. The approach however must not be that of a correspondence course in that faculty members must continuously seek opportunities to teach during the computer conferencing phase. The students are extremely sensitive to the presence of the faculty member in the conference and have every expectation that the faculty member will be available to them especially during asynchronous discussions on a constant basis. Feedback is a key issue with the students. The students expect that the faculty will respond to them both individually and collectively.

**Teaching Strategy**

The face-to-face on-campus element and its importance should not be underestimated. During the on-campus phase the students become comfortable with one another and establish a social chemistry which later yields significant dividends in the learning process. Faculty must be active participants in this phase of the process. The faculty member must also have thought through very clearly and carefully what the students are to come away with once the course is completed. This is even more important than a traditional classroom setting. In the online learning model it is very important to clearly spell out the expected course outcomes in a thorough and complete syllabus.
Appendix 4

MBA Marketing Students' Distance Education Marketing Report

[Upon Request]

Appendix 5

University of St. Thomas Report to the Board of Trustees by Mark A. Marostica, PiperJaffray

[Upon Request]