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# Harvesting Alternative Credit Transfer Students: Redefining Selectivity in Your Online Learning Program Enrollment Leads

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## Abstract

Several recent issues and trends in online education have resulted in consolidation of efforts for Massive Open Online Courses (MOOCs), increased Open Educational Resources (OER) in the form of asynchronous course repositories, with noticeable increases in governance and policy amplification. These emerging enrollment trends in alternative online education are highlighted as a means of tackling the overarching question of how best to deal with accepting these online courses and credentialing. Barriers to acceptance and a policy framework are discussed, as well as key recommendations for spearheading marketing efforts for institutions of all sizes, in an effort to create wider acceptance and implementing competency-based transfer credit policy among distance learning administrators and institutional leaders.

## Introduction

Increasing interest in enrollment trends for Massive Open Online Courses (MOOCs), elite consortium arrangements like 2U and MITx, leading Not-For-Profit organizations such as The Saylor Foundation, Education Portal, EdX and other notable disruptors, present a unique opportunity for traditional higher education institutions seeking to grow their non-traditional online student enrollments with quality leads and prospective degree seekers. Competition for quality students among those offering online degree programs has increased and state appropriation contributions are down for many public institutions, who are also under increased pressures by their respective State Departments of Education to reduce the cycle time to degree completion in an effort to reduce taxpayer costs, institutional costs and lower student debt. For the first time in over a decade of tremendous online enrollment, as some expected, growth is now showing some signs of slowing, all which offers an opportunity to re-focus current efforts in marketing, attracting and retaining students in online learning programs. This position paper seeks to provide dialogue on the current issues and trends in online enrollment, with following marketing strategy recommendations utilizing a policy framework that builds on the theory of disruptive innovation as it relates to Open Educational Resources (OER) as a source of quality leads.

## Content and Competency-based Learning

Naturally, and by necessity, college-level curriculum standards must be adhered to in order to maintain program integrity and institutional compliance with their respective governing bodies. For many college leaders and administrators, guessing which percentage of their incoming traditional students or two-year college transfer students will matriculate on time is well-documented in many accepted public or commercial data sets and retention data. Less predictive or tracked, is exactly what percentage of online transfer students matriculate at a rate equal to or less-than the aforementioned student types (traditional and two-year college transfers).

Regardless of the delivery method for MOOC-based or self-paced (asynchronous) open source course content, the key features for determining acceptance are demonstrated competencies through supervised examination, portfolio-based coursework, and conformance to some level of state or generally accepted curriculum standards. Quick overviews of some of the current offering types are listed in Table 1.

**Table 1. MOOCs and OER Courses**

| Organization         | No. of Courses Offered: | Credit Aligned Courses | Website (source):   |
|----------------------|-------------------------|------------------------|---|
| Coursera             | 624                     | <b>45</b> (see Note 1) | <a href="https://www.coursera.org/">https://www.coursera.org/</a>       |
| EdX                  | 2270                    | N/A                    | <a href="https://www.edx.org/">https://www.edx.org/</a>                 |
| Education Portal.com | 210                     | <b>25</b> (see Note 2) | <a href="http://education-portal.com/">http://education-portal.com/</a> |
| Saylor.org           | 278                     | <b>9</b> (see Note 3)  | <a href="http://www.saylor.org/">http://www.saylor.org/</a>             |
| 2U                   | Not reported.           | All (see Note 4)       | <a href="http://2u.com/">http://2u.com/</a>                             |
| Udacity              | 36                      | <b>11</b> (see Note 5) | <a href="https://www.udacity.com/">https://www.udacity.com/</a>         |

Note (1): Coursera reports 45 originating institution certificate eligible courses and 234 verified courses, which require student identification for certification.

Note (2): Education Portal offers 25 for-credit courses that are strategically aligned with the College Board's CLEP offerings. These are free asynchronous companion courses mapped to CLEP outcomes.

Note (3): Saylor offers 9 for-credit asynchronous courses that are accepted at select online accredited schools or are curriculum mapped to CLEP.

Note (4): 2U's 22-Elite member institutions online consortium offers limited graduate credits and programs as well as "Semester Online" undergraduate offerings.

Note (5): Udacity offers 11 MOOC-based courses for credit that are accepted at host course member institutions but are no longer free.

### *MOOC-Based Delivery Method*

If we are to believe the doom-and-gloom scenarios questioning the future of MOOCs, or pontificating over the demise and recent failing of Udacity, reported widely among the higher education social media sites over the past several months (eCampusNews, December 2, 2013; Inside Higher Ed, 2013), it may be a bit premature to celebrate among those in the Ivory Tower who trumpet the death knell of the free version of Udacity and others struggling with how or why MOOCs can or should be deployed. However, the fact remains, that MOOC technology and implementation, while not yet refined, has proven to be a major disruptor and will continue to challenge the status quo. In fact, Allen and Seaman note that 9.4 percent of surveyed institutions out of 2800 sampled, report that MOOCs are in the planning stages (Allen & Seaman, 2013, p.3). Further, they report confusion over credentials as a cause for some concern among this same sample of academic leaders as to the "why", when asked what the source of their lack of planning was. For others, completion rates are increasing, which is encouraging news but still lags noticeably behind traditional completion rates of their face-to-face counterparts. Simply put, where there is confusion, there is tremendous opportunity in the form of growing enrollment among those students seeking alternative paths to degree attainment.

A typical feature of most MOOC-based courses is that they will enroll much higher thresholds of interested students in a particular course than most online courses or face-to-face classes. Without debating the merits of what enrollment threshold constitutes satisfactory levels of student-faculty engagement, at face value, a cursory review of several MOOC courses, all seem to have the same features of similar online course features, such as faculty holding terminal degrees, open source courseware, textbooks and student resources, peer-to-peer forums and/or moderated forums, a student repository for coursework, and in some cases—the requisite printable certificate of completion.

### *Self-paced Delivery Method*

A lesser known method for delivering free or low-cost open source college-level courses has drawn from the finite ranks of philanthropic individuals such as Jack Saylor, a Dot.com boom era tycoon turned philanthropist for the open-source movement to provide access to quality online course alternative education to all who come at Saylor.org. The resulting offerings rival the quality of many of their proprietary or public institution peers, and any institution seeking quality transfer students would do well to have a mechanism in place to review students who are disciplined enough to enroll and complete MOOC courses or similar offerings at Saylor.org. These courses are typically asynchronous but are more likely to be accepted at select accredited online schools.

### **Paradigm Shift in Transfer Credit Acceptance**

In the same manner many institutions grant transfer credits for the College Board's College-Level Examination Program (CLEP), institutions might consider students who display competencies and a portfolio of learning for general education credits earned while enrolled in a MOOC course or similar self-paced alternative course provider. The choice is not one of lowering institutional standards, or circumventing governance structures, it is one of assessing whether your current enrollment processes are inclusive enough to provide access to a growing segment of college-level transfer students in these alternative programs.

For researchers at American Public University System, one of the largest providers of online undergraduate education in the U.S., the number of degree seekers (completers) who transferred in at least three courses, were reported to continue in their program and matriculate at higher rates than those who enrolled with none (Boston, Burgess & Ice, 2012). This data provides great promise for transfer students and online learning leaders alike, who are looking to minimize their overall degree costs and marketing costs respectively, in addition to the shared responsibility of reduced time to graduate.

Building on the theory of disruptive innovation and specifically on the work of researchers at the Center for American Progress who offer the following recommendations on making college more accessible and affordable for all students:

- Eliminate barriers that block disruptive innovations and partner with the innovators to provide better educational opportunities.
- Remove barriers that judge institutions based on their inputs such as seat time, credit, hours and student-faculty ratios.
- Not focus on degree attainment as the sole measure of success.
- Fund higher education with the aim of increasing quality and decreasing cost.
- Apply the correct business model for the task.
- Drive the disruptive innovation.
- Develop a strategy of focus.
- Frame online learning as a sustaining innovation. (Christensen, Horn, Caldera & Soares, 2011)

Using these recommendations as a basis for reviewing potential online offerings in the form of disruptive courseware and technology will provide the reader with a looking-glass into a potentially long-term source of increased online enrollments without usurping governance structures or adversely changing the institutional mission. Similar market research by Smith, Smith, Samores & Mayadas (2008), indicate that online learning growth planning should be among the strategies employed at the highest leadership levels in the institution, chiefly among university presidents and chancellors.

To be clear, the goal here is not for wholly online program development using the disruptive courseware, but merely as test case for growing enrollment in targeted entry-level or gen-ed courses, while the institution grapples with the traditional growing pains and change that such an endeavor would cause among the more conservative groups in a traditional campus setting, like tenured faculty or student services. Framed in this manner, Christensen et al, provide real world problem-solving examples to highlight the issue of online learning project management and change management for institutional leaders to review and reflect on as they try to focus their efforts at engendering online offerings growth in their institution. Simply put, it is a scalable policy blueprint for refining not just your transfer admissions processes, but a system-wide look at managed growth in online learning. This concept is known in enrollment circles as micro-targeting, but for our purposes it specifically targets transfer students with at least nine credit hours.

### **HLC and Title IV Considerations**

For those institutions currently struggling with online enrollment growth or retention and seemingly cannot begin to compete with the advertising budgets that are markedly higher in the for-profit sector, there is great hope. Small to medium regional colleges and universities cannot compete with the estimated mean amount of \$2,464 that some institutions are reported to spend on a single enrollment, with a listed median of \$ 1476 for a single enrollment based on those studied (Andrich, 2013).

Federal rules governing financial aid dictate that no more than 25 percent of a degree or program of study may be obtained from online courses outsourced from the accredited institution. It is suggested then, that to keep the learning culture of the institution intact and keep the accreditation approval, all potential MOOC or OER courseware usage, must at a minimum require Chief Academic Officer or home institution oversight, and that all offerings should be curriculum-mapped to current degree programs. Offering lower cost MOOC-based, or low-cost open source courses as a three course certificate common to most of your institutions current undergrad programs, has the potential of increasing your enrollment leads and improve retention, while students acclimate to your brand. By opening your doors just a crack to students who seek value and a degree pathway, it seems plausible that a win-win situation is possible. Similarly, since many schools often discount the sticker price of the published tuition through resident scholarship, grant-based funding, and spend at least several hundred dollars enrolling just one student with no guarantee of retention, the 9-credit hour inside-outside transfer offers a compelling marketing advantage to even the smallest of schools.

Title IV of the Higher Education Act permits such external arrangements under the following provisions:

"A direct assessment program may use learning resources (e.g., courses or portions of courses) that are provided by entities other than the institution providing the direct assessment program without regard to the limitations on written arrangements between an eligible institution and an ineligible institution or organization under 34 CFR 668.5(c)", (IFAP, 2013). Further, "Federal Student Assistance (FSA) funds may be awarded only for learning that results from instruction provided, or overseen, by the institution", (IFAP, 2013). These same provisions do not permit funding for past coursework credits or remedial work.

### **Creating a Pool of Prospective Quality Students—What's Next?**

Presuming that your institution is ready to explore or move forward with the decision to offer a bridge program involving MOOCs or OER courses, you need not create a whole program or target a specific department. By starting with identifying one to three courses that are required for multiple programs or departments on your campus, and certainly none above the 100-200 level courses, you can narrow the field. Perhaps there is a high demand course with high volume and you struggle with attracting and maintaining quality online adjunct faculty for some sections. Better still, you may identify a few courses where student failure rates are high, and you may decide to explore alternative curriculum or instructional strategies. To be sure, there are many possibilities.

Offering direct supervision of transfer credit potential students for your MOOC-based offerings has distinct advantages for those who host the courses, a ready-made database of students now familiar with your brand, mission and student services. Just as a student who has targeted an institution or particular program for transfer of CLEP credits, this same student will interact with your recruiters, program staff, or possibly even faculty. After the nine credit hour threshold, they have likely made up their mind on which institution or program to pursue, so why not yours? Already armed with nine credit hours, and seemingly able to self-direct their study habits through asynchronous or synchronous offerings in the MOOC, it's time to target the successful students into matriculating programs. Consider this entry program as a school-within-a-school approach to successful student matriculation.

Still not convinced? Consider advertising your online programs targeting CLEP students and/or MOOC completers. While they will not be granted Federal funding for their past coursework, they could possibly provide a small but steady stream of focused transfer students, who display self-efficacy in working independently with their coursework, which is often a key readiness factor attributed to successful online students.

### **Accreditation Convergence Trends**

In deference to the National Council for State Authorization Reciprocity Agreements (NC-SARA), the agency set up to help degree-granting institutions recognized by the U.S. Secretary of Education navigate their out-of-state compliance for out-of-state online students, it is entirely possible that we are just seeing the beginning of the stratification of the largest regional providers vis-a-vis those colleges who currently take advantage of their geographic location to other states, and thus rely on these enrollments for economic viability of their online programs. Although very important, arguing the merits of quality online programs for all providers is not the aim here. However recognizing opportunities to recruit and improve potential online learning students is the goal (NC-SARA, 2013).

With this in mind and while there is confusion over the July 1, 2014 DOE policy enforcement date for voluntary institutional membership within NC-SARA, there should be no confusion over where non-conformers stand. In the event of the potential vacuum effect for current multi-state providers among for-profit institutions and colleges that border other states, there appears no better time to review internal transfer policies, since it is highly likely that there will be some gap in current providers continuity of service across interstate lines, or for those institutions who delay in implementing a multi-state plan. In short, there will be a brief window of opportunity for online programs to transfer in some quality students caught up in programs at institutions that have no intention of complying with SARA, or DOE guidelines. Therefore, having students coming in from multiple transfer credit programs is beneficial to all concerned, especially intrinsically motivated students who have demonstrated that they can succeed in the online environment, and whose only barrier seems to be that of economics not efficacy. It is recommended to have some level of interim policy or communications strategy that aligns with your online transfer policies and one that specifically targets those affected students. Going even further, it may be even more prudent to have some exemplars for your own staff, with plainly worded scenarios, to guide the process during the confusion.

Similarly, there also seems to be a trend among large public and elite universities who have formed an alliance for their MOOC offerings, however with a new twist—for credit courses at 2U (cited in Table 1), a newly organized consortium for graduate and undergraduate programs and courses from the 22 member alliance as reported from Inside Higher Ed (Kolowich, 2012). Typically under such arrangements, enrolled participants, including students, will be able to pick from the catalogue of MOOC-based courses and upon completion, potentially transfer them to any of the institutions within the consortium, regardless of what State the institution resides. Taking a page out of their playbook, it would seem reasonable then, that State systems and those currently in online course consortium arrangements could then collaborate for this targeted pool of degree seekers, who could then have their three credits accepted and equally applied under DOE guidelines and still be compliant with Title IV guidelines. While this is no simple task, the burden would not be on a single institution to provide all of the logistics required, and together could hypothetically submit similar applications or required documentation, in conjunction with the corresponding academic leadership of each of those in the consortium. In fact, some current State systems are ripe for such a trial program given their level of sophisticated coordination of gen-ed courses currently online (Georgia's eCore comes to mind as does any institution currently participating in the Western Governor's system).

It should be noted that while each institution is required to file their own justification and program offerings in accordance with their accrediting and State governing authority, a unified voice for a similar offering or extension of converted face-to-face offerings in the DL environment, would at least level the playing field to some degree, for smaller institutions entering the highly competitive field. The key to implementation for such an endeavor lies in the ability of the student to provide the clear learning outcomes or learning portfolios that meet the stringent guidelines with the accrediting body for each institution. Again, borrowing heavily from what we know works, the College Board's CLEP program requires supervised exams and an institutional reporting mechanism for credits to be registered to the institution to which they will be applied, all at a minimal cost to the student vice full tuition rates for standard courses. There is much work to be done in this regard, however this barrier is not insurmountable, if the institution seeks collaborators and policy guidance—before the formal submission to the approving authority. The decision to take this on in-house or to share the cost for an outside entity to administer the assessment part is an individual one, with many cost considerations for the institution and the student. The success and ubiquitous acceptance of CLEP credits at over 2900 accredited schools offers proof of concept that is seemingly indisputable for those who currently grant between 9-33 credit hours for transfer students.

If doubt still exists on whether this type of collaboration or pathway will work, consider the recent initiative announced in January 2014 among the Western Interstate Commission for Higher Education (WICHE) participating institutions called the Interstate Passport Initiative, which will allow students to carry transferred outcomes (courses) earned in some lower-level gen-ed courses from one institution to another, using an agreed upon set of curriculum-based outcomes (WICHE, 2014). So, taking advantage of your current State system, other strategic formal articulation agreements and institutional curriculum oversight committees, it's not too difficult to envision identifying potential areas for growth and exploration of online courses utilizing the aforementioned course types, even if it is just on a trial basis as your institution navigates the highs and lows of governance, along with faculty and staff acceptance.

## **Conclusion**

Perhaps the MOOC's greatest gift to higher education yet may be realized in its evolution and adoption for the general education requirements that states and colleges often require, at a much reduced cost, discounted, or even free as a means of access if and where possible. The advantages of limited scope trials of MOOC courses, or similar OER courseware are many for the institutions that are seeking cost-effective marketing strategies for quality enrollment leads. With limited budgets for recruiting and advertising their programs, smaller to medium sized public and private colleges stand to gain the most by perhaps collaborating with existing OER providers, MOOCs, or other credit-bearing courses utilizing current transfer-credit policies, and prior-learning policy review

mechanisms that specifically target exam-based or the growing trends in direct assessment methodology.

As the NC-SARA date looms, those institutional leaders involved in Distance Learning Administration decisions for their schools, who continue to ignore the vast and untapped potential of the OER providers and MOOC courseware sources listed herein, may indeed be missing a brief window of opportunity provided by the very same policy makers who aim to tighten or close the loopholes currently being exploited by the less than scrupulous for-profit providers. If you are on a traditional campus, you likely cannot compete with for-profit revenue, overhead costs and profit-margins. You can however, attract and retain students who are seeking a degree pathway, or perhaps looking for low-cost transfer alternatives while they work to keep college borrowing costs down. Leveraging low cost MOOC-based platforms for high volume courses, that are designed to lower or keep per student enrollment costs down, may even address remedial coursework issues for some transfer students, while enhancing the overall bottom line for traditional four-year colleges, smaller private colleges, and certainly those that cater to returning adult students.

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