

# INSIDE HIGHER ED

## More Lower-Cost Degrees, From Purdue, Kaplan and edX

Purdue University will launch three under-\$25,000 online master's degrees in engineering on the edX platform.

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A screenshot of the edX website. At the top, the edX logo is on the left, followed by navigation links: Courses, Programs & Degrees, Schools & Partners, and edX for Business. There is a search bar with a magnifying glass icon and buttons for Sign in and Register. Below the navigation is a large banner for the "Master's Degree in Electrical and Computer Engineering" from Purdue University. The banner includes the text "from Purdue University" and "#5 in Best Online Graduate Engineering Programs". The banner features a black background on the left with a white circuit diagram, and a photograph of a university campus on the right. The Purdue University logo is visible in the bottom right corner of the banner.

The growing stable of online degrees offered for under \$25,000 by nonprofit education provider edX is set to expand with **three new degrees** from **Purdue University**.

Purdue will join institutions such as the Georgia Institute of Technology, **Indiana University**, Arizona State University and **Boston University** in offering master's degrees on edX priced well below the institutions' comparable in-person programs. Two of the three Purdue degrees -- a master's in electrical and computer engineering and a master's in mechanical engineering -- are already being offered online through Purdue's West Lafayette campus. The online master's in civil engineering will be developed from scratch.

Purdue has long offered massive open online courses through edX, but the engineering programs will be the first time the two parties have partnered to offer a full degree.

Gerry McCartney, executive vice president for Purdue Online, said that edX approached Purdue officials around six months ago to ask if they would be interested in striking a deal.

Purdue has offered online engineering programs for many years, but some programs have been more successful than others, said McCartney. The master's programs in electrical and computer engineering and mechanical engineering never really thrived. Each is offered at around \$40,000 and enrolls a few dozen students.

Once the programs are transferred to the edX platform, they will be offered at a price point of \$22,500, said McCartney. It's a big price cut, but Purdue administrators are confident that a lower-priced online offering will attract many more students to the program and offset any potential loss.

The master's in electrical and computer engineering will start in January next year and is currently accepting applications. The other two degrees are expected to launch next year.

Dimitrios Peroulis, the Michael and Katherine Birck Head of the School of Electrical and Computer Engineering at Purdue, is hopeful that the lower price point will attract learners from different socioeconomic backgrounds.

As part of the online master's in electrical and computer engineering, Purdue will offer an edX MicroMasters program in advanced electronics, which can be taken as a stand-alone credential or counted toward a full degree, if the student is accepted.

Additional MicroMasters programs are expected to launch in 2020. The addition of MicroMasters programs will make the edX offering more attractive to working professionals who may not need to pursue a full degree, said Peroulis.

The online programs will have the same rigor and the same admissions standards as the on-campus programs, said Peroulis. The only difference is that some courses with strong lab components will have to be adapted. "This is an ongoing effort," he said.

With its large base of online learners, edX is expected to raise the visibility of the online degrees among people who already have a solid grounding in engineering, said McCartney. “EdX has a very big funnel, and our agreement assumes and requires them to fill that funnel,” he said. Purdue is aiming for around 600 students to be enrolled across the three degree programs in the next three years.

By working with edX, Purdue doesn’t have to spend thousands of dollars on marketing -- the programs will to some extent market themselves, said McCartney. Interestingly, edX is not the only third party Purdue is working with to launch the three engineering degrees.

Kaplan Higher Education, a for-profit company that previously managed online Kaplan University, is also playing a supporting role.

Purdue has a strong connection to Kaplan. Purdue acquired Kaplan University in 2017 and rebranded it as Purdue Global -- a venture that has tested the **regulatory boundaries** of public online education. Purdue Global is part of the Purdue system, but it operates very differently from its counterparts -- targeting working adults and focusing on degree completion. Some critics have suggested that Kaplan has retained too much control of what is now, ostensibly, a public nonprofit institution.

The support that Kaplan will provide to Purdue for the edX degrees is not financial, explained McCartney. This is not a traditional online program management deal, said McCartney. But Kaplan will be handing some administrative processes for the engineering degrees.

“Earlier this year, Purdue University expanded its managed services provider (MSP) relationship with Kaplan Higher Education to provide marketing, admissions and analytic support for the Purdue University system’s online programs,” Greg Ten Eyck, director of communications for Kaplan Higher Education, said in an email. This relationship includes support not only for Purdue Global, but also other Purdue campuses -- three of which offer online programs, said Ten Eyck. For the edX engineering degrees, Kaplan will provide admissions and analytic support, he said.

Trace Urdan, managing director at Tyton Partners, a higher education investment bank and strategy consulting firm, questioned why Purdue would look to launch degrees with edX rather than through Purdue Global.

With its focus on degree completion, it's reasonable that Purdue Global may not have been the best fit for engineering degrees. But Urdan suspects that university politics may have also played a role, with faculty members not wanting to cede academic control of their programs to Kaplan.

Working with platforms such as edX and Coursera, institutions are able to offer students the opportunity to sample courses before they commit to a full degree -- something that a traditional OPM company doesn't offer. But there is little data to support whether the economics of these low-cost online degrees work, he said.

"The advantage edX and Coursera have is that they are able to draw on their MOOC population and offer a lower cost of student acquisition. But most of the other OPM providers don't think that's sustainable. They think the well will dry up."

Phil Hill, partner at MindWires Consulting and publisher of the *Phil on Ed Tech* blog, said via email that the three-way partnership between edX, Purdue and Kaplan is notable. "It's a new way to think of online program management partnerships (whether they call the arrangement that or not)."

It also demonstrates the continued movement toward online low-cost degrees that bet on the ability of MOOCs to convert their learners into paying graduate students, he said.

"My gut feel is that Purdue is seeking a quick win through partnerships rather than taking a deeper look at why the online engineering degrees were not successful," said Hill.

He is skeptical that the program will bring in and service large numbers of students.

"The only big innovation they can hang their hat on at this stage is the low-cost degree. That's something, but they need more than a MOOC angle to address the online engineering market."

[https://www.insidehighered.com/digital-learning/article/2019/10/02/support-kaplan-purdue-launches-low-cost-edx-degrees?utm\\_source=Inside+Higher+Ed&utm\\_campaign=e23efdacf9-](https://www.insidehighered.com/digital-learning/article/2019/10/02/support-kaplan-purdue-launches-low-cost-edx-degrees?utm_source=Inside+Higher+Ed&utm_campaign=e23efdacf9-)

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