2016

ONLINE LEARNING AT PRIVATE COLLEGES AND UNIVERSITIES

A Survey of Chief Academic Officers

LEARNING HOUSE

The Council of Independent Colleges

ONLINE LEARNING AT PRIVATE COLLEGES AND UNIVERSITIES 2016:

A Survey of Chief Academic Officers

A Joint Project of The Council of Independent Colleges and The Learning House, Inc.

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EXECUTIVE SUMMARY

ONLINE CONTINUES TO GROW

In 2013, The Learning House, Inc., and the Council of Independent Colleges produced a report on how online learning was viewed by chief academic officers at member institutions. This report updates the findings and recommendations made in the original 2013 publication, pointing out key differences from the first report and, when possible, identifying trends.

It should come as no surprise that online learning has continued to expand its footprint. In 2016, more than half of the CIC member institutions that participated in the survey offer at least one fully online program (i.e., a degree or certificate at any level – associate to doctoral), while an additional one-third offer hybrid programs or online courses. The number of institutions offering no online or hybrid courses or programs of any kind is shrinking and soon will be in the single digits as a proportion of all institutions.

Not only are more institutions offering online programs, but the number of programs offered is also increasing. When comparing the results from the 2013 and 2016 assessments, it was found that the proportion of institutions that offered five or more fully online programs, a category we titled “Extensive,” increased from 15% to 25%. The proportion of institutions in the “Limited” category (those with no fully online programs but that offer hybrid or online courses) shrank from 47% to 39%, and those in the “Intermediate” category (those that offer one to four fully online programs) remained relatively unchanged from 37% in 2013 to 36% in 2016. This clearly shows a shift to offering not just online courses or one fully online program, but multiple online programs.

No matter the modality, students are starting to expect flexibility to not just be an option but the norm in their educational experience. Online or on ground, technology is pervading the classroom. Nearly every institution surveyed makes use of a learning management system (LMS) for all courses. Those that do offer online or hybrid options are increasingly open about which students can enroll in these courses, so that students do not have to choose between studying either fully online or fully on ground. The divide on campuses between online learning and on-campus learning is shrinking.

ACCEPTANCE IS INCREASING

With experience comes success. Between 2013 and 2016, a greater proportion of CIC member institutions were able to overcome barriers preventing them from growing the number of online courses or programs they were offering. Specifically, more than 80% of CIC member institutions say they at one time experienced barriers to online learning, including a lack of acceptance of online instruction by faculty as well as it requiring a greater amount of faculty time and effort to instruct online. Fewer than half of CIC member institutions report that these are still ongoing barriers for them.

NAVIGATING ONLINE BARRIERS HAS LED TO SIGNIFICANT REWARDS

Offering online programs has allowed nearly two-thirds of CIC member institutions to increase their revenue as well as their student enrollment. Three-quarters have increased student access to their programs, while more than half have also been able to attract students outside of what they would consider their traditional service area. The greater the investment in growing the number of online programs and removing the restrictions around who can enroll in these courses and programs, the greater the gains for the institution.

IMPLEMENTING BEST PRACTICES

To successfully guide CIC institutions in developing and delivering online programs, the following recommendations have been devised from the results of this report and supplemental interviews with CIC member institutions:

1. Hire an online leader and appropriate staff.
2. Educate and incentivize faculty to teach online.
3. Revise policies and procedures to accommodate online faculty.
4. Use good accounting and budgeting practices.
5. Expand online offerings.
6. Save national and international marketing dollars for niche programs.
7. Accept all legitimate course credit.
8. Invest in outcomes.
9. Synthesize online and on-ground operations for a consistent student experience.
10. Offer competency-based programs and alternatives such as badges and bootcamps.
11. Provide more and better faculty development.
12. Take advantage of professional organizations.

These recommendations are not a one-size-fits-all solution, and not every recommendation is right for every institution. But for those institutions that want to grow and optimize their online operations, the spirit of these recommendations can act as guideposts that will lead to better student and faculty outcomes and a more robust online presence.

INTRODUCTION

Overall higher education enrollment has been declining for the past three years, yet enrollment in online programs continues to grow. Currently, an estimated 3.75 million college students study online and this number is expected to reach four million students by 2020 (Eduventures, 2016). Online programs are appealing to students who would have likely opted out of higher education – 61% of online students are unsure or would not have enrolled in classroom-based courses if their program was not available online (Clinefelter & Aslanian, 2015). As colleges look for ways to increase enrollments but contain the costs associated with building more classrooms and housing needed for a growing student body, many institutions have turned to online education. Eduventures estimates that private four-year nonprofit institutions account for approximately 25% of all online enrollments – more than the for-profit sector (23%) and similar to two-year (25%) and four-year public institutions (27%) (Eduventures, 2016). Although a smaller percentage of private institutions offer online programs, the sector still serves a near equal number of students as four-year public and for-profit colleges.

Private colleges and universities are at a crossroads. They are struggling to maintain growth while the pool of high school graduates is declining and increasing numbers of institutions are offering online programs. Some private institutions see online education as counterintuitive to their mission to provide a personalized learning experience where students and faculty bond in a campus setting. Other institutions have embraced online education as a way to fulfill their mission and expand their institutional reach. Today, private institutions are embracing online education to varying degrees. Some of the largest providers of online programs are entrepreneurial private institutions, while a handful of institutions still do not offer a single online or hybrid course.

One thing is clear: Online education is here to stay. How institutions react to this phenomenon, however, is dependent on their mission. To better understand the role of online education at private nonprofit institutions, The Learning House, Inc., surveyed chief academic officers of private colleges and universities that are members of the Council of Independent Colleges (CIC). This report summarizes those findings, including information about how these institutions have organized services to accommodate online students, the barriers they have had to overcome, the impact on the institution, finances, and plans for the near future. This report builds upon the findings of the report produced by Learning House and CIC in 2013 (Clinefelter & Magda, 2013).

RESPONDENT CLASSIFICATIONS

These data were analyzed with cross tabulations for institutional size and number of online programs. To determine size, institutions were grouped by enrollment in the following categories:

Small	Fewer than 750 students
Medium	750–1,499
Large	1,500–2,250
Very Large	More than 2,250

For implementation level of online degree programs, institutions were grouped into the following categories:

Extensive	5 or more fully online programs
Intermediate	1–4 fully online programs
Limited	No fully online programs

There were a number of significant differences in responses based on the implementation level of online programming. The report includes tables showing the cross tabulations by level of online programming.

There is a correlation between institutional size and the number of online programs offered. None of CIC's smaller institutions (i.e., fewer than 750 students) are in the Extensive category with five or more online programs, whereas 65% of the institutions in the Extensive category enroll more than 2,250 students.

Number of programs by institutional size	Less than 750 students	750 to 1,499	1,500 to 2,250	Greater than 2,250
Extensive	0%	12%	23%	65%
Intermediate	5%	37%	20%	38%
Limited	16%	39%	20%	25%
Total	8%	31%	21%	40%

CIC INSTITUTIONS WITH NO ONLINE OR HYBRID COURSES OR PROGRAMS

Eleven institutions responding to the survey reported they did not offer any online or hybrid courses or programs. The largest barrier that they report is lack of faculty acceptance of online learning (78% of these institutions say they are still experiencing this barrier). Recruiting and training online faculty is the largest challenge in serving online students (78%).

Eighty-two percent of these institutions with no online course or programs would like CIC to help them with information on comparable institutions' strategic use of online learning. This group, however, does not appear likely to enter the online marketplace in the near future. The clear majority of these institutions report no plans to offer online or hybrid undergraduate degree, graduate degree or certificate programs in the next one or two years. Data from these institutions are not included in this report.

ACCOMPANYING RESEARCH

Learning House has partnered with Aslanian Market Research for the past five years to publish the results of an annual survey of 1,500 prospective, current, and recently graduated online college students. The *Online College Students* reports are cited throughout this report and Learning House would encourage readers to review these studies as they complement the research contained within this report.

In 2015, Learning House also partnered with WICHE (Western Interstate Commission for Higher Education) Cooperative for Educational Technologies (WCET) to nationally survey institutions about adjunct faculty teaching policies for online courses. A small number of questions from that previous survey were also asked of CIC institutions during this assessment. Readers may wish to also review that study for further information and recommendations around the recruitment, training, and support of online adjunct faculty.

All reports can be accessed at learninghouse.com/research. Throughout this report, the percentages may not equal 100% due to rounding up or down.

NUMBER OF ONLINE PROGRAMS

An increasing number of CIC institutions are offering fully online programs. From 2013 to 2016, the percentage of responding institutions that offer five or more fully online programs grew from 15% to 25%, while the percentage of those in the Limited category decreased from 47% to 39%.

The Limited category includes institutions with hybrid programs but no fully online programs, those with fully online or hybrid courses but no programs, or those with no online or hybrid courses or programs. Each of these three sub-categories decreased from 2013, although none shrank significantly.

In the next two years, more than three-quarters of institutions that already have online programs, hybrid programs, or online/hybrid courses expect their number of offerings to grow. Very few expect their number of offerings to stay the same and no institutions expect their number of offerings to decrease.

While the growth of online programs is encouraging, private institutions still lag behind public universities. According to a 2013 survey of chief academic officers who were members of the American Association of State Colleges and Universities (AASCU), half of the public universities offered at least five online programs and fewer than 20% had no online offerings. Although more recent data on public institutions is not available, it can be projected due to the popularity of online education that the number of institutions that do not offer any online programs or courses may have decreased at public institutions.

NUMBER OF ONLINE PROGRAMS

Number of online programs		CIC 2013	CIC 2016	AASCU 2013
Extensive (5+ fully online programs)		15%	25%	48%
Intermediate (1 to 4 fully online programs)		37%	36%	34%
Limited (Hybrid or online courses, hybrid programs, or neither)		47%	39%	18%
LIMITED	*Hybrid programs but no fully online programs*	*53%*	*59%*	*78%*
	Online and/or hybrid courses but no programs	*21%*	*20.5%*	*22%*
	No online or hybrid courses or programs	*26%*	*20.5%*	*0%*

INFRASTRUCTURE

ONLINE ADMINISTRATION

As institutions move from Limited to Extensive online programs, they tend to move to a central administrative unit for online with a senior administrator. Since 2013, there has been a significant decline in the percentage of Extensive institutions with this organization.

	2016		2013	
Central Administrative Unit for Online	**Yes**	**No**	**Yes**	**No**
Extensive	65%	35%	84%	16%
Intermediate	50%	50%	46%	54%
Limited	24%	74%	39%	61%
Total	46%	54%	48%	52%

	2016		2013	
Senior Administrator for Online	**Yes**	**No**	**Yes**	**No**
Extensive	67%	33%	81%	19%
Intermediate	45%	55%	55%	45%
Limited	40%	60%	39%	61%
Total	49%	51%	58%	42%

SOURCE OF SERVICES FOR ONLINE PROGRAMS

Results of this survey compared with 2013 indicate more CIC institutions are relying upon the traditional administrative unit structure for a number of the services associated with online learning, such as academic advising, instructional design, and faculty development. However, vendors were used for enrollment management, marketing, and LMS hosting as well. In 2013, the majority of CIC institutions relied on the traditional administrative unit for many services but a sizeable minority used a central online unit or outside vendor.

Division of Responsibilities for Online Program	Traditional Administrative Unit	Central Online Unit	Distributed	Outsourced	Do not provide
Enrollment management	64%	15%	14%	6%	8%
Marketing	60%	13%	11%	13%	12%
Bookstore	60%	10%	8%	16%	6%
Student retention and support services	56%	17%	20%	5%	8%
Academic advising	55%	21%	25%	4%	3%
Tutoring	51%	10%	14%	11%	17%
Faculty development and training	44%	35%	19%	8%	5%
LMS hosting	42%	14%	10%	26%	4%
Instructional design	38%	34%	18%	10%	6%
24x7 technical support	29%	13%	5%	21%	33%

IMPACT ON THE INSTITUTION

ONLINE EDUCATION BARRIERS

Nearly nine in 10 responding CIC institutions cite a lack of acceptance of online instruction by faculty as a barrier they have experienced at some point, which is the same as reported in the 2013 survey. What has changed, however, is how many institutions report having overcome this barrier versus those that are still experiencing it. There has been a significant positive shift, with 38% citing they overcame this barrier (28% in 2013) and 48% still experiencing this barrier (58% in 2013). These results mean that almost half of all institutions are experiencing resistance from faculty to teaching online, so education and training of faculty are still needed to gain buy-in.

Similar to 2013, students' lack of discipline to succeed online is the number one barrier cited by CIC institutions. However, there has been a shift in the positive direction, though not a significant one, in terms of the percentage of institutions that are still experiencing this barrier.

One of the keys to success for Extensive institutions in 2013 was that these colleges and universities had overcome or simply did not experience the barriers listed below, except for students needing more discipline to succeed online. This remains true in 2016. For Intermediate and Limited institutions, second to student discipline, the lack of faculty acceptance is seen as a top barrier they are still experiencing (47% and 57% respectively, while 40% of Extensive institutions report this).

Barriers to Online Courses	Experienced at Any Point	Did Not Experience	Overcame	Still Experience
A lack of acceptance of online instruction by faculty	86%	14%	38%	48%
Greater faculty time and effort required to teach online	79%	21%	36%	43%
Students need more discipline to succeed in online courses	78%	22%	18%	60%
Online courses cost more to develop than face-to-face courses	69%	31%	47%	21%
Issues over ownership of the intellectual property in online courses	54%	46%	37%	17%
Online courses cost more to deliver than face-to-face courses	32%	68%	24%	8%

GREATEST CHALLENGES IN SERVING ONLINE STUDENTS

Some challenges in serving online students have increased in difficulty since 2013. Demands for "off hour" services and providing special services for students in need increased significantly since 2013, but training and recruiting faculty to teach online still remains the greatest challenge. The challenge is likely focused on training rather than recruiting; the *2015 Recruiting, Orienting, and Supporting Online Adjunct Faculty* report found recruiting faculty to teach online was a near non-issue whereas training faculty was identified as a larger issue. Conversely, measuring student outcomes has become less of a challenge for responding institutions, down 10 percentage points to 18% from 28%.

Challenges Serving Online Students *(Select all that apply)*	**2016**	**2013**
Training and recruiting faculty to teach online	59%	57%
Demands for "off hour" services	40%	30%
Providing special services to students in need	37%	21%
Maintaining the Learning Management System and related technology	30%	23%
Identifying students in need of special services	22%	21%
Monitoring examinations	22%	NA
Providing access to campus services such as Library, Registrar, and Bursar	20%	21%
Verifying student identity	20%	29%
Retaining students	19%	23%
Measuring outcomes	18%	28%
Detecting plagiarism	13%	14%
Other	9%	13%

OUTCOMES FROM OFFERING ONLINE OR HYBRID LEARNING

The majority of CIC institutions have increased student access and enrollment, as well as increased their revenue, thanks to offering fully online or hybrid courses. Since 2013, the largest increase is in strategic partnerships with other institutions, which grew from 9% to 21%.

Outcomes From Online and Hybrid Learning *(Select all that apply)*	**2016**	**2013**
Increased student access	76%	74%
Increased enrollment	66%	60%
Increased revenue	64%	59%
Attracted students from outside the traditional service area	55%	57%
Growth in continuing and/or professional education	46%	49%
Provided pedagogic improvements	40%	46%
Enhanced value of college/university brand	32%	40%
Shifted enrollment from on ground to online	30%	20%
Reduced or contain costs	25%	17%
Increased rate of degree completion	23%	16%

Outcomes From Online and Hybrid Learning CONTINUED *(Select all that apply)*	**2016**	**2013**
Increased the diversity of student body	23%	18%
Increased strategic partnerships with other institutions	21%	9%
Strengthened academic continuity in case of disaster	20%	22%
Optimized physical plant utilization	20%	11%
Improved student retention	19%	12%
Improved enrollment management responsiveness	15%	13%
Increased faculty recruitment and retention	8%	4%
Enhanced alumni and donor outreach	4%	6%

IMPACT OF ONLINE LEARNING ON ON-GROUND COURSES

The most significant impacts of online learning on on-ground courses include introducing new pedagogy and increasing revenue – the same as was reported in 2013. The increased ability to offer more sections of a course, however, grew significantly since 2013 (from 40% to 52%), becoming the third most significant benefit of online learning.

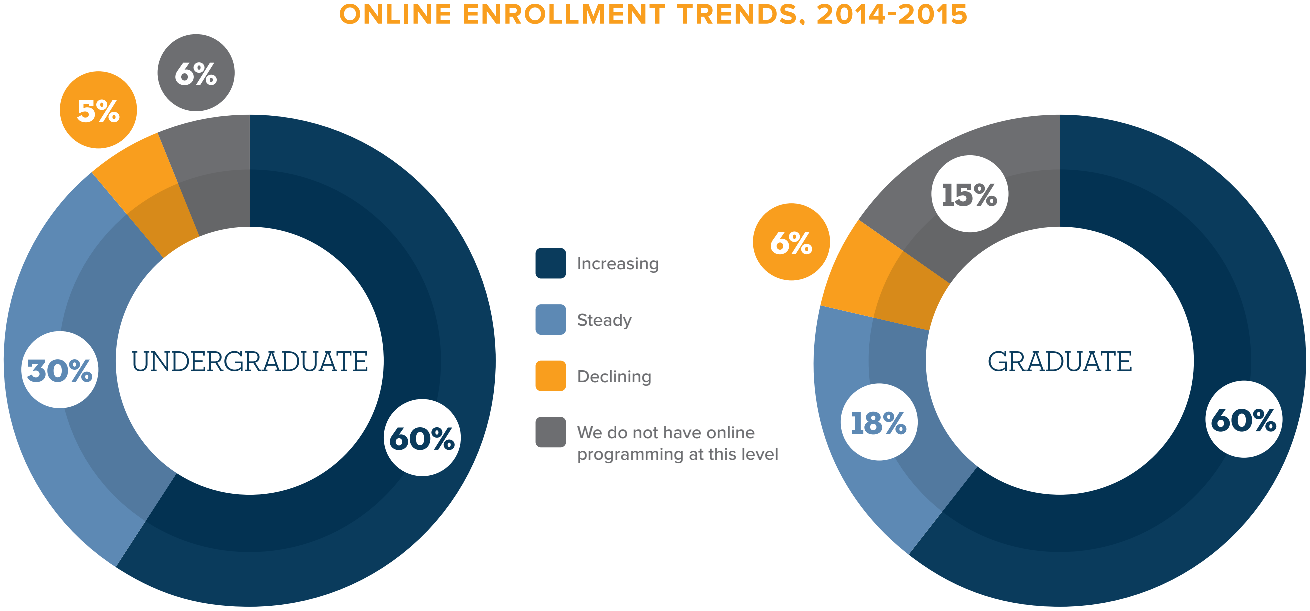
Impact of Online Courses on On-Ground Learning *(Select all that apply)*	**2016**	**2013**
Introduced new pedagogy in on-ground courses	70%	77%
Increased revenue	56%	48%
Increased ability to conduct more sections	52%	40%
Attracted “traditional” students from on-campus to online courses	45%	42%
Faculty are becoming entrepreneurial	26%	31%
Some departments/units feel “left out”	18%	10%
Increased enrollment in on campus courses due to improved reach of brand	5%	7%
Other	6%	8%

ONLINE ENROLLMENT TRENDS

The current survey compared to 2013 has equal numbers of responding institutions that reported undergraduate and graduate enrollments increasing over the past year. Fewer reported that they do not offer programs online. Compared to 2013, a larger proportion of CIC institutions reported online enrollments were holding steady.

Similar to 2013, Extensive institutions are more likely to report an increase in online enrollments compared to Limited or Intermediate institutions, both at the undergraduate and graduate level.

ONLINE ENROLLMENT TRENDS, 2014-2015



FINANCES

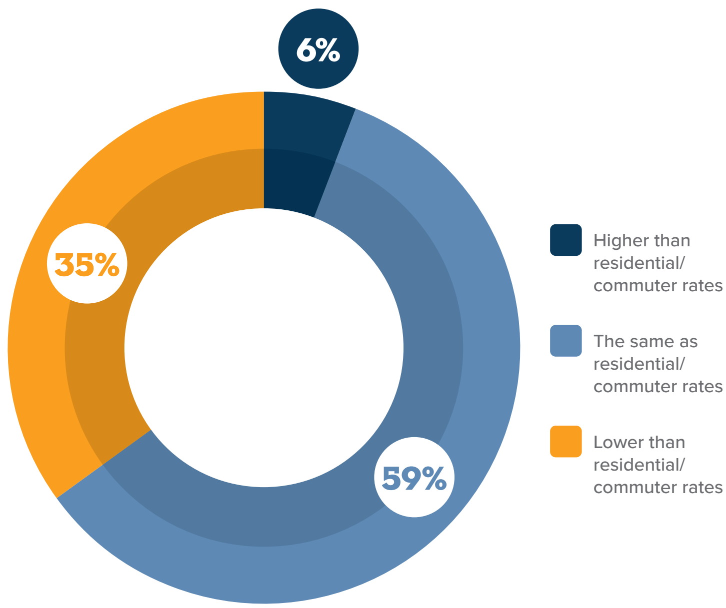
TUITION AND FEES

Tuition for online courses at CIC institutions is generally the same as the residential rate. This has remained unchanged since 2013, with one-third of CIC institutions charging less for online courses and fewer than 10% charging more.

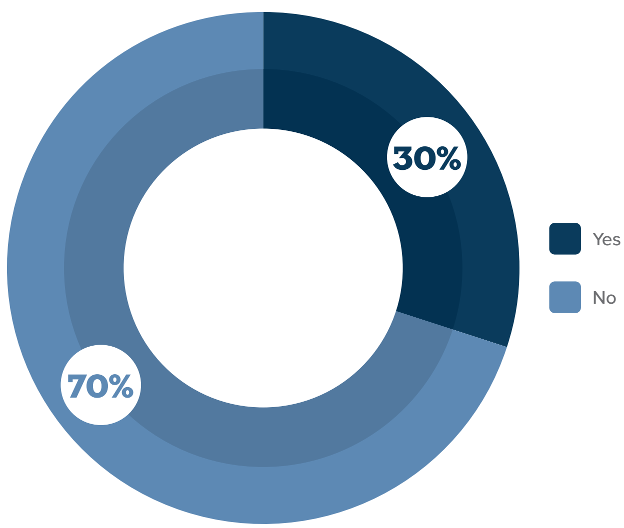
At the undergraduate level, tuition for online courses ranged from $199 to $2,000 per credit, with the average cost being approximately $571 per credit hour. For graduate courses, online tuition ranged from $225 to $1,780 per credit hour, with the average cost being approximately $634 per credit hour.

Nearly one-third of responding CIC institutions report charging a technology fee for their online courses. This fee can range from $15 to $150 per credit hour. A small number of institutions charge a technology fee per semester or annually.

ONLINE TUITION 2016



ONLINE TECHNOLOGY FEE 2016

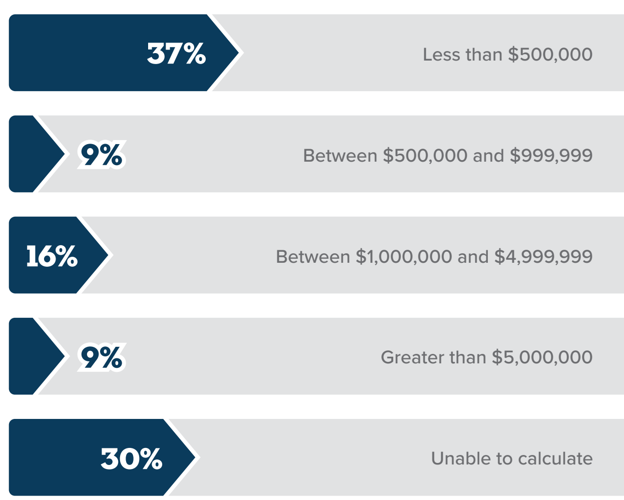


ONLINE REVENUE

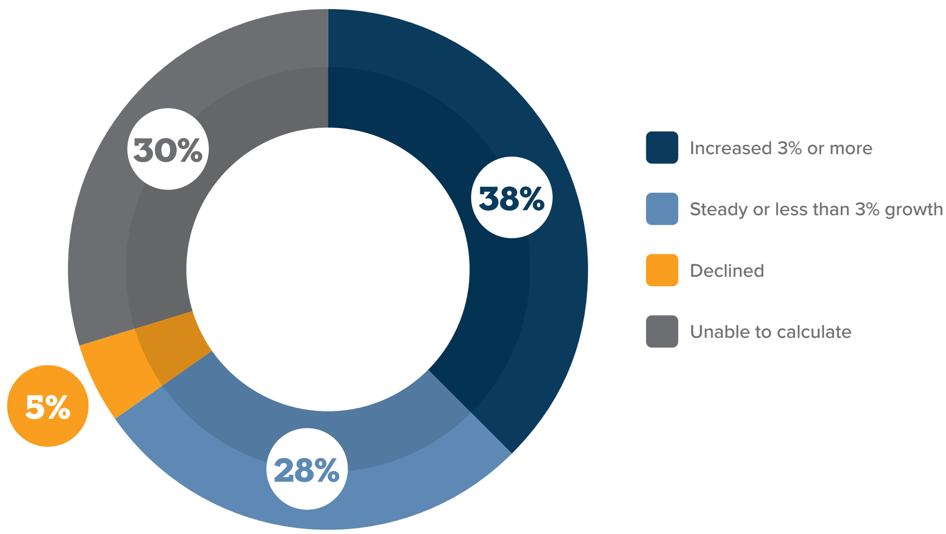
One-quarter of responding institutions report online revenue greater than $1 million and 46% report revenue of less than $1 million from online courses. Nearly one-third of institutions report being unable to calculate the revenue they generate from online courses.

Revenue from online courses appears to be growing steadily, as 38% report that their revenue from online courses is up more than 3% compared to academic year 2013-14. Only 5% of institutions report that revenue from online courses actually declined during this period.

ONLINE REVENUE, 2014-2015



ONLINE REVENUE CHANGE SINCE 2014



PROGRAMS

CREDENTIAL LEVELS

At three-quarters of CIC institutions, master's programs are the most commonly offered online credential. This is followed by bachelor's degree programs (63%) and distantly by post-baccalaureate certificate programs (21%). Associate and doctoral degrees are less common at 15% each.

Credentials Offered Online	2016
Associate degrees	15%
Pre-bachelor's certificates	7%
Bachelor's degrees	63%
Post-bachelor's certificates	21%
Master's degrees	74%
Post-graduate certificates	12%
Doctoral degrees	15%

FIELDS OF STUDY OFFERED ONLINE

Institutions that offer at least one program online are most likely offering programs in business or health professions. The top four fields (listed below) offered online by institutions in 2016 at the undergraduate level were also the top four fields in 2013. However, the number of institutions offering these four fields are either slightly fewer or unchanged from 2013 and the remaining five fields are being offered by more institutions in 2016.

Similarly at the graduate level, the top three fields of study being offered by institutions in 2013 are still the top three fields in 2016, but the proportion is relatively unchanged.

The percentage of institutions noting that they do not offer a particular field of study online has decreased since 2013 for each of the nine broad fields of study designated in the survey. While business still remains the number one online program, more universities are offering programs in other fields, so the market share of business programs continues to shrink.

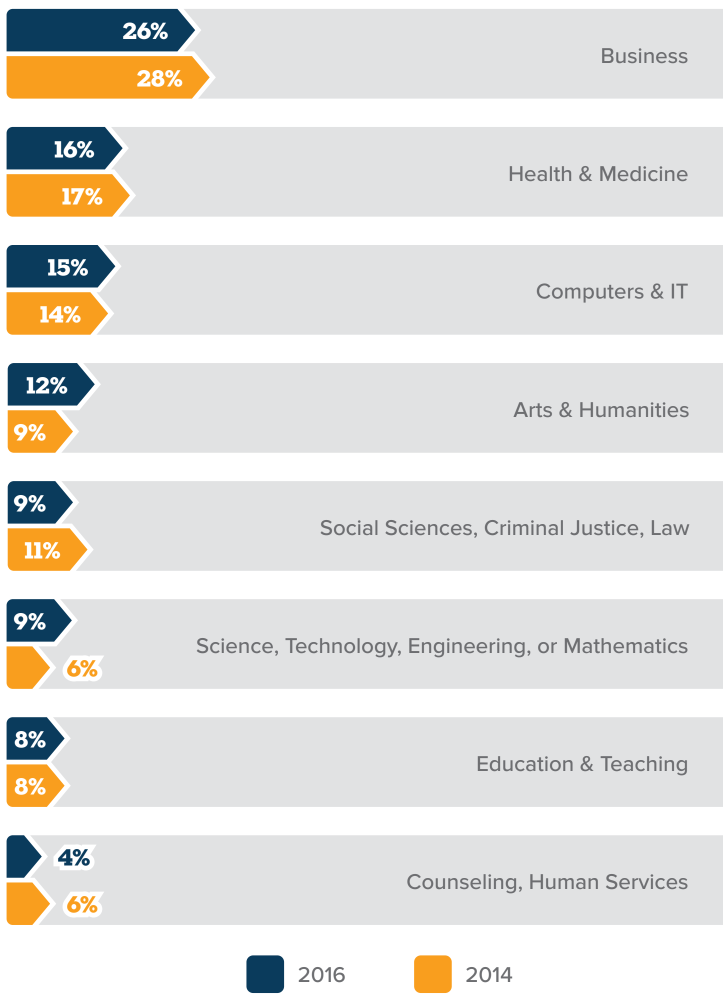
Extensive institutions are significantly more likely to offer nearly every field of study at both the undergraduate and graduate levels more often than Intermediate institutions. For example, just 5% of Intermediate institutions offer computer science programs at the bachelor's level and 9% offer them at the graduate level, compared to 43% of Extensive institutions at the undergraduate level and 22% at the graduate level.

Field of Study	Offered Online Undergraduate	Offered Online Graduate	Not offered online at either level
Business	57%	62%	19%
Health Professions	51%	40%	35%
Criminal Justice/Paralegal Studies	37%	21%	54%
Psychology/Counseling	31%	17%	62%
Liberal Arts/Humanities	27%	19%	63%
Social Sciences	23%	12%	73%
Computer Science	23%	15%	73%
Education	19%	59%	36%
STEM	8%	11%	84%

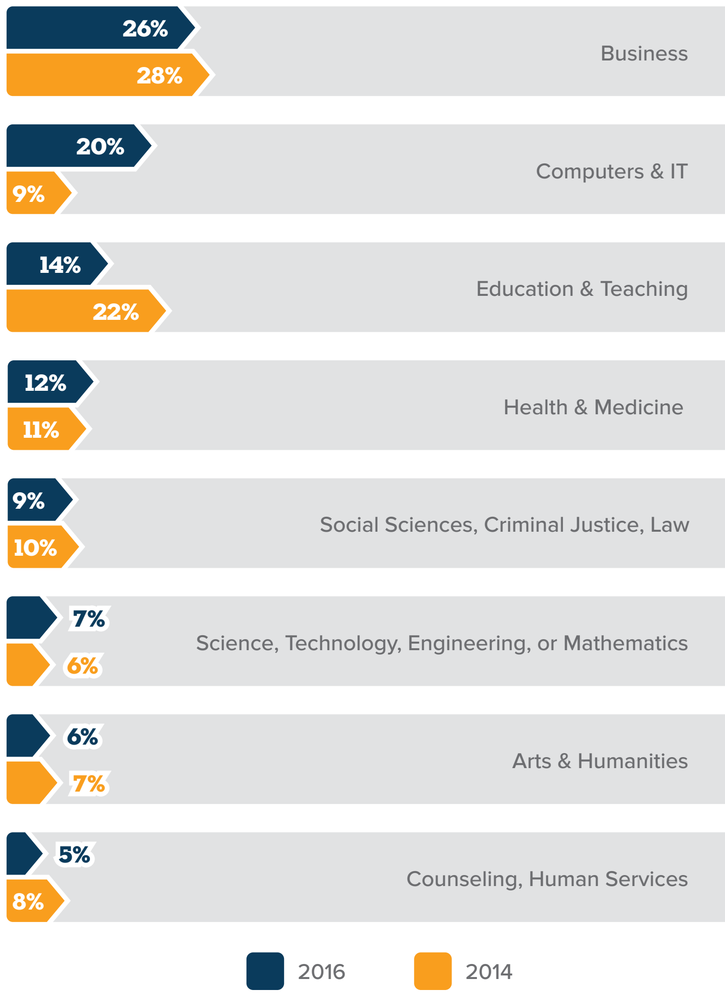
Note: Data is only from institutions that offered at least one fully online program.

The *Online College Students 2016* report shows that there is some disconnect with the top fields of study being sought by online college students versus what programs are offered at CIC institutions. This is related to Computer Science & Information Technology, the second largest field of study at both the undergraduate and graduate level. However, 73% of CIC institutions offering online programs do not offer this particular field online at either the undergraduate or the graduate level. Also, at the graduate level, 50% of CIC institutions offering online programs offer online Education programs whereas this field has seen a significant decrease in demand by online college students.

OCS 2016 UNDERGRADUATE DEMAND BY FIELDS OF STUDY



OCS 2016 GRADUATE DEMAND BY FIELDS OF STUDY



OPERATIONS

GEOGRAPHIC TARGETING

Since 2013, the percentage of institutions marketing one or more of their online programs nationally or internationally is relatively unchanged. Institutions marketed an average of five programs nationally. Half of responding CIC institutions market at least one of their programs nationally and 14% do so internationally.

One of the consistent findings from the past five years of the *Online College Students* report has been that approximately three-quarters of online college students are searching for an institution within 100 miles of their home. The takeaway has been that marketing dollars are best spent locally with only unique programs being marketed nationally or internationally. Institutions that are currently marketing at least one program nationally should consider how effective this marketing is and if those resources can be better allocated regionally.

Market Online Program Nationally	2016	2013
Yes	50%	47%
No	44%	48%
Unsure	7%	5%

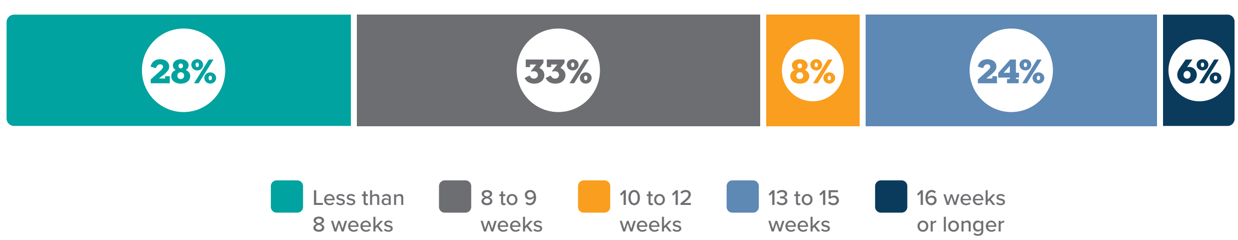
Market Online Program Internationally	2016	2013
Yes	14%	10%
No	82%	87%
Unsure	5%	3%

TERM LENGTH

CIC institutions have been able to develop their online or hybrid courses on a different term calendar compared to their campus-based courses. Nearly 70% of responding CIC institutions say their online courses can be completed in 12 weeks or less, with one-third offering eight- to nine-week courses. Forty-seven percent of Extensive institutions offer eight- or nine-week courses compared to 35% of Intermediate institutions and 19% of Limited institutions.

These shorter term lengths are consistent with online student preferences, as 81% of online college students report a preference for online courses that are 12 weeks or less, according to the *Online College Students 2016* report.

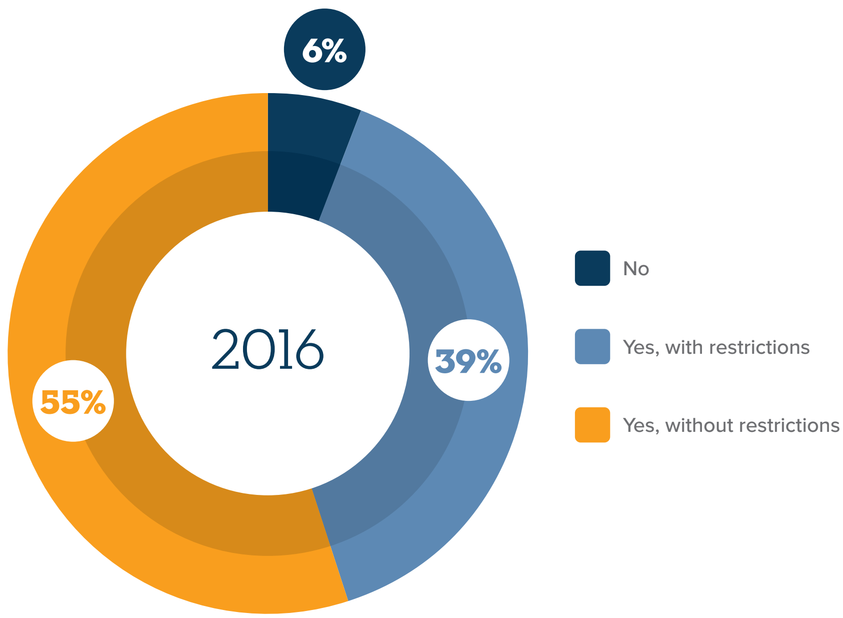
MOST FREQUENT ACADEMIC TERM LENGTH

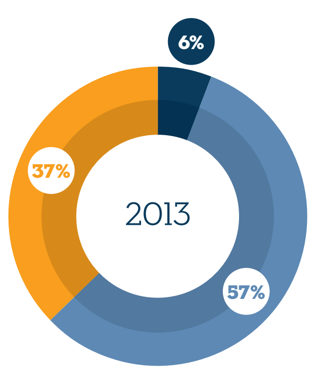


RESTRICTIONS ON RESIDENTIAL ENROLLMENT IN ONLINE COURSES

There has been a large shift away from placing restrictions on residential students seeking to enroll in online courses at CIC institutions. In 2013, 57% of institutions reported that residential or commuter students could enroll in online courses but with restrictions (e.g., age limits, not allowing freshmen, giving non-campus students priority status); this has decreased to 39% in 2016. Fifty-five percent of institutions now allow residential or commuter students to enroll in online courses without any restrictions.

RESIDENTIAL STUDENTS PERMITTED TO ENROLL IN ONLINE COURSES





ONLINE COURSES SPECIFICALLY FOR RESIDENTIAL STUDENTS

There are a growing number of CIC institutions that are developing online courses specifically for residential or commuter students. Compared to 2013, there has been a significant increase in the percentage of CIC institutions that are offering online courses specifically for residential students and commuters in the Summer term, Fall/Spring semesters, and Winter term. Such increases in the Fall/Spring semester also correspond to the decrease in restrictions being placed on who can enroll in an online course – courses are being added online for all students, not just subsets.

Online Courses for Residential Students	2016	2013
Summer session	80%	70%
Fall/Spring semester	44%	30%
Winter term/J term	27%	14%
Athletes	5%	2%
Study abroad programs	9%	7%
None of the above	18%	26%

ONLINE COURSE INSTRUCTIONAL FORMAT

Ninety-six percent of CIC institutions rely on an "instructor-led" format for delivering online courses. In this format, the instructor leads the students through activities and discussion forums, while students complete assignments on a set schedule.

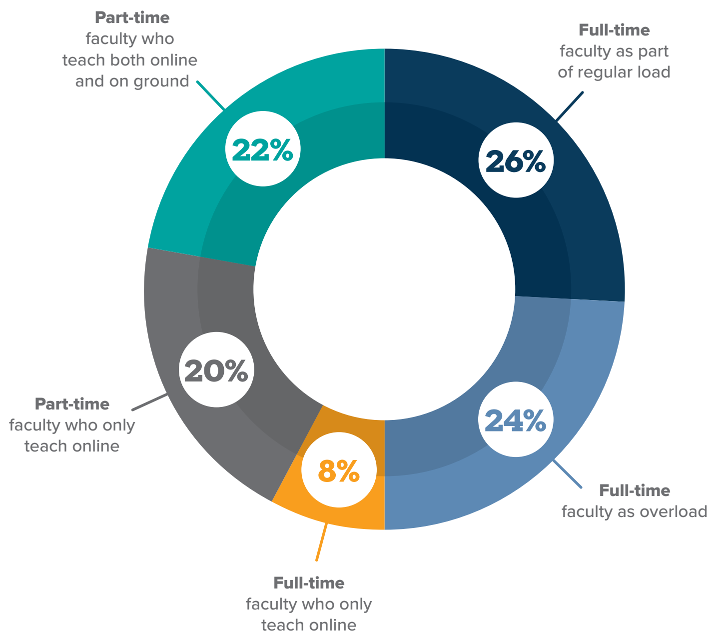
The *Online College Students 2015* survey found that students are split evenly in their instructional preferences. One-third of students expressed a preference for each of the three categories (instructor led, independent study, or tutorial). Students have varied tastes for how they like to learn, and offering programs in multiple formats may increase student satisfaction and enrollment.

	Students		CAOs
Online Course Instructional Format	**OCS 2012**	**OCS 2015**	**CIC 2016**
Independent Study – Students study independently at their own pace, with books and other resources provided by the university, and then complete assignments/exams.	33%	34%	8%
Tutorial – Students complete a series of learning activities at their own pace, with an instructor available to answer questions, and then complete assignments/exams.	32%	37%	12%
Instructor Led – Students complete a series of instructor-led learning activities and discussion forums with a class of other students and then complete assignments/exams as scheduled.	35%	29%	96%

ONLINE INSTRUCTION RESPONSIBILITIES

Responsibility for online instruction has not changed since 2013, with full-time instructors (50%) shouldering the main responsibility either as part of their regular load or overload followed by part-time faculty who teach both online and on ground (22%). Faculty who teach only online are more likely to be part-time (20%) than full-time (8%).

PROVIDERS OF INSTRUCTION FOR ONLINE CLASSES

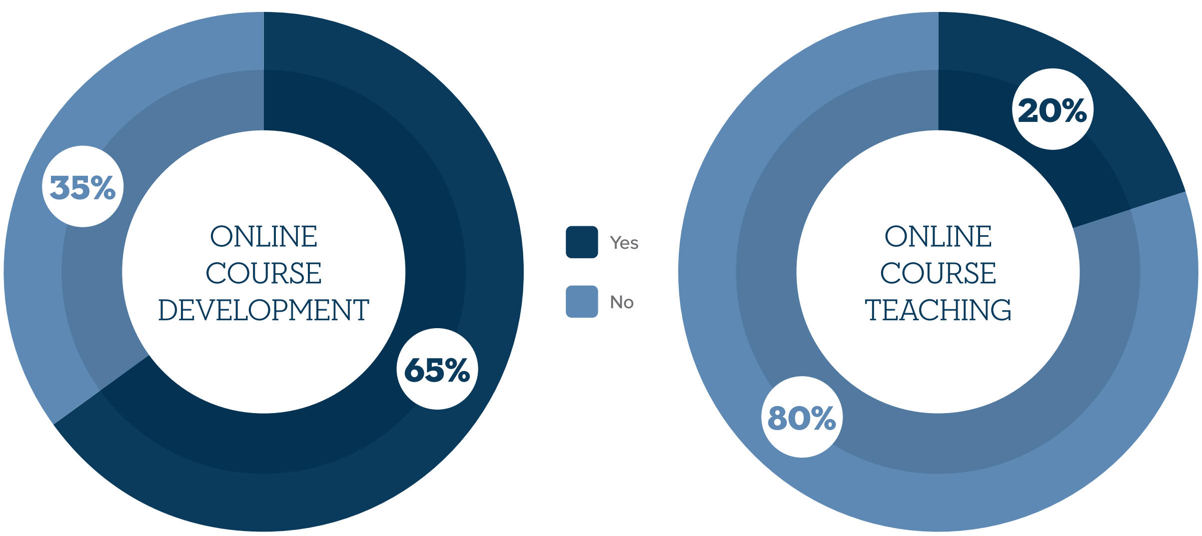


FACULTY COMPENSATION FOR ONLINE ACTIVITIES

Similar to 2013, two-thirds of responding CIC institutions compensate faculty for developing online courses. While the amount varies, the average is $1,961 per course with some institutions also noting this compensation is only for new online course development. A small number of institutions choose to incentivize course development instead with three credits of release time rather than providing a financial incentive.

Only 20% of CIC institutions provide additional compensation for the instruction of an online course. The average amount for those that do provide additional compensation is $2,491. Though the majority of institutions do not compensate for online instruction, a small number pay a small premium per online course in addition to the on-ground base pay.

ADDITIONAL FACULTY COMPENSATION



TRAINING

REQUIRED ACTIVITIES PRIOR TO TEACHING ONLINE

In 2015, Learning House partnered with WICHE Cooperative for Educational Technologies (WCET) to nationally survey institutions (public, private, and for-profit) about adjunct faculty teaching policies for online courses (Magda, Poulin, & Clinefelter, 2015). The report found that many institutions did not have formal policies around how faculty members, adjunct or otherwise, could teach online.

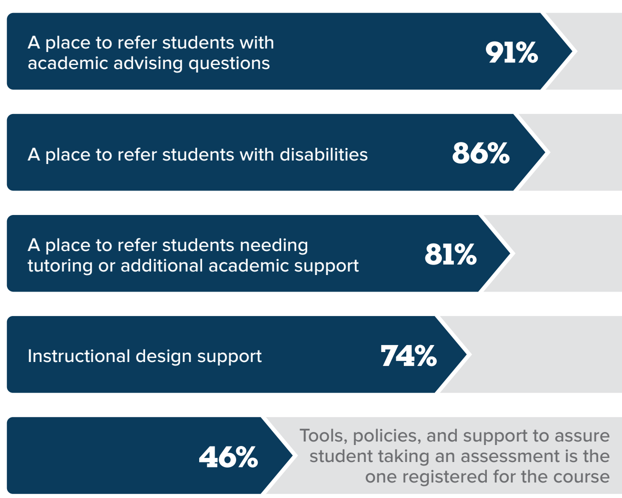
These same questions were asked in this survey of chief academic officers at member colleges of CIC with similar results. Ten percent of institutions require no training or orientation activities prior to a faculty member teaching online. The rest of the institutions require at least some kind of training, but what kind and how much varies. Although 63% of faculty who teach online have to be oriented to the institution's academic and student policies, one-third of institutions do not require this. Only 60% require faculty to be oriented with student support services for online students. Forty-four percent require faculty to be trained on the institution's technologies and one-third require faculty to be trained in online pedagogy. Some of these policies may be due to the number of full-time faculty teaching online courses (approximately 60%). They may safely be assumed to already have been oriented to academic and support services policies.

Required Faculty Activities Prior to Online Instruction	CIC 2016	WCET 2015
Orientation to the institution's academic and student policies for online students	63%	62%
Orientation to the institution's support services (technology support, tutoring, etc.) for online students	60%	61%
Self-paced training on the institution's technologies (LMS, Web resources) used in online courses	44%	47%
Instructor-led class on the institution's technologies (LMS, Web resources) used in online courses	32%	31%
Self-paced training on effective online teaching methods	33%	35%
Instructor-led training on effective online teaching methods	33%	26%
None	11%	9%
Other	8%	11%

FACULTY SUPPORT SERVICES

Although the majority of CIC institutions do offer services to online faculty to refer students in need as well as to provide instructional design and student identification, significantly fewer CIC institutions offer these services compared to the larger national WCET sample. For example, 98% of institutions surveyed nationally have a place to refer students with disabilities, compared to 86% of CIC institutions. The largest gap appears in student authentication. Forty-six percent of CIC institutions surveyed do have tools, policies, and support to authenticate a student's identity in an online course compared to 71% in the WCET sample.

CIC 2016 SUPPORT SERVICES AVAILABLE FOR ONLINE FACULTY



ONLINE COURSE CUSTOMIZATION

Eighty-eight percent of CIC institutions use adjunct faculty to teach some of their online courses. In these online courses, CIC institutions allow for a lower level of customization within the courses compared to the larger sample used in the WCET national survey. Slightly more than half of WCET institutions surveyed allowed a significant degree of freedom to adjunct faculty in course design. Twenty percent reported allowing 100% customization while another 31% left course design up to the adjunct faculty member. Only 31% of CIC institutions offered the same freedom.

Percentage of Online Courses Allowing Customization by Adjunct Faculty	CIC 2016 Mean
We do not use adjuncts to teach online courses	12%
Online courses allowing for no customization	10%
Online courses allowing for minimal customization	12%
Online courses allowing for some customization	35%
Online courses allowing for 100% customization	14%
Course design is left to the adjunct faculty person to design	17%

Note: "Customization" is defined as the ability to alter or add content, assignments, case studies, quizzes, assessments, and other instructional resources.

PROFESSIONAL DEVELOPMENT FOR ONLINE FACULTY

Two-thirds of responding CIC institutions offer in-house professional development experiences for faculty who teach online as well as offer instructional design support. Beyond these two opportunities, approximately one-quarter or fewer of institutions offer any of the other faculty development activities listed below.

Professional Development Provided for Online Faculty *(Select all that apply)*	**CIC 2016**	**WCET 2015**
A professional development experience offered by your institution	67%	86%
Instructional design support to customize courses	66%	81%
Professional development support through chatrooms/forums, email lists	28%	52%
A mentoring program	23%	38%
Attending conferences related to online education	22%	18%
A professional development experience offered by a professional organization	17%	20%
Credit bearing courses	2%	13%
None	11%	3%

ON THE HORIZON

THE FUTURE OF ONLINE LEARNING

Forty-four percent of CIC institutions look forward to growing their international student enrollment in the next year or two, followed by 33% that are looking to develop competency-based education (CBE) courses.

The top priorities have shifted since 2013 where increasing international student enrollment (52%) and hybrid graduate programs (33%) were the top two items CIC members planned on adding in the next one to two years. CBE was not included in the 2013 survey.

While the emphasis on CBE demonstrates an interest in alternative forms of credentialing, MOOCs are not part of the equation. Extensive institutions do not have any plans to add MOOCs in the next year or two, but 45% do plan to add CBE courses in the next one to two years along with CBE programs (50%), badge programs (25%), and microdegrees (22%).

Alternative credentialing appears to be more appealing to already established online providers. Limited institutions are more focused on adding fully online undergraduate programs (23%), graduate programs (22%), and certificates (29%) rather than CBE programs (12%), badges (14%), and microdegrees (10%). However, 22% of Limited institutions plan to add CBE courses in the next one to two years.

Support services for online students (67%) and credits for exams (65%) are the top items that CIC institutions say they are currently doing, followed by hybrid (59%) and fully online (54%) graduate programs.

Topic	We currently do this	We plan to do this in the next year or two	We have no plans to do this
International student enrollment	32%	44%	25%
Competency-based courses	7%	33%	59%
Fully online certificates	31%	29%	40%
Hybrid undergraduate degrees	46%	29%	25%
Competency-based programs	3%	26%	71%
Badges	3%	23%	74%
Hybrid graduate degrees	59%	22%	19%
Support services for online students	67%	21%	12%
Cohort-based programs	40%	20%	40%
Microdegrees or nanodegrees	0%	20%	81%
Learning communities via social media such as Facebook	19%	18%	63%
Fully online graduate degrees	54%	17%	29%
Credit for prior learning	53%	17%	30%
Fully online undergraduate degrees	45%	16%	38%
Accept American Council on Education (ACE) CREDIT Recommendations for Non-College Education	39%	10%	51%
Using MOOC content in regular classes	5%	9%	86%
Credit for examination	65%	9%	26%
Granting credit for MOOCs	4%	3%	93%
MOOCs	4%	2%	94%

THE ROLE CIC CAN PLAY

CIC institutions are looking to the Council of Independent Colleges for knowledge of comparable institutions' strategic use of online learning, as well as opportunities for executive-level sharing of models and experiences. CIC members are also very interested in the organization helping to monitor the ever-changing state and federal licensing and regulatory requirements around online education. These needs have not significantly changed since 2013. Working with Ithaka S+R, CIC has developed two consortia of independent colleges to create online upper-level humanities courses that can be shared across the consortia.

How Institutions Want CIC to Help *(Select all that apply)*	**2016**
Knowledge of comparable institutions' strategic use of online learning	86%
Opportunities for executive-level sharing of models and experiences	77%
Monitoring of state and federal licensing and regulatory requirements for online education	77%
Training in how to grow and develop online programs	63%
Information resources applicable to strategic use of online education by my institution	59%
Availability of leaders in the field to advise in strategic planning for online education	54%
Leadership training	39%
Other	2%

CONCLUSIONS

THE WALL BETWEEN ONLINE AND IN-CLASS LEARNING IS COLLAPSING

More than half of the private colleges and universities that participated in this survey offer at least one fully online program, while another quarter offer hybrid programs and another 10% offer online courses. Only about 10% offer no online courses or programs because it is not in line with their mission or goals for their institution. Not only are institutions embracing the role of online learning, they are incorporating the technology into daily academic life. Every institution makes an LMS available to faculty, and increasing numbers are using the LMS while teaching their in-person classes. In many cases professors are decreasing in-class hours and shifting teaching online. While faculty resistance is still a significant barrier to universities offering online programs, especially for those institutions with Limited online programs, many of the Intermediate and Extensive institutions have effectively solved this problem. The question now is not whether to offer just online programs, but how to offer online and blended programs and courses most effectively.

In addition to offering more online classes and programs, private colleges and universities are eliminating policies that restrict access of residential or commuter students. The percentage of survey respondents that permitted unrestricted access to online courses rose from 37% to 55% while the percentage that restricted access fell from 57% to 39%. The *Online College Students* survey has shown a steady increase in the percentage of students aged 18 to 24 who enroll in fully online programs, with more than 37% of students falling into that "traditional college-age" category in 2016. Increasing numbers of high school students across the country are becoming familiar with online classes and are wanting to enroll in online classes when they go to college regardless of whether they are residential, commuter, or online students.

As mentioned above, there are still some private colleges that do not offer any online classes, but even they typically provide an LMS, and their faculty use it to move a portion of the student experience online. While there are still some faculty who cannot or will not use an LMS or teach an online class, they are increasingly in the minority.

CIC MEMBER INSTITUTIONS ARE EXPANDING ONLINE OFFERINGS

Results from the 2013 survey showed that CIC member institutions fell along a continuum in terms of their development of online programming. The six steps along this continuum are repeated below along with a brief description of institutions at each step and an estimate of the percentage of institutions at that step. The first two steps include those institutions with no online programs (Limited). The middle steps cover the Intermediate institutions (one to four programs) and the final steps include the Extensive institutions. For more information about the types of activities and characteristics of institutions at each of these steps, see the table on p. 30 of the 2013 report.

ISOLATIONISTS: Institutions that do not believe online teaching and learning are compatible with their mission. They prize small classes led by full-time faculty in a campus setting. Faculty and administrators believe this form of instruction is superior to online classes and core to their institutional identity. These institutions are typically well off financially, and do not feel pressure to add new revenue sources.

BEGINNERS: Institutions that would like to develop online programs but have not been able to overcome barriers such as faculty resistance. There is typically disagreement among senior administrators over the value of online programming and no consistent online strategy. They dip their toes in the online water with some online classes, typically in the summer.

START-UPS: Institutions that have a department chair or dean who saw the value in developing online programs early and took the initiative to create one. As that program grows, other departments follow their example and start online programs. They may get some assistance from central service units, such as marketing and IT.

DEVELOPERS: Institutions where either the president or the vice president of academic affairs (VPAA) saw the potential for online programs and created a department with a senior person to lead it. There are typically one or two staff members in instructional design and student services. The online administrator supports the existing online programs and begins recruiting other academic units to create online programs. The online strategy is primarily reactionary, following departments that have developed online programs. There is not a clear vision or strategy for online instruction yet.

BUILDERS: Institutions with leaders who recognize the value of online programs and have created strategic plans and structures to build them. Some have outsourced services such as marketing and enrollment to extend their budgets and speed their development. They have strong faculty development and curriculum design services. Some of these institutions have created a clear division between online and campus operations with online being secondary to the traditional campus.

INTEGRATORS: A handful of colleges and universities have eliminated the division between online and on-ground programs. Students and faculty move back and forth between the two forms of delivery seamlessly from one term to the next. Most programs are offered in both formats. Administrative units make no distinction when providing their services. These institutions have achieved full integration.

Percentage of CIC Institutions at Each Step of the Online Programming Continuum	Isolationists	Beginners	Start Ups	Developers	Builders	Integrators
2013	10%	40%	20%	20%	7%	3%
2016	10%	29%	18%	18%	15%	10%

The number of institutions that elect not to offer any online courses or programs has remained constant at about 10%. Across the continuum, there has been a shift toward greater acceptance of online programs, with the biggest shift coming from Developers that crossed the threshold of five or more fully online programs at either the Builder or Integrator level.

One of the key steps in the development of online programs is when an institution creates a position for a senior leader of the online program and establishes an administrative unit under his or her leadership to develop and manage online programs. This usually occurs when an institution hits the Developer level and offers three or four online programs. As institutions move across the continuum, the percentage that have a senior leader and central unit increases.

However, in 2016 the percentage of Extensive institutions that have senior leaders and separate online administrative units declined from more than 80% to about two-thirds. As colleges and universities become more integrated, they no longer need these specialized online personnel and administrative structures. As online programs spread throughout the institution, a separate unit to administer online programs becomes unnecessary because most or all departments offer online programs and most or all faculty members design and teach online courses. The integration of the online programs back into the traditional administrative units marks a level of institutional maturity where online programs are the norm.

INSTITUTIONS WITH EXTENSIVE ONLINE PROGRAMS REAP MORE BENEFITS

One of the consistent findings of the 2013 surveys of both private and public institutions and the 2016 survey reported here is that online programs provide strong positive benefits, such as increased access, enrollments, and revenue as well as attracting students from outside the traditional service area. Colleges and universities with Extensive programs experience these benefits to a greater degree than those with Limited online programs. For example, 26% of the institutions with Extensive programs generated more than $5 million in online revenue, while only 3% of the Intermediate and 2% of the Limited institutions did so. Furthermore, 17%

of the Extensive institutions were unable to calculate their online revenue, but 34% of the Intermediate and 37% of the Limited institutions could not do so. This indicates a greater expertise in managing online programs among the Extensive institutions.

Differences in capability appear in a variety of related areas. The Extensive institutions are significantly more likely to offer online classes in eight-week terms, which are strongly preferred by students; provide student tutoring and 24x7 tech support; offer programs in a wider number of disciplines; and provide a wider variety of faculty development and training activities. This difference also appears in the questions about future plans, where twice as many Extensive institutions plan to add CBE programs than do Limited institutions. Online students have a growing interest in competency-based programs, which are more difficult to develop than traditional online classes, and the Extensive colleges are in a better position to respond to this interest.

The most important barrier to providing online programs is lack of faculty acceptance. While all respondents are showing success in overcoming this barrier, the Extensive institutions are getting ahead with only 40% still listing this as a barrier compared to 47% of the Intermediate and 57% of the Limited institutions. The ability to overcome this barrier is key to unlocking the benefits of online programs, and the Extensive institutions have managed to do it.

The Extensive category is defined as five or more fully online programs, but a number of these colleges and universities offer programs in a variety of disciplines and offer far more than five online programs. This enables them to be more efficient because they spread the cost for marketing, online administrators, and staff across more programs and gain economy of scale. The Limited colleges that are making plans to offer their first online programs and the Intermediate colleges that offer one or two online programs are at a disadvantage as they play catch-up.

RECOMMENDATIONS

The 2013 report included a series of recommendations for developing online programs. Most are still valid, especially for Limited and Intermediate institutions seeking to grow online programs, and are repeated below in brief. For a fuller explanation, see the 2013 report.

1. **Hire an online leader and appropriate staff.**
2. **Educate and incentivize faculty to teach online.**
3. **Revise policies and procedures to accommodate online faculty.**
4. **Use good accounting and budgeting practices.**
5. **Expand offerings.**
6. **Save national and international marketing dollars for niche programs.**
7. **Accept all legitimate credit.**
8. **Invest in outcomes.**
9. **Synthesize online and on-ground operations for a consistent student experience.**

Following are recommendations to add to the list above.

1. **Offer competency-based programs and alternatives such as badges and bootcamps.**

   About 10% of survey respondents indicated they offered programs where students completed exams and assignments in a self-paced format. In the *Online College Students 2016* survey, 14% of online students said they were enrolled in or completed a competency-based program and 90% said they would maybe or definitely consider enrolling in one. Students appear to be looking for self-paced, competency-based programs and CIC institutions may be well-positioned to offer them.

2. **Provide more and better faculty development.**

   Effective online teaching requires a different set of skills than classroom teaching. Only one-third of CIC institutions require any type of training about effective online pedagogy for faculty prior to teaching online, and they offer significantly fewer faculty development activities than average (Magda, Poulin, & Clinefelter, 2015). As more institutions offer online programs, the quality of the student experience will be a differentiator and institutions with effective faculty development programs will fare well.

3. **Take advantage of professional organizations.**

   WCET, the Sloan Consortium, and Quality Matters are professional organizations that offer a variety of programs specifically designed to expand and improve the quality of online programming. CIC is leading two consortia of independent colleges to create online upper-level humanities courses with the goals of improving learning outcomes, reducing costs, and sharing best practices. A preliminary report by Ithaka S+R about the first consortium is entitled *CIC Consortium For Online Humanities Instruction*.

In recent years, more colleges and universities have offered online programs, and the choices for students have expanded significantly. However, there remain good opportunities for CIC member institutions to develop and expand online program offerings. Only business and health science programs are offered by more than 50% of CIC members. Therefore, there are a number of fields where the options for online students are limited, and these fields are open for new entrants. Even though business and health science programs are offered by the majority of institutions, there are still opportunities to offer these programs in regions that are underserved. Online students prefer local institutions, and all CIC member institutions have a unique niche among their alumni and immediate region where they are well-known.

METHODOLOGY

The survey was developed by a joint committee of staff members and chief academic officers from the Council of Independent Colleges and staff members from Learning House, an online educational services provider.

The questionnaire was distributed to all chief academic officers of CIC member institutions in April 2016. One hundred and sixty-nine out of 643 institutions responded to the survey, for a response rate of 26.3%. Based on the sample size, a difference of 13% is necessary for statistical significance. Some of the questions called for multiple responses so, in these cases, the total responses sum to more than 100%.

Interviews were conducted with six individuals who completed the survey to gain further understanding of the data as well as personal insights. Interviews were conducted between June and August 2016. Similar questions were asked of each individual. This information was used primarily in the executive summary and recommendations sections of the report.

PARTNERS

The Learning House, Inc., through its proprietary cloud-based technology platform, helps colleges and universities create, manage and grow high-quality online degree programs and courses. Partnering with more than 50 schools, Learning House enables institutions to efficiently and affordably achieve their online education goals. Services include product development and market research, marketing and lead generation, enrollment management, student retention, curriculum development and management, faculty training and professional development, learning management systems and 24/7 technical support.

The Council of Independent Colleges (CIC) is an association of 765 nonprofit independent colleges and universities and higher education affiliates and organizations that has worked since 1956 to support college and university leadership, advance institutional excellence, and enhance public understanding of private higher education's contributions to society. CIC is the major national organization that focuses on providing services to leaders of independent colleges and universities as well as conferences, seminars, and other programs that help institutions improve educational quality, administrative and financial performance, and institutional visibility. CIC conducts the largest annual conferences of college and university presidents and of chief academic officers. CIC also provides support to state associations that organize programs and generate contributions for their member colleges and universities. The Council is headquartered at One Dupont Circle in Washington, DC.

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