

Higher education booming online

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*The rise of massive open online courses has created wide mainstream interest in online higher education technologies, writes **Andrew Norton***

In its October 29, 2012 edition, *Time* magazine published a cover story on 'reinventing college', asking if online technology could make higher education better and cheaper. Hundreds of similar stories appeared in the other media outlets around the world.

Justifying at least some of the hype, online higher education is growing strongly in the United States. The number of students taking at least one online subject in a university or college increased from 1.6 million in 2002 to 6.7 million in 2011. The American MOOC providers have attracted millions more students from around the world.

In Australia, education statistics do not record delivery technologies, but distance education numbers suggest that growth in online education is slower here than in the US. In the public universities, more students mix on and off-campus study, but all off-campus students hold about the same share of total enrolments as 10 years ago. Only Open Universities Australia, operating in the not-for-degree market, expanded rapidly in the years up to 2011.

The demand-driven funding system that began full operation in 2012 seems to be shaking off conservatism caused by previous regulation. New ventures such as Swinburne Online are reporting strong enrolments, but are too new to show in published government statistics.

As in the United States, there is a big potential Australian market for online education. Simulations are removing or reducing the need for laboratory, studio or clinical components, meaning that an increasing share of subjects can be studied online.

Online technology supports innovations such as self-paced courses, allowing students to complete in less, or more, time, depending on other commitments. A recent study by William Bowen and colleagues found that online students did as well academically as on-campus students.

And we are just at the start of major advances in online technologies. Early online course technologies offered convenience but not improved learning compared to classroom instruction. The latest online technologies offer real educational advantages. Adaptive learning software, for example, adjusts course materials to suit each student, identifying and correcting common student misconceptions as they emerge.

Though online courses can often match on-campus study for student learning, this is only one student outcome offered by higher education providers. In a recent Grattan Institute report, we identified eleven outcomes which higher education providers offer students, divided into three broad categories: learning, employment, and broader personal benefits.

The vast majority of students have employment as at least one of their desired outcomes from higher education study. We do not know much about what Australian employers think of online education. But American research suggests that there is a perception problem. In a 2012 survey on the desirability of employing graduates from different types of college, online universities were the only college type that received an average negative rating.

Perhaps these results are influenced by employers being unfamiliar with new purely online colleges. In Australia, online education is typically provided by major universities with established reputations.

But there are other reasons for thinking that employers may have concerns, at least for bachelor-degree graduates. In Australian employer surveys non-academic factors feature prominently among desired attributes of graduate employees.

The most highly-rated attribute is interpersonal and communication skills, not academic grades. Other non-academic factors in employers' top ten list of employee attributes are teamwork skills, emotional intelligence, leadership skills and extra-curricular activities.

It isn't clear how well on-campus universities develop these skills, despite increased emphasis over the last 20 years on group work and class presentations (partly in response to employer feedback). But employers could still reasonably presume that interacting with others at university would develop these skills more effectively than sitting at home with a computer.

These employer concerns are likely to be more significant for undergraduate than for postgraduate courses. Most postgraduate students already have a full-time work history, and often study with their employer's support. The employer does not need to use proxy measures of non-academic attributes such as whether a student was enrolled on or off campus. But for job-seekers with bachelor degrees and no full-time work history, mode of study may still count in employers' eyes.

For young people especially, university remains a social experience as well as an exercise in learning and credentialing. In a survey of Year 12 student perceptions of university, more than 80 per cent agreed with the proposition that "life at university sounds exciting". This seems to translate into enrolment preferences. For students aged 21 or less in 2011, only around 10 per cent were enrolled in even one off-campus subject. By contrast, for mature-age students aged between 30-60, more than half were enrolled in at least one subject off-campus.

None of this means that on-campus universities should be complacent about the online alternative. If students rarely come to campus despite their official on-campus enrolment status, then they are potential recruits for an online course if it is cheaper, better or faster.

Fortunately, technology can improve the educational experience for on-campus students as well as online students. Adaptive learning technologies can be integrated into on-campus courses as well as online courses. Some Australian universities are already doing this.

Innovations such as "flipped classrooms", where students view video lectures online and then work on assignments or problem-solving in class can make campus-based education more stimulating and useful. Lecturers and tutors can focus on what the students are having trouble with, rather than delivering basic course content. Some Australian universities already use flipped classrooms, and increasingly, university buildings contain learning spaces designed for discussion rather than lectures.

If students see value in coming to campus for personal discussion they cannot get online, it will help create the strong social environment that distinguishes on-campus courses from their online alternatives. Universities will also need to pay ongoing attention to the non-academic student experience.

Universities face many obstacles as they adapt to new technologies and shifting markets. Cuts to public funding and inflexible student contributions limit scope for investing in new technologies.

Potential policy instability caused by controversy over a separate student amenities fee is a political problem that makes investment in these services risky. Academics and their union tend to resist change, which could delay introduction of new teaching methods.

Despite these difficulties, there is nothing inherent to the on-campus university that predicts its demise. They are not like retailers who have found that their customers can get exactly the same goods online for less. On-campus universities can still offer distinct higher education products for which there are no full online substitutes.

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