Critical Design and Administrative Issues in Online Education

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Abstract

For administrators who are contemplating an online program, it is vital to know the critical design and administrative issues to consider as well as the decision-making processes one might typically encounter. This paper discusses ten issues that the administrators at Indiana University 's Kelley Direct Program (KD) have found most challenging and have had far-reaching implications for the program. In discussing each issue, KD's decision and rationale for that decision are explained and the associated implications are stated. Where appropriate, KD's decisions are compared to the choices made by similar online programs at other universities. Theoretical discussions found in the literature are also incorporated.

Introduction

With the growth of the adult learning market during the last several years, the number of new online degree programs and courses in the United States has dramatically increased (Allen & Seaman, 2005), and more students have enrolled in such programs and courses (Allen & Seaman, 2003; Bonk, 2004). Some disciplines, such as MB A programs, have experienced enrollment decreases in their traditional programs and associated increases in their online programs (Graduate Management Admission Council, 2004).

Several factors have led to the increasing popularity of online degrees. First, online programs offer "any time, any place" learning opportunities for adult learners who do not want to leave their full-time jobs and families to pursue a degree in a traditional classroom. Second, the general public seems to have come to accept online education as equivalent to traditional face-to-face education in terms of quality. Even Shaquille O'Neal, superstar of the National Basketball Association, is applauded for completing his MBA in an online program from the University of Phoenix (Associated Press, 2005). While a few years ago, there was much questioning about the quality of online programs in the mass media, such concerns have significantly subsided as millions of people have begun to experience online learning opportunities. In addition, research reports have come out that indicate continued improvements in the quality of online learning and optimism for quality enhancements in the next few years that are predicted to place online programs on equal footing with residential programs (Allen & Seaman, 2004). Other reports provide quality benchmarks and standards for organizations to consider in evaluating the effectiveness of their online programs (Achtemeier, Morris, & Finnegan, 2003; Lorenzo & Moore, 2002).

And as more people graduate from online programs, they are earning respect in the workplace (Drummond, 2004; Schneider, 2004; Sharples, 2004). Most human resource professionals no longer consider online degrees unacceptable. In fact, many corporations and not-for-profit organizations show their acceptance of online degrees by paying for them. Of course, a key benefit to these organizations is the decreased time employees must spend away from

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their jobs.

Given such trends, it is not surprising that traditional not-for-profit universities have begun to reinvent themselves into what can be called "extended traditional universities" that "seek to capture the growing learning market" by offering online courses, programs, certificates, and degrees (Hanna, 1998, p. 6). However, although the adult learning market may be deemed massive, the competition for online distance education is fierce. Players in the online education market not only include traditional universities who offer online degree programs in parallel to their traditional programs, such as the Kelley School of Business at Indiana University, but also for-profit universities, some of which are exclusively online, such as Capella University (Offerman & Tassava, in press) and Jones International University (Pease, in press). As Donald Hanna (1998) points out, it is a challenge for universities to keep a competitive edge in this "age of digital competition."

Because online distance education is relatively new, those universities that were early adopters of online programs often had to make design and administrative decisions based on trial and error. In the process, some of the players who entered the market early have disappeared from the scene, such as Ohio University's " MB A Without Boundaries" program, which was discontinued in 2004 after enrolling seven classes since 1997 (Milter, 2002; Ohio University MB A Without Boundaries Homepage). Some have succeeded, such as Indiana University's Kelley Direct (KD) online degree programs, whose student enrollments have grown exponentially over the years since its establishment in 1999 (Kelley Direct Online Programs Homepage).

A review of the literature shows that researchers have identified various lists of factors to consider when establishing online programs. For example, Lieblein (2001) identified the factors that have been important to the online programs offered by Graduate School of Computer and Information Sciences at Nova Southeastern University, including the issue of on-campus visits by online students, the importance of conveying a sense of class, school, and university, approaches to pedagogy, synchronous versus asynchronous methods, administrative and technical support, and faculty issues. Similarly, Stick and Ivankova (2005) detailed a list of success factors related to the development of the online program of graduate studies in Educational Leadership and Higher Education offered through the University of Nebraska – Lincoln . In addition, Levy's review of the literature resulted in a list of six factors to consider when planning and developing an online distance learning program: (1) vision and plans, (2) curriculum, (3) staff training and support, (4) student services, (5) student training and support, and (6) copyright and intellectual property.

There are also studies that focus on certain aspects of online program design and administration instead of offering a comprehensive list of recommendations for establishing online programs. For example, the University of Central Florida emphasizes the importance of faculty support (Moskal & Dziuban, 2001; Truman, 2004); Nova Southeastern University stresses the selection of technology for its online programs (Dringus & Scigliano, 2000; Gibson & Herrera, 1999); and the University of Texas System's TeleCampus underlines the importance of collaboration among different components of the system (Robinson, 2001; UT TeleCampus overview 2004, 2004).

Through a survey of 163 business school deans at institutions accredited by the Association to Advance Collegiate Schools of Business (AACSB), Popovich and Neel (2005) described sixteen characteristics of the distance education programs, such as faculty qualifications and student-faculty ratio, method of delivery, use of a librarian, geographic areas served, and tuition rates. As the authors pointed out, in-depth studies are needed to expand on these characteristics for AACSB-accredited business schools.

The lists and criteria in the above reports overlap but are not the same, which points to the complexity of the online program planning and implementation process. As online programs continue to develop, it is important to carry on the discussion on the critical issues in designing an online program and accumulate case studies of programs of different kinds.

In this paper, we aim to shed some new light on the complex decision making process of online program design and administration through the case of Kelley Direct (KD) online degree program at Indiana University's Kelley School of Business, an ACCSB-accredited school. The key questions asked here include the following: What critical administrative problem situations and issues has KD encountered in its program history? What have been some of the essential curriculum and program design issues? How were decisions made among various programmatic options?

Overview of the KD Program

Indiana University's Kelley Direct online degree program grew out of Kelley's Evening MBA program. In order to meet pressing students' requests to be able to study while traveling, from 1995 to 1997, the Evening MB A program

started offering a series of online courses which were mainly CD-ROM based courses. In 1998, the school made a proposal to establish an online MB A program, which was approved by the Indiana Commission on Higher Education in June 1999. The mission of this program was to provide increased accessibility and flexibility for the working professional.

At present, the KD Online MB A program is a 48 credit hour part-time program that begins with a one-week in-residence course each year. The remainder of the program is Web-based and asynchronous, allowing both convenience and flexibility for executives to learn according to their own personal schedules. The program utilizes a quarterly system of 12 weeks each. Completion of the program takes approximately two years. As a student in the online MB A program, one will access text, audio, and video presentations, use bulletin boards and chat rooms along with traditional textbooks and case studies to complete team projects, take tests, and write papers. The class interaction is primarily asynchronous with some synchronous elements, thereby allowing students the flexibility to simultaneously balance family and career demands.

In addition to the MB A program, KD offers three additional Master's degree programs (MS in Finance, MS in Global Supply Chain Management, and MS in Strategic Management) and three graduate-level certificate programs.

The first KD cohort started in 1999 with 14 students and the enrollments have continued to grow each year. By 2004, KD was already one of the largest online business programs in the country, having over 1,000 students.

Importantly, in 2001, the Kelley School of Business received a re-affirmation of its accreditation from the AACSB International. There are about 2,000 institutions in the United States offering degree programs in business, of which only about 18 percent, or 355 of them, have achieved AACSB International accreditation. The Kelley School of Business received unqualified "re-accreditation" for all of its programs, including its portfolio of graduate MB A programs. This re-affirmation process included a specific review and assessment of the Kelley Direct online program.

According to a survey conducted among the second-year KD students during their in-residence week in August 2004, out of a total of 102 respondents, 96 percent expressed their intention to recommend the KD online program to others. Also, the retention rate of the KD program has been sustained at approximately 95 percent, which is remarkable compared to many other online business programs, whose retention rates are much lower than 90 percent (2003 distance MB A profiles, 2004). Judging from mounting student enrollments, high retention rates, and favorable student satisfaction rates, it is clear that KD has been a successful program.

As with any degree program, KD's growth has been accompanied by many challenges. Detailed below are discussions of ten of the most critical design and administrative issues that KD has encountered and tackled during the last few years.

Ten Critical Design and Administrative Issues

1. Which student group is to be served? Is online education a substitute for part-time or residential education or is it a supplement?

This is a question to be asked when setting up the goal of the proposed program. Online education programs at traditional universities serve many different functions. In some cases, current residential students are the target population for the new online learning program, such as Temple University's distance leaning program (Schifter & Monolescu, 2004), where the distance courses count towards the traditional degree. In the case of the University of Central Florida , online learning is one of the several course delivery modes regularly provided to all students on and off campus (Moskal & Dziuban, 2001).

Offering distance courses for residential students is extremely different from establishing an exclusively online program, as the former is like adding cupboards while the latter is like building a house (Meyer, 2004). Some researchers recommend that universities experiment by offering a few distance courses before launching a complete online degree program. This strategy is especially attractive when the target student population is the current residential students.

KD, on the other hand, is a relatively separate entity from the traditional programs in the Kelley School of Business at IU, serving a different student population from and running in parallel to the residential program. Other well known business schools in the United States have similar dual programs, such as Duke University and Arizona State University .

KD's decision to target full-time professionals was dictated by the demands of the marketplace. These professionals are not able or willing to attend a full-time residential graduate program. The average age of these students is older than that of the residential students, and a large majority of the students have their tuition fee paid by their employers.

In 1999, distance courses were not offered to the residential students in the Kelley School of Business even though IU provides an internally developed online learning environment called Oncourse that is available for use by all IU courses or programs depending on the decision of the instructor, program, or department. Originally built on the Oncourse platform, KD has moved all its courses to a separate commercial course management system (CMS) called ANGEL (http://www.angellearning.com) since 2001.

The question of whether the distance program is to serve current students or full-time professionals has implications for such issues as curriculum design and student services.

Finally, offering online courses to residential or currently enrolled students will most likely generate a modest amount of new tuition revenues or involve lower financial risks while offering an online program to working professionals carries much greater potential financial risks and rewards.

2. Will the online program be treated differently than the current program? For instance, will there be a special online learning related designation on the diploma? Will the program need to hire a separate faculty?

There are many additional questions here. For instance, if residential and online programs run parallel to each other but serve two different student populations, should both programs be treated differently from one another? Should they have the same admission and curriculum/degree requirements? Should there be different faculty teaching in the online program than those teaching the residential program?

It is the mission of KD to provide the highest quality business education to working professionals using distance learning technologies. While run in parallel to the residential programs, KD has been an integral part of Kelley School of Business. The school leadership has shown continuous commitment in making KD as strong a program as the traditional programs in the school. Kelley's former Dean, Dan Dalton, argued that, "Kelley Direct is the driver of our future… It will allow us to invest and extend what we've been doing well for years." KD draws upon the Kelley Business School 's reputation to attract high quality students and applies the same rigorous admission standards and policies as the residential programs.

Unlike many large online MBA programs, KD gives the faculty full pedagogical control of the courses they teach. While there are some obvious cost savings that could be realized in establishing preset standards and templates, neither the chair of the program nor the KD Policy Committee has established formal standards for teaching a KD course. The only guideline is that the faculty should provide an equivalent treatment of the students in their online and face-to-face courses. One piece of evidence of such equivalency is that the online business courses are case-based as are their counterparts in the residential programs.

Because it is KD's belief that its students should and have been receiving equivalent education as those in the residential programs, KD does not designate "distance" on its diploma. All degrees are from IU Kelley School of Business.

In terms of the faculty composition, KD presently uses the same faculty as the school's traditional programs. According to the BusinessWeek 2003 Survey of sixty online MB A programs, online business programs vary in their faculty profiles. For example, Arizona State University and the University System of Georgia's Web MB A program use 100 percent the same faculty as their traditional programs, while only 70 percent of the online business program faculty in Syracuse University also teach in their traditional program.

The hiring of online faculty members is often a pragmatic solution depending on the number of student enrollments and faculty availability. As KD matures, however, it intends to hire external faculty from other countries so as to enrich the student experience and enhance the level of instructor-student interactivity and achieve the idea of "global education" with the help of technology. That may give the online program more advantages than traditional programs.

3. To what extent will this program provide a blended educational experience? When and how frequently will the residential component occur?

BusinessWeek's survey of distance MB A programs show that some online degree programs are 100 percent online with no residential components. More programs, however, have some type of residential requirement, although the

length of the in-residence varies from a few days to 11 weeks through the program (2003 distance MB A profiles, 2004). The Graduate School of America (now Capella University) was reported to have dropped its residential requirement for its online degree programs (Strong & Harmon, 1997), although it seems that some programs do provide residential colloquia (Capella University Homepage). According to Mike Offerman, President of Capella (Offerman & Tassava, in press), these residency requirements are only found in Capella's doctoral and master's programs.

There is not much specific research on the effects of in-residence as a component of the distance program. Some research results are in support of in-residence components as they show that social isolation is perceived to be a big problem for online students. Such research also indicates that student orientation to online courses and student socialization with other online students greatly affects their success in the online program. On the other hand, for some potential students, an in-residence requirement might offset the attraction of online education as being highly flexible. Thus, there is the huge dilemma that online MB A programs must struggle with since face-to-face interactions can help create a sense of community in the upcoming courses but an in-residence requirement may disrupt students' schedule to make the trip to a physical campus or meeting place. Whether to have an in-residence, and, if yes, how long it should be, are questions that require careful consideration.

KD has a required one-week in-residence each of the two years in the program. In-residence sessions are extremely intense, with activities such as course instruction, team-building exercises, and other skill development. Residencies provide students an opportunity to receive an orientation to Kelley Direct and its course management system, meet other students in the program, and participate in a live course with at least one Kelley faculty member.

According to a survey of the 2nd year MB A students conducted during the in-residence week in August 2004, students mostly had positive reactions regarding the residency, as represented by this comment: "The in-residence is very effective at helping us meet teammates and friends. In-residence is very helpful." However, several other students expressed the hope that the in-residence could be longer and more frequent. In terms of the purpose of the in-residence, one student commented that "In-residence 2 should be a celebration of accomplishment, bonding experience and reinvigoration for 2nd year." These student comments show that more research and evaluation is needed in terms of the design of the residential component of the program.

4. Will faculty be allowed to teach in-load or is it overload or a mixture?

There are several options regarding the instructors of the online program: (1) use the existing faculty, (2) hire adjunct faculty, or (3) use a mixture of full-time and part-time faculty. Each has its advantages and possible problems.

There can be some advantages and disadvantages of using existing faculty for the online program. For instance, they know the university and the curriculum. If they acknowledge and welcome the goals of the program, then it will bring many benefits to use the existing faculty. However, it is not uncommon for existing faculty to be suspicious of an online degree program, and, thus, hard to bring on board. There can be conflicts between the weary faculty and an administration which is determined to start an online program (Noble, 2002).

As mentioned above, researchers do not agree on whether the leadership of an online degree program should be administrators, faculty, or both (Levy, 2003). In the case of KD, it was decided from the beginning that as a new and promising initiative of the school, the faculty should be an integral part of it. A governing committee was established, and a core faculty was recruited. The core group consisted of fifteen faculty members assembled by the school who agreed to participate in the program for two years. Of this group, all were tenured professors in the Kelley School of Business: twelve were professors and three held the rank of Associate Professor. Half of the core faculty were Distinguished Professors or hold an Endowed Chair in the School. The qualifications of the initial, core faculty were impressive and underscored the support within the school for the growth and development of Kelley Direct. A key indicator of the attractiveness of teaching in KD was that every member of the initial faculty group who taught in KD still teaches for the program at the time of this writing.

In terms of the courses that were added to the curriculum as the program developed, more faculty members were recruited from the residential programs with the support of program chairpersons. Faculty members mostly teach the KD courses on an overload basis, although because of the support and compensation they receive, there have not been many complaints. As mentioned above, as the program matures, KD is considering hiring part-time and full-time faculty located in other countries for the purpose of enhancing the overall student experience. In theory, a geographically distributed faculty who co-teach courses should be able to provide students with a richer, more interactive learning experience and offer instant feedback to students for longer hours. In effect, the social presence of KD instructors is enhanced in such a scenario.

In terms of copyright and intellectual property, KD has adopted a generous policy towards ownership of materials used in KD courses. Faculty members are encouraged to use materials developed for KD courses in other venues, both credit and non-credit bearing courses or initiatives. However, when a professor decides that he or she will no longer teach courses in KD programs, KD retains the right to offer materials developed for KD courses to other professors who take their place. This policy reflects a "shared-use intellectual property" policy.

5. Should a school put more of its design effort and investment dollars into course templates and interactive courses, or, instead, on training individual faculty in online pedagogy?

Clearly this is not an "either-or" decision. It is quite possible that a school will craft a strategy that seeks to develop standards and preset course templates as well as provide individual faculty training intended to give them greater skill and confidence in their online pedagogical selections. The major difference will lie in the emphasis given to one alternative versus another under different conditions at different stages of development. However, there is typically a set of factors or logic that tends to nudge a school in one direction or another.

For most schools, this decision flows logically from a decision to staff an online program with full-time or part-time instructors. In general, there is a significant difference in the costs associated in employing full-time and part-time instructors. Typically, full-time instructors are much more expensive than part-time instructors. In part, the extra cost of instruction is justified on the basis of the higher quality of instruction that is delivered when a full-time rather than a part-time teaching group is in charge of online courses. If a school invests in its online programs by paying for instruction by full-time rather than part-time instructors, then it follows that the school will adopt a strategy of training individual faculty rather than investing in course templates.

Individual faculty training builds on the decision to provide a higher quality education by hiring a full-time faculty, not part-time, who will continually improve their teaching skills. In addition, individual training also allows what is learned by the faculty to be re-integrated into what is taught by an instructor when he or she teaches the course in the future. Second, a full-time faculty is far more likely to adopt a professional culture. In such a culture, the instructor, rather than a course designer, is the final authority on what is taught. As a result, an individual training program is consistent with a "let a thousand flowers bloom" theory of innovation and new course development process.

In contrast, a part-time faculty tends to cost less to compensate, will teach fewer courses less frequently, and will have a higher turnover rate. As a result, it is logically consistent that to control the quality of the courses delivered, a school would invest in the development of more extensive templates that standardizes instruction from instructor to instructor.

As mentioned above, KD's faculty comes from the full-time faculty in the Kelley School of Business. The faculty controls the pedagogy, and the KD program provides individual training and support for the faculty. However, depending on the situations, a decision to emphasize either alternative could be easily justified and highly successful.

6. To what extent should there be a standard template for teaching in an online program?

This question is related to our prior discussion on the comparative merits of investing in course design or individual faculty training. As has already been discussed, this question is related to the nature of the faculty. If a school uses the existing faculty or hires a full-time faculty, they usually want to have more control of the content and the delivery mode as they have already developed and delivered the same contents for the residential courses and programs. New instructor recruits may want to take a look at the existing courses to gain ideas as to how to teach online courses. For an adjunct faculty, some standardization might be necessary to provide guidance, enhance efficiency, and ensure quality.

However, another question that should be considered is to what degree should a school demand that there be a common "look" for its online courses. From a student's perspective, a common or standardized "look and feel" is very attractive. The syllabus contains similar information; forums are designed similarly, assignments are located in the same position, course communication between instructor and students uses the same tools, and so on. In order to attain a standard presentation, templates are often used to ensure that identical course elements are included in the same position in a CMS.

Since KD utilizes ANGEL as the only CMS for all its courses, all KD courses have a basic "look and feel." At the programmatic level, several efforts have been made for the

faculty members to learn and share the knowledge of the CMS. All new faculty recruits receive orientation workshops to the CMS; regular training workshops are provided to introduce the new functions available in the ANGEL environment; and faculty brown bags are held regularly. In reality, the courses vary in terms of the use of more detailed functionalities of the CMS. For example, according to the analyses of 27 courses conducted by the KD research team in fall 2004,

• Twenty-two courses (82%) used asynchronous class discussions and twelve courses (44%) used synchronous class discussions;
• Eighteen courses (67%) had participation in online discussions as part of the final assessment;
• Twenty two of the courses (81%) used team-based activities;
• Twenty of the courses (74%) used cases;
• Fifteen courses (56%) used PPT slides;
• Seventeen courses (63%) used interactive quiz tools.

These variations in course design are consistent with KD's policy that the faculty should have the full control over the pedagogy. On the other hand, the numbers also reflect a considerable degree of similarity among the courses in their uses of various tools provided in the CMS.

7. To what extent should courses yield interactivity on the basis of the course design or should we rely on faculty to lead interactivity?

Interactivity enabled by the development of ICTs may be the main factor that distinguishes online distance education from the previous forms of distance education. Many researchers have written about how to increase interactivity in online courses. It seems that oftentimes people believe that a higher level of interactivity between the instructor and students means a higher quality of the course. According to the 2nd year KD student survey, approximately 94 percent of the respondents believed that interacting with other students or instructors creates a more meaningful learning experience.

However, an emphasis on a high level of interactivity at the program level can be problematic. In writing about the successful operation of the distance programs in Park University , Missouri , Perterman (2000) points out that "students in the online setting quickly become demanding, expecting instant feedback following their contributions." It is not surprising that many current and potential online instructors perceive that teaching online as a 24-hour job. As a result, many instructors are deterred from teaching online courses for fear of the increased workload brought by the required high level of interactivity (Hislop & Atwood, 2000; Pachnowski & Jurczyk, 2003; Young, 2002).

It is a challenge for an online program to strike a balance between requesting a high level of course interactivity and maintaining a reasonable workload for instructors. While the KD program strives for a higher level of interactivity as a program, in reality, it relies on the instructor to lead interactivity.

8. Should you build proprietary teaching tools or purchase commercially or decide to go Open Source?

In establishing an online program, technology is typically not the first concern when compared to the other issues, but a key decision for the administration, nevertheless, is whether to buy, lease, or build a CMS or choose some other option. If there is not a home-grown system available, there will be continued costs related to maintenance and upgrading of the system. Such expenses can sometimes run in the millions of dollars. If a decision is made to use an existing CMS, there will be annual costs and fees which are determined by the vendor as well as the level of usage of the program or organization. So, for instance, if there are increasing enrollments in the program, the cost of the CMS will more than likely increase. The most common CMS choices today include Blackboard, WebCT, and ANGEL. A third option might be to enter into a long-term of perpetual license to use a product at a preset rate, though, at the time of this writing, we do not know of any.

A fourth option is now available with open source tools such as Sakai (see http://sakaiproject.org) and Moodle (see http://moodle.org). Open source CMS packages typically are free and have a growing community of users who share best practices with the system as well as software code additions and expansions.

Whether to build internal systems or tools, purchase or lease commercial tools, or adopt Open Source solutions is heavily influenced by decisions made on a few policy issues.

In general, building proprietary teaching tools represents a high risk and high reward proposition. If successful, a university that builds its capabilities in developing proprietary teaching tools has developed a strategic competence that

can translate into a valuable capacity when competing in the online marketplace. Alternately, developing high quality software is not a core competence for educational institutions and this strategy can easily meet with failure. The Open Source model potentially represents a very low cost strategy that is most attractive to an institution that is not seeking to gain a competitive advantage through the quality of its pedagogical technology. Instead, this is an excellent strategy when a university treats teaching tools and CMS as a cost to be minimized. Finally, a hybrid strategy is to adopt a commercial vendor and to upgrade instructor your teaching style through regularly scheduled upgrades provided by the vendor.

For the above reasons, KD decided against Open Source and went for a hybrid strategy, which involves using a commercial vendor but has its own technology team to develop proprietary plug-in programs required by the faculty. This development path and decision will be further elaborated in the discussion of the next issue.

9. How to select a CMS?

A large traditional university possesses the staff and financial resources to develop a proprietary CMS for instructors who want to incorporate some online components into the residential courses they teach. As alluded to earlier, IU uses an in-house CMS called Oncourse which was initially developed in 1999. Oncourse was adequate for KD's purpose as the program began. Also, with just four staff members back in 1999, it was impossible for KD to provide the necessary technical support needed for a separate CMS.

As KD grew, however, Oncourse was not adequate for the program because it was impossible for a university program to be immediately responsive to meet KD instructors' special needs. To solve this problem, KD opted for a commercial CMS, ANGEL, which had an open structure and allowed plug-ins for customized utilities. Since that time, KD has hired a group of programmers who work closely with the instructors in developing the functionalities they need.

In considering which CMS to use, "choices must be pragmatic because technologies change rapidly" (Daniel, 1997). Daniel recommends Tony Bates' seven criteria for decision-making in the acronym ACTIONS: (1) *A* ccess, (2) *C* osts, (3) *T* eaching and learning, (4) *I* nteractivity and user-friendliness, (5) *O* rganizational issues, (6) *N* ovelty, and (7) *S* peed (Bates, 1995). KD's decision to use Oncourse at the start of program development was largely influenced by such factors as access, cost, and organizational issues, and its later decision to transition from Oncourse to ANGEL as KD matured was more related to the teaching and learning and interactivity factors.

10. What is the role of corporate partnerships and university alliances?

Many universities have developed some kind of partnerships with corporations, although these partnerships can be of an extremely different nature. Two major categories of university-corporate partnerships are companies serving as service providers and as clients as they sponsor their employees for further degrees.

It is quite common that online degree programs in large not-for-profit universities to partner with corporations for services. For example, the University of Texas system hired a consulting company to assess its readiness for an online program (Robinson, 2001), whereas the University of Pennsylvania partners with course design providers (Eleey & Comegno, 1999). The University of Pennsylvania collaborates for synchronous delivery services with such vendors as Caliber Learning Network, Inc. and for asynchronous delivery with companies such as RealEducation. Wharton Direct (not a degree program) and PennAdvance have benefited greatly from outsourcing services to for-profit collaborators. Partnering with corporations for services—outsourcing—can have several advantages including the economies of scale. However, it also has such concerns as control of the academic contents and copyright issues.

At KD, course development has been left to the faculty and technical support has been largely provided in-house. Faculty members are provided grants for new course development. Some individual faculty members have worked with external course developers in developing multimedia components for their courses. Within KD, a team of six computer programmers is available to respond promptly to faculty member requests for helping develop online teaching materials. The technology team has developed an e-learning toolkit that is plugged into the CMS and includes such items as specialized discussion forums and file zipping functions (Shi, Magjuka, & Li, 2005). Such tools have greatly improved instructors' efficiency in course delivery.

KD's partnerships with corporations are largely on the student recruitment side. KD has two student pools: (1) public students and (2) corporate students; the latter being students from the dozen of companies that have agreements with KD. For its' corporate clientele, KD courses can be customized through negotiations between the company and the instructor. In addition, the in-residence component usually takes place in the company instead of having the students come to IU. KD also partners with several engineering schools in the U.S. in offering dual degrees. For example, KD

partners with Purdue University 's Continuing Engineering Education program in offering an MS in engineering and an MB A degree. The dual degree program has made it possible for people to earn both degrees from their home or office –first the MSE from Purdue followed by the MB A from Indiana .

Duin and Baer (2002) believe that a transition to investment thinking is necessary in higher education in order to meet the growing market for life-long learning. They advocate a Partnership Investment Portfolio model for education, where an institution engages in this transformation through partnerships with private companies.

To date, KD's partnerships with corporations have been relatively limited. This might change, however, as the program evolves and grows even larger.

Discussions

As Bates (1984) suggested, new technologies promise "a wider range of teaching functions and a higher quality of learning, lower costs, greater student control, more interaction and feedback for students" (p. 223). How to make these wonderful promises come true remains a challenge to all administrators who are managing online distance programs. While overlapping with Levy's six factors to some degree, the ten issues, discussed above, are highly specific and have been critical to the development of the KD program. We hope that these discussions offer insights for administrators who are contemplating online degree programs or services.

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