



Positive Returns for Direct Assessment

Students in the aggressive form of competency-based program typically complete faster, spend less and have better retention rates than their peers, Capella says after five years of offering the so-called direct-assessment programs.

By [Paul Fain](#)

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Capella University and Southern New Hampshire University were the first to successfully take the plunge with direct assessment, an aggressive form of competency-based education that is untethered from the credit-hour standard.

The U.S. Department of Education and Capella's regional accreditor signed off on the university's so-called FlexPath programs six years ago. About five other colleges have subsequently followed the lead of Capella and SNHU with approved direct-assessment programs of their own.

By focusing on assessed learning rather than requiring students to progress through academic content, direct assessment was seen by many as a potentially transformative (and controversial) challenge to traditional higher education. But its growth -- and that of competency-based education more broadly -- has been relatively modest so far, due in part to **mixed messages** at times **from regulators**.

Even so, more than 6,000 students have graduated from Capella's FlexPath programs, **according to a report** the for-profit university released last week. Another 7,000 students currently are enrolled in FlexPath, making up roughly 40 percent of Capella's total enrollment in bachelor's and master's-level degree tracks. (The university, which long ago became fully competency-based, features large doctoral programs.)

A big assumption about direct assessment is that it would offer students the chance to progress more rapidly through degree programs by allowing them to be assessed for material they already know or can learn quickly.

That has played out for FlexPath: the report found a median time to completion for students enrolled in Capella's direct-assessment bachelor's programs was 59 percent faster than for their peers in equivalent, credit hour-

based ones. The median time was 42 percent faster for students in master's programs.

FlexPath students also had an overall two-year persistence rate that was 23 percent higher. And Capella said the gains for students were made without sacrificing academic quality, and that the direct-assessment program includes the same learning outcomes (or requirements) as other credit hour-based equivalents.

"Freed from the credit hour, direct-assessment programs allow students to move more quickly through the competencies with which they are more familiar and slow down and take more time with concepts that are less familiar," the report said. "This model allows students to fit education into their lives, at the intensity level and at times that work for them."

FlexPath is based on a 12-week subscription model. That means students complete what they can during each 12-week period, with fees ranging from \$2,400 to \$3,200, depending on the program and level of credential offered. The median total tuition billed to FlexPath students was \$10,548, according to the report. That's 59 percent less than the tuition billed to students in equivalent credit-hour programs. Likewise, the median federal financial aid borrowed by FlexPath students (\$11,739) was 45 percent less than their peers in Capella's traditional programs borrowed.

Much of those savings obviously can be attributed to the self-pacing of FlexPath.

Yet Capella officials said a surprising number of students progressed through the direct-assessment programs at about the same rate as students in credit-hour programs, with some moving even slower.

Those students still benefited financially from FlexPath, according to the report, in part because the program's "agnostic" approach to the source of learning allowed them to use free or low-cost material to prepare for assessments.

Likewise, Capella said even slower movers like the flexibility of direct assessment.

"For many, juggling part-time or full-time jobs and family commitments precluded traditional education, even online, from being a viable path to degree completion," the report said. "They placed a premium on a learning model that was divorced of credit-hour requirements, allowing them to move more quickly when they had available time or were more familiar with a concept and to slow down when they needed to."

Financial Aid Rules

Getting a direct-assessment program up and running isn't easy, said Jillian Klein, the report's co-author and vice president of government and regulatory affairs for Strategic Education Inc. (Capella Education Company last year merged with the larger Strayer Education Inc. to form the new Strategic Education.)

"It is very resource intensive," Klein said.

The credit hour is still the gold standard in higher education. So colleges typically still need to "map" direct-assessment programs to credits. And Capella gives FlexPath students both direct-assessment transcripts and conventional, grade-based ones.

Perhaps more challenging for colleges is that direct-assessment programs require a parallel financial aid track, because current federal aid rules are structured around the credit hour and the traditional academic calendar -- not programs where students can begin in any month and complete courses at any time.

"We feel we're retrofitting into an antiquated financial aid system," said Klein. Capella has an advantage compared to other institutions in trying direct assessment, in addition to its relative scale, with an established competency-based structure across its programs. As a result, the university can allow students to move easily between direct-assessment programs and their equivalents on the credit-hour side.

However, Klein said a program that combined both traditional competency-based elements with direct assessment would be the "sweet spot" for many students. Such an approach, however, is not allowed under financial aid rules.

Deb Bushway, who is currently president of Northwestern Health Sciences University, is a veteran of competency-based education and the former provost and interim president at Capella, where she played a key role in helping to create FlexPath.

"It worked," she said of the new report. "There are a bunch of people out there that these other programs weren't serving."

Bushway and other top experts on competency-based education are wary of aggressive federal rule changes to help spur the delivery model's growth -- some of which the Trump administration **briefly pursued** but dropped for the successful completion of a **negotiated rule making** on accreditation earlier this year. For example, just dropping the credit-hour standard would be fraught, she and others have said, because there is nothing to replace it.

Instead, Bushway called for a federal demonstration project on competency-based education and direct assessment, the results of which could be used to take a measured approach to revising federal aid requirements. She said it also would eliminate some confusion and doubt among college officials about direct assessment.

“A demo project would give us some way to understand competency and to move away from the credit hour,” said Bushway.

Read more by [Paul Fain](#)

<https://www.insidehighered.com/digital-learning/article/2019/08/28/students-move-faster-and-spend-less-direct-assessment-programs>