
Current Administrative Structures Used for Online Degree Program Offerings in Higher Education

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Abstract

Online distance learning or distributed learning (i.e., learning via the Internet and the World Wide Web) can be regarded as one of the fastest mainstreamed instructional delivery systems and technologies introduced in higher education. Naturally with such a fast introduction of a radically new instructional innovation, major stakeholders were quick to assess distance learning via the Internet for its quality, academic standards, affect on accreditation, institutional strategic opportunities, pedagogical potential, and market value potential. It is evident that colleges and universities see online distance learning as part of their strategic plans and initiatives. Therefore, more attention should be given to how best to *structure* distance learning programs within higher education organizations. This study identified the range of *general administrative structures* that universities are currently using in offering online degree programs. A typology is identified that accounts for the *extent and nature* of these general administrative structures through our analyzing 239 universities selected for offering at least one graduate degree fully online. The study looked at the launch date trends as they relate to selection of one of the six general administrative structures emerging into a typology: 1) *Academic Department*; 2) *Continuing Education/Professional Studies Unit*; 3) *Distance Education Unit*; 4) *Consortium*; 5) *Alliance* and 6) *Outsource*. We learned that 90 percent of schools in our study are delivering their online degree programs with an *Internally*-based administrative arrangement. Only 10 percent of the schools we investigated are using some type of *External* administrative structure to offer their online degree programs. More specifically, when we look at the locus of control for internally-based administrative programs, we see that 62 percent of those schools analyzed for this study still have the *academic departments* in control. When examining the *frequency* of launch dates for the respective *Internal* administrative structures for the yearly range 1998 to 2004, we found two significant trends: The decrease in the Department as a chosen Internal administrative structure and the more recent popularity of the Distance Education Unit as the chosen administrative structure. Findings from this research corroborate, clarify, or correct findings from prior research that looked at administrative structures used for online degree programs. Research limitations are given. Authors outline their areas for further investigation.

Introduction

Online distance learning or distributed learning (i.e., learning via the Internet and the World Wide Web) can be regarded as one of the fastest mainstreamed instructional delivery systems and technologies

introduced in higher education.

Distance learning has evolved through a number of instructional modalities during the last 60 years. Distance learning began with correspondence courses just before the turn of the 20th century. Correspondence courses, the lowest tech and not as widely used—or accepted—delivery method for postsecondary learning, did meet the needs of a delimited population of learners who were truly at a distance from a college but had a need, usually vocational, for college level courses.

There was great enthusiasm for how the innovation of television could democratize education. This promising form of distance learning could reach many more students, even faster than correspondence courses, and with a relatively higher touch level of communication. However, while several attempts were made with the major television networks, college level courses were sponsored mainly via public television stations beginning in the early 1950s.

The development of videotape and the increasing quality and reduction in price of videocassette recorders and monitors added flexibility for students who could watch their professors whenever they wanted to, without consulting or reliance on the on-air TV schedules. Efforts in improving production of this one-way instructional communication became the focus for two decades, and then another technology breakthrough arrived in the form of synchronous teleconferencing. CD-ROMs added another high quality, but inexpensive, medium to support instruction. The production of CD-ROM instructional programming shifted the focus of instruction to student-centered interactivity.

Just when colleges were ramping up their newfound video conferencing capabilities and studios in the mid 1990s, the potential for Web-enhanced, Web-facilitated, and finally online learning courses via the Internet was realized. For example an International Data Corporation Report (1999) found that among all higher education institutions offering any distance education, the percentages of institutions using two-way interactive video and one-way prerecorded video were essentially the same in 1997-98 as in 1995. However, the percentage of institutions using asynchronous Internet-based technologies, almost tripled, from 22 percent of institutions in 1995 to 60 percent of institutions in 1997-98. (IDC, 1999)

While all of these earlier and evolving forms of distance learning will continue to have some utility for college student learning, it is clear that the number of students participating in college-level online courses has out-distanced all other forms of distance learning, in a remarkably short amount of time.

The U. S. Department of Education began major surveys of distance learning programs offered by colleges in the 1994-95 academic year. (Lewis, Snow, Farris & Levin; 1999). In its most recent and updated survey by the U.S. Department of Education's National Center for Education Statistics, in the 12-month 2000–2001 academic year, there were an estimated 3,077,000 enrollments in all distance education courses offered by 2-year and 4-year institutions. (Waits & Lewis; 2003). There were an estimated 2,876,000 enrollments in college-level, credit-granting distance education courses, with 82 percent of these at the undergraduate level. Furthermore an estimated 118,100 different college-level, credit-granting distance education courses were offered, with 76 percent at the undergraduate level.

Among the 56 percent of institutions that offered distance education courses, 34 percent had degree or certificate programs designed to be *completed totally through distance education*. Institutions were more likely to offer distance education *degree programs* than certificate programs. Among the institutions that offered distance education courses in 2000–2001, NCES reported that 30 percent offered degree programs and 16 percent offered certificate programs.

The International Data Corporation's analysis of online distance learning in higher education between 1998 and 2002 (1999) estimated that 2.2 million college students would be enrolled in distance education by 2002, up from approximately 710,000 in 1998. It was estimated that 85% of two-year colleges would offer distance-learning courses by 2002, compared to 58 percent in 1998. Four-year colleges and universities that offered distance education courses would jump to 84% in 2002, an increase from 62 percent in 1998.

Their report showed that 78 percent of institutions that offered distance-learning courses in 2002 used web-based technology; whereas in 1998 videotape was the most popular (59 percent) showing, again, a remarkable change in the use of an instructional technology tool in higher education. (Videoconference 57 %; PC-Based Presentations 56 %; Audio-conference 29 %; and Digital video 22 %).

More recent studies on the nature and extent of online learning in U.S. higher education have been undertaken by the Sloan Consortium. (Allen & Seaman, 2006). Sloan has produced four annual reports measuring a) growth of online learning from previous survey; b) type of students learning by enrollment status; c) type and size of institution offering online courses and degree programs; d) perceptions of quality by CAO and faculty; e) online learning as part of the institution's long-term strategy; and f) barriers to widespread adoption on online education.

The November 2006 report *Making the Grade: Online Education in the United States* concludes that there has been *no leveling of the growth rate of online enrollments* for colleges and universities. (Allen & Seaman, 2006). The Sloan Consortium believes that there is ample evidence to show that growth in online learning at our nation's colleges and universities is occurring in both numerically and on a percentage basis.

Naturally with such a fast introduction of a radically new instructional innovation for higher education, major stakeholders were quick to assess distance learning via the Internet for its *quality* (AAUP, 1999; University of Illinois Faculty Seminar, 1999), *academic standards* (Western Cooperative for Educational Telecommunications, 1998; The Institute for Higher Education Policy, 2000), *affect on accreditation* (Eaton, 2000; 2001), *institutional strategic opportunities* (Richard N. Katz and Associates, 1999), *pedagogical potential* (The Institute for Higher Education Policy, 1999; Palloff, & Pratt, 1999), and *market value potential*. (Eduventures, 2007; Primary Research Group, 2004).

Research Study

Prior Research

While healthy commentary continues on all of these issues related to online distance learning, especially between those who have an entrepreneurial and market driven posture and those who are on the "front lines" of accountability for quality assurance in education, it is evident that colleges and universities see online distance learning as part of their strategic plans and initiatives. The Sloan Consortium surveys show that the proportion of academic leaders who believe that online distance learning is part of their institutions' long-term strategy continues to grow. (Allen, & Seaman, 2006). In their 2003 survey, almost 50 percent of the respondents "agreed" that online education is critical to the long-term strategy of their institution, and this agreement has risen to almost 60 percent by the 2006 survey.

Given that many institutions in higher education are and will include online distance learning in their strategic plans, it will become important for them to decide how best to organizationally structure online learning within their institutions. Structural decisions in supporting online distance learning obviously affect several units within the university, e.g., technology, enrollment management, and most important academic affairs participation and oversight. However, as individual institutions have "worked out" some high-level structural arrangements to support their online distance learning degree programs, there has not been as much attention to identifying what high-level structures are used, now that a critical mass of schools are offering online degree programs.

Over the past two decades, researchers have addressed the question of how best to structure higher-educational organizations for the effective delivery of online distance learning programs. A few of the key research studies and their findings are summarized below:

- Mark in 1990 delineated *four types of structures used* in managing distance education offerings in higher education: *distance learning program, unit, institution, and consortium*. He defined the distance education "program" as distance education courses developed entirely by the faculty of an academic department. In a "distance learning unit," there is a separate entity operating inside of the university managing these offerings. Often, the unit will have its own full-time staff, which is dedicated to the development of distance education courses. A "distance learning institution" is

considered a wholly separate entity with its own faculty, administrative, and supporting units. Here, the entity's "sole purpose is the development and delivery of distance education courses." Finally, he identified a *consortium* as "an alliance involving two or more institutions or units, which share design and/or delivery resources" for distance education.

- Hanna (1998) in a study looking at the broader changes to institutional structures identified seven models of higher education organization that are "challenging the future preeminence of the traditional model of residential higher education." She argued that these models are emerging to "meet the new conditions and to take advantage of the new environments that have created both opportunity and risk for all organizations, and which demands experimentation of structure, form, and process." She concluded that the new digital environments and learning technologies would accelerate universities to change more quickly and dynamically. The study did not identify the number of institutions analyzed, but stated that the formation of the models "derived from analyzing trends, characteristics and examples of emerging organizational practice." These seven identified models are
 - A. Extended traditional universities
 - B. For-profit adult-centered universities
 - C. Distance education/technology-based universities
 - D. Corporate universities
 - E. University/industry strategic alliances
 - F. Degree/certification competency-based universities
 - G. Global multinational universities
- Stone, Showalter, Orig, and Grover conducted an empirical study of course selection and divisional structure in distance education programs among 58 colleges to determine specifically how *centralized* or *decentralized* institutional structures and criteria impact types of courses or programs offered in a distance education format. (2001). They wanted to learn if the schools assign administration of the program to a central distance education department, handling all course offerings for the entire institution, or if the individual divisions or departments administer their own courses. They concluded that the distance education programs at these institutions really "evolved more through *trial and error* than through strategic planning."
- Concerned about the "haste to deploy online courses" in higher education, Gustavo and Moller outlined a "practical structure in which design, policy, and implementation issues can be framed and addressed" for distance education administrators (2001). They provided recommendations based on "best practices from the human performance and distance education literature," as well as from their own experiences with instructional systems design. They set up a framework and made recommendations to help administrators who are just getting started, as well as for those who are in the process of reorganizing their distance education offerings. Concerned about the "just happening" management and oversight of distance education, these authors strongly recommended schools having a clear vision of performance goals, plans for making the vision a reality, and *structures and systems* to manage performance.
- In the research conducted by Laird (2004) he considered four categories of models of e-Learning integration.
 - Independence or distance education model--The online or distributed learning unit operates on the fringes of the academic enterprise. Typically in this model, a continuing education or extension operational unit runs a parallel division of the institution with little or no real connection to the traditional enterprise.

- Lone wolf model (see Bates, 2000). Individual faculty members are given exclusive control over the online creation and distribution of their educational materials.
- Silo model--Each department/school/faculty is given exclusive control over the design, development, and delivery of online learning. In this model, infrastructure costs become redundant and standardization of online educational materials is poorly controlled.
- Integration model-- Online learning infrastructure is placed at the core of the academic enterprise. This placement of the online learning enterprise at the core of academic administrative processes enables maximum quality and standardization of quality with minimal redundancy and cost.
- Writing in a chapter in *The Design & Management of Effective Distance Learning Program*, Diane A. Matthews addressed the emerging “players in distance education.” (Discenza, R., Howard, C., & Schenk, K; 2002). She described three emerging players as *consortia or collaborative, contracted or brokered* arrangements, or *virtual universities*. *Consortia or collaboratives* represent cooperative pooling and sharing arrangements among institutions, which she found to be typically, traditional colleges and universities. These institutions joined together to provide distance education usually on a statewide or regional basis, or already had a consortium established for cooperative programming. However, the authority to award degrees and credits remained with each member institution and does not shift to the consortium as a separate established degree granting entity. *Contracted or brokered arrangements* according to Matthews are configurations of institutions, faculty, or other providers brought together solely for the purpose of delivering distance education. In this arrangement the authority to award degrees and credits rests with the contracting or organizing entity, not with the originating institution. *Virtual universities* here are naturally institutions that offer most or all of their instruction via technological means and are distinguished by their nearly exclusive use of technology as the educational delivery device.
- Carlinger has described in more detail the possible arrangements for universities offering distance learning “courses” in an alliance (“partnership for Carlinger). (2001). He found three models to be “most common.” One model is the *remote classroom arrangement* whereby all of the locations involved are administered by the same school and, therefore, operate under the same administrative policies and procedures. Here one university broadcasts its courses to other classrooms so students can learn and this delivery is merely an extension of the same classroom, course, and university. In a *cross-enrollment model* students from the participating universities take courses at the sponsoring (offering) university (usually there are no similar courses taught among the participating universities) and the course transfers back to the participating universities. While students enroll through their home institution, the course operates under the policies and procedures of the teaching institution. There can also be a *joint offering* whereby a course taught by one university is broadcast, web cast, etc. to another university and students in each university enroll through their own institutions, but are governed by the policies and procedures for their home institutions.
- Lee, Chun, Im, and Heo undertook a search for an academic and organizational model for “e-Universities” by conducting a comprehensive cross analysis of a diverse set of information including literature review, analysis of e-universities, survey of expert opinions, benchmark analysis of e-Learning enterprises, and survey of four e-universities. They conducted extensive analysis of the academic administration and organization in four international digital distance universities: University of Phoenix Online, Penn State World Campus, University of Maryland, University College, and University of Southern Queensland. They then proposed an academic administration and organizational model “appropriate for enhancing the educational quality of digital distance universities.” They believe that distance education “should not be viewed as a supplementary function of an existing university” and that “introducing a new set of departments, equipment, staff, rules and regulations is necessary to raise the level of efficiency and effectiveness.”
- In their ongoing work to study *barriers* to implementing distance training and education in organizations, Cho and Berge believe that a “centralized policy-making, or administrative structure, in the organization is critical to implementing a distance education programs in a consistent, effective, and efficient manner.” (2002). Furthermore they believe that “successful

teamwork is a cornerstone of much of the work that occurs in organizations” but are concerned that there is little evidence in developing competencies for virtual teams that are managing distance education offerings in universities.

- Bleak (2002) in studying governance of for-profit subsidiaries and their fit within the traditional non-profit university conducted case studies of two for-profit subsidiaries established by higher education institutions to deliver distance education. She looked at the degree of “*insulation*” versus “*integration*” and came up with four major recommendations:
 1. Administrators must remember that culture cannot be discounted or forgotten when managing distance-learning initiatives.
 2. A description and explanation of the purpose of the online learning venture must be done in order to prime the university before a full-scale distance learning initiative can be launched, especially if it is a for-profit subsidiary.
 3. The subsidiary’s relationship to the academic side of the institution must be articulated.
 4. Distance learning administrators may be much better at managing for-profit subsidiaries than the more popular business executives.
- Compora gathered data and used a case study research design from six selected colleges and universities in Ohio and looked at their operational practices regarding the establishment, practices, procedures, administration and management of distance education programs. (2003). He found “little consistency as to how courses get approved for distance delivery.” He also found that the established guidelines and procedures used by these institutions were not being followed with regard to the development, administration, and management of distance education programs. He recognizes that while each institution has its unique characteristics, “it is important to follow some established procedures to insure that the program is meeting the needs of all parties involved.” He suggests a nine-step component model to address the major administrative needs of most distance education programs.
- Howell, Williams, and Lindsay conducted an extensive integrative literature review to summarize the “current state and future directions of distance education.” (2003). They looked at books, journal articles, reports, and web sites (most published within the last 3 years) and relevance to distance education, information technology, and impact on the larger, higher education community.” This prodigious work amassed citations of some 140 pages. They thematically identified 32 trends that affect distance learning. Trends were organized into categories such as 1) students and enrollment; 2) faculty members; 3) academics; 4) technology; 5) economy; and 6) distance learning. Of the 32 trends, only two related to this current study’s topic. They believe that one trend is “a shift in organizational structure toward decentralization.” They also believe that “outsourcing and partnerships are increasing.”

Research Statement

Although the above studies provide useful information and further the research topic, they are mostly qualitative in nature with many being case-based and anecdotal in nature. Today, given the popularity of online distance programs across the United States, the data and need exists for more empirical quantitative research.

This research study aims to assess the current administrative structures used in offering online degree programs in higher education. Assessing the current high- level structural arrangements supporting these online degree programs gives the college and university leadership a sense of the range of options available to them and allows us to outline a research agenda to discover reasons for such structures or to make recommendations based on strengths and weaknesses of these structures and their alignment with an institution’s strategic plan.

The study identifies the range of *general administrative structures* that universities are currently using in offering online degree programs. Once a typology can be established, we account for the *extent and nature* of these general administrative structures, by analyzing 239 universities identified as offering at least one graduate degree fully online. The study then looks at the launch date trends as they relate to selection of one of the general administrative structures identified in the typology.

Methodology

Typology/categorization

Universities today have a range of options in administering their academic programs. Stimulated by increasing competition among themselves for students in many areas of the country, especially in adult continuing education and graduate studies, coupled with the advent of totally online learning and the ability to attract students at a distance, universities have considered other models for administering online programs beyond the traditional “department -run” model.

For example, some universities have looked to their divisions of adult and continuing education to manage their online programs, seeing a natural fit to units that work with “non-traditional” students or capitalize on their existing range of competencies in working with adult students. Other universities have made the commitment to establish “separate” divisions of online learning to manage their range of degrees offered online. Several state systems have set up consortia of universities through which students can take online courses or earn a degree using courses from a single school or sometimes courses combined from several schools in the consortium. Some schools have sought assistance from outside educational organizations, thereby forming alliances or outsourcing their online degree program offerings.

The range of options used for the general administration of online degree programs can first be categorized as either *Internal* or *External*. *Internal* means that all aspects of the online degree offering are handled by personnel and units from within the university. *External* means that there is some outside cooperation or assistance from an entity, other than the university, in the general administration of the online degree offering. From these two general categories, we have identified through this study *six general administrative structures* that universities are currently using to offer online degree programs. These six structures are described as follows.

Internal

Academic Department: The academic department granting the degree has the *lead* in most, if not all, of the curriculum and key administrative duties in offering the online degree.

Continuing Education/Professional Studies Unit: A previously existing continuing education/professional studies unit within the university has the *lead* in many, if not all, of the curriculum and key administrative duties in offering the online degree.

Distance Education Unit: The university has set up a “separate” or adjunct distance education unit to take the *lead* in many, if not all, of the curriculum and key administrative duties in offering the online degree.

External

Consortium: The university has joined other similar universities to cooperate in the offering of online degrees. The nature of cooperation for the administration and operations of the degree offerings may vary, but there exists a strong, formal relationship among the members.

Alliance: The university has joined other universities that may or may not be similar to gain some type and level of administrative or operational service through an entity that is the focal point for the alliance of schools.

Outsource: The university has turned over much of the administrative and operational duties to an outside entity that is really managing the offering of the online degree program.

Data gathering method

Universities selected for analysis came from the list of schools reported by *U.S. News & World Report's* 2006 "E-Learning Guide." We retrieved this list online during July 2006 at www.usnews.com/usnews/edu/elearning/tables.

U.S. News & World Report has been conducting surveys and reviews of universities and colleges that offer "ONLINE Bachelor's & Master's Degrees" since 1999. This U.S. national magazine's annual report surveys regional accredited school personnel for select information on online graduate programs for several areas of study: Business, Public Health, Nursing, Library Sciences, Engineering, and Education. We decided to include in our study, those schools offering fully online graduate degrees in the following areas: Business, Engineering, and Education.

U.S. News & World Report's E-Learning Guide reports a number of characteristics about these schools that offer fully online programs. These include:

- Name of School and State
- Website for Consumer to Connect to School
- Year Program Was Launched
- Note if the School's Program is Professionally Accredited
- Number of Students, i.e. total enrollment online (Fall 2004)
- Technical Help and Number of Hours Available
- Limit on Class Size
- Typical Credit Hour Charge

From this list and using the criteria of schools offering a graduate degree *fully online* in the study areas of Business, Engineering, or Education, we identified 239 schools to review for the purposes of our present study.

Our protocol for reviewing these schools' online degree offerings to determine the range of *general administrative structures (Internal or External)* and the *extent and nature* of these general administrative (See six constructs in typology above.) included the following:

1. Go to the homepage of the university under review;
2. Look for direction from this homepage to online learning, distance learning, etc.
3. If homepage does not direct the user to the distance learning area, search colleges/schools or department's web pages in university that offer fully online degree programs
4. Once online degree program area is found, assess the following factors of general administration
 - a. Presentation of information about the degree program, such as overall purpose of degree, learner outcomes, course description, major and minor areas of study, and degree completion requirements
 - b. Description of faculty teaching in the degree program
 - c. Admission requirements, how to apply, and whom to contact for information on making an application
 - d. Whom to contact for further information
 - e. Other areas, e.g., academic suite uses, technology.

Characteristics that placed a school's program into the Internal administrative category:

1. *Academic Department*: An academic department offering the degree clearly has responsibility for the curriculum, operations and offering of the online degree given that it
 - Provides information about the degree part and parcel to other material on the department's web page
 - States that students are taught by faculty within an academic department
 - Outlines content of program, admission, and degree completion requirements
 - Directs students to the "regular" admission procedure as with other on- ground degrees
2. *Continuing Education/Professional Studies Unit*: The university directs prospective students to a distinct area of the university that also manages programs-- including on ground-- considered adult continuing education, extension, professional studies, etc. Although the online degree program may have some (often hard to determine) relationship with an academic unit outside the continuing education unit, there is strong evidence that the continuing education unit is managing the operations of the offering, given that
 - CE unit provides complete information about the degree program, such as courses and content of program, admission, and degree completion requirements
 - Faculty are recruited or assigned from this CE unit; at times it is unclear where the faculty are affiliated. The CE unit may make a note that faculty are experienced in the content area (often stated as "practitioners") and adept at teaching adult learners or nontraditional students, and can certainly teach online courses
 - Students apply directly through the Continuing Education/Professional Studies unit
 - Prospective students are asked to contact a representative from the CE unit for any further questions or information.
3. *Distance Education Unit*: There is clear evidence that the university's fully online degree program is managed by a "full service" online or distance education unit. While there is some variation in the approach and models of organization, this unit is fully affiliated with the university and shows a strong internal university brand.

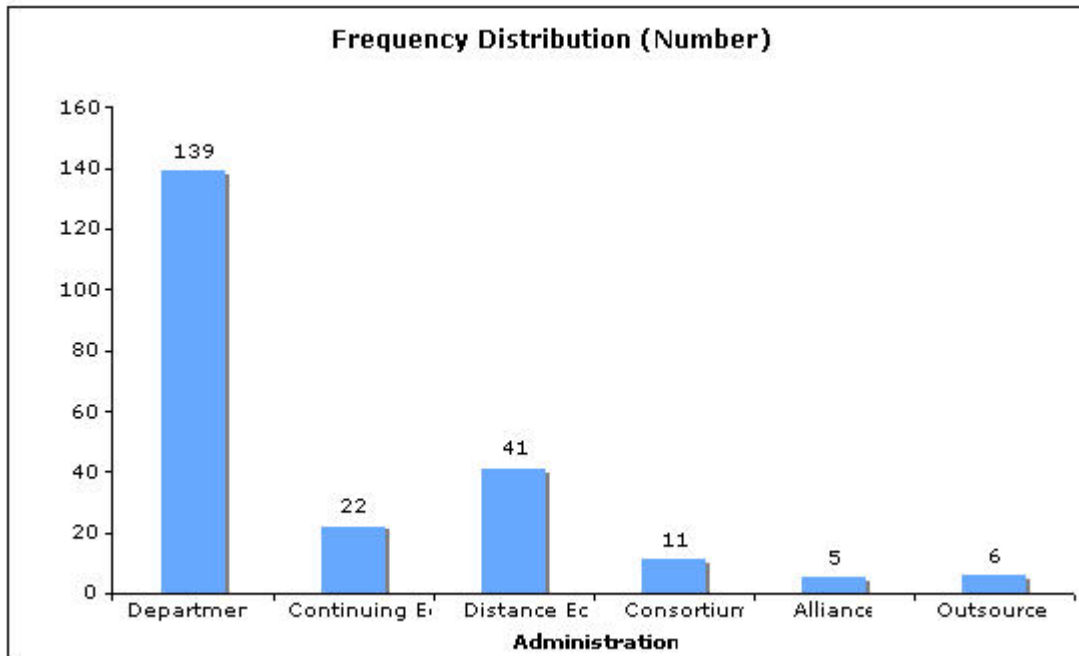
Characteristics that placed a school's program into the External administrative category:

1. *Consortium*: There is evidence that the university has joined other, usually similar, universities to *cooperate* in the offering of online degrees. The nature of cooperation for the administration and operations of the degree offerings may vary, but there exists a strong, formal relationship among the members. This *consortia relationship* often allows students to take courses from any university in the consortium, thus improving diversity of options for the students and it increases the number of courses available each term. Consortia are more likely to form among large state-run systems of higher education. Some may have another common affiliation, e.g., religious sponsor.
2. *Alliance*: There is evidence that the university has joined other universities that may or may not be similar to gain some type and level of administrative or operational service through an entity that is the focal point for the *alliance* of schools. The alliance may provide economies of scale for advertising, or student recruitment strategies. The alliance may provide high level and responsive student services, (operation works on student as customer) while the academic decisions (admissions, curriculum, faculty selection) remain with the respective universities.
3. *Outsource*: There is evidence that the university has turned over much of the administrative and operational duties to an *outside entity* that is really managing the offering of the online degree program. Such entities could be for-profit subsidiaries of the university or an outside, usually dot.com, entity.

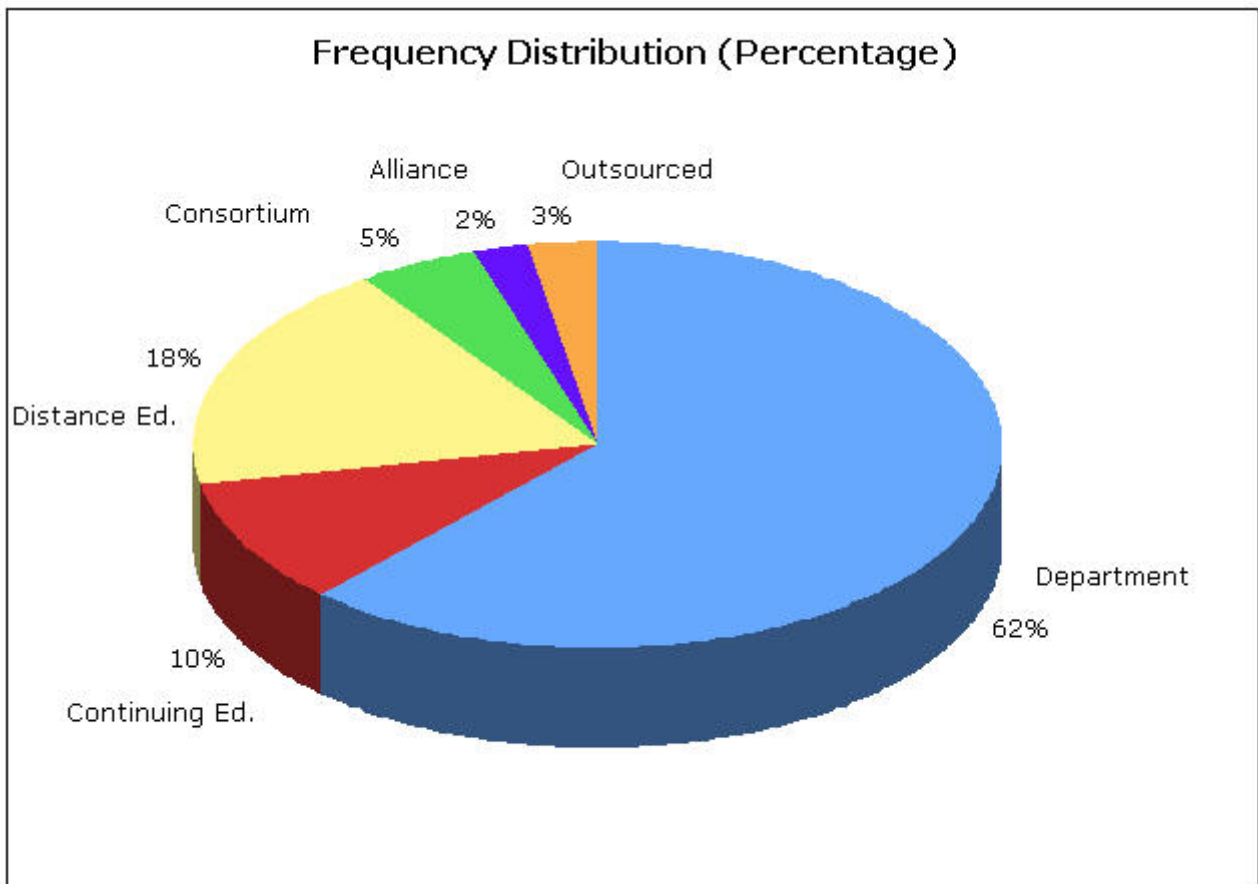
Following this protocol we reviewed 239 schools from the *U.S. News and World Report* 2006 list to determine the range of *general administrative structures* (*Internal* or *External*) and the *extent and nature* of these general administrative (See six constructs in topology above.). Stratified sample of 10 schools was initially reviewed by each author to test for congruence in assessment and identify any changes to the initial topology. Adjustments were made accordingly. Authors then conducted reviews of all schools. A second review was conducted and authors discussed any questionable characteristics or category in which to assign a school and for salience between authors' reviews.

Research Findings and Data

Graph 1. Frequency Distribution Among Six General Administrative Structures Used by Our Select IHE* (N=239) in Offering Fully Online Graduate Degrees.



Graph 2. Frequency Distribution Percentages Among Six General Administrative Structures Used by Our Select IHE* (N=239) in Offering Fully Online Graduate Degrees



Schools investigated for this study are overwhelmingly using *Internal* administrative structures to offer their graduate degree programs fully online. Our data shows that of the 239 schools under study, 202 (90 percent) deliver their graduate degree programs through an *Internally*-based administrative arrangement. The corollary finding is that 22, or a low 10 percent, of the schools investigated are using some type of *External* administrative structure to offer their online graduate degree programs.

Within the Internal administrative structures used, schools are overwhelmingly managing these online graduate degree programs through their academic *Departments*. Our data shows that of the schools in our study, 139-- or a high 62 percent-- are situated well within the academic departments. The next most popular structure used by schools keeping an internal administrative managed structure is the *Distance Education Unit*, accounting for 18 percent of schools analyzed. The least popular internal structure at this time period is the *Continuing Education/Professional Studies Unit*, used by 10 percent of the schools in the study.

Schools investigated for this study are less likely to use *External* administrative structures to offer their graduate degree programs fully online. Our data shows that of the 239 schools, only 22 (10 percent) deliver their graduate degree programs through an *Externally* based administrative arrangement.

Within the External administrative structures used, the most popular, but only by a slim margin, is the *Consortium* arrangement. We found that 5 percent of the schools analyzed are involved in a Consortium. The other External structures are *Outsourcing*, accounting for 3 percent of schools analyzed, and *Alliances*, accounting for only 2 percent of schools analyzed.

Findings from this current research corroborate, clarify, or correct findings from prior research discussed above. Stone, Showalter, Orig, and Grover (2001) looked at 58 colleges to determine specifically how *centralized* or *decentralized* institutional structures and criteria impact types of courses or programs

offered in a distance education format. They were not looking necessarily at the *range* of administrative options for delivering online programs but concluded that the distance education programs at these institutions really “evolved more through *trial and error* than through strategic planning.” Our data shows clearly that schools are choosing to “decentralize” the administrative management among the respective academic departments offering the degree, rather than move or create programs through a “central,” but separate unit, i.e. *Continuing Education/Professional Studies Unit or Distance Education Unit*.

Laird (2004) considered four categories of models of e-Learning integration: Independence or distance education model, Lone wolf model, Silo model, and

Integration model. Our analysis of current administrative practice identified *six categories*. This can be considered the current typology for how IHE are organizing their administrative structures to offer online graduate degree programs.

Diane Matthews (2002) identified three emerging “players in distance education.” These emerging players included *consortia or collaborative, contracted or brokered* arrangements, or *virtual universities*. Our analysis shows that relatively few universities are choosing to work within these “emerging players” constructs. Only 10 percent of schools in our analysis chose an *External administrative model*. Our study did not specifically address the degree of virtual universities, because we understand them to be few. However, our data shows that 18 percent of the schools have set up a distinct *Distance Education Unit* to deliver their fully online graduate degrees.

In Lee, Chun, Im, and Heo’s search for an academic and organizational model for “e-Universities, they believed that distance education “should not be viewed as a supplementary function of an existing university.” (Lee, Chun, Im, & Heo, 2003). Our study shows that the overwhelming majority of IHE are organizing their distance learning degree offerings part and parcel to functions of the traditional university structure.

Howell, Williams, and Lindsay’s study on the current state and future directions of distance education claimed that there is “a shift in organizational structure toward decentralization.” They also believe that “outsourcing and partnerships are increasing.” It is difficult to interpret how these authors arrived at a “shift” given that longitudinal data was not presented. In looking at our frequency distribution data, it is plausible that decentralization was the norm. Similarly the claim that “outsourcing and partnerships are increasing” can only be anecdotal. Our data shows clearly that partnerships (i.e. alliances and consortia arrangements) and outsourcing are used by very few of the schools, with only 10 percent of schools choosing this structure to manage their online graduate degree programs.

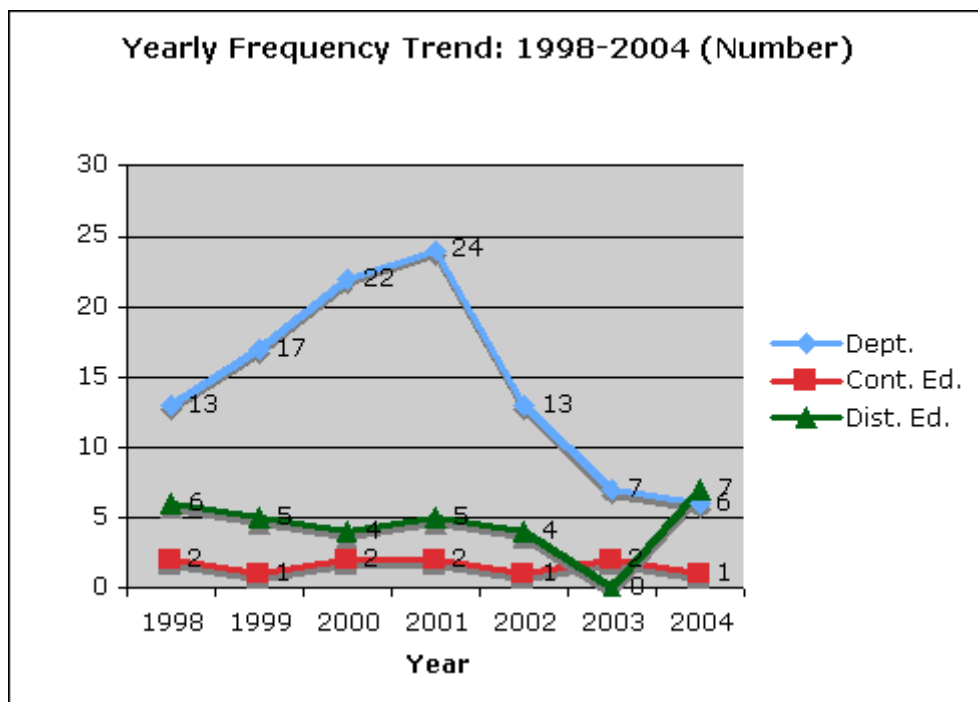
Given that most of the schools investigated for this study are overwhelmingly using *Internal* administrative structures, we further analyzed this particular data. We examined those schools with an Internal administrative structure (Department, Continuing Education, and Distance Education) for trends in the universities’ launch dates for the online degree. The data reported by *U.S. News & World Report’s* 2006 “E-Learning Guide” listed the “Launch Date” of the universities’ online degree programs. We examined the *frequency* of such launch dates for the respective Internal administrative structures for the yearly range 1998 to 2004. This range was chosen because we believe it provides the most reliable data, both in terms of number of schools and the prevalent use of the Internet/Web as the chosen technology. Our data show two significant shifts: The relative decrease in the Department as a chosen Internal administrative structure and the more recent popularity of the Distance Education Unit as the chosen administrative structure.

As Figures 3 and 4 show, the Departmental structure was by far the most popular choice of many institutions in delivering online distance degrees, with a positive or increasing launch date trend-line from 1998 to 2001. In percentage terms, the number of institutions that chose a Departmental structure rose from 13 or 62% (in 1998) to 24 or 79% (in 2000), with a slight dip to 77% (in 2001), while the trend for the other two types of Internal administrative structures remained flat over the period (Distance Education changing from 6 or 29% to 5 or 16%, while Continuing Education experiencing almost no change over the period). However, as we continue to examine Figure 3, the graph clearly shows an

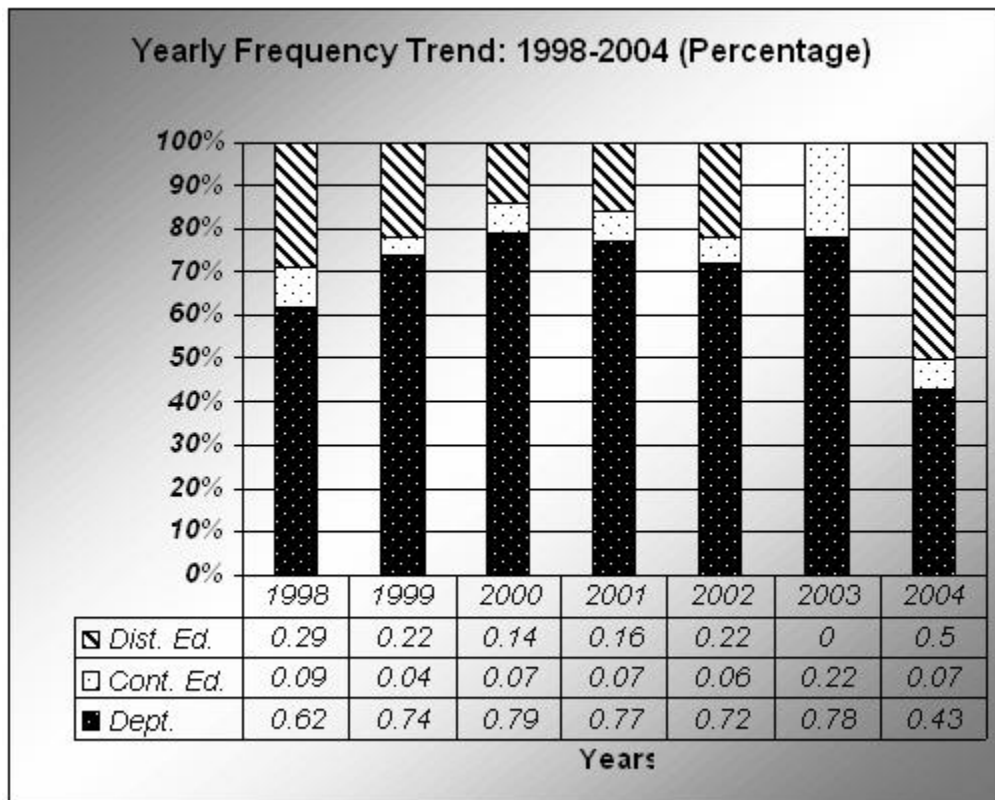
“inflection point” in 2001, when the trend-line of the Department structure changes and becomes negative, while that of the Distance Education structure significantly increases and becomes positive. In numerical and percentage terms, for the years 2001 to 2004, the number of *new institutions* who chose a Departmental structure declined from 24 or 77% (in 2001) to 6 or 43% (in 2004), while that of the Distance Education Unit as the chosen structure increased from 5 or 16% (in 2001) to 7 or 50% (in 2004). Over the same period, the trend-line of the Continuing Education Unit structure remained relatively unchanged (7%).

Another significant trend to note is the popularity of online distance institutions that chose an Internal structure over the period 1998-2004. As Figure 5 shows, the number of institutions using an Internal administrative structure sharply increased from 21 in 1998 to 31 in 2001. However, once again, this positive trend changed in the period 2001-2004, with the number of institutions using an Internal administrative structure sharply decreasing from 31 in 2001 to 9 in 2003, later slightly increasing to 14 in 2004. This downward trend is also observed for External structures where, as Figure 5 shows, the number of institutions using an External administrative structure decreased from 4 in 2001 to 0 in 2003, then slightly increasing to 1 in 2004.

Graph 3. Launch Date Frequency Trend (1998-2004) and Selection of Internal Administrative Structures Used by Our Select IHE* (N=239) in Offering Fully Online Graduate Degrees

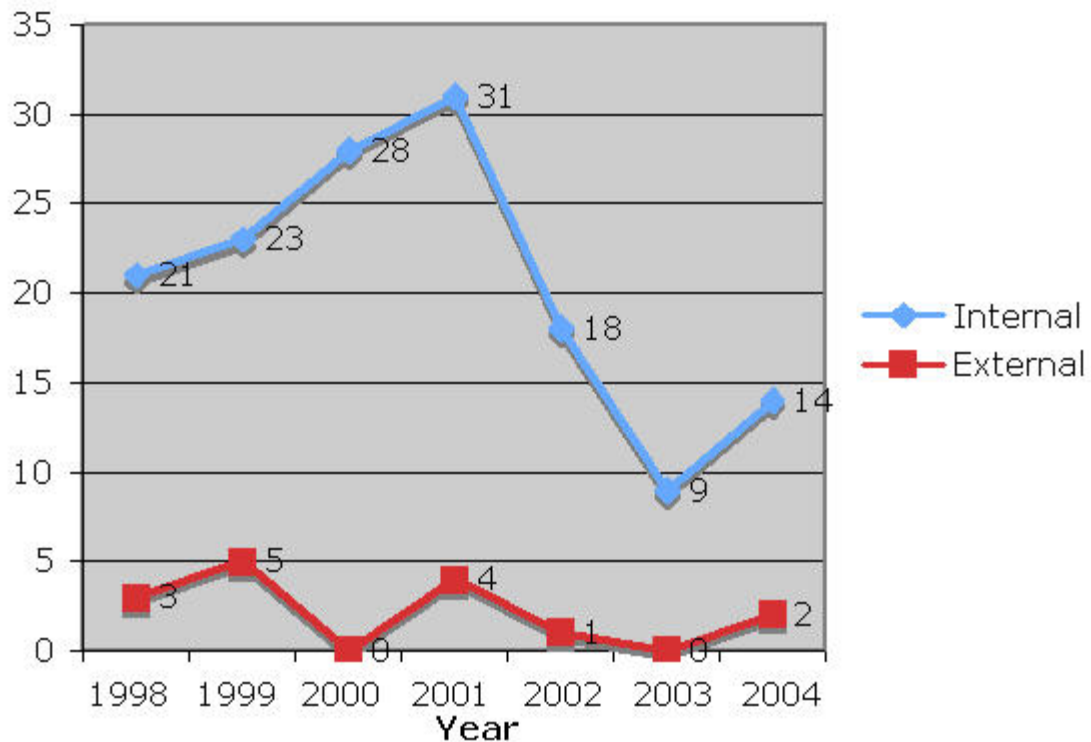


Graph 4. Launch Date Frequency Trend in Percentages (1998-2004) and Selection of Internal Administrative Structures Used by Our Select IHE* (N=239) in Offering Fully Online Graduate Degrees



Graph 5. Launch Date Frequency Trend (1998-2004) and Selection of Internal Versus External Administrative Structures Used by Our Select IHE* (N=239) in offering Fully Online Graduate Degrees

Yearly Frequency Trend: 1998-2004 (Internal vs. External)



Discussion:

Interpretation and Conclusions

A significant contribution of this study is the identification of the nature and extent of general administrative structures currently used by institutions of higher education offering fully online degrees. Prior researchers have noted the importance of administrative structures used in offering online degree programs, recommending that schools ensure the proper fit, given their academic culture, technology infrastructure, enrollment goals, and strategic plan. They have loosely identified some structures, but these conclusions have come from case studies, anecdotal offerings, or scanning of a small range of schools studied. Obviously, structural decisions in supporting online distance learning affect several units within the university. In this study, we used a large study size ($N = 239$) of a well-representative group of universities offering a fully online degree program (Selection was initially made if they offered select graduate degree programs online according to our data source.). From our assessment of how these universities were managing their online degree programs, there emerged a *range of six general administrative structures*. We have determined a discrete typology for how universities are structuring the general administration for offering fully online degrees. This typology includes:

Internal Administrative Structuring

- *Academic Department:*
- *Continuing Education/Professional Studies Unit*
- *Distance Education Unit*

External Administrative Structuring

- *Consortium*
- *Alliance*
- *Outsource*

The advent of the Internet and the subsequent use of technologies to offer college courses online must rank as one of the most dramatic changes in higher education. These changes have been met with great optimism and promise from strategic planners, entrepreneurs, and consultants in higher education on the one hand, but also with caution and concern from those closely aligned with the quality and integrity of the teaching/learning processes.

Regardless of their history and current structures of shared governance at universities, most would agree that control and oversight of the curriculum rests squarely with faculty. Faculty, understandably, have taken a very circumspect posture when schools decide to offer degree programs fully online. It is fair to say that they believe that academic units should have continual control and oversight over the academic components of these degree programs. (Perley, J. & Tanguay, D.M., 1999; Karaim, 1999). These sentiments have been expressed by faculty at their respective institutions, through faculty labor organizations, through their professional associations, and to accrediting bodies.

Reports, commentaries, and articles generated from those with an economic interest in distance learning or third parties acutely covering online based distance learning may have been *overstating* the level of administrative changes taking place in higher education up to this point. A *macro level change* would be the extent of internal versus external administration. Our study showed that 90 percent of schools in our study that offered degree programs fully online are delivering these with an *Internally-* based administrative arrangement. Only 10 percent of the schools we investigated are using some type of *External* administrative structure to offer their online degree programs.

More specifically, when we look at the locus of control for internally-based administrative programs, we see that 62 percent of those schools analyzed for this study still have the *academic departments* in control of offering their degree programs online. When we consider this percentage among the three internally controlled categories, academic administrative control by the academic departments accounts for almost 69 percent of schools-- with the remaining internal structures 20 percent for distance education unit control and 10 percent for continuing education/professional studies unit control.

As mentioned in the early part of this article, Hanna (1998) sought to identify those broad changes to institutional structures that are “challenging the future preeminence of the traditional model of residential higher education.” Although she, as well as others conducting research along these lines, identified new models used in higher education organizations to “meet the new conditions and to take advantage of the new environments that have created both opportunity and risk for all organizations, and which demands experimentation of structure, form, and process,” the extent of this change, according to our research has not been as quick and extensive as reports in higher education news outlets and higher education marketing reports would lead us to believe.

Michael Zastrocky, vice president and research director for academic strategies at the technology consulting Gartner Group, predicted in 2000 that the postsecondary market will grow by one third through 2005 and non-traditional entities will claim an overwhelming share of this market. Additionally he projected that by 2005 an astounding 75 percent of online course content will come from either commercial sources or a combination thereof. (JonesKnowledge.com, 2000). He was quick to add that the control of the content and course development needs to be in the hands of faculty. In fact, if the course content and curriculum is left unattended by faculty, he believes that online degree offerings will experience declines in enrollment.

It is important to note that our study does not suggest that online degree programs where a “mainstream” academic department granting the degree does not have the *lead* in most, if not all, of the curriculum and key administrative duties is necessarily sub-optimal learning—the range from continuing education units managing the programs to outsourcing as our six-structure typology suggest. However, we do emphasize

that this high percentage of schools keeping the curriculum and key administrative duties within the “mainstream” academic departments is most likely pleasing and satisfactory to many faculty led bodies in higher education. They would rate this Departmental Administrative structure as *highest in fidelity for academic quality*.

Our study may be the first to take a look at “launch dates” of schools offering online degree programs and see what trends exist. When examining the *frequency* of launch dates for the respective *Internal* administrative structures for the yearly range 1998 to 2004, we found two significant trends: The decrease in the Department as a chosen Internal administrative structure and the more recent popularity of the Distance Education Unit as the chosen administrative structure. The reason for this shift in trend from increasing to decreasing, starting in 2001 to 2003 and slightly rebounding in 2004, is not immediately clear. It is doubtful; however, that this downward trend of not selecting the Departments as the lead units is due to economic factors, since during this period no significant economic recession occurred. A possible explanation may be the disillusionment of institutions with online programs as a viable and effective way of delivering college degrees or producing revenue. Although we recognize the “growth” of online education, the revenue and profit predictions from industry “experts” have not materialized at most universities at this point.

It is important to note that, although our data shows that schools by far have chosen to “decentralize” the administrative management among the respective academic Departments offering the degree, rather than move or create programs through a “central,” but separate unit, i.e. *Continuing Education/Professional Studies Unit or Distance Education Unit*, the trend now seems to be in the opposite direction. That is to say, beginning with the year 2001, institutions were more likely to choose a “centralized” administrative structure in delivering their online degree program (i.e., Distance Education division) than not. This result contradicts Howell, Williams, and Lindsay’s claim that there is “a shift in organizational structure toward decentralization.” Finally, the observed downward trend of new online degree programs for the period of 2001-2004 to some extent contradicts the Sloan Consortium research report, where it is claimed “that there is ample evidence to show that growth in online learning at our nation’s colleges and universities is occurring in both numerically and on a percentage basis.” (Allen & Seaman, 2006). Although this claim may be true for “individual online courses,” our research shows that it is not the case for “fully online learning degree programs.”

Research Limitations

This study did not include all universities in the U.S. that offered a degree fully online. We chose to use universities included in the list of schools reported by *U.S. News & World Report’s* 2006 “E-Learning Guide.” This weekly national news periodical has been surveying universities about their online degree offerings since 1999. In sending their surveys to all, or most, four-year colleges in the U.S., we can assume that those receiving the survey had a *fair and equal opportunity to respond* to their data gathering survey. Staff working on this project can assume to be unbiased in their data gathering. Staff can also be considered persistent in trying to get the highest yield in participation for those schools that do offer a degree fully online. The *U.S. News* staff is highly skilled in administering surveys of this type.

We chose to use in this study schools offering *graduate degree programs* online because there is evidence that graduate programs are the more popular degrees offered fully online. (Allen & Seaman, 2006). Furthermore, of the six majors reported by *U.S. News*-- business, public health, nursing, library sciences, engineering, and education-- we decided to include in our study three of these: business, engineering, and education. Our rationale is that these majors have much higher student enrollment and would give us a broader representation of the types of schools offering degree programs online.

The *U.S. News* “E-Learning Guide” reported information on 240 schools meeting our criteria. There was only one school in their report that did not offer its degree fully online and we, therefore, removed that school leaving us with 239 schools. This is a testimony to the accuracy and relevancy of this news periodical’s reporting. In looking at this list of schools, it appears that smaller schools may not be well represented. Certainly there are some small schools in this study. The reason for any large scale absence, i.e. a school that does in fact offer one of these graduate degrees online but is not listed, would need further study.

We refer to the institutions mentioned throughout this study as those offering “graduate degrees offered fully online.” Once we began studying a school, we really looked at the institution’s approach to administering distance education and really did not have to narrow the investigation to graduate programs, thus missing how they are offering undergraduate programs fully online. We suspect that a few universities use different administrative structures between graduate and undergraduate offerings; however, we do not find evidence that this is pervasive. Our investigation looked at how the institutions approached the complement of their online degree program offerings.

Is our methodology sensitive enough to determine how a university is *really managing* their online degree offerings? How do we account for any inter-unit cooperation that could easily occur? For example, could our method pick up that the Continuing Education/Professional Studies Unit is offering the program, but much “support” is also being given by a traditional academic department? Certainly we don’t claim to have conducted such in-depth investigations into this general administration as other investigators who conducted case studies with a half dozen, dozen, or score of universities in their study size. However, in the aggregate and with this larger study group we expect that the conclusions of our assessment are valid. Furthermore, we at least can make a case for how these universities are ostensibly administering these online degree programs. Better understanding of inter-unit cooperation to deliver online degree programs is needed and will be part of our further research.

This study included a relatively large number--the largest to date—of universities in studying online degree offerings. Using a well recognized source for identifying what schools were offering degrees fully online the selection bias should be minimal. Our methodology should yield high quality on the validity and reliability of variables under study.

Future Research

Our research study has characterized current administrative structures of online distance learning degree programs, as well as analyzing the major administrative selection trends in this area. While performing our study, the question of “program equivalency” was observed as being a common theme with many of the IHE programs, as communicated and described by their Web-sites. That is to say, many IHE prominently communicate to prospective students the fact that their online distance programs are equivalent, if not the same, as their traditional degree program, in terms of academic quality, and faculty, and curriculum. We believe that this is an important claim to study and pursue. Thus, the interest and focus of our future research agenda is to examine the notion of program equivalency or what we coin “academic fidelity”. We define this term to mean the level in which IHEs are “faithful to” or “close to” their traditional degree programs with their online distance programs, in terms of curriculum, content, and instruction.

With this in mind, our future research will focus on the following major questions:

1. What are the ways in which IHEs communicate “academic fidelity” of their online distance learning programs with their traditional degree programs (in terms of their Web-based communication and marketing strategies)?
2. What are the factors (i.e., rationale and/or decision-making processes) that IHEs consider in making the choice of administrative structure? Of “internal vs. external” structures?
3. Do IHEs’ choice and use of administrative structures change and evolve over time, in providing online distance learning programs? (e.g., from internal to external)?
4. Are there “guidelines” and “strategies” that can be identified in guiding the “evolution” of the choice of administrative of structure, in achieving organizational effectiveness?
5. What are the pros/cons and trade-offs with the choice of “internal”, “external”, and “internal vs. external” administrative structures?
6. Are there levels of “academic fidelity” that can be identified with the delivery of online distance program (curriculum, content, and instruction)
7. Which unit(s) in the IHE organization “are and/or should be” responsible for the “academic fidelity” of the online degree program?
8. What is (and/or should be) the role of the traditional, full-time faculty in ensuring “academic fidelity” of the online distance learning program?

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Online Journal of Distance Learning Administration, Volume X, Number III, Fall 2007
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