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Meet the English Professor Creating the Billion-Dollar College of the Future



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The tall, silver-bearded president of [Southern New Hampshire University](#) is beaming as he takes a brisk walk through the halls of the Mill, the private not-for-profit school's vast nerve center. There are no students here. Instead, the converted textile factory on the banks of the Merrimack River in Manchester, New Hampshire, is packed with row after row of gray cubicles staffed by 1,700 employees servicing the exploding online enrollment—some 135,000 and counting—at SNHU, as the school is known. “We have set out to be the Nordstrom’s of higher education,” says Paul LeBlanc, 61. “We want to have the best-in-class customer support.”

A former English professor from a working-class immigrant family, LeBlanc has taken his passion for technology and, cherry-picking what many of the much-maligned for-profit colleges did right, revitalized a dying institution. Like the for-profit schools, SNHU attracts students with a [nationwide advertising campaign](#) that eats up as much as 20% of its operating budget. And as the for-profits have done, SNHU targets a nontraditional demographic, [the 37% of American college students over age 24](#), many of whom have jobs and families. They can't afford and don't want a residential campus experience. His teaching staff: an army of 6,000 adjuncts who earn as little as \$2,200 per course.

With an open enrollment policy whose only requirement is a high school degree or a GED, SNHU's priority is supporting its growing student body. "It's a word we can't use in nonprofit higher ed—that students can be students but they can also be *customers*," says LeBlanc. When prospective applicants place a call or send an email inquiry through [SNHU's site](#), one of its 300 admissions counselors responds in less than five minutes. At traditional schools it's standard practice to require applicants to track down their own transcripts. SNHU takes care of that chore within two days, at no charge.

By the numbers, the strategy is an overwhelming success. Though the sticker price for an online student to earn a four-year bachelor's degree with no transfer credits is just \$40,000 and SNHU hasn't raised tuition since 2011, margins in the online division are a fat 24%. Since LeBlanc took over in 2003, SNHU has gone from a little-known third-rate undergraduate business school with 2,800 students, no endowment and a budget that was barely in the black, to America's biggest university by enrollment with 97% of its students online. (SNHU still has a 300-acre campus, dotted with slick new buildings paid for with online revenue.) He is projecting a 2020 budget of nearly \$1 billion, a surplus of at least \$60 million and more than 300,000 students by 2025.



The Mill, in a converted textile factory on the Merrimack River, is SNHU's nerve center, where 1,700 staffers serve the school's exploding online enrollment of 135,000 students. FRANCO VOGT FOR FORBES

But how valuable is a SNHU degree? Federal data on SNHU's students' completion rates and its graduates' earnings, and its poor showing on college rankings, raise questions. SNHU has never made the cut for *Forbes'* annual roster of America's 650 best colleges.

LeBlanc says he doesn't care: "I feel really strongly about not trying to climb the status ladder."

Status aside, the federal government's College Scorecard, which tracks median alumni earnings 10 years after graduation, [pegs SNHU grads' salaries at \\$45,400](#). By comparison, [graduates of the University of New Hampshire's main campus in Durham earn a median of \\$51,400](#) (the government doesn't calculate a national median). LeBlanc says College Scorecard is a blunt instrument and, given the school's dramatic growth, doesn't accurately reflect the experiences of alumni. SNHU recently paid for its own survey that found its online alumni were earning an average of \$51,000 within 12 months of graduation.

As for its six-year completion rate, a measure that's considered important, [SNHU's is 48% for students pursuing bachelor's degrees](#), though LeBlanc says, somewhat defensively, that if students who drop out after their first course are removed from the count, it jumps to 52%. That still puts SNHU multiple points below [the national average completion rate of 60.8% for students pursuing bachelor's degrees](#), according to government figures. "I'm proud of our completion rate and I also want it to get much better," he says.

LeBlanc traces his passion for educating nontraditional students to his own underdog upbringing. As a small child, he lived on one of the 16 subsistence farms that made up the tiny New Brunswick village of Gaytons. His mother tended a scrappy vegetable garden and the family cow while raising LeBlanc and his four older siblings. His father worked on an American air base in Goose Bay, 27 hours away by car, living apart from the family for months at a stretch.

At the suggestion of an uncle, when LeBlanc was 3 the family moved to Waltham, Massachusetts, a working-class community where LeBlanc's father worked construction and his mother got a factory job stitching car tops while moonlighting as a housekeeper for wealthy families. "She plunked me down in [her client's] libraries and gave me kids' books to read," he says. "By first grade I was still not very good at it."



Revenue from SNHU's online division has helped pay for a half-dozen new buildings on campus, including a residence for 300 students, Monadnock Hall (upper left), a 50,000-square-foot library, and a \$30 million stadium.

While his siblings went straight from high school into trades like bricklaying, plumbing and carpentry, LeBlanc followed friends to [Westfield State](#). “All of a sudden learning came alive for me,” he says, and he crammed five English classes into a single semester. Working construction during summers to pay his way, he earned a master’s in English from [Boston College](#) in 1982 and a Ph.D. in rhetoric, composition and technology from the [University of Massachusetts at Amherst](#) eight years later.

He landed a teaching job at [Springfield College](#) while he was finishing his doctorate. Unlike many English department traditionalists, who wanted to stick with printed books, LeBlanc, then with shoulder-length hair and an earring, was excited by the possibilities technology offered. Outside of class, he spoke at academic conferences about how textbook publishers should develop digital tools.

Houghton Mifflin, knowing he was right, hired him in 1993 to create a higher education technology unit. He took a three-year leave of absence from Springfield and developed collaborative writing software that he describes as an early version of Google Docs. At the end of the third year, “Houghton Mifflin offered me more money than I thought I’d ever make and a lot more than I was going back to,” he says. But he turned it down. “I always felt most at home on a campus, and I felt I could make the most impact if I could work for and with students.”

In 1996, at age 39, he became president of [Marlboro College](#), an unconventional school with a strong academic reputation and a small student body in rural southern Vermont. Marlboro was facing collapse when he arrived. Enrollment had dropped to 300 and the school had borrowed \$1 million against its endowment. In the space of five years, he

proved himself an effective fundraiser, bringing in \$44 million from a combination of foundations and wealthy individuals like the late Jerome Kohlberg of the private equity giant KKR and his wife, Nancy.

But the Marlboro board rejected LeBlanc's proposal to introduce online courses, fearing it would dilute the school's commitment to fostering close ties between professors and students. By the early 2000s, he was ready to leave. That was when he heard that Southern New Hampshire University was looking for a new leader. It had been founded in 1932 as New Hampshire Accounting and Secretarial School. During World War II, most of its students were servicemen at the Manchester Air Base, where they took typing, business English and math. By the early 1950s, the school had just 25 students and almost closed. Revived by new extension programs for service members on bases around New England and Puerto Rico, it grew and renamed itself twice, first as New Hampshire College and then, shortly before LeBlanc arrived, Southern New Hampshire University.

Fortunately for LeBlanc, SNHU's board of trustees welcomed new ideas. When he was studying for his master's, he met [Clayton Christensen](#) at a pickup basketball game in a Boston church basement and the two became close friends. A professor at Harvard Business School, Christensen is credited with laying out the notion of disruptive innovation, when entrepreneurs invade a marketplace with cheap new technology or ideas. Later, Christensen created a stir in a [2013 *New York Times* op ed](#) in which he predicted that low-cost online courses were the disruptive innovation in higher ed that would drive a quarter of colleges and universities out of business in 10 to 15 years. [In 2017 he doubled down on that forecast](#), saying that half of America's 3,900 colleges would likely go bankrupt.

LeBlanc agreed with Christensen (who sat on SNHU's board from 2004 to 2012), and he felt a personal affinity for the market served by the for-profits. "Most of traditional higher ed looked at adult learners as an afterthought," he says. He knew those students presented a huge opportunity and that they were best served online. But when he arrived, SNHU's online division had only 16 employees and a few hundred students.

To expand, his first hire was Steve Hodownes, who had been president at Embanet, a Toronto-based for-profit company that set up online divisions for colleges and universities, taking a cut of revenue that could run as high as 70%. LeBlanc wanted to keep that money in-house and build SNHU's online program from the ground up.

To design SNHU's courses, LeBlanc used an approach pioneered by the [Open University](#) in England, a mega-school that specializes in distance learning. Like OU, SNHU relies on subject matter experts and professional course designers to put together its online courses, which run for eight weeks for SNHU undergrads and 10 weeks for graduate students. Some adjuncts complain that SNHU's approach is like painting by numbers ("I feel like a glorified grader," says one creative writing adjunct who doesn't want to be quoted by name). But enough want the job that SNHU hires just 3% of applicants, many of whom have Ph.D.s.

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Before starting to recruit students, SNHU needed to streamline enrollment, financial aid, and course sign-up. LeBlanc had the online staff sketch out the process on a white board. "It looked like a schematic of a nuclear submarine," he says. "It's a miracle anyone took an online course with us."

LeBlanc ditched the old system. In addition to admissions staffers, he hired 160 people to connect students with financial aid. Fifteen SNHU employees spend all their time helping [veterans and active-duty service members](#) access government benefits. Military personnel account for 15% of SNHU's student body. Once enrolled, online students are assigned academic advisers who use Salesforce customer management software to monitor them. If a student falls behind, her adviser steps in, giving advice about how to file for an extension or referring her to SNHU's free online tutoring.

But great customer service and increased name recognition following a new national advertising campaign (think subway ads and 30-second TV spots) didn't help when the recession took hold in 2009. Facing his first operating deficit, a projected \$3 million, LeBlanc persuaded the board to spend an additional \$4 million on TV ads, starting in January 2010. By October 2010, the deficit had turned into an \$11 million surplus. Since then, enrollment has shot up by 125,000 students in the space of eight years.

But being an online powerhouse isn't enough to satisfy LeBlanc's ambitions. Worried about the value of an online bachelor's degree, he is looking to change the nature of the product SNHU is selling. He's pursuing two experiments, both controversial in higher ed circles. The first, competency-based education, or CBE, offers an online degree for less money in an abbreviated time frame. The second, micro-credentials, gives students the chance to earn a certificate, rather than a degree, in months rather than years. Coding boot camps have already proved that at least certain types of employers like micro-credentials and that graduates can hike their earning potential by tens of thousands of dollars. "I think we have to move away from a one-size-fits-all model of education and give people choices," he says.

CBE is a bit more radical. The theory is that many employers prefer to see a list of competencies, or tasks, that graduates can perform, rather than grades of A, B or C in a list of courses. In 2012, SNHU launched its online [College for America](#) CBE program with a \$1 million grant from the Bill & Melinda Gates Foundation. Unlike SNHU's standard eight-week online courses, CBE offerings run for six months. They have online course materials like readings and videos but no formal instruction or short-term assignments. Instead students work independently on projects that demonstrate their mastery of a competency like "create and deliver a sales presentation" in a marketing course. When the student finishes the project, an adjunct professor evaluates it. If the student passes, she has no interaction with the adjunct. If she comes up short, the adjunct steps in to help.

SNHU charges \$2,500 for each six-month CBE session, during which students can take as many courses as they want. CBE course fees are low because adjuncts earn just \$30 an hour and get paid only when students need them. Many College for America students race through a bachelor's degree in four sessions at a total cost of \$10,000.



SNHU President Paul LeBlanc keeps an office at the Mill, where he often mingles with staffers. FRANCO VOGT FOR FORBES

The College for America is especially relevant for working adults, LeBlanc says, since a student who has been a self-taught bookkeeper in a family business for a decade can ace a CBE accounting course without studying, thus earning college credit for accumulated knowledge.

LeBlanc's first CBE customers were employers who wanted to offer free college to their workers, at low cost to the companies. Indianapolis-based insurance giant Anthem, one of SNHU's initial corporate partners, has paid for 450 employees to earn either associate's or bachelor's degrees since it launched its SNHU program in 2015 and 1,000 employees are currently enrolled. In less than five years, SNHU has signed up 120 corporate customers.

SNHU runs an online competency-based education program that serves a total of 1,000 refugees in Rwanda, Malawi, Kenya, Lebanon and South Africa. The goal: educate 50,000 in 20 locations by 2025.

But CBE and micro-credentials have come under attack from multiple fronts. Salt Lake City-based [Western Governors University](#), an online mega-school that offers only CBE courses to its 115,000 students, was targeted by the Inspector General at the Department of Education in 2017 because it didn't offer sufficient faculty-student interaction to satisfy federal rules that apply to distance education. WGU risked having to repay \$712 million in federal funds. (Earlier this year, [the government rejected the Inspector General's recommendation.](#))

More broadly, critics like [Johann Neem](#), a history professor at Western Washington University and the author of the forthcoming book *What's the Point of College: Seeking Purpose in an Age of Reform*, says a CBE degree is the equivalent of a "second tier" credential that deprives first generation and low-income students of the kind of in-depth intellectual exploration of multiple subjects, from philosophy to art history, that a college education should provide. "Southern New Hampshire's College for America is deeply insulting to adult students," he says. "CBE takes one aspect of what we do as professors, which is assessment, and ignores all the other important things we do," he says. "It's reductive."

"He has a very romanticized version of what's happening on his and other campuses," LeBlanc says. "His criticism is a kind of elitism that fails to recognize the huge swath of America that is not being served by the model he valorizes."

As much as LeBlanc preaches about SNHU's ability to bring a college education to nontraditional students, his own two daughters have taken a traditional route to prestigious degrees. Both earned their bachelor's at [Brown](#). One is finishing a doctorate in the history of science and technology at [Stanford](#) and is planning to pursue an

academic career. The other became a Rhodes Scholar, got a master's and a doctorate in anthropology at Oxford and is set to apply to top-tier law schools.

What connection, if any, does LeBlanc see between the education for the masses he's offering at SNHU and the expensive, high-status degrees his own children have pursued? "With the best of the education I was able to get, I changed the trajectory of my kids' lives," he says. "I don't see their path as at odds with what I'm doing. When a student can come to SNHU and unlock opportunities for a better job, then they can open a better path for their family. That's the classic American dream, and it's slipped out of reach for too many Americans."

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<https://www.forbes.com/sites/civcnation/2019/04/04/the-best-of-enemies--a-review/#208719132447>