

INSIDE HIGHER ED

The Next College (and Boot Camp) Alternative

Kenzie Academy positions itself as a faster, more affordable way to prepare first-generation students in the U.S. heartland for technology jobs.

By [Doug Lederman](#)

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[Chok Ooi, Kenzie's co-founder and CEO](#)

The list of investor-funded college "alternatives" that have [crashed and burned](#) in the last few years -- or just [withered on the vine](#) -- runs more than a few lines long. While some college leaders have celebrated the failures --

particularly of those boot camps and other providers that openly trashed traditional institutions -- others recognize the need to pay attention to a marketplace that keeps trying to find faster, cheaper pathways to jobs.

The latest supernova to cross the postsecondary education and training horizon, Kenzie Academy, uses some of the "college alternative" language that tends to rub higher education partisans the wrong way.

Its chief executive officer and co-founder, Chok Ooi, criticizes "traditional" higher education institutions for "celebrat[ing] having a 0.0001 percent acceptance rate" for students and leaving many graduates "buried in debt and without a job," as he put it in [a news release](#) this week about a \$100 million investment designed to extend the computer academy's reach to thousands of Americans in the country's nonurban areas.

But Ooi softens his rhetoric when asked whether Kenzie is designed to supplant going to college for the first-generation and otherwise underrepresented Americans in its target population.

"There are flaws in higher education, but it's not like the whole thing is fully broken," Ooi said in an interview Tuesday. "There are people who are being priced out of it, and we're creating a new pathway to give a certain demographic of learner what they need to be successful in their first few jobs."

If Kenzie's "help them get a job" focus sounds more like the other vocationally focused boot camps and other college alternatives that have arisen in the last decade, Ooi seeks to create some distance there, too.

Many if not most of those programs primarily attract people who already have degrees and are trying to supplement or pivot from what they did in college. If

they are an alternative to any existing form of postsecondary education, it's the master's degree -- enticing students to spend 12 or 14 intensive weeks learning enough coding or data analytics to become a viable candidate for a job.

"The three-month boot camps are good at serving people with a prior college degree," Ooi said. Kenzie, by contrast, works primarily with "people who are much earlier in their development -- two-thirds are the first in family to do any postsecondary training, and two-thirds have worked in retail or in some kind of blue-collar, nonprofessional job."

Because most of the people who go through shorter-term boot camps are already college educated, three months may be enough to give them enough technical skills to help them pivot to a new industry, Ooi said.

But Kenzie's students need more. In their typical yearlong programs (which are delivered either synchronously online or in person), in addition to practical computer science, Ooi said, "we give them enough training in critical thinking, communication and other workplace skills" that they can make a meaningful jump into the workforce, "without requiring them to put their life on hold for four years" for a bachelor's degree.

Not that Ooi wants or expects Kenzie's learners to necessarily stop there. The academy has a partnership through which Colorado State University's Global Campus will recognize up to 48 hours of transfer credit for a 12-month Kenzie program plus an apprenticeship.

"We're not trying to replace traditional college," he said. "We want to reconfigure higher ed to create new alternatives and options and pathways."

Different Kind of Affordability

One of the higher education "flaws" that Kenzie aims to improve on is minimizing how much debt its students take on. Like numerous alternative education providers (and a small but growing [cadre of traditional institutions](#)), Kenzie has embraced the idea of [income share agreements](#), which offer students financial support up front in exchange for paying a portion of their income for a set number of years.

Income share agreements come in many flavors -- with different repayment rates, caps on how much students might ultimately repay and the like. Kenzie's initial approach, which its first few hundred graduates operated under, required former students to repay 17.5 percent of their income up to a cap of 2.5 times the amount their education cost.

The \$100 million in tuition financing that Community Investment Management agreed this week to provide to Kenzie's students (on top of the \$7.8 million in venture funds [it announced in September](#)) will do more than allow the academy to significantly increase how many students it enrolls, Ooi said; the school will also improve the terms of its income share agreements, such that students will repay 13 percent of their income up to a maximum of 1.75 times their educational costs.

"Students aren't used to having their costs go down," he said, "but as our cost of capital goes down, we're passing it along to our students."

Read more by [Doug Lederman](#)

https://www.insidehighered.com/digital-learning/article/2019/11/06/kenzie-academy-college-and-boot-camp-alternative-raises-100?utm_source=Inside+Higher+Ed&utm_campaign=fcb14258d8-DNU_2019_COPY_01&utm_medium=email&utm_term=0_1fcbc04421-fcb14258d8-198467257&mc_cid=fcb14258d8&mc_eid=0c2028f1a2