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Takedown of Online Education

Fully online programs widen achievement gaps and often are unaffordable, says report seeking to discourage politicians from pulling back on federal policy protections.

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Online education has not lived up to its potential, according to a [new report](#), which said fully online course work contributes to socioeconomic and racial achievement gaps while failing to be more affordable than traditional courses. The report aims to make a research-driven case discouraging federal policy makers from pulling back on consumer protections in the name of educational innovation.

Spiros Protopsaltis, an associate professor and director of the Center for Education Policy and Evaluation at George Mason University, co-wrote the report with Sandy Baum, a fellow at the Urban Institute and professor emerita of economics at Skidmore College. Protopsaltis is a former aide in the Obama administration's Education Department and to Senate Democrats. Baum advised Hillary Clinton's presidential campaign.

"Online education has failed to reduce costs and improve outcomes for students," they wrote. "Faculty, academic leaders, the public and employers continue to perceive online degrees less favorably than traditional degrees." Protopsaltis and Baum's broadside on online education includes a focus on federal policy and is timed to influence discussions about changing regulations to encourage innovation in online and competency-based education, most notably the [negotiated rule-making session](#) the U.S. Department of Education [kicked off](#) this week.

The report said its review of the evidence demonstrated that:

- Online education is the fastest-growing segment of higher education and its growth is overrepresented in the for-profit sector;
- Faculty and academic leaders, employers and the general public are skeptical about the quality and value of online education, which they view as inferior to face-to-face education;
- Students in online education, particularly underprepared and disadvantaged students, underperform and on average experience poor outcomes;
- Online education has failed to improve affordability, frequently costs more than in-person alternatives and does not produce a positive return on investment;
- Regular and substantive student-instructor interactivity is a key determinant of quality in online education, leading to improved student satisfaction, learning and outcomes.

The stakes are high, its co-authors conclude.

“There is a real risk that both cost-cutting efforts and well-intentioned moves to expand access to higher education could lead to greater numbers of disadvantaged students being relegated to cheap and ineffective online instruction, with detrimental results, both in terms of outcomes and student loan defaults,” they wrote.

However, several experts who read the report said it relied mostly on old data and was overly broad in its conclusions.

The paper indiscriminately trashes online education, said Fiona Hollands, associate director and senior researcher at the Center for Benefit-Cost Studies of Education at Columbia University’s Teachers College.

“It’s almost all old data, old news and not very even-handed,” she said via email, adding that the report “reads as advocacy more than research and conveniently skips out on some of the more recent and positive stories for students in online learning.”

Focus on Faculty Interaction

Protopsaltis and Baum said in the report that hybrid models of online learning avoid most of the pitfalls of fully online ones, at least when they feature strong in-person components and when online material and technology are used mostly as a supplement.

“Students without strong academic backgrounds are less likely to persist in fully online courses than in courses that involve personal contact with faculty and other students and when they do persist, they have weaker outcomes,” according to the paper. “There is considerable danger that moving vulnerable students online will widen attainment gaps rather than solving the seemingly intractable problem of unequal educational opportunity.”

The report warned of risks to students and taxpayers that could result from attempts by the Trump administration and congressional Republicans to deregulate higher education.

For example, in its literature review, the report identified as a key theme the importance of meaningful interaction between students and faculty members. It said a lack of sufficient interaction “is likely online education’s Achilles’ heel.” Negotiators are set to discuss the decades-old federal standards for “regular and substantive” interaction during the rule-making session. Those requirements were at the core of a critical 2017 audit from the department’s Office of Inspector General on Western Governors University.

The Trump administration last week **declined to act** on the audit’s recommendations and its proposed \$713 million fine of WGU, a competency-based, online institutions that is one of the nation’s largest universities. In making its decision, the department cited the “ambiguity of the law and regulations and the lack of clear guidance available at the time of the audit period,” as well as information provided by the university and its accreditor. In the run-up to the rule-making session this week, the department proposed giving accreditors latitude to define who qualifies as an instructor for federal aid-eligible college programs. This distinction was an important part of the inspector general’s audit, which the report from Protopsaltis and Baum said “sets a low bar” for meeting the regular-and-substantive interaction requirement.

The repeal of that standard would require Congress to act. But the department could weaken it in the meantime.

The new report said the requirement should be strengthened and vigorously enforced, arguing that interaction must be with subject-matter experts, not just anyone described by a college as a faculty member.

“Unbundled faculty models that have difficulty complying should make changes to match the law instead of changing the law to match the needs of such models,” the report said.

Hollands, however, said the report did not include evidence of a causal link between online education featuring regular and substantive interaction and better student academic and career outcomes. “Right now they rely mostly on

a lot of survey data, correlational studies and opinions about the importance of faculty-student interaction," she said.

For-Profits and a Shifting Market

In making their case, the report's authors point to the 2006 move by Congress to drop federal aid restrictions for online program offerings from colleges. The greatest beneficiaries of this "opening the floodgates of federal student aid to fully online schools" were for-profits, the report said, adding that the sector has a "well-established and long record of predatory behavior and compliance troubles."

For-profit colleges in 2016 enrolled just 6 percent of all students but 24 percent of those enrolled in fully online programs, the report said, citing federal data. And that high concentration should raise oversight concerns for policy makers and the department.

Yet for-profits' share of online students is shrinking amid the sector's deep, multiyear collapse.

More than half of students who were enrolled in fully online programs in 2004 attended for-profits, said Sean R. Gallagher, executive director of Northeastern University's Center for the Future of Higher Education and Talent Strategy. And he estimates that less than 20 percent of students in fully online programs currently are enrolled at for-profits.

The sector's decline in some ways undermines one of the report's premises, Gallagher said.

The report notes the large enrollments of WGU, Southern New Hampshire University and Liberty University, with the three nonprofit universities now enrolling about a third of fully online students. The crackdown on for-profits that Protopsaltis helped lead so far has not extended to nonprofits with big online enrollments. And congressional Democrats have shown little interest in tightening rules for online education, although Senator Elizabeth Warren, a Massachusetts Democrat, **once asked tough questions** about SNHU's model.

To the extent that the paper by Protopsaltis and Baum can be seen as a revised blueprint for Democrats' talking points on educational innovation and federal policy, it may signal a willingness to apply scrutiny once reserved for the for-profits to big nonprofit players online, too.

In an interview, Baum said she's in favor of strong regulation of online programs from nonprofits, particularly those that exclude adequate faculty-student interaction. "Our concern doesn't apply only to the for-profit sector," she said.

Several experts said the report based too much of its conclusions on data from six or so years ago. As Gallagher said, this period was in the middle of the for-profit boom, which likely skewed the numbers and outcomes.

Likewise, the report cited declining perceptions of the quality of online education among faculty members and college administrators around the same time. That was during the peak hype around massive open online courses (MOOCs), which Gallagher said likely provoked skepticism by faculty members and others about online education, in part because of the self-pacing and automated aspects of MOOCs.

"It confused the idea of what an online program was, and the meaningful oversight of it," said Gallagher.

In general, [perceptions about online credentials](#) have improved, Gallagher said, including among employers.

"Employers are increasingly accepting of online education and online credentials," he said.

The report also cited a [forthcoming, revised study](#) from Caroline Hoxby, a Stanford University economist, on the problematic return on investment from fully online programs.

That research found that "fully online learning does appear to increase the rate of growth of income, but not enough to make up for the cost of the education or even, in most cases, the cost to the individual student," according to report.

However, an earlier version of the study **was controversial**, with many critics pointing to perceived major flaws in its data and design.

Ray Schroeder, associate vice chancellor for online learning at the University of Illinois at Springfield, said the report by Protopsaltis and Baum painted online education with too broad a brush. For example, its comparisons between online programs and on-campus ones failed to acknowledge the low graduation rates and default rates of many traditional programs that enroll similarly high percentages of low-income, older students.

Likewise, Schroeder said the report ignored the value of subdegree credentials such as online certificates and industry certifications. And he said it did not account for the growing potential of technology like adaptive learning to boost student results online.

“The tools we have in higher education are being refined by AI, machine learning and the ways we can engage students,” said Schroeder.

For their part, Protopsaltis and Baum said they were optimistic about the utility of some of those tools.

“Technology has the potential for creating meaningful opportunities for low-income students,” Baum said. But she said the risks are too high to aggressively deregulate before more evidence is in about the effectiveness of that technology.

The report’s co-authors and its critics agreed that further research is needed on the rapidly evolving field of online education, particularly as more high-quality colleges and universities ramp up their online offerings.

The Georgia Institute of Technology gets a nod in the report for its online master’s degree in computer science, which Baum and Protopsaltis said appears to be expanding access in an affordable and valuable way. Yet Gallagher said little research has been done about the **rapid growth of similar online master’s programs** in recent years.

“There’s huge momentum for online education,” he said.

<http://insidehighered.com/digital-learning/article/2019/01/16/online-learning-fails-deliver-finds-report-aimed-discouraging>