

2U Goes Undergrad

London School of Economics and its parent university will create a fully online data science degree. Program, priced at \$20,000, is 2U's first foray into the bachelor's degree market.

By [Doug Lederman](#)

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Last week was a brutal one for 2U, the online program management company that had been the darling of investors for much of the last decade. As its officials acknowledged for the second time in three months that the company would grow more slowly than it had previously predicted, stockholders [bailed in stunning numbers](#), reducing 2U's value by roughly two-thirds (and \$1.5 billion) in 24 hours.

Today it's back to business as usual, starting what is likely to be a long process of reassuring investors (and perhaps the entire higher education

technology landscape) that 2U can and will continue to be a vibrant, creative leader in the space.

The company [announced this morning](#) that it will start its first-ever undergraduate degree program, an online bachelor of science in data science and business analytics, in conjunction with the London School of Economics and Political Science and its parent, the University of London. The program represents a departure for 2U not only because it is a bachelor's degree, but because its structure -- involving larger cohorts, more asynchronous delivery and the use of 2U-hired course "facilitators" -- will result in a price tag of \$20,000 for the three-year degree, much lower than most of the company's existing master's degree programs.

The timing of the news, coming days after the company's Wall Street bloodbath, was coincidental -- 2U and its British partners have been working on the arrangement for more than two years. But it's impossible to consider the significance of the announcement independently from what transpired last week, as its leaders acknowledge.

"This was us building a program with an existing institutional customer, not a reaction to what happened in the stock market," said Christopher (Chip) Paucek, 2U's CEO and co-founder. "It happens to be a program that is going to create great access by being priced at an affordable level, and it's a very important step for us to be creating our first undergraduate program. It just happens to come at time where we're being doubted."

The Undergraduate Market Online

2U has generally occupied the high end of the online education marketplace, creating master's degree programs with selective public and private nonprofit

universities and pricing those programs at those universities' comparatively high levels. In the last year or two, though, the company has diversified its offerings by buying GetSmarter, a provider of shorter-length noncredit courses, and Trilogy, a coding boot camp, and incorporating those providers' offerings into its partnerships with universities.

Except for [one very early initiative](#) in which it sought to pool the online courses of its selective university partners into a collaborative platform, 2U has largely avoided online undergraduate programs, as have most selective universities, even though the market for bachelor's degrees is several multiples larger than that for graduate degrees.

As Michael Feldstein of eLiterate described it in an earlier *Inside Higher Ed* article, “Until fairly recently, the rule with undergraduate online programs has been that the likelihood of a school offering such a program was inversely proportional to the popularity of its football team or the quality of its cafeteria food ... In other words, schools that present a high-quality on-campus experience as part of their value proposition are less likely to find online education attractive. But there has been increasing demand in recent years for less expensive degrees that still carry the pedigree of a top-tier school.” The University of Pennsylvania's [decision last fall](#) to establish an online bachelor's degree in applied arts and sciences represented a partial shift in that approach.

A Shifting Model

2U's arrangement with the London institutions can be seen as a next step. They will together transform an existing [bachelor's program](#) in data science and business analytics, which is delivered mostly through global teaching centers that the University of London has around the world, into a fully online

program that, they hope, will have much higher levels of student engagement than the existing program, which is more like a correspondence course, with fully self-paced courses that have summative assessments at the end. The \$20,000 price tag compares to fees for LSE undergraduate programs of about \$11,000 for British students, and \$24,000 for international students.

The University of London will provide all of the typical administrative functions that accompany an online program, involving registration and financial aid, and it will grant the degree. The faculty at the London School of Economics will produce the content and write and grade the assessments for all the courses.

Each course will have a London School "convener," a senior-level faculty member who is the course owner; each course will also have an LSE-employed "lead learning facilitator," likely a junior faculty member with subject matter expertise who will be responsible for quality control in the live course sessions that will occur for 90 minutes every other week, says Nate Greeno, senior vice president for program strategy at 2U.

Those live course sections will be run by what 2U and the London institutions call "facilitators." Likely adjunct instructors, they will be hired by 2U but "certified and approved" by the lead learning facilitator from the London School of Economics, who will oversee their work. Think of the LSE-hired lead learning facilitator as the "executive quality control manager of what's going on" in that synchronous classroom session on Zoom, said Greeno, as well as the person to whom the individual facilitators will turn if the student needs a "verifiable answer" to a content-related question.

The facilitators will lead roughly 40-student synchronous video sessions -- about double the size of the typical live classroom sessions in the existing 2U programs.

That's just one way in which the London-based program represents a partial transformation of 2U's model, in part drawing from what it is learning from the work of its new GetSmarter and Trilogy units. While its master's programs split synchronous and asynchronous study roughly down the middle, with weekly live sessions, the undergraduate data science program will include 75 percent asynchronous self-study and 25 percent live, with one session every two weeks.

London School of Economics works with GetSmarter on short courses, and those courses include GetSmarter-hired "tutors" who work with the LSE-employed content experts. When the institution and 2U were designing the new program, "it was easy to start saying, 'What if we took best from over here, and married it with the best of what's over here,'" Greeno said.

The belief, Paucek and Greeno said, is that 2U's programs can steadily increase the number of students they serve without in any way degrading the quality of the academic experience -- thereby allowing the programs to be offered at a lower price. (2U is also lowering its costs, and in turn being able to constrain prices, by operating programs like this largely from GetSmarter's headquarters in Cape Town, where costs are much lower than 2U's American operations centers.)

"We believe the amount of engagement we can drive through the combination of high-quality asynchronous [content] and engagement from live classes, and from the combination of conveners and facilitators, will provide much better program retention and make the model work," Paucek said.

2U is confident, Greeno said, that the way it and the London schools have designed the program can create "significantly higher" levels of engagement

for students than some of the lower-priced online graduate programs that have been created in recent months by Coursera and edX.

But 2U officials generally shied away from making any proclamations or predictions about the new program -- probably a wise strategy having just been spanked by investors for having been perceived to overpromise and underdeliver.

"We're just trying to prove," Paucek said, "that our model drives quality and success for students, faculty and universities."

Read more by [Doug Lederman](#)

<http://www.insidehighered.com/digital-learning/article/2019/08/06/london-school-economics-start-2us-first-undergraduate-degree>