

Eduventures Summit 2018

HIGHER ED REMASTERED

The Great Debate

Presented by NRCCUA &
Strada Education Network™

Does Online Higher Education Reduce Inequality?

Exploring the Geography of the Market

RICHARD GARRETT | *CHIEF RESEARCH OFFICER*

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Why examine online higher education and inequality?

- 1) Educational attainment drives economic and wage growth and social cohesion; but attainment is uneven by geography and demography, and many students drop out of conventional higher education.
- 2) Adult undergraduate enrollment is falling, but online higher education is popular and growing, particularly among non-traditional students.
- 3) Online learning is a powerful tool- we need to understand how it is being used, and how best to wield it. The online higher ed market is playing out in very different ways around the country.

July/August 2018
**HIGHER ED
REMASTERED**
The Great Debate

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**ONLINE DEGREES
THAT GET YOU
WHERE YOU WANT TO GO**



**YOUR CAREER
SUCCESS ON YOUR
SCHEDULE, 100%
ONLINE**



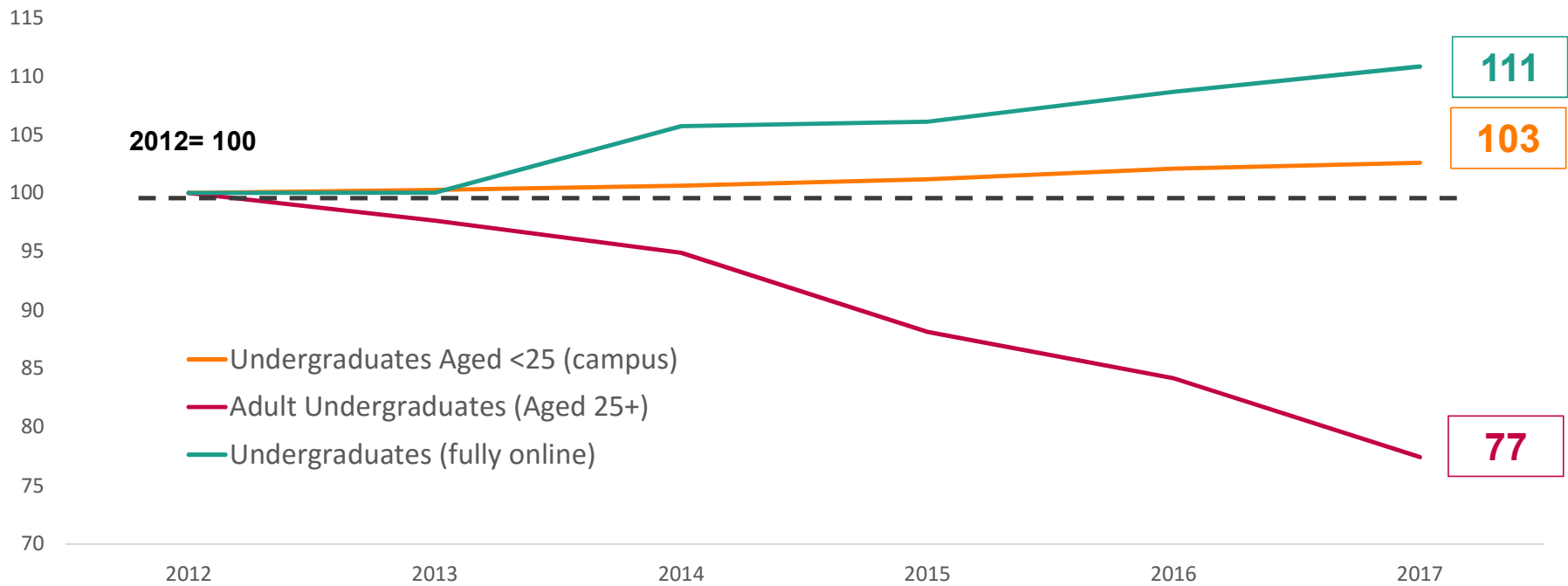
**YOUR LIFE,
PLUS COLLEGE.**

RANKED #1 MOST AFFORDABLE
ONLINE COLLEGE IN THE NATION



Online is where the growth is

Enrollment Trends- Three Types of Undergraduate (Fall 2012-17)



Source: Eduventures analysis of IPEDS and NSCH data. The 2017 enrollment figures are estimates.

8%

Fully online undergraduates who are state residents- as a % of all undergraduates



13%

Fully online undergraduates as a % of all undergraduates



2,250,000

Number of fully online undergraduates





Cleveland OH

MHI= \$26,583

Online In-State Undergrad= 10.8%



Jackson MS

MHI= \$32,866

Online In-State Undergrad= 10.4%

Online to the rescue?



Dayton OH

MHI= \$28,745

Online In-State Undergrad= 8.7%



Birmingham AL

MHI= \$32,404

Online In-State Undergrad= 12%



Detroit MI

MHI= \$26,249

Online In-State Undergrad= 5.3%

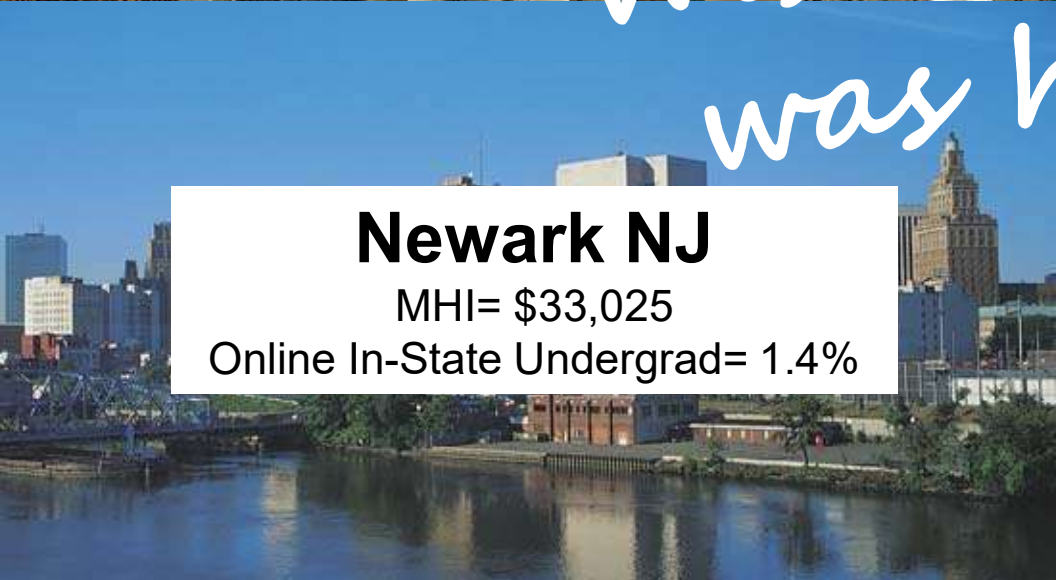


Hartford CT

MHI= \$32,095

Online In-State Undergrad= 5.2%

*Wish online
was here?*



Newark NJ

MHI= \$33,025

Online In-State Undergrad= 1.4%



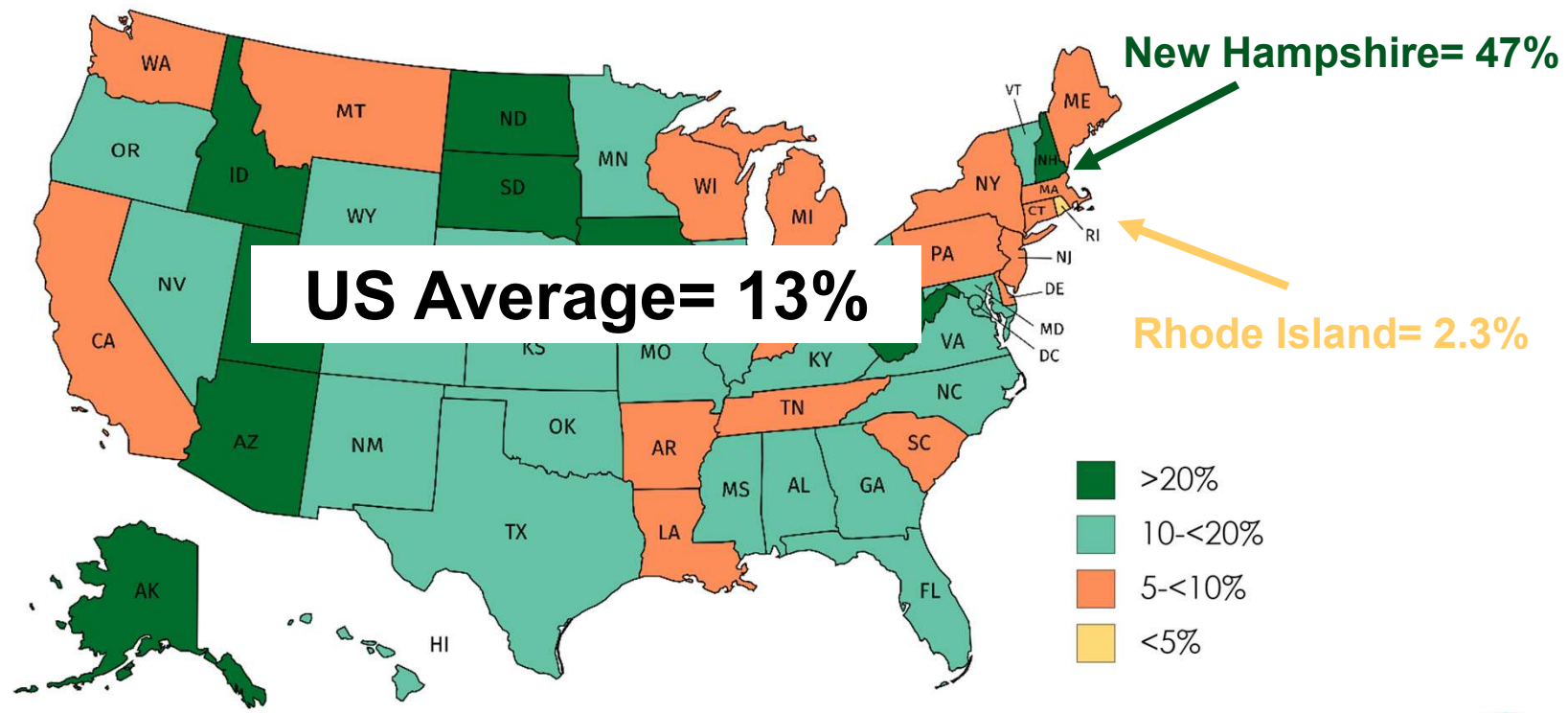
San Bernardino CA

MHI= \$38,546

Online In-State Undergrad= 4.9%

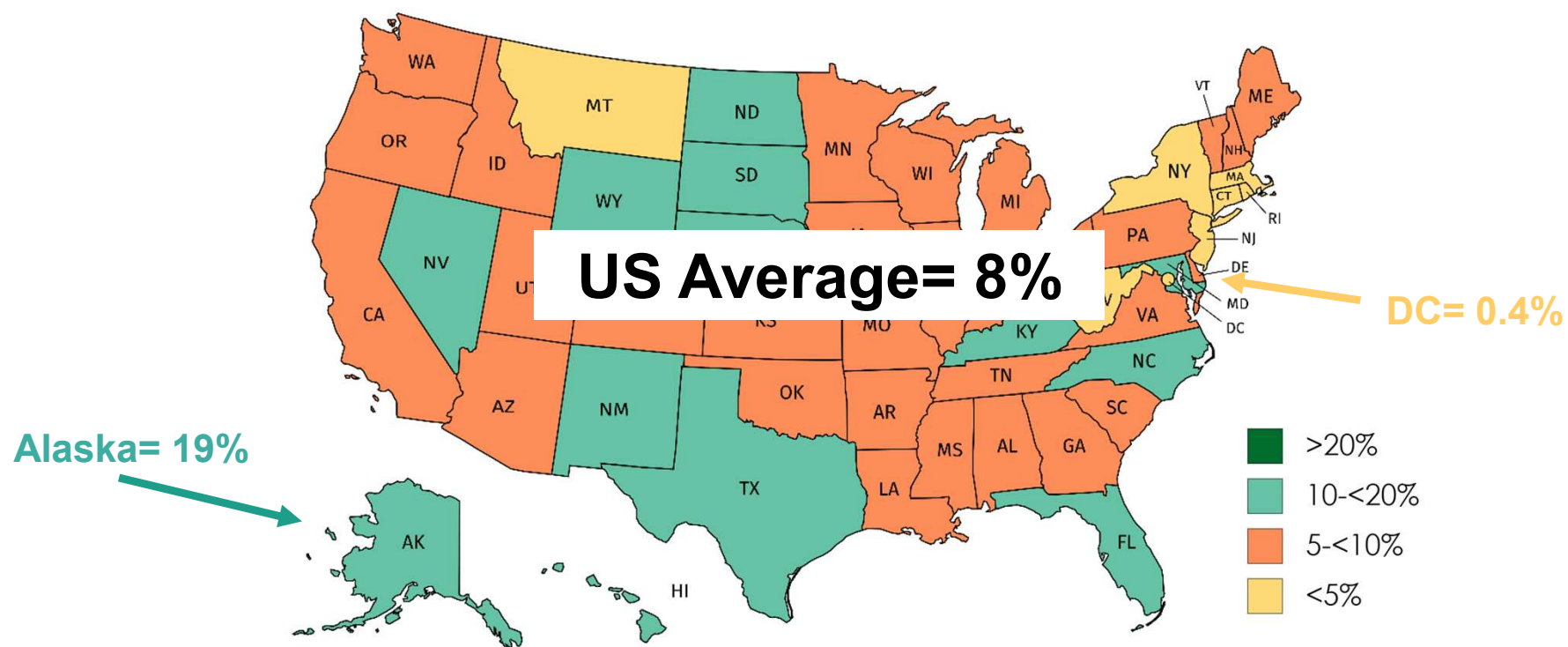
Online students are not evenly distributed by state

% of Undergraduates Studying Fully Online (Fall 2016)- by school location
 (2 and 4-year schools)



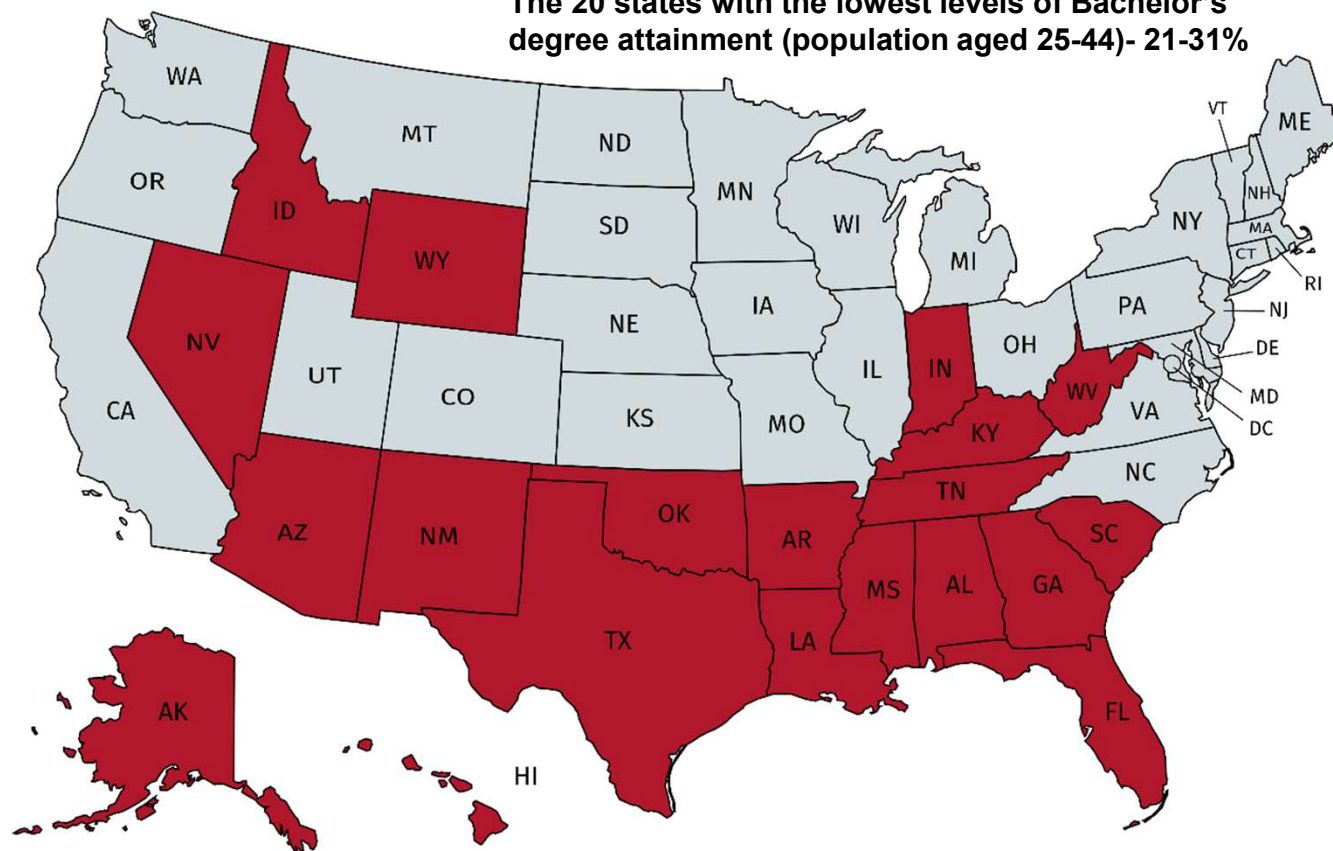
Fewer states enroll >10% of in-state undergraduates fully online

% of In-State Undergraduates Studying Fully Online (Fall 2016)
(2 and 4-year schools)

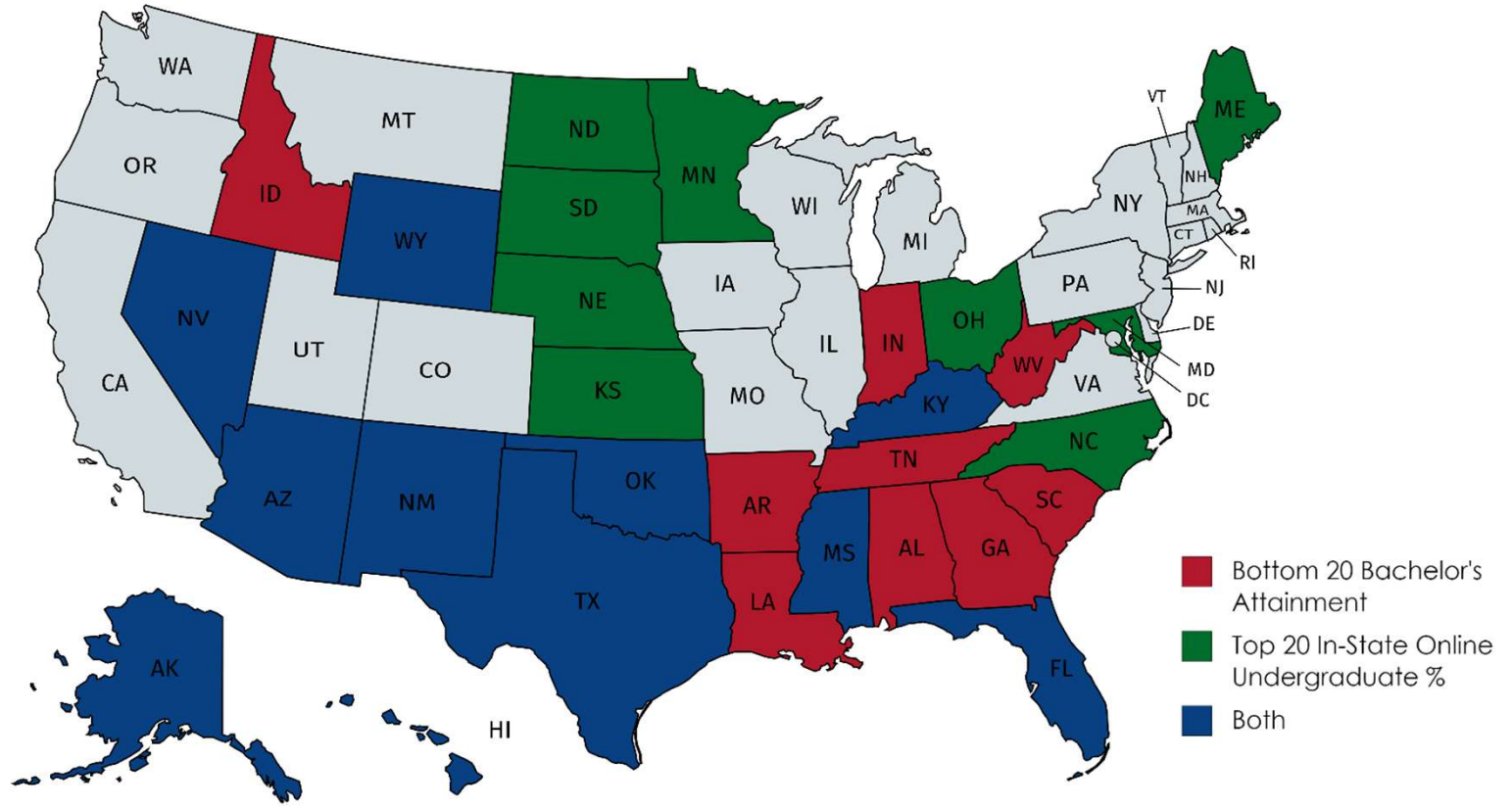


Does online impact the states most in need?

The 20 states with the lowest levels of Bachelor's degree attainment (population aged 25-44)- 21-31%



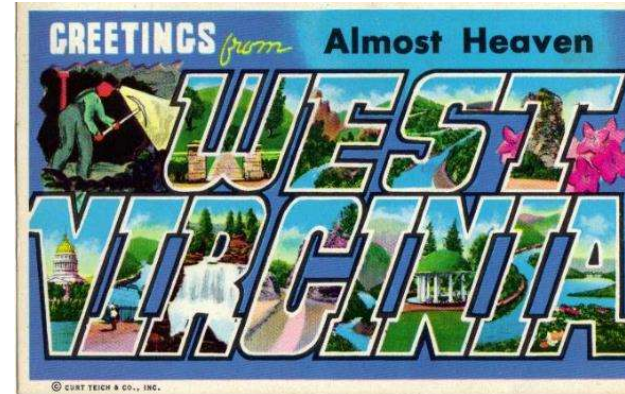
11 out of 20 states are both most in need and most online





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Why?



Adults Aged 25-44 (2018)= 530,000 (up 5% since 2001 but flat to 2028)
Population Density= 45th
Median Household Income= \$45,674
Unemployment= 5.4% (participation- 58%)
State Higher Ed Funding= -33% (2008 v. 17 net)
Bachelor's + (aged 25-44)= 24% (21% in 2005)
Higher Ed Attainment Goal= "Strong" (Lumina)
Legislation & Policy= related legislation; no policy

Adults Aged 25-44 (2018)= 488,000 (down 10% since 2001, then down further to 2028)
Population Density= 29th
Median Household Income= \$42,644
Unemployment= 5.4% (participation- 54%)
State Higher Ed Funding= -22% (2008 v. 17 net)
Bachelor's + (aged 25-44)= 25% (18% in 2005)
Higher Ed Attainment Goal= None (Lumina)
Legislation & Policy= no legislation or policy

% of In-State Undergraduates Fully Online

13.4%

5th highest in the nation (2016)

% of In-State Undergraduates Fully Online

4.8%

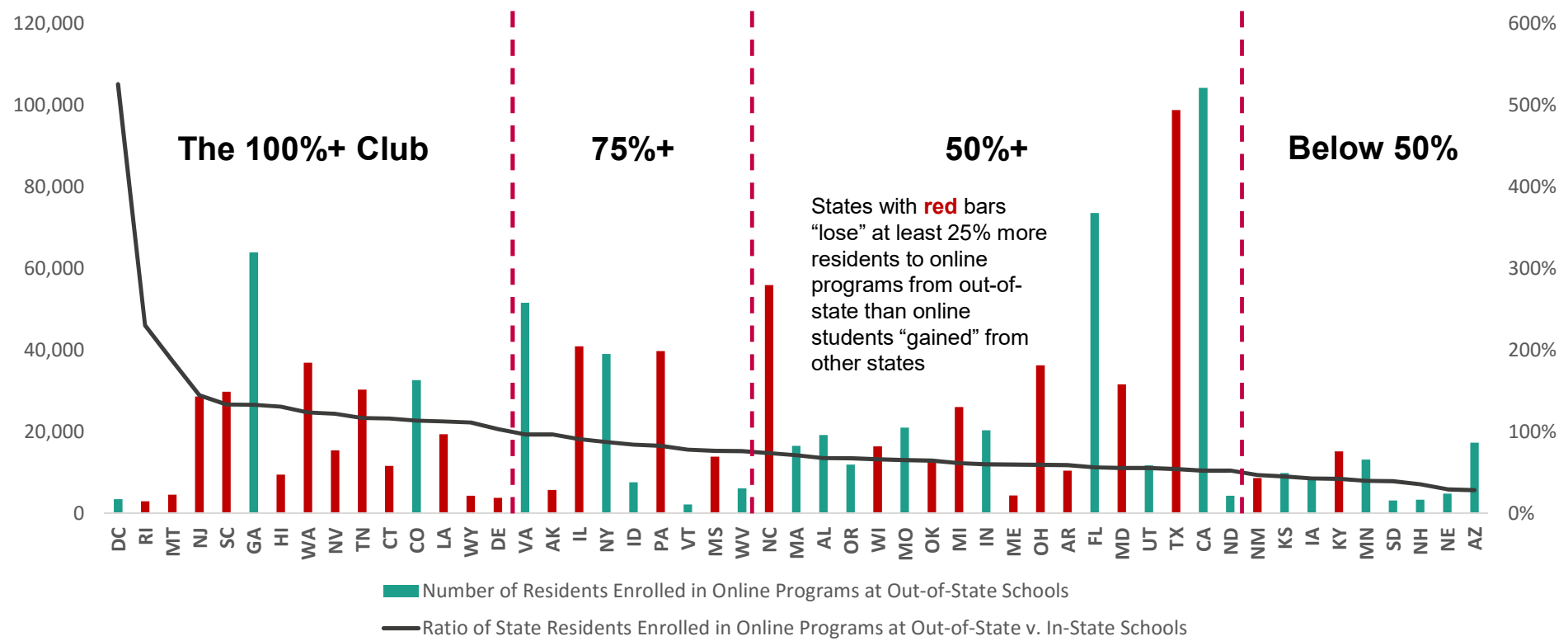
45th highest

Out-of-State Competition

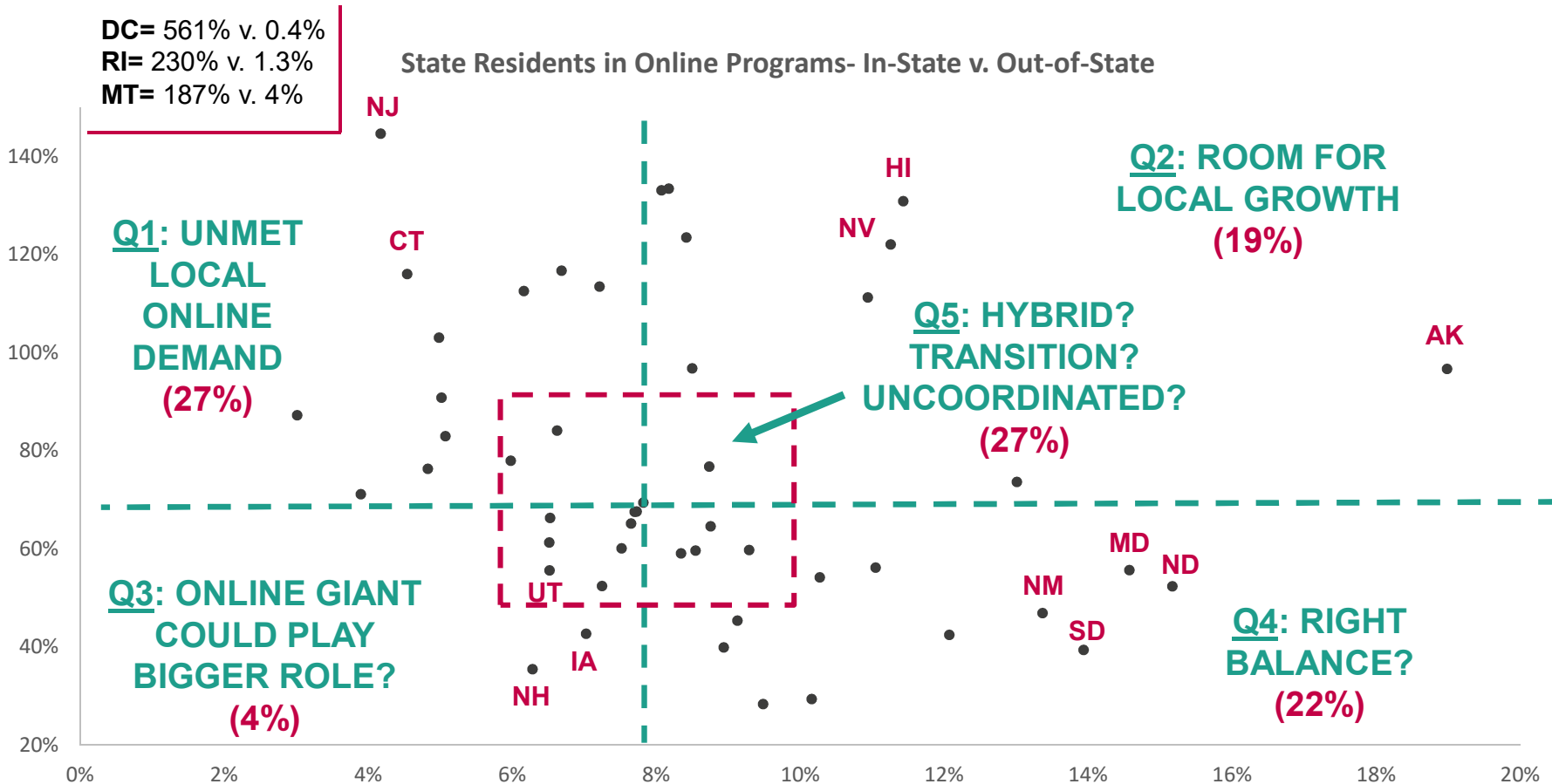
*(2.5% of schools enroll 50% of fully online
undergraduates)*

Online gives state residents more choice

How many residents are states **“losing”** to online programs at Out-of-State Schools? (2016/17)
 (and how do **“lost”** residents **compare** to out-of-state gains)



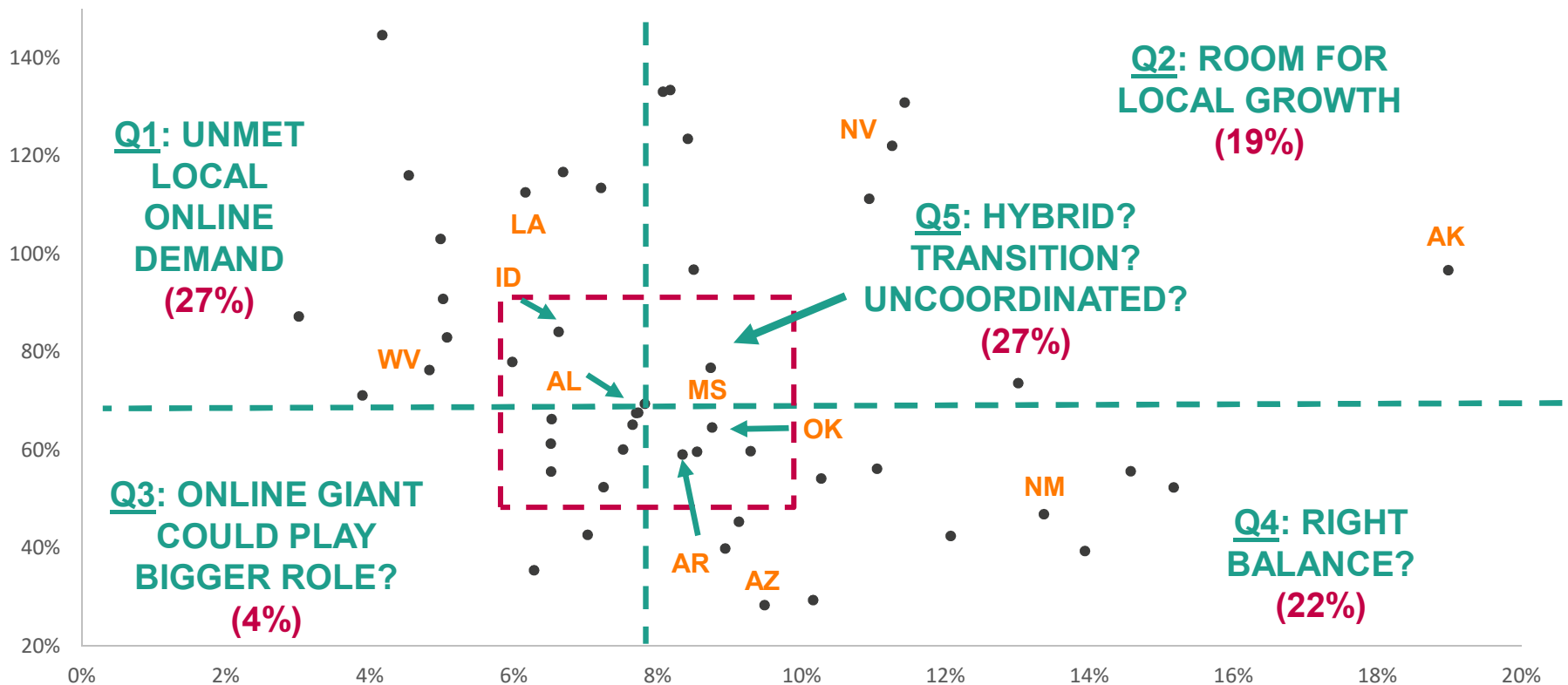
Online Higher Education Strategy- which states have got it right?



Source: Eduventures analysis of IPEDS and SARA data (2016/17). Chart shows state resident undergraduates in fully online programs as a % of all undergraduates at in-state schools (x-axis) v. ratio of state residents enrolled in online programs at out-of-state schools as a % of the online resident total at in-state schools (y-axis).

Does Online Higher Ed Reduce Inequality? Not consistently in terms of local supply

State Residents in Online Programs- In-State v. Out-of-State



Source: Eduventures analysis of IPEDS and SARA data (2016/17). Chart shows state resident undergraduates in fully online programs as a % of all undergraduates at in-state schools (x-axis) v. Ratio of state residents enrolled in online programs at out-of-state schools as a % of the online resident total at in-state schools (y-axis).



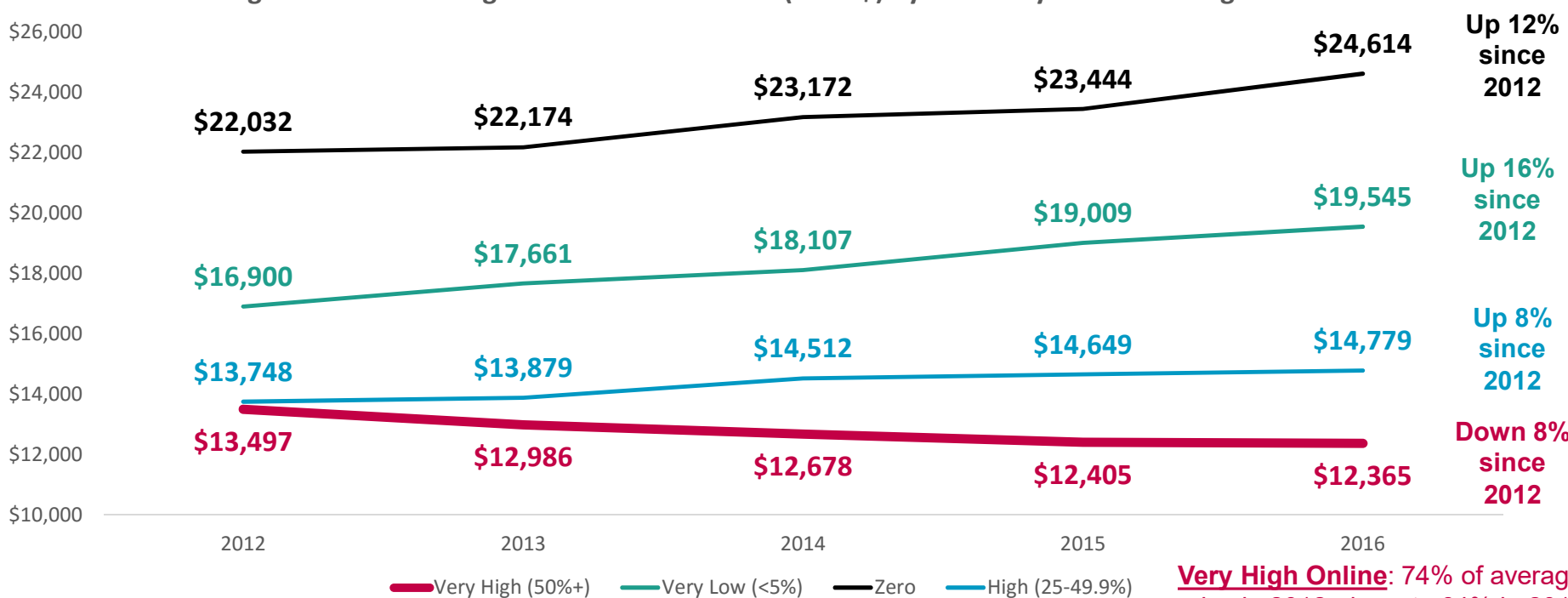
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Does it matter?



Fully online student scale and intensity correlated with low, falling tuition and fees

Average Full-Time Undergraduate Tuition & Fees (2016 \$) by % of Fully Online Undergraduates

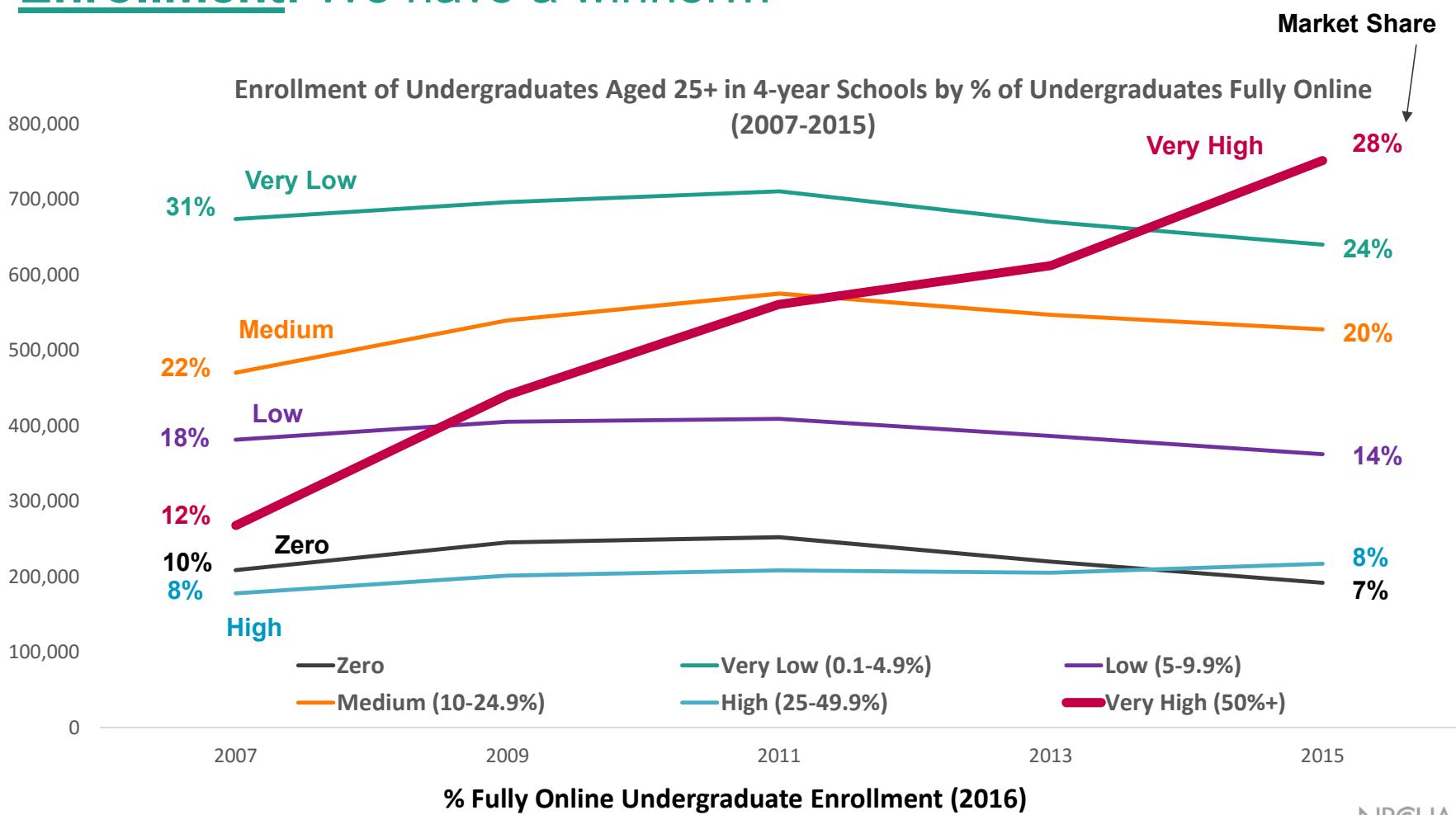


Very High Online: 74% of average price in 2012, down to 64% in 2016

Source: Eduventures analysis of IPEDS data. 4-year schools. In-state tuition for public schools.



Enrollment: We have a winner...



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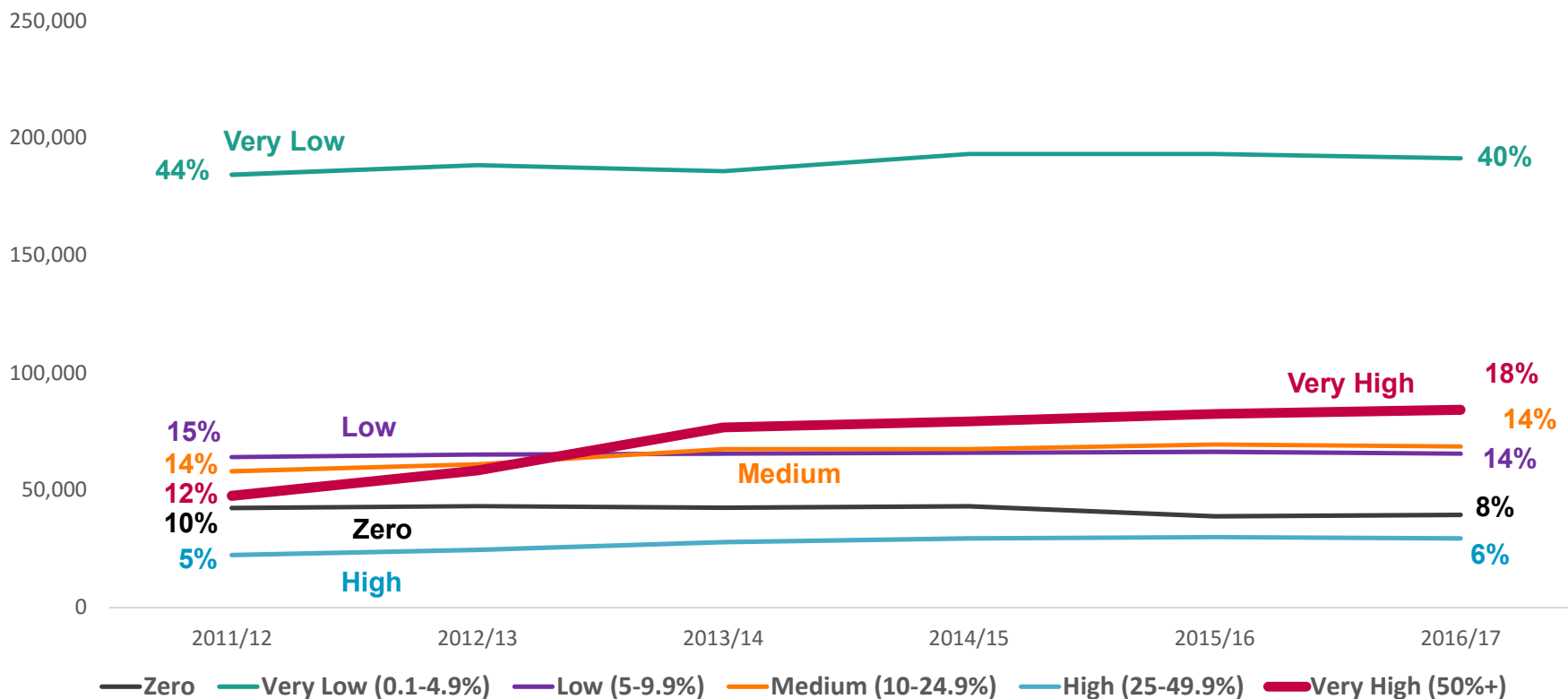
Source: Eduventures analysis of IPEDS data.





Outcomes: We have a runner up...

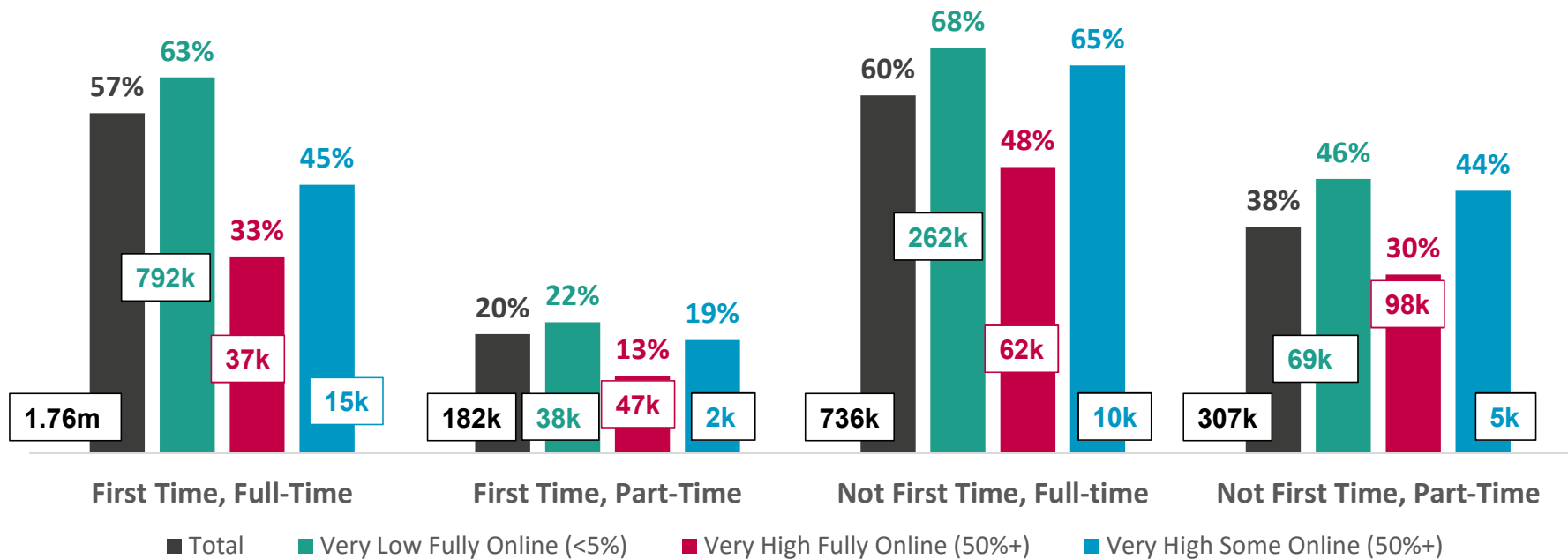
Bachelor's Completion Aged 25-39 by % of Undergraduates Fully Online (2011/12-2016/17)



% Fully Online Undergraduate Enrollment (2016)

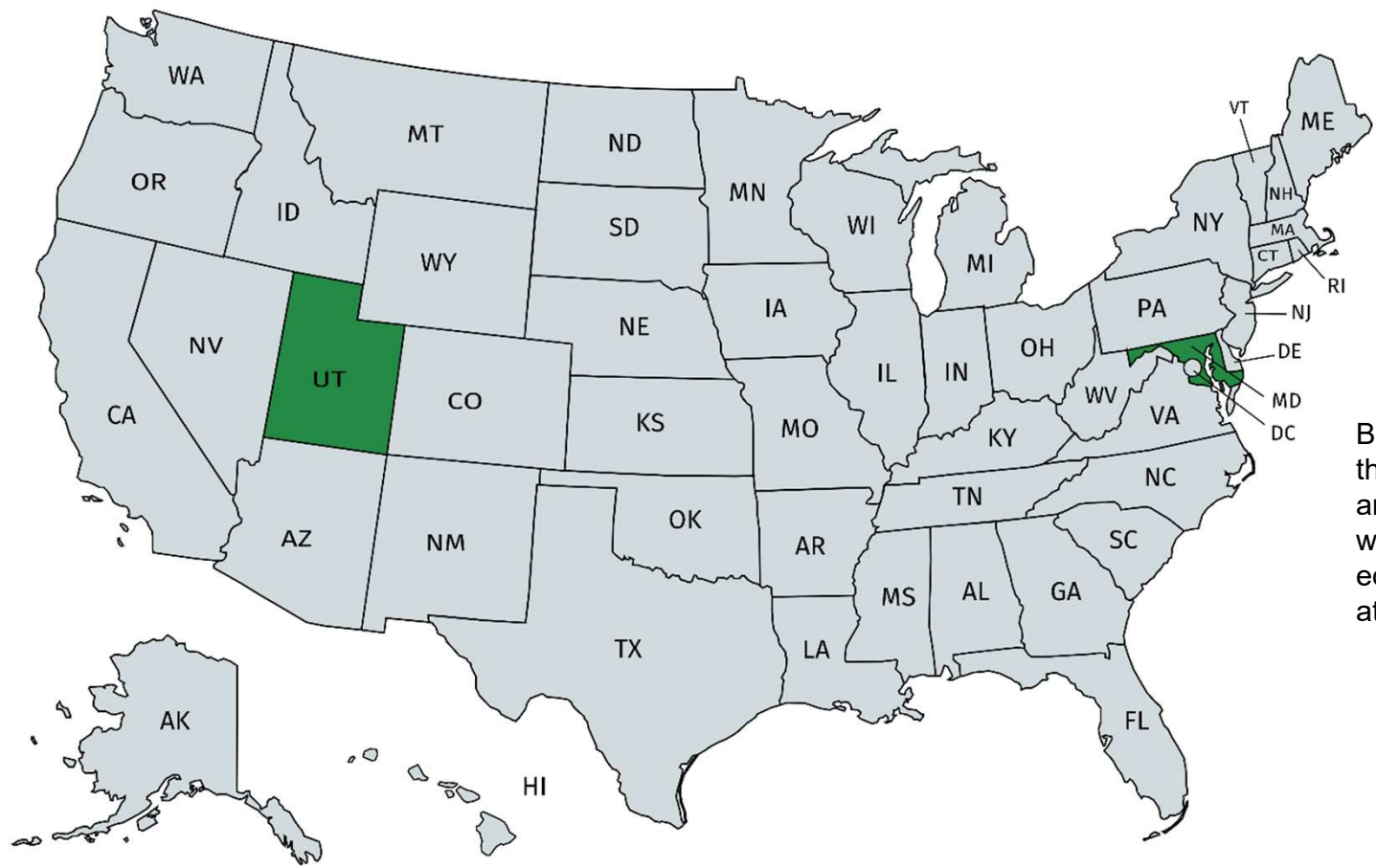
The Conundrum- fully online widens access but lowers odds of completion. Blended is less practical, likely more expensive but correlated with stronger outcomes

8 Year Outcomes- % of 2008 cohort receiving award from same school



Source: Eduventures analysis of IPEDS data. 2 and 4-year schools.

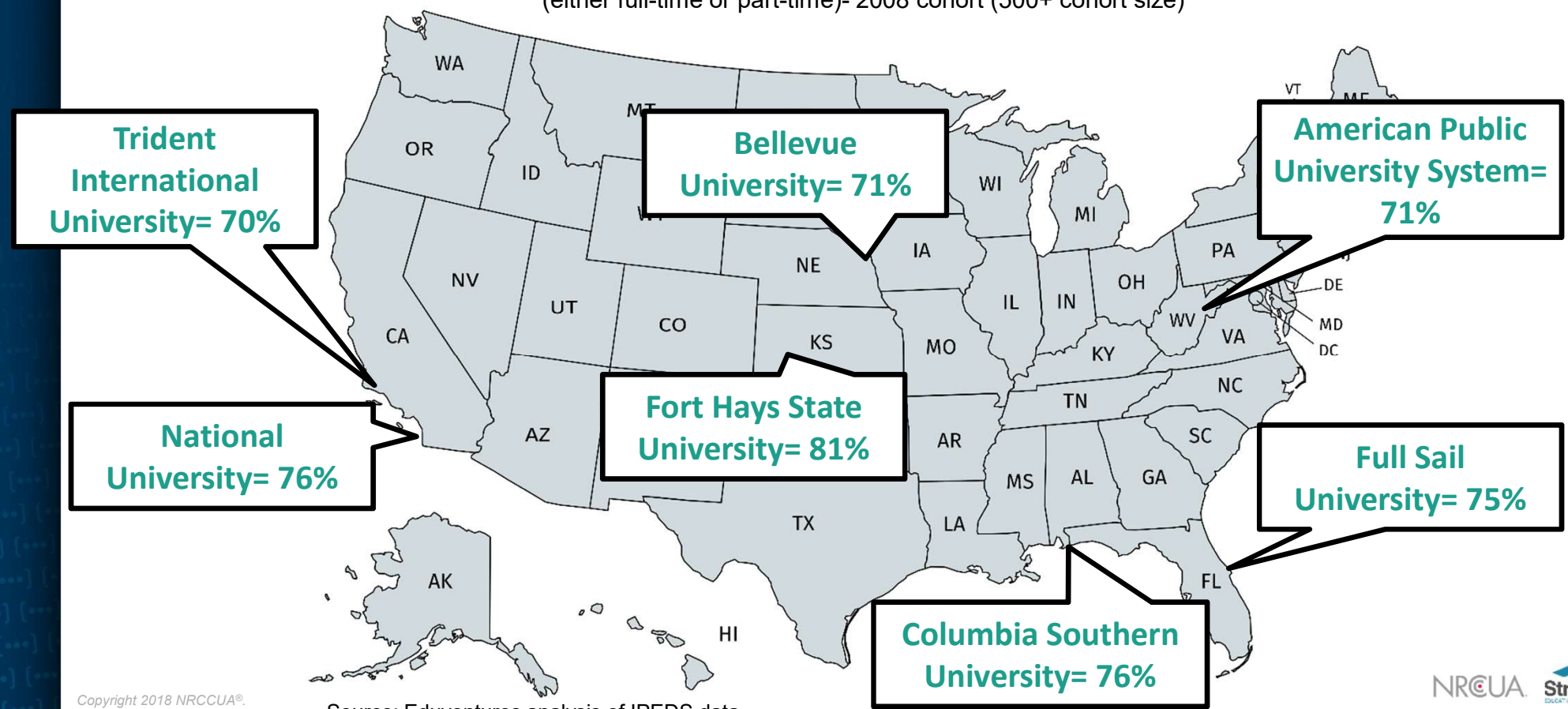
States with ABOVE AVERAGE nontrad student completion AND ratio AND % undergrads online



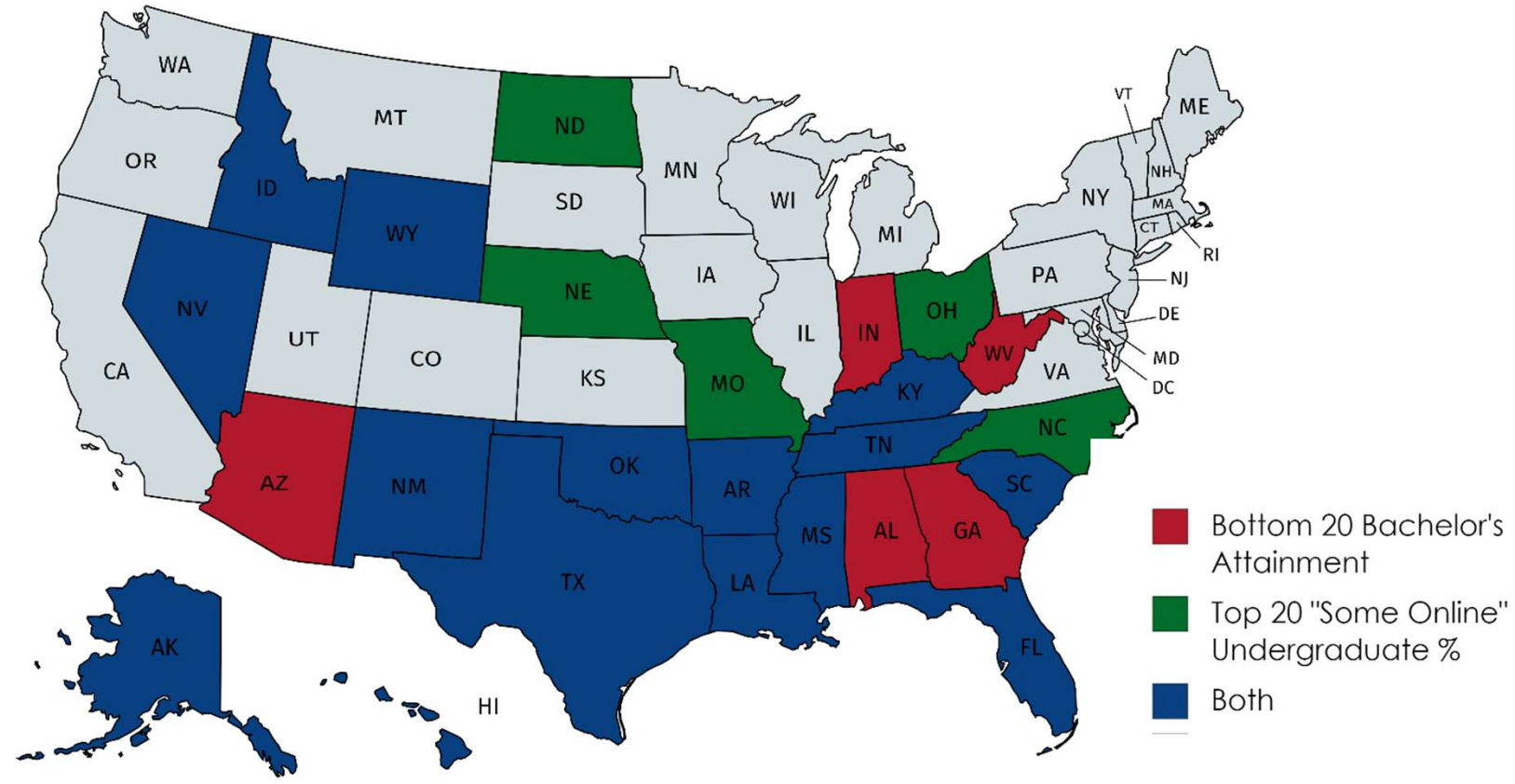
But neither of these two states are among the 20 with the lowest educational attainment.

Examples of scaled online institutional outperformance

Majority Online School- 8-Year Award Ratio for Non-First Time Students
(either full-time or part-time)- 2008 cohort (500+ cohort size)



15 out of 20 states are both most in need and most blended



So does online higher education reduce inequality?

- **Wider Access**- yes for adults and Black students; neutral for Hispanics; makes male under-representation worse. Broadband access and smartphone dependence.
- **Cost & Price**- evidence that scaled online drives lower costs, economies of scale and falling tuition.
- **Haphazard Market by Geography**. Uneven supply and demand patterns by state. Few states are pursuing a true online higher education strategy; and most are “giving away” far too many students to out-of-state providers. (Blurred lines- e.g. WGU state branches).
- **Data Getting Better**. The range and quality of outcomes data about online higher ed is improving but still leaves a lot to be desired.
- **Outcomes- General**. Based on the available evidence, on average adults and other non-traditional students enrolled in majority online schools are significantly less likely than average to complete at that institution.
- **Outcomes- Specific**. There are examples of institutions that report above-average scaled online outcomes but more research is needed to understand the pedagogical and support drivers (or other factors) that explain outperformance.
- **Blended**. Signs that blended learning may represent a superior combination of access, cost and outcomes (and may be more strategic for the typical institution).
- **Bottom Line**- fully online learning is popular with many nontraditional students, but its potential is currently undermined by a long feedback loop (inevitable) and the challenges of identifying and scaling up best practices. Online higher education does reduce inequality but could do more. A more strategic approach to blended learning may be the way forward.



Q&A



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rgarrett@eduventures.com

More about Eduventures can be found at WWW.ENCOURA.ORG.