

# **A Snapshot of Where Ferris Is in Online Learning in Comparison to Other Institutions for Higher Education: A Report from the E-Learning Management Advisory Team**

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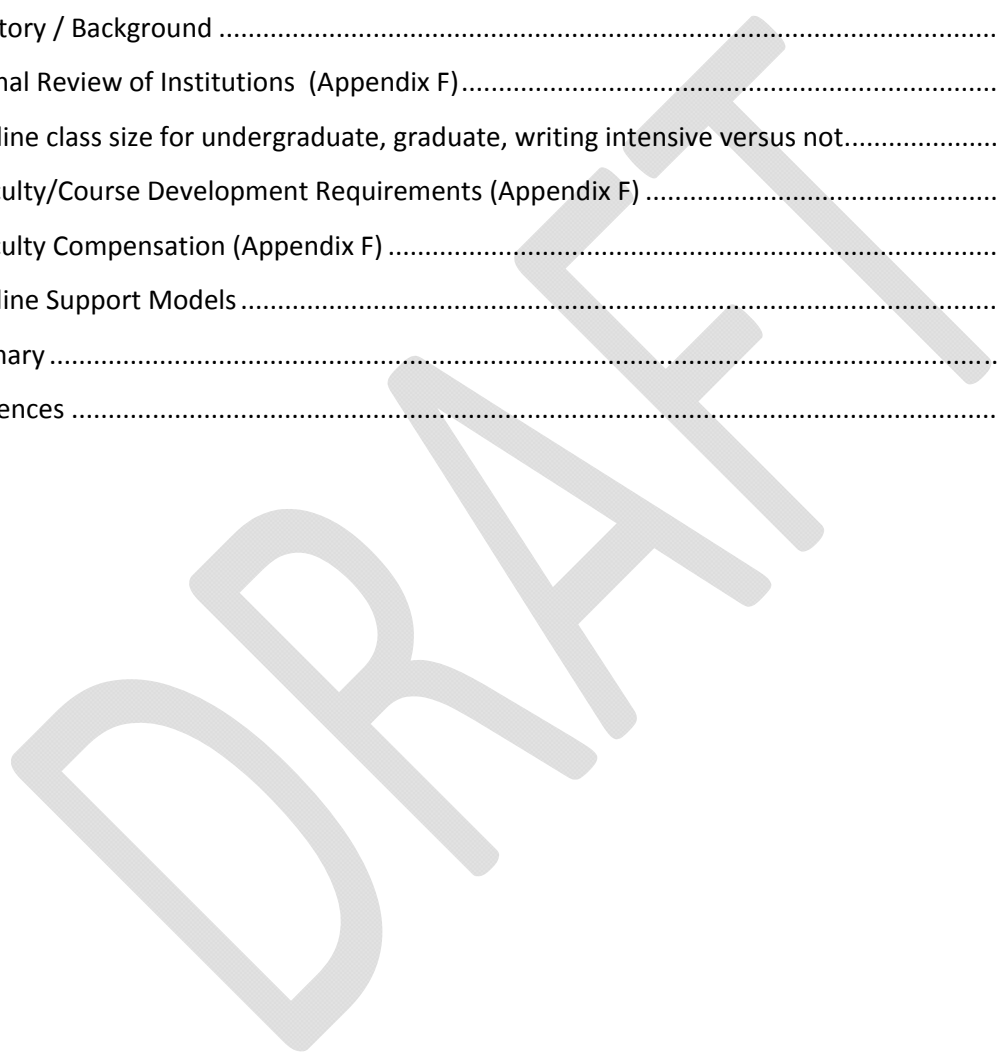
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## Introduction

In fiscal year 2007-2008, Dr. Roberta Teahen, Associate Vice President for Academic Affairs, was given the charge to develop a proposal to formalize and differentiate the wholly online course delivery system (online) from all the other distance (e.g. blended, web-enhanced learning, or site-based) and traditional learning experiences Ferris offers its students. The proposed model needed to ensure quality and pedagogically sound learning experiences while being fiscally viable for the Colleges and the University. Until July 1, 2008, the practice for all online course development, delivery, and subsequent revenue was handled through the College of Professional Technological Services (formerly UCEL). Under this model, the College of Professional Technological Services (CPTS) managed the contracts for development and delivery of all wholly online courses and paid for the same. Colleges received incentives based on SCH production. Faculty who were teaching online courses as a part of their base load were paid by the Colleges, resulting in a major contribution also coming from the colleges most active in online. Essentially, online courses were handled much the same way all off-campus courses are handled. Starting July 1, 2008, CPTS was reorganized and started operating under a zero-based budget model. Online revenues once largely flowing through CPTS were diverted to flow through the General Fund. The online budget to pay for development and delivery of online courses evaporated as all revenue was absorbed by the General Fund and then distributed throughout the University to meet ongoing expenses. It is important to note that the total increase in university tuition revenue is minimal while university costs are increasing. The only "real" tuition revenue growth is from online instruction. For year-end FY 09, CPTS will come up short approximately 1 million in being able to cover course development and delivery contracts that they continued to pay in the current fiscal year, as no other immediate source of funds was identified. For the 2008-09 academic year, Academic Affairs is replenishing this shortfall with carry forward monies, which is a one-time expenditure. As a response to this challenge and meeting the charge to develop a formal organizational system for online course delivery for Ferris, Dr. Teahen convened the E-Learning Management Advisory Team (EMAT) for the purposes of setting direction, strategy, goals, and budget for online learning at Ferris State University. This report captures the internal background and history and external research that was used to develop a university strategy, goals, priorities and budget this Team will propose in the academic year 2009-10.

### *Composition and Focus of E-MAT*

Several stakeholder groups have a keen interest in charting future directions for Ferris' online offerings, crossing at least three of the University's divisions and multiple employee groups. The membership of E-MAT was designed to provide representation of each major group and to include individuals most directly involved with management of or delivery of online programs or services. The focus of the group's work is expressly on fully online, as all other delivery methods have existing strategies. Two members of the Dean's Council (two of the three most active colleges with online programs or courses), three faculty members, one representative from the Information Technology department (Administration and Finance), one representative from Student Affairs, and a representative from the Faculty Center for Teaching and Learning are involved, along with the two individuals in Academic Affairs who have online responsibilities. The group's membership was intentionally limited so that work could be facilitated. The group has met bi-weekly, including a full day retreat in January, to develop a shared understanding of the online challenges and to propose immediate and longer-term directions. Minutes from the group's meetings have been regularly posted on the Ferris website and as recommendations were developed – such as identification of priority audiences or broad goals – these recommendations were disseminated to a wider cross-section of the University for their input, including the Academic Affairs newsletter distributed to each academic affairs employee, the Deans' Council, and

the Advancing Online Task Force. Comments received have regularly informed the group's deliberations.

## History / Background

In the last decade, Ferris wrestled with how it wanted to position itself in the online world. It developed several draft reports on this subject including, but not exclusive to, *Web-based Instruction at Ferris State University: A Framework for Policy and Action (2001)* and *Report of the Distance Education Task Force: A Proposal for the Ferris Model of E-Learning (2003)*. Both of these reports offered recommendations on course development, delivery, compensation, curricular procedures, intellectual property, and a process for online course development. The more recent of the two reports articulated recommendations on criteria for selecting courses and programs for online development. Neither set of recommendations was fully embraced by the University but each has informed continuing development. Ancillary to these reports, Ferris experienced double-digit growth in enrollment in online student credit hours (SCH). Since the 2003 report, the University experienced 336% SCH online growth. A comparison of the years 2007-08 to 2008-09 reveals the overall average growth in online SCH was 23%. This trend follows other state and community college online experiences with the community colleges generally taking the lead in online growth (Allen and Seaman, 2007, 2008). According to a Sloan-C report, *Online Nation*, by fall 2006 nearly 20% of all U.S. higher education students were taking at least one online class (Allen and Seaman, 2007). In addition, in the third and fourth quarters of 2008 and first quarter of 2009, with the rise (and fall) of gas prices and the economic recession, it has been common to read headlines in news reports like the one recently in KUSA-TV, which stated the economy has caused an increase in demand for online learning (Garcia, 2009) or gas prices have led to an increase in online enrollments (Morse, 2008). These reports are congruent with *Staying the Course: Online Education in the United States, 2008*. This report states that there is "widespread agreement that higher fuel costs will lead to more students selecting online courses." And, those institutions that offer programs that serve the working adults are most positive about their growth potential because of the downturn in the economy and the rise in unemployment (Allen and Seaman, 2008, p.1).

Ferris is currently the fastest growing four-year institution in the State of Michigan. It is realizing growth primarily off-campus and online, with online experiencing the largest growth. Not only has Ferris experienced increased demand for online courses from off-campus students, but on-campus students are also clamoring for online courses with the greatest demand coming during the summer semesters. This increased demand for online courses poses several challenges for the University: 1) the faculty capacity to teach online courses and meet student demand for them, 2) the potential of cannibalizing face-to-face courses, 3) a model by which the colleges can administer fiscally viable online courses and programs, and 4) adequacy of support for serving an increased number of students who are distant from the Big Rapids campus. All of these challenges are interrelated.

- Colleges have hired full-time tenure-track faculty to teach the online program and have not required them to teach any face-to-face courses in the same program because the program may not be offered face-to-face.
- In some programs, faculty teach both online and face-to-face courses in the same program.
- Some faculty in one college teach online courses in programs offered in another college.
- More students want online courses for a myriad of reasons than Ferris has faculty to teach them.

- Deans are challenged to reconcile the demand for online courses with the need to fill their face-to-face courses, particularly when course caps for online have frequently been lowered for pedagogical reasons, which has changed the “face” of the course and how it is taught.

These latter two scenarios are common in the College of Arts and Sciences. At present, the College does not have sufficient faculty willing, able, or available to teach the courses in demand. This situation is not uncommon in four-year institutions, which have traditionally been slower than community colleges to move to offering online courses (Allen and Seaman, 2007). Many on-campus students who work want to take a general education course online because they can fit it into their schedule. On-campus students can also save on living expenses during the summer by staying at home and taking online courses. This behavior aligns with the national statistics for online growth, particularly with community colleges, because many students who attend community colleges are working and going to school (Allen and Seaman, 2007). Ferris has the unique position to straddle the community college and university continuum.

The tension that accompanies this demand for online courses is to ward off the loss of productivity as on-campus classes go under-enrolled during the school year. Deans have the challenge to fill the on-campus courses and in order to do so, they will not allow some courses to be offered online in the summer. The University needs to agree on a model that is not prohibitive for on-campus students wanting to take online courses, but the model also needs to be fiscally responsible. Some believe that online course delivery is a “cash cow” for universities. However, this belief is not founded in the literature. At the same time, instructional costs are only one component of the full costs of offering instruction, whether face-to-face or online. The recent *Online Nation* by Sloan-C states, “Online is not seen as a way to lower costs; reduced or contained costs are among the least-cited objectives for online education” (Allen and Seaman, 2007, p.3). This is congruent with Ferris’s experience. Ferris has not realized any significant net revenue to date with the increase in online course delivery. At best, Ferris is breaking even, which creates a bit of a dilemma in how to grow and invest in online course delivery without revenues to do so. A model must be adopted that enables the University to reclaim some excess to support its growing infrastructure costs, both for online and on ground. Consequently, a viable model is required to make a win-win for all parties concerned.

To solve this dilemma, Dr. Teahen created the E-Learning Management Advisory Team (EMAT) as an umbrella management team to work collaboratively with the Advancing Online Task Force (AOTF) and the FerrisConnect Advisory Board (FAB). (See Appendix A for EMAT’s charge, membership, and dynamic organization for the three groups; Appendix B for AOTF’s charge and membership; and Appendix C for FAB’s charge and membership.) The dynamics of these three teams was to hopefully expedite the process of developing an acceptable and consensus solution to wholly online course delivery while addressing the aforementioned challenges. The focus of each group is intended to be distinctive with free flow of information among all. E-MAT and Advancing Online both advise the VPAA’s office. FAB primarily advises the FCTL and IT, although their recommendations are integral to Academic Affairs’ interests. E-MAT is focused on the administrative/leadership roles – goals, objectives, timelines, budgets. AOTF is focused on the teaching-learning process, while FAB informs training plans and recommends technology enhancements or directions. In addition to these three groups, the Senate created their own online task force (Senate Ad-Hoc E-Learning Liaison Committee. See Appendix D) to serve as a focal point for issues on policies and procedures related to faculty and online learning” (Senate motion, November, 4, 2008), and the Academic Affairs Office is forming a task force to address class size, which is made up of Senate appointed faculty members (Kimn Carlton-Smith, Jody Ollenquist, and Greg Wellman), three FFA members (Sandy Burns and two more still to be named), and three

administrators (Don Flickinger, Tom Oldfield, and Theresa Raglin). Van Edgerton will serve as a non-participant facilitator. Class size is one central issue in defining a viable online learning model. Some colleges have changed the maximum class enrollment to accommodate a changed pedagogy, while others have not. There is a moratorium on any further “cap” changes, pending a university-wide decision on appropriate class maximums.

## External Review of Institutions (Appendix F)

Before making a recommendation for how to create the brand *FerrisOnline™*, E-MAT was charged to research its peer institutions, public institutions known for best practice in online education, and the fellow State institutions that Ferris compares and competes with for online students.

The external review included the following schools:

Benchmark Schools:	State Schools	Peer Institutions (U=have a faculty union)
<ul style="list-style-type: none"> <li>• University of Central Florida</li> <li>• University of Illinois-Springfield</li> <li>• Northern Arizona University</li> <li>• Penn State-World Campus</li> <li>• University of Wisconsin-Stout</li> <li>• Purdue University – Lafayette</li> <li>• Northwestern Michigan College</li> <li>• St. Cloud State University</li> </ul>	<ul style="list-style-type: none"> <li>• Central Michigan University</li> <li>• Grand Valley State University</li> <li>• Western Michigan University</li> </ul>	<ul style="list-style-type: none"> <li>• Indiana University Purdue University-Fort Wayne</li> <li>• Troy University</li> <li>• Bemidji State University (U)</li> <li>• Central Missouri State University</li> <li>• Youngstown State University (U)</li> <li>• Clarion University (U)</li> <li>• Austin Peay State University</li> <li>• Weber State University</li> <li>• University of Wisconsin-Whitewater</li> <li>• Thomas Edison State College</li> </ul>

We sought the following information from these institutions. (See Appendix E for interview questions to institutions and detailed summary of interviews.)

- Online class size for undergraduate, graduate, writing intensive versus not
- Faculty/course development requirements
- Faculty compensation
- Online support models

### Online class size for undergraduate, graduate, writing intensive versus not

- Benchmark schools generally did not differentiate class size with delivery medium. Their face-to-face courses and their online courses in both graduate and undergraduate courses were fairly consistent with writing intensive courses typically having a lower course cap. The exceptions to this were the University of Illinois-Springfield (UIS) and Purdue University-Lafayette. UIS stated that when they first started offering online courses in 1998, their caps were smaller (15) than

those of the face-to-face counterparts. However, due to economics, those course caps have increased to 20-25. Faculty have the option of requesting a teaching assistant should the cap be exceeded. Purdue said that their online caps generally are 25, which are often less than the course caps for the face-to-face counterpart. The general practice is for the departments and the deans to determine the class size regardless of delivery.

- Central Michigan and Western Michigan Universities have similar caps regardless of delivery. Central's caps are generally determined by the room size, which is 35. Depending upon the subject matter, the course cap could be lower. At Western, the department head/chair and dean determine the online course caps, which by AAUP contract are similar to those of face-to-face. In early 2000, Grand Valley State University (GVSU) set a guideline of a maximum of 15 students for online courses. However, some practice this and others don't. GVSU does not have any online programs and only a few online courses. The general practice is for the departments and the deans to determine class size regardless of the delivery method.
- Peer institutions vary in their models. General practice is that online courses have the same course caps as their face-to-face counterparts. The class size decision comes generally from the department. In some cases it is a collaborative decision of faculty, departments, and the dean. Several of the universities allow for a lower course cap for the first time an instructor teaches online. For example, in the College of Business at the University of Wisconsin-Whitewater, faculty teaching a course online for the first time can have a reduced class size up to 50% for only one semester. Class size generally varies somewhere between 25-40 students for both delivery methods.
- Ferris also has had a practice, at least in math, where an individual teaching an ITV course has received double load credit the first time it is offered by an individual faculty member. This is one possible vehicle for the University's consideration in addressing load in online.

### Faculty/Course Development Requirements (Appendix F)

- Benchmark schools vary in their requirements for faculty in teaching online for the first time. University of Central Florida (UCF), for example, requires their faculty to complete 80 hours of training to be able to develop and deliver an online course. Yet, UIS does not require their faculty to receive any training prior to creating an online course or teaching online, but they encourage faculty to work with an instructional designer/instructional technologist. Whether or not the institution has a faculty union doesn't seem to make any difference in these types of policies for faculty. In most cases, faculty are required either to get some training or be assisted in their design by an instructional designer or to have their course reviewed through a Quality Matters type of process. All schools offer some training and instructional design services if the faculty choose to take advantage of them. These benchmark schools generally use Quality Matters<sup>1</sup> to evaluate the quality of the course or a variation of it.

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<sup>1</sup> Quality Matters (QM) is a faculty-centered, peer review process designed to certify the quality of online courses and online components. Sponsored by MarylandOnline, Inc, Quality Matters has generated widespread interest and received national recognition for its peer-based approach to quality assurance and continuous improvement in online education. Originating from a FIPSE grant, Quality Matters is now a self-supporting organization offering institutional subscriptions and a range of fee-based services including Quality Matters-managed course reviews and an array of trainings. (Quality Matters, 2006, ¶11)

- At Central Michigan, faculty are not required to take any training prior to creating online courses or teaching the same. They are required to work with an instructional designer who is approved by their department head. Courses are evaluated and reviewed through the university curriculum process. Western Michigan does not require their faculty to receive any training or instructional design services to create online courses or teach them, unless it is required by the faculty's department chair. However, they are encouraged to take a course that covers best practices. If they take this course they are compensated for it. Grand Valley State University has no requirements or guidelines for faculty to teach online. Some departments have developed their own.
- Peer institutions run the gamut of requiring faculty to receive specific training for design and teaching online or receive instructional design services before they can create and teach online courses to not requiring any prior instruction. All institutions encourage faculty to have some sort of instruction, whether it is working with an instructional designer or some formal training, prior to designing and teaching online. Most institutions require the faculty to use their selected LCMS if they are going to teach online. As a representative of one school said, "We don't require our faculty to use our LCMS exclusively for course content. However, we do require that if they are going to teach online, they use Blackboard for their gradebook and communication. This allows the institution to protect the faculty should there be a student altercation. We can't protect them if they use alternative product for grades and communication that's external to the institution" (Gearhart, 2008).

The most common evaluation process for the integrity of online courses is Quality Matters, or a similar process.

### Faculty Compensation (Appendix F)

- Benchmark institutions have a variety of models for course development compensation models. They vary from not paying faculty anything for course development (University of Wisconsin-Stout, St. Cloud State University) to paying \$2k for 80 hours of instruction with an assigned instructional designer (University of Central Florida) to paying anywhere between \$3k-\$5k for undergraduate course development (University of Illinois-Springfield, Penn State World Campus) to offering faculty 11%-12% release time (Penn State-World Campus) or, as in the case with Northern Arizona University, to paying faculty for module development.

With respect to compensating faculty for teaching online, again, the models vary. None of the institutions use an exclusively adjunct model for instruction, other than in specific programs (e.g. CIS or MAEd as in the case with University of Illinois-Springfield and Northern Arizona University). Several schools pay their faculty on a per-student basis when course caps are exceeded or when the courses are taught external to in-load or over-load through the distance learning unit (World Campus, St. Cloud State University).

Central Michigan University pays its faculty \$1,600/credit hour for course development. Faculty per contract can teach only 3 overloads per year. For those programs that are fully online, full-time faculty teach them in-load.

Grand Valley State University does not have any online programs and only a few courses. Faculty are paid \$2.5k to \$2.8k for course development or course conversion. All courses whether they are over-load or in-load are paid by the department according to the standard rules of course

compensation set by the University. If faculty want to keep the Intellectual Property, they don't get paid.

Western Michigan University's faculty receive \$1k for attending their e-teaching endorsement program. Faculty developing and teaching any e-learning course through their distance learning unit (ATIS) receive an extra \$1k up to three sections delivered. The stipend follows the course, not the instructor.

- In the peer Institutions there are a variety of models for course development compensation, from no compensation to funding \$6.5k (IUPU-Fort Wayne) for course development in a standard university model. Indiana University-Purdue University-Fort Wayne's model has a competitive process for course development. Faculty compete for funding. They receive an initial percentage of funding at the start of the course development project, but they are not fully compensated for the course until the distance learning unit has the course and reviews it. Also, in their model, the course revenue reimburses the investment to the distance learning unit. Some institutions have the agreement that if they don't pay for course development, they will pay faculty \$125 to have their course reviewed (Bemidji). The exception to this practice is Thomas Edison State University, which does not employ faculty but hires all faculty as content experts for development and adjuncts for instruction.

Most of the schools have their full-time faculty teach their online courses either in-load or over-load. The University of Minnesota state system allows faculty only 5 credits over-load per year, so if they choose to exceed that and teach through a distance learning unit, faculty are compensated \$65/SCH basis (Bemidji). The compensation models vary for teaching online. Generally, faculty are compensated within the standard institution practice for course delivery or they are paid on per SCH or per student basis. In the pay-for-enrollment models, peer institutions pay faculty for the entire SCH or total number of students in the course or for those students or SCH that exceed the course cap.

### Online Support Models

- **Financial Models:** There are basically three different support models for online campuses: self-support models with profits going back to the departments, revenue sharing models with money going to the institution's general fund, and student fee models. Fees are either charged per semester, or per student credit hour. For example, the University of Central Florida just raised their fees to \$18/SCH for their online courses.
- **Student & Faculty Support:** Some, but not all, schools offer extended hours for online students. It depends upon the number of programs and their audiences. Some schools have student support in the form of college/department liaisons (University of Illinois-Springfield, Weber State University) whereby colleges, departments or programs are assigned individuals to support their students. Most schools have some type of student orientation for online learning. All encourage it, but few require it. A few schools that require an online orientation for those students entering their programs. (These schools were not part of this study, but two examples are the University of Wisconsin-Madison, College of Engineering, and Excelsior College).

Most schools had at least one or more instructional designers on board. There seemed to be a relationship between whether the institution required instructional support prior to the development of online courseware and teaching online, and how many instructional designers were employed for faculty support. A similar relationship seemed to exist with respect to

instructional technology support. At some universities, like Weber State University, instructional designers were assigned to colleges or departments to assist them in developing courseware. In every case, except for the very large institutions serving large populations of online students (Penn State World Campus and University of Central Florida), all the universities in this study relied on their internal IT departments for technical support: they didn't have a separate technical infrastructure for their online offerings.

## Summary

Ferris faces the challenge of determining the extent it wants to grow and serve the online demand and the way it can continue to provide quality online instruction in a fiscally responsible manner. During these economically difficult times, organizational structures and corresponding human resource need to be streamlined, minimizing, and eliminating where possible, redundancy. Therefore, whatever organizational model and system Ferris needs to capitalize on its current online resources, even if that may be repurposing some of them. With the change of how online revenues flow through the General Fund and no longer through CPTS, Ferris has the opportunity to work collaboratively as a University to provide quality online education and service to its students, which means judiciously allocating resources to support faculty and students in a streamlined and efficient process. This aligns with President Eisler's thought as quoted in the *Report of the Distance Education Task Force: A Proposal for the Ferris Model of E-learning* (Eisler, cited in Brown, et al., 2003?):

Does distance education have responsibility for online and colleges the responsibility for web enhanced or enabled efforts? This seems to reflect traditional roles and responsibilities, but makes little conceptual sense. Inevitably such an approach will lead to a duplication of efforts and potential waste of valuable resources. In reality faculty need one point of contact for support of their teaching efforts. Students should seek assistance from one source. It will be very interesting to observe how this issue evolves and is resolved at universities. Depending upon campus structure and organization, this could prove to be an expanding responsibility for distance education efforts. (p.24)

The research that is embodied in this report suggests institutions have solved this challenge in a variety of ways:

- Class sizes are determined by faculty, departments and colleges and are determined on pedagogy, not delivery medium. Class caps in undergraduate courses are generally a little higher than those in graduate courses; class caps in lower division courses are the highest of all three. Writing intensive courses have overall lower course caps. General practice with a few exceptions is class size does not vary between face-to-face and online.
- The general sentiment is that quality of online courses and delivery matters regardless if training is required prior to the design and teaching. Therefore, many schools exercise the Quality Matters best practice, or they have online courses go through the same rigor as the face-to-face courses - the institution's curriculum review.
- The tendency for four-year institutions is to have full-time faculty teach online. Compensation models vary if faculty are paid through their distance learning unit. If faculty are paid by their departments for online courses, then it seems the department's practice is the same they use for face-to-face compensation.

- Regarding compensation for developing online courses, this earlier trend appears to be declining as online offerings become more mainstream. Although there are schools still paying for course development, it is generally less than what it was when they first started offering online courses. Other than IUPU-Fort Wayne and Thomas Edison State University (which is a model more like the for-profit schools), Ferris offers the highest compensation for online course development in comparison to the other schools that were reviewed in this study.
- Student support and faculty support models also vary. It is safe to say that the larger the online enterprise, the greater student and faculty support is afforded, but not necessarily required.

With the various online focused efforts across campus (AOTF, EMAT, AHELL, and the class size task force), Ferris is poised to find a viable solution that will work for the good of the institution and its constituents. In fact, the current economic and demographic environments demand that we find a model that will continue to enhance the image of Ferris while enabling the University to meet its fiscal requirements.

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