

# Online Learning as a Strategic Asset

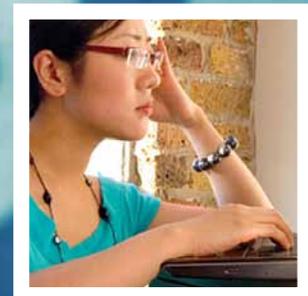
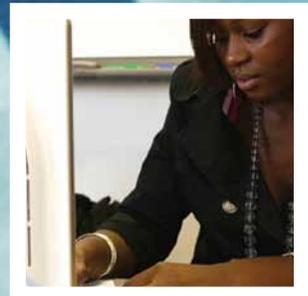
*A Survey of NAFEO College and University Presidents*

PREPARED BY  
NASULGC-SLOAN NATIONAL COMMISSION  
ON ONLINE LEARNING

DECEMBER 2007



**NASULGC**  
A Public University Association





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# Acknowledgements

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# NASULGC Initiative in Online Learning

In May 2007, the National Association of State Universities and Land-Grant Colleges (NASULGC, A Public University Association), in cooperation with the Alfred P. Sloan Foundation, appointed the NASULGC-Sloan National Commission on Online Learning. This president-led commission is intended to assist and challenge college and university leadership to increasingly view online learning as a strategic tool to achieve broad institutional goals which, in turn, should lead to substantial benefits for today's post-secondary learners. For the purposes of this initiative, the Commission has defined online learning broadly, from mediated learning (partial online content) to fully online courses and programs.

The effects of an increasing technologically proficient population have generated institutional change in numerous segments of society, such as banking and the media, which have made dramatic alterations in their operating strategies to meet developing and changing audiences. In these industries, generations-old operating strategies increasingly incorporate a blend of the newer technological opportunities. In large part, these changes are attributed to institutional leadership and strategic planning. Higher education has begun to make similar changes, but must be equipped with the tools and strategies needed to do so on a larger scale.

The Alfred P. Sloan Foundation has a long and successful history of documenting and encouraging the increased use of online learning nationally. Sloan-supported surveys have polled education-oriented adults and university faculty and staff, including many chief academic officers. However, public higher education presidents and chancellors are assuming an increasingly visible and integral role in the integration of online education into the functions and missions of their institutions. The National Commission was appointed, in cooperation with NASULGC, to better understand the knowledge base and experience of these institutional leaders relative to the strategic use of online learning and what tools and strategies would be most useful to expand their efforts in that direction.

Data collected by the Alfred P. Sloan Foundation (Allen & Seaman, 2006; Allen & Seaman, 2007) clearly show that online learning continues to emerge in the mainstream of higher education in both size and breadth of course and program offerings. Nearly three and a half million U.S. students enrolled in at least one online course in fall 2006, with enrollments over the past four years

increasing at a compound annual rate of approximately 21.5% per year. To put these data into perspective, NASULGC's 215 member institutions currently enroll approximately 3.6 million students in total, and the overall growth rate of higher education enrollments is 1.5% annually.

The initial effort of the Commission was to survey presidents and chancellors of NASULGC institutions to better understand their views and experiences relative to online learning, and specifically to explore the role of online learning in their strategic thinking. Respondents were also surveyed to determine what they saw as barriers to their strategic use of online education and what role NASULGC might play in the incorporation of online learning into their institutions' strategic planning. The initial results of that survey were insightful and have been used to generate a national dialogue among presidents and chancellors through a series of president-led discussions at national and regional gatherings.

Most recently, the NASULGC-Sloan National Commission on Online Learning has partnered with the National Association for Equal Opportunity in Higher Education (NAFEO) to gauge the perspectives and experiences of the leaders of Historically Black Colleges and Universities (HBCUs) and Predominantly Black Institutions (PBIs) in relation to online learning. This report summarizes the results of a survey administered to the NAFEO membership in November, 2007.

## **National Association for Equal Opportunity in Higher Education**

The National Association for Equal Opportunity in Higher Education (NAFEO) was founded in 1969 by a group of HBCU presidents as the professional association of the presidents and chancellors of the nation's historically and predominantly black colleges and universities. NAFEO represents approximately 500,000 students and their families. NAFEO member institutions are public and private, 2- and 4-year, community, regional, national and international comprehensive research institutions, located in twenty-five states, the District of Columbia, the Virgin Islands and Brazil.

The mission of the Association is as follows: to champion the interests of historically black colleges and universities (HBCUs) and predominantly black institutions (PBIs) with the executive, legislative, regulatory and judicial branches of federal and state government and with corporations, foundations, associations and non-governmental organizations; to provide services to NAFEO members; to build the capacity of HBCUs, their executives, administrators, faculty, staff and students; and to serve as an international voice and advocate for the preservation and enhancement of historically and predominantly black colleges and universities and for blacks in higher education.

From its inception, NAFEO has:

- Served as the liaison between the nation's HBCUs and various segments of society, including executive, legislative, regulatory and judicial branches of federal and state government and with corporations, foundations, associations and non-governmental organizations;
- Engaged in a variety of public policy, legislative, legal and advocacy activities on behalf of its members and partners;
- Sought and secured federal and private dollars for projects for its members;
- Designed and engaged its members in collaborative efforts to increase technology access; improve persistence and graduation rates; improve institutional performance; decrease health disparities in target service areas; increase capital and capacity; train new cohorts of HBCU presidents; strengthen the performance of member institution business and finance offices, enrollment services and student support services; preserve historic buildings; engage students in academic, athletic, business plan and other competitions; and educate the public about the importance of HBCUs;
- Convened a national legislative mobilization of NAFEO members and supporters annually. The conference has brought together leaders in academia, government, corporate America and the private, non profit and philanthropic sectors, legislators, students and others for an exchange of information about blacks in higher education and equal educational opportunities; and
- Convened a Presidential Peer Seminar that has brought together HBCU presidents and chancellors to provide them with information, inspiration, new skills and relationships to enhance their ability to serve at the helm of their institutions, meet the many demands of governance and better service their communities.

# Executive Summary

*The NASULGC-Sloan National Commission on Online Learning “Survey of NAFEO College and University Presidents: Online Learning as a Strategic Asset,” is a critical addition to the body of knowledge concerning the attitudes of college and university CEOs on issues of online learning. Supported by the Alfred P. Sloan Foundation and based on responses from 42 NAFEO college and university Presidents and Chancellors, this study addresses the following key questions:*

## What is the role of online education in the strategic thinking of institutional leaders?

**BACKGROUND:** Over the past decade, enrollments in online courses and degrees have been growing at substantial rates, with more than 90% of public institutions of higher education offering online courses or degrees in fall 2006. However, the strategic “positioning” of online learning in the formal long-range planning at colleges and universities has received more limited attention and has not been previously polled from the vantage point of NAFEO presidents and chancellors.

**THE EVIDENCE:** NAFEO leaders confirm a strong belief in the strategic importance of online learning.

- 84.2% of respondents note that online education is critical to the long-term strategy of their institution.
- Only 7.1% responded that online learning plays *no* strategic role.

## How is online education currently represented in the strategic plans of NAFEO institutions?

**BACKGROUND:** While the NAFEO members confirm the strategic importance of online learning at their institutions, it is important to understand to what degree this belief is represented in their formal, written long-range plans.

**THE EVIDENCE:** Online learning is present in the strategic plans of slightly over one-half of the NAFEO schools responding.

- 52.4% of respondents noted that online education is included in their institution’s strategic plan.

## Online learning is strategically important in which segments of institutional operations, according to NAFEO leaders?

**BACKGROUND:** Online or distributed education can influence individual sectors of an institution's operations, proving to be a strategic asset in a variety of ways for differing university audiences.

**THE EVIDENCE:** Strategically, NAFEO leaders surveyed link online learning primarily to issues of increasing enrollments/access.

- 72.2% link distributed education to “growing professional and continuing education.”
- 70.6% look to online learning to “attract students from outside the traditional service area.”
- 63.9% tie online education to “increasing student access.”
- It is worth noting that, compared to other national surveys, NAFEO leaders view online education as a potentially important tool across a much broader range of institutional operations.

## What barriers exist to the strategic use of online learning to further institutional goals and mandates?

**BACKGROUND:** Sloan-supported nationwide surveys have identified a number of areas of concern that could inhibit the growth of online course and degree offerings, including faculty acceptance of online education and the time and effort required to teach online. Do NAFEO leaders share these concerns?

**THE EVIDENCE:** NAFEO presidents and chancellors are most concerned with student discipline and the higher costs of development/delivery of distributed learning as barriers to expanding online learning opportunities and also strongly emphasize lack of faculty acceptance.

- 75.7% of respondents note that “students need more discipline to succeed in online courses” is an Important (45.9%)/Very Important (29.7%) concern.
- 70.3% rate the “higher costs to *develop* online” as Important (45.9%)/Very Important (24.3%).
- 59.5% note “a lack of acceptance of online instruction by faculty” as Important (37.8%) or Very Important (21.6%).

Although based on a limited number of responses for this targeted survey, data collected in this effort do clearly show notable trends for discussion and further research.

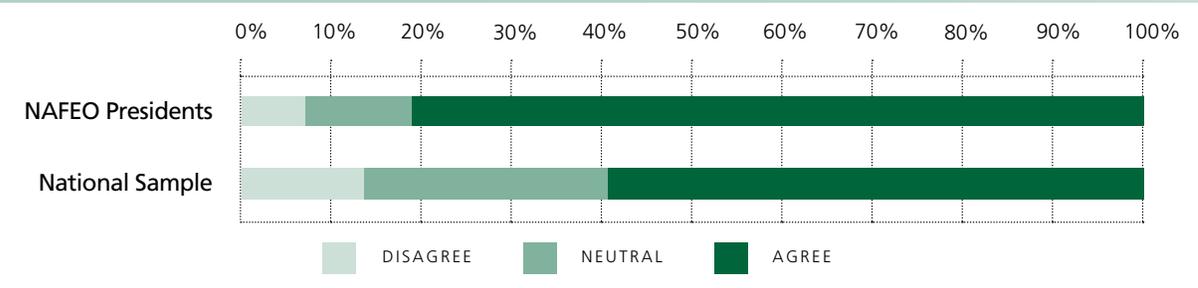
# Detailed Survey Findings

## What is the role of online education in the strategic thinking of NAFEO leaders and the strategic planning of their institutions?

In the face of significant, growing enrollment over the past decade, has online learning penetrated into the strategic thinking and planning of university leaders? During this period, enrollments in online courses and degrees have been growing at substantial rates, with more than 90% of public institutions of higher education reporting online course offerings or degrees in fall 2006. However, the strategic “positioning” of online education into formal, long-range planning at NAFEO institutions has received little attention and has not been previously polled from the vantage point of the presidents and chancellors.

A preliminary, interview-based national study (Smith & Smith, 2006) indicated a high level of interest by college and university heads in online learning as a strategic asset, with a majority responding that online or asynchronous learning was critical to their long-range planning. The survey of NAFEO CEOs yielded similar results, with 84.2% of respondents noting that online

### ONLINE EDUCATION IS CRITICAL TO THE LONG-TERM STRATEGY OF MY SCHOOL



#### NAFEO Presidents

	Disagree	Neutral	Agree
Have Online	3.2%	9.7%	87.1%
No Online	50.0%	25.0%	25.0%

education is “critical to the long-term strategy” of their institution. The NAFEO presidents’ responses are much more positive towards online education than those of chief academic officers at colleges and universities across the country that are surveyed every year by the Sloan Consortium (“National Sample”).

Virtually all (87.1%) NAFEO institutions that have online offerings believe that online learning is critical to the long-term strategy of the institution.

Selected comments from the NAFEO presidents further illustrate the importance of the role they see for online education at their institutions:

*“It is a critical part of our plan to increase enrollment as listed in the strategic plan.”*

*“It is critical to our growth projections for adult learners.”*

*“It is part of our strategic plan to increase enrollment and subsequently the financial vitality of the institution.”*

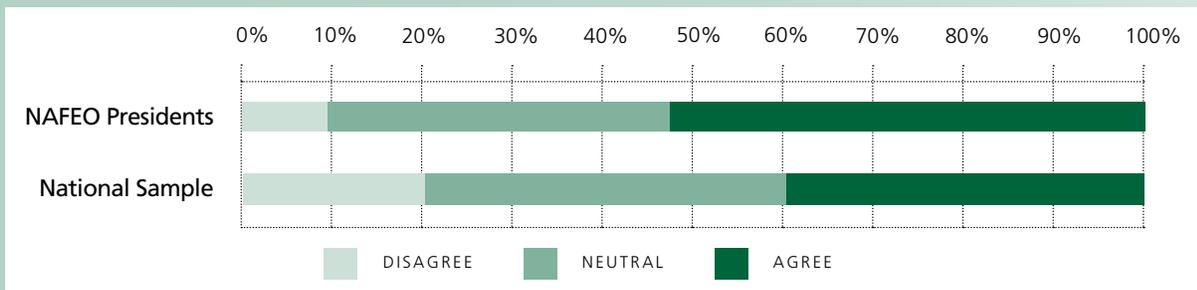
*“Online delivery of instruction is seen as a value to this institution and one that continues to attract students as the preferred method of instruction. Long-range plans incorporate strategies to expand online course delivery.”*

*“Online education is an integral part of our long-term strategy because the demand for this type of learning is increasing.”*

*“Online instruction plays a pivotal role at our institution by providing access to education for students who would otherwise not have the option of coming to campus.”*

A second survey item focused on the representation of online learning in the institution’s strategic plan. In contrast to the previous question, only 52.4% of respondents noted that online education was present in their institution’s strategic plan. However, that is still a significantly higher level than the national sample.

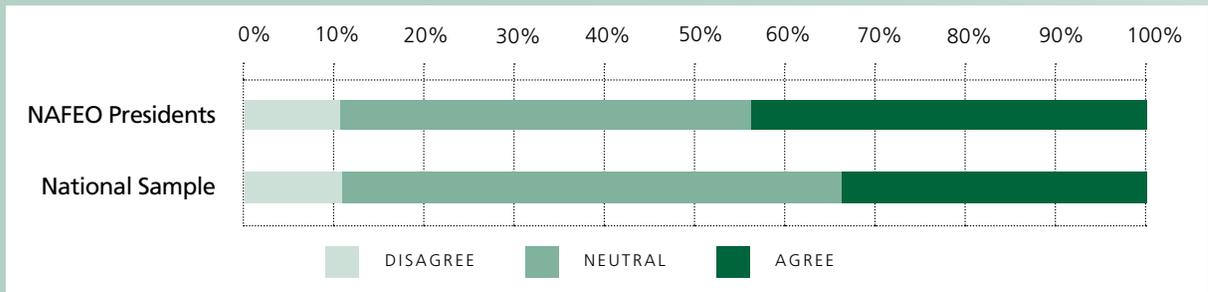
**ONLINE EDUCATION IS SIGNIFICANTLY REPRESENTED IN MY INSTITUTION’S FORMAL STRATEGIC PLAN**



## To what degree is faculty acceptance of online learning an issue for NAFEO colleges and universities?

The issue of faculty acceptance of online education has been cited as an important barrier for all the years of the Sloan survey on online education. NAFEO leaders' opinions on this issue are more positive than the national sample (43% vs. 33% rating as Very Important).

### FACULTY AT MY SCHOOL ACCEPT THE VALUE AND LEGITIMACY OF ONLINE EDUCATION



#### NAFEO Presidents

	Disagree	Neutral	Agree
Have Online	6.9%	44.8%	48.3%
No Online	25.0%	75.0%	0.0%

## Is respect for online degrees a significant area of concern among NAFEO presidents?

NAFEO presidents are more likely to be positive about the level of respect for online degrees than the national sample; they are also slightly less likely to be negative. Those NAFEO institutions without any online offerings are the most negative on this issue.

## ONLINE DEGREES HAVE THE SAME LEVEL OF RESPECT AS FACE-TO-FACE DEGREES

	Disagree	Neutral	Agree
NAFEO Presidents	13.9%	47.2%	38.9%
National Sample	20.0%	52.6%	27.4%

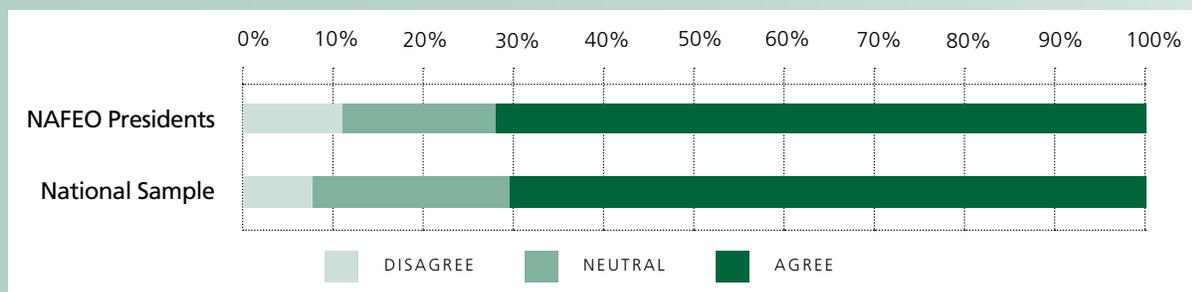
### NAFEO Presidents

	Disagree	Neutral	Agree
Have Online	10.7%	46.4%	42.9%
No Online	25.0%	75.0%	0.0%

## What is the future demand for online learning?

NAFEO leaders and the national sample show similar results on the issue of whether student demand for online education is growing. Approximately 70% of both the national sample and NAFEO presidents and chancellors feel this to be the case. NAFEO leaders do show a higher proportion who disagree with this statement, however.

## STUDENT DEMAND FOR ONLINE LEARNING IS GROWING



Among NAFEO institutions with no online offerings, opinion is evenly divided as to whether demand for online learning opportunities is growing.

### STUDENT DEMAND FOR ONLINE LEARNING IS GROWING

#### NAFEO Presidents

	Disagree	Neutral	Agree
Have Online	7.1%	17.9%	75.0%
No Online	33.3%	33.3%	33.3%

### Why engage in online?

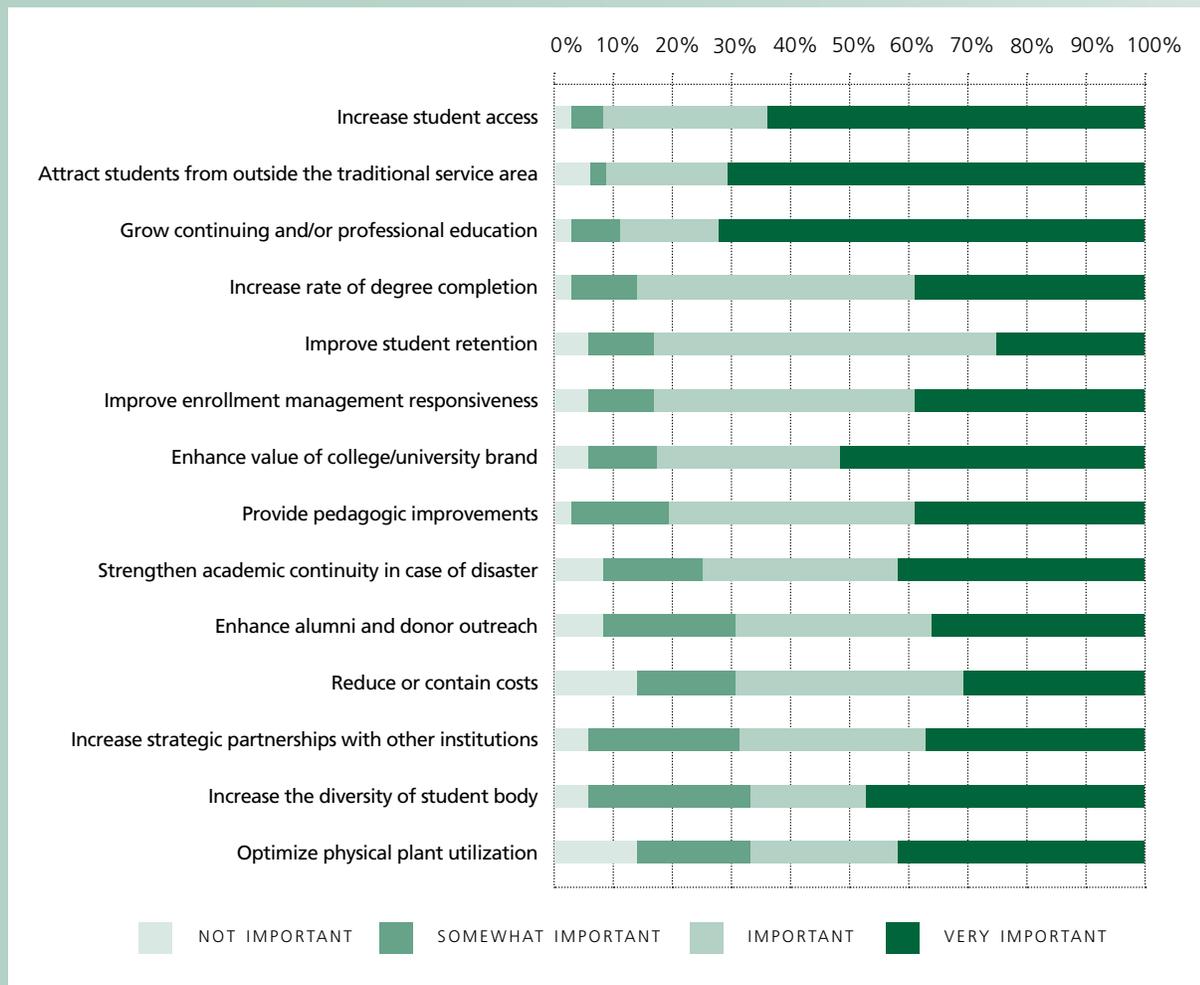
The three *most* important strategic purposes of online learning cited by NAFEO leaders are “Grow continuing and/or professional education” (72.2%); “Attract students from outside the traditional service area” (70.6%) and “Increase student access” (63.9%).

### ONLINE EDUCATION IS STRATEGICALLY IMPORTANT FOR MY INSTITUTION TO:

NAFEO PRESIDENTS	Not Important	Somewhat Important	Important	Very Important
Grow continuing and/or professional education	2.80%	8.30%	16.70%	72.20%
Attract students from outside the traditional service area	5.90%	2.90%	20.60%	70.60%
Increase student access	2.80%	5.60%	27.80%	63.90%
Enhance value of college/university brand	5.70%	11.40%	31.40%	51.40%
Increase the diversity of student body	5.60%	27.80%	19.40%	47.20%
Strengthen academic continuity in case of disaster	8.30%	16.70%	33.30%	41.70%
Optimize physical plant utilization	13.90%	19.40%	25.00%	41.70%
Increase rate of degree completion	2.80%	11.10%	47.20%	38.90%
Improve enrollment management responsiveness	5.60%	11.10%	44.40%	38.90%
Provide pedagogic improvements	2.80%	16.70%	41.70%	38.90%
Increase strategic partnerships with other institutions	5.70%	25.70%	31.40%	37.10%
Enhance alumni and donor outreach	8.30%	22.20%	33.30%	36.10%
Reduce or contain costs	13.90%	16.70%	38.90%	30.60%
Improve student retention	5.60%	11.10%	58.30%	25.00%

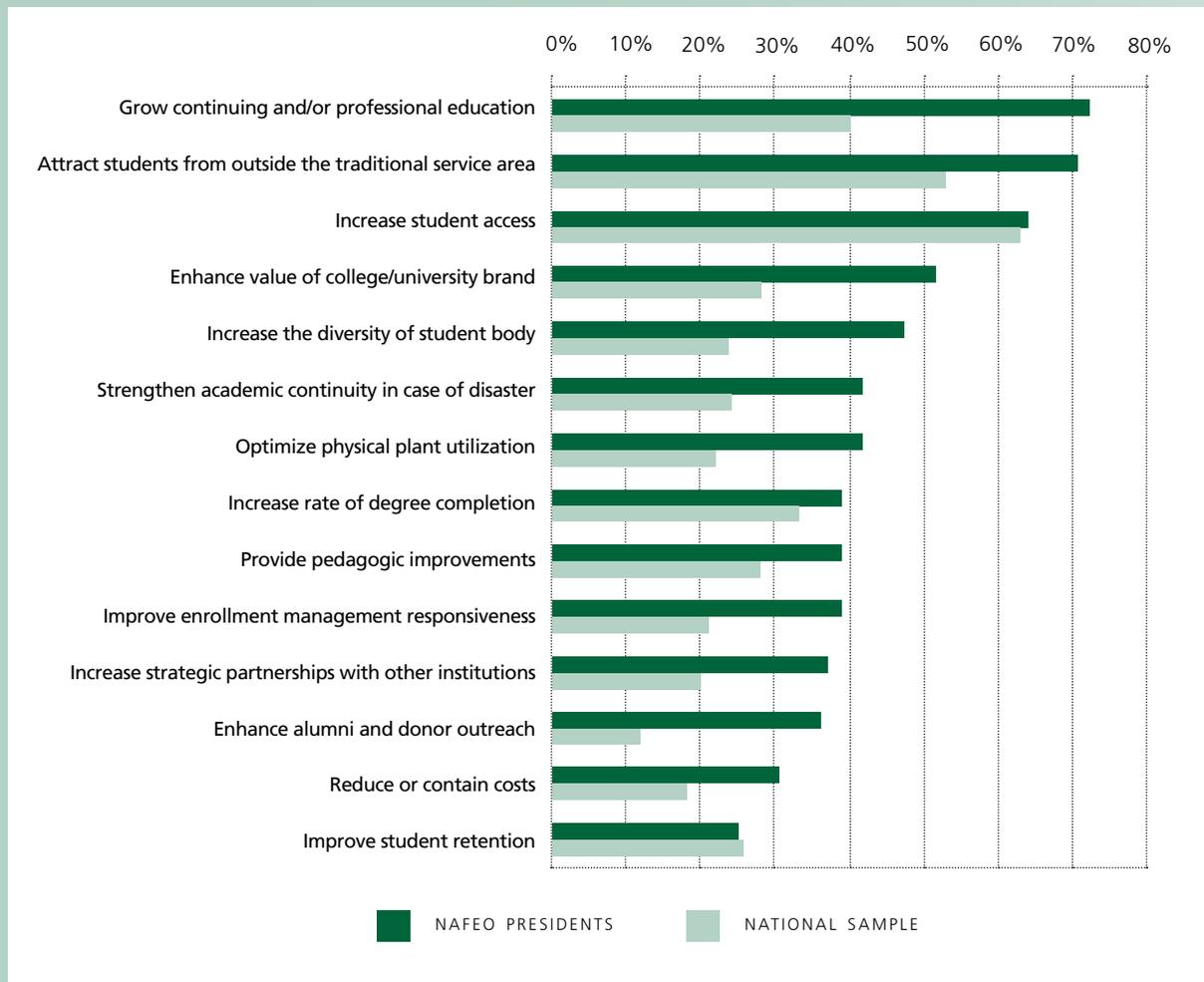
However, when the two measures “Important” and “Very Important” are combined, the primary areas of focus for online learning broadens considerably. Over two-thirds of NAFEO presidents elected every one of the 14 possible reasons to pursue online education. While the top three cited reasons remain the same when both “Important” and “Very Important” responses are combined, “Increase rate of degree completion” is very close, followed by “Improve student retention”; “Improve enrollment management responsiveness” and “Enhance value of college/university brand.”

**ONLINE EDUCATION IS STRATEGICALLY IMPORTANT FOR MY INSTITUTION TO:**



NAFEO presidents differ from the national sample both on the number of reasons that they cite for engaging in online learning and on the relative ranking of those reasons. NAFEO CEOs cited “Increase student access” at a rate close to that of the national sample (63.9% compared to 62.8%), but were much more likely to cite as very important “Attract students from outside the traditional service area” (70.6% versus 53.0%) and “Grow continuing and/or professional education” (72.2% versus 40.1%). In no case was the response from the national sample significantly higher than that of the NAFEO institutions.

**ONLINE EDUCATION IS STRATEGICALLY IMPORTANT FOR MY INSTITUTION TO:**  
 (% citing Very Important)



## Barriers to online

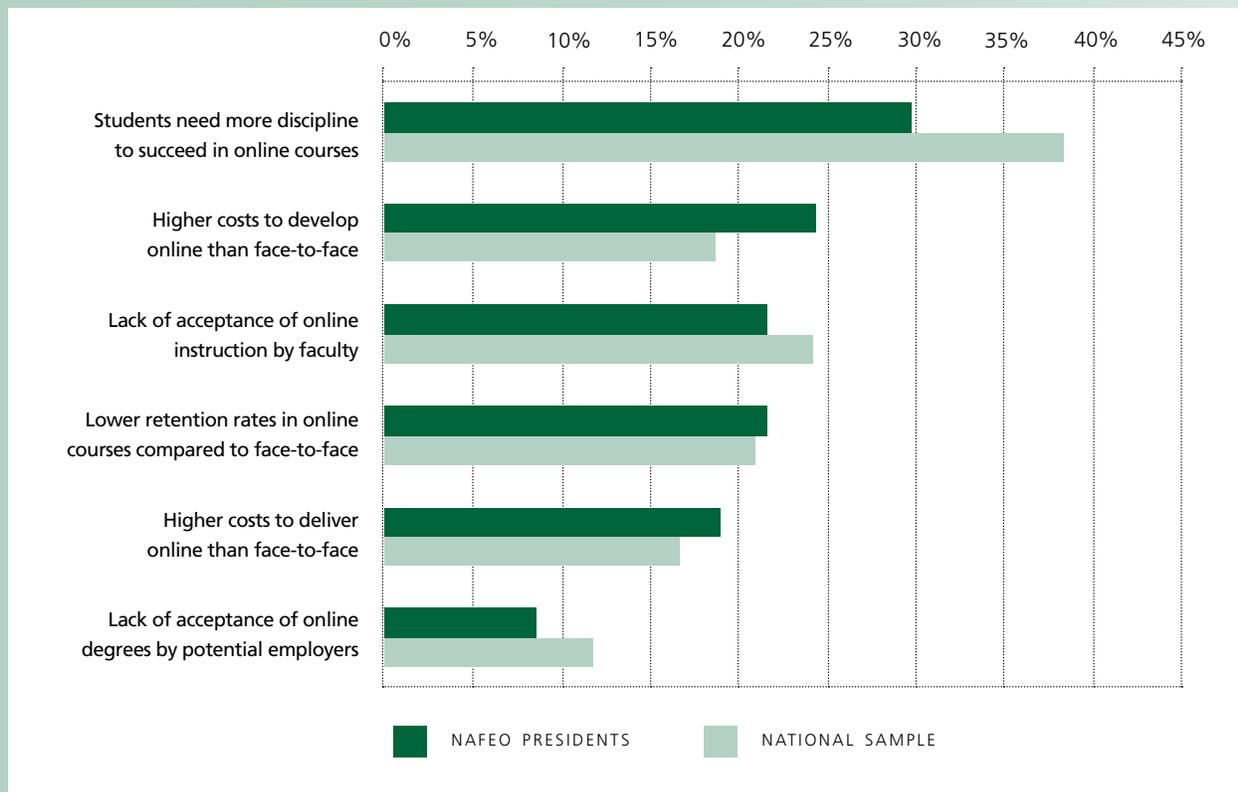
Previous Sloan-supported survey research has identified major “barriers” to the implementation of online classes and degrees, a list which traditionally includes the high costs of course production and delivery, the costs of faculty/staff time to teach online, the need for higher levels of student discipline prior to independent study and a lack of acceptance of online instruction by faculty.

Tracking closely with outcome data reported in *Making the Grade: Online Education in the United States* (2006) and *Online Nation: Five Years of Growth in Online Learning* (2007), NAFEO CEOs have responses similar to the national sample (24% Very Important) on the relative importance of “Lack of acceptance of online instruction by faculty” and “Lower retention rates in online courses compared to face-to-face courses” as potential barriers to the widespread adoption of online education.

They were somewhat more likely to be concerned about “Higher costs to *develop* online than face-to-face courses” and slightly more likely to be concerned about “Higher costs to *deliver* online than face-to-face courses,” than the national sample.

### BARRIERS TO WIDESPREAD ADOPTION OF ONLINE LEARNING

(% citing Very Important)



## BARRIERS TO WIDESPREAD ADOPTION OF ONLINE LEARNING

NAFEO PRESIDENTS	Not Important	Somewhat Important	Important	Very Important
Students need more discipline to succeed in online courses	8.1%	16.2%	45.9%	29.7%
Higher costs to <i>develop</i> online than face-to-face courses	2.7%	27.0%	45.9%	24.3%
Lack of acceptance of online instruction by faculty	10.8%	29.7%	37.8%	21.6%
Lower retention rates in online courses compared to face-to-face courses	29.7%	127.0%	21.6%	21.6%
Higher costs to <i>deliver</i> online than face-to-face courses	10.8%	29.7%	40.5%	18.9%
Lack of acceptance of online degrees by potential employers	25.7%	37.1%	28.6%	8.6%

On the other hand, the NAFEO presidents and chancellors are far less concerned with the most often cited potential barrier “Students need more discipline to succeed in online courses” than the national sample, although they still view it as a challenge to expanding online learning opportunities.

NAFEO presidents were also queried as to “What is the most critical barrier to the utilization of online education as a strategic tool at your institution?” using an open-ended question. The responses to this question matched the range of issues seen in the short-answer portion of the survey, with concerns of cost, faculty acceptance, and institution support issues all being mentioned:

*“Developing the facilities and securing faculty buy-in to participate and develop the courses.”*

*“Ensuring institutional infrastructure supports this platform.”*

*“Faculty acceptance and ensuring that standards for accreditation are maintained.”*

*“Funding for effective technology necessary and training/professional development for faculty in developing appropriate teaching behavior.”*

*“Lack of strong academic leadership at the mid-management level.”*

*“More resources (training and technology) and higher costs are needed to deliver online than face-to-face courses.”*

*“Convincing some (that) online education does not remove the hands-on approach to teaching. And of course, some fear that online education will eventually eliminate the traditional classroom environment of the teacher and student.”*

*“Recruitment and training of qualified online instructors.”*

*“Strategically incorporating the concept into our curriculum.”*

*“The cost associated with developing and marketing online courses that lead to degree programs.”*

Overall, the survey of NAFEO CEOs reveals many similarities and attitudes toward online learning as the national sample. However, leaders at NAFEO institutions show a generally more positive attitude towards online education than the national sample and cite many more reasons for pursuing online for their institutions. The desire to achieve multiple goals through online education is an area that is worthy of additional inquiry.

In addition, NAFEO leaders also see fewer barriers to implementing online. Might this unique mix of attitudes and fewer perceived barriers position these institutions to more quickly grow in the distributed learning arena, or more significantly work online learning into their strategic planning? Or does this mean they have an unrealistically optimistic outlook toward online and will be unpleasantly surprised when the inevitable issues arise?

# Survey Methodology

The survey and analysis of NAFEO college and university presidents and chancellors is based on the methods used to produce the annual Sloan surveys of online learning (Allen & Seaman, 2006; Allen & Seaman, 2007). Like the Sloan surveys, the study was conducted by the Babson Survey Research Group using the same software and methods as in the annual Sloan surveys. Unlike the Sloan survey, however, the target respondent is the CEO of the institution rather than the chief academic officer of the institution.

The statistical universe for the analysis is composed of all presidents and chancellors of NAFEO member institutions. All were sent a copy of the survey and a postage-paid return mailer. They also received two reminder email messages with a link to an online version of the survey. The survey form was modeled after those used for the annual Sloan survey of online learning (Allen & Seaman, 2006; Allen & Seaman, 2007).

Complete contact information for the sample universe of 115 institutions was provided by NAFEO. A total of 42 responses were received, representing a 36.5 percent overall response rate. Institutional descriptive data came from the College Board Annual Survey of Colleges and from the National Center for Educational Statistics' IPEDS database (<http://nces.ed.gov/ipeds/>); this information was merged with the president and chancellor responses for analysis.

# Citations

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Allen, I.E. & Seaman, J. (2007). *Online Nation: Five Years of Growth in Online Learning, 2007*. Needham, MA: Sloan Consortium.

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