

Key issues and challenges related to the development of online higher education in Australia

Discussion Paper – March 2013

Navitas Submission – Federal Coalition’s Online Higher Education Working Group

1.0 Executive Summary

Navitas is pleased to have the opportunity to provide the following examination of key issues and challenges as they relate to the development of online higher education in Australia. This is to assist the Federal Coalition in informing its responses to such challenges and opportunities.

The higher education industry, both in Australia and internationally, is poised at a critical point. Those like Navitas, at the forefront of education have recognised the business model shift which is of a similar scale faced by the newspaper and music industries a decade ago. Like Navitas, all quality providers in the higher education sector have commenced the transition with major investment in systems, infrastructure and staff development. 2012 being labelled the ‘Year of the MOOCs’ signifies further change, although the precise direction that might take is somewhat harder to predict.

In many ways Navitas is indicative of the trend in online higher education. All Navitas colleges utilise large scale online capability encompassing online sales and marketing, online student administration through to online delivery of programs. Navitas offers courses in a traditional face-to-face mode supported with online resources, in blended modes that combine face-to-face with online delivery as well as fully online courses. With partners we currently deliver the national eLearning component of the Adult Migrant English Program (AMEP) and are also embarking on a leading-edge trial of a virtual classroom to deliver synchronously, online tuition to rural and remote clients of the AMEP.

A key element in maximising the potential benefits for Australian students and the Australian economy will be ensuring appropriate investment in technology enabled learning and this involves an increased commitment to IT and communications infrastructure. Furthermore, investment in capability development needs to expand to include teachers, learners and learning/instructional designers. This investment spans from basic technology literacy, through to pedagogy and practice in teaching. Mainstream online learning is already underway at Navitas, as it is at other institutions however further development in online will be required to continue on a substantial scale if Australia is to offer a credible, contemporary learning experience.

2.0 Assess the trends in online learning both in Australia and internationally and how this might unfold over the next decade.

The following trends in higher education are a consequence of the growth of online learning:

- **Massive open online courses (MOOCs)** - are being widely explored as alternatives and supplements to traditional university courses. This includes universities providing credit to students who undertake a subject/s via a MOOC from another institution thus breaking down traditional institutional barriers.

- **Open source** – increasingly content, resources, self-paced modules and learning tools are freely available online. Online capability has facilitated access to a wide range of education resources for individual learners, teachers as well as institutions.
- **The establishment of “best of breed” for subjects and disciplines.** Why would an institution develop a subject on Artificial Intelligence when arguably the definitive unit has already been created by Sebastian Thrun and Peter Norvig of Stanford (now Udacity).
- **Change in the role of the teacher** – many academics involved in online content creation do not undertake the traditional face-to-face teaching of students and may have no contact with students at all. This leads to specialisation with the teacher focused on subject and discipline expertise as a content creator.
- **Specialisation across the academic value chain** – with the academic focussing on content creation it is left to other specialists to deal with the learning design and delivery of online courses. Further specialisation is also possible in assessment & examination, for example Pearson Vue. The traditional academic model as a ‘sole-trader’ where academics ‘own’ subjects and are responsible for the entire value chain from creation, support, delivery and assessment becomes increasingly less viable. This so because it is difficult for the academic to be expert across all aspects of the value chain, but also because of the inherent cost of doing so.
- **Learn anytime and anywhere** – a significant driver for online education is predicated around students engaging in learning at a time and at a place of their own choosing. The online trend has expanded not only in terms of accessibility but also how and where learning can take place with mobile learning via smartphones and tablets offering yet more flexible options to learn.
- **The flipped classroom** – with the ability to deliver content online the nature of what occurs in the face-to-face component of a course can change to high-order learning skills such as peer discussion, group work and problem solving – learning skills that previously were often required to be gained outside the classroom.
- **Personalised learning** – online delivery has a variety of ways in which the learning experience can be more personalised around the individual learner. For example, online assessment tools now have analytical capability that can target problem areas for the student to review. Such systems are also used to identify students at risk of dropping out or failing so that tailored support can be provided thus improving pass rates and educational outcomes.
- **More internationalisation** – historically online education has struggled to make any serious inroads into international education. This is so despite the capability of borderless delivery that results from online education. MOOCs have changed this with international institutions collaborating together on a common platform to deliver to an international cohort.
- **Large scale** – education is significantly impacted by scale; the number of students studying in a subject at any one time. The larger the number of students the lower the per student cost of delivery. Online, and in particular the MOOCs model has shown that it is possible to have vast numbers of students studying concurrently in a subject. Whilst this may be as a consequence of the elite institutions involved, nonetheless the principle can also be applied to deliver low cost education on mass to the huge populations in developing countries.
- **New learning models** - education paradigms are shifting to include online learning, hybrid learning, and collaborative models. Students already spend considerable time online learning and exchanging information – often via their social networks. This leads to new opportunities to engage with students and build new learning models within the online community.

3.0 Assess the benefits of online learning for Australian students and the Australian economy.

The potential benefits of the development of online learning in higher education are numerous. Such benefits have the potential to be shared by a wide variety of stakeholders including existing and prospective students, teaching and research staff, public and private education institutions, with positive flow on effects more broadly for the Australian workforce and economy.

Online learning has the capacity to grow the domestic higher education market by providing an additional stream of students who otherwise might not be engaged in higher education. The flow-on benefits include economic growth as a consequence of a more educated population translating to increased lifetime earnings. Online learning is also a social force improving the democratisation of learning by directly improving accessibility to higher education. If implemented and managed with integrity, the development of online higher education presents an exciting opportunity for Australian students and the Australian economy.

a. Impact on cost, flexibility, customisation and quality.

It would be meaningless to comment on online education in the context of cost, customisation or quality. These characteristics of online education, like all modes of delivery, will be dependent on the pedagogical design and the level of investment made. High quality, synchronous online higher education will generally have similar characteristics as good quality traditional higher education.

In the US more than 6 million students, or one-third of all students in higher education, are taking at least one online course, according to a study by the Babson Survey Research Group. The study states that the rate of growth in online enrolment is ten times that of the rate in all higher education. Despite this tremendous surge in online learning in the last decade, there can still be stigmas attached to the quality of online programs. There is a perception that online is synonymous with lower-quality.

According to a recent study by Lindsay Redpath in the Academy of Learning and Education, a substantial body of research indicates that there is no significant difference in learning outcomes for students learning online compared to traditional classroom learners. The report determined that success is rooted in pedagogy, more than in technology or mode of delivery. While there are differences in the way that communication, interaction, and instruction occur in online and classroom delivery, learning outcomes are not necessarily more or less effective in one mode or another.

One feature of an effective online program is the requirement to make a significant upfront investment. This is an investment in technology, course design and learning support. There is also a need to invest in the professional development of academics so they can make the best use of an online mode, recognising that many teachers will not have been trained in the use of technology for online learning.

It is essential that higher education institutions 'normalise' online learning in the context of the overall delivery of education and outcomes for students, academics and employers. It is therefore important not to create separateness or disconnectedness in relation to policy, standards, quality assurance, accreditation, reporting for online education as distinct from other delivery models.

A significant advantage that online higher education has over traditional face-to-face model is in the area of flexibility. Online enables learning to occur at any time and in any location thus vastly expanding accessibility. This benefits a range of potential students who may otherwise be disenfranchised from higher education opportunities including

those with disability, those who have work and/or family commitments and students in rural and remote locations.

b. Benefits of enhanced choice, including from global players.

Online education and in particular the MOOCs phenomenon provide a major increase in choice. This increase in choice is for both the student and the institution; where institutions choose to source subject and course content. The traditional academic model limited the choice of academic content to be sourced from employed or contracted academics of the institution. Institutions now have many more options to source content, some of which may be regarded as 'best of breed' as has been demonstrated with a number of the MOOCs initiatives.

The clear trend is that more higher education content and programs will be made available online freely or at relatively low cost. A number of Australian institutions have already made announcements that align with this trend either recognising via credit subjects undertaken on a MOOC or making their own subjects available on a MOOC.

It is too early to make any conclusion or predict the extent to which this trend will in fact become mainstream and systemically alter student choice and access to global players. Navitas has identified two emerging obstacles to the expansion of this trend:

- i. So far the subjects made available on a MOOC are primarily limited to introductory subjects. This would indicate the boom in MOOCs offerings are focussed on providing an introduction to a program and are therefore a marketing technique rather than a substitute for a full higher education program.
- ii. There is limited recognition of third party online subjects within the Australian Quality Framework (AQF). Although this is changing with some self accrediting institutions offering some recognition, generally an Australian institution does not recognise (in terms of credit) subjects outside the AQF unless recognition has been agreed between individual institutions.

Both these trends would indicate that popular segments of the online higher education market such as MOOCs are supplementary to rather than substitutes for mainstream higher education programs.

c. Impact on workforce participation and democratisation of learning.

Increased accessibility to education is a force to both democratise higher education as well as build workforce skills and ultimately the capacity for workforce participation. Navitas has identified that it has been the private online higher education providers in the US that have served the higher education needs of employers most successfully via business to business service models. For example, the University of Phoenix and its various industry and government contracts.

Navitas also plays an increasing role in skilling the Australian workforce, often delivering to a student demographic not well served by campus based institutions. Navitas Professional offers a range of Nationally Accredited courses from Certificate to Masters level in a wide range of discipline areas such as Psychology, Counselling, Business, Management, Nursing and Criminal Justice. The innovative Navitas approach combines contemporary theoretical thinking with practical, hands-on learning underpinned with a significant online delivery capability. As an example of the contemporary, workforce-relevant programs, the Navitas' Australian College of Applied Psychology (ACAP) offers its programs concurrently in range of modes including face-to-face, blended delivery and fully online. In the past 4 years the choice for online learning has grown from 30% to over 60% of the more than 3,000 students studying at ACAP.

4.0 Assess the challenges of online learning and how they could be overcome, including:

- a. The challenges to existing institutions and their preparedness to face them.**
- b. The maintenance of quality and standards.**
- c. The technological and infrastructure requirements of online courses.**

Online learning should be viewed as an option for learning within a spectrum of delivery modes. For certain types of courses and for particular students, the online higher education option is ideal. However, for most courses and for most students online learning is likely to be suitable for only a portion of a course or subject. This will depend on the characteristics of the discipline as well as the capability of the student.

The higher education experience

Online learning and its potential impact on higher education can be better understood if it is seen in the context of the broader higher education experience as the table below illustrates:

Table: Components of the Higher Education Experience

ACADEMIC	1. Curriculum and courseware – the documented intellectual property that enables the transfer of knowledge in a subject
	2. Lessons – the actual delivery of courseware into segments of learning including self-paced modules for online programs
	3. Research – the systematic inquiry into new knowledge
	4. Practicum – the practical work experience component required for a professional qualification increasingly required across most professions
	5. Examination and assessment – a structured process to determine the level of knowledge and skills gained
	6. Academic support – the organised structure around the learning experience to support academic endeavour including libraries, IT and Learning Management Systems (LMS)
ADMINISTRATIVE	7. Quality assurance – the processes that ensures the maintenance of a given standard of quality across an institution
	8. Accreditation – the framework of formal recognition around subject and course qualification including with professional bodies
	9. Student support – specific assistance provided to help students with their education experience and may include access to counsellors, career guidance, medical support etc.
	10. Administrative support – the administration required to support the student experience usually centred around a Student Management System (SMS) and may include enrolment, distribution of courseware, running examinations, assignment submission etc.
EXTRA-CURRICULAR	11. Community – the participation in community based pursuits that may include in-service activities such as volunteer work
	12. Internationalisation – the experience of other cultures, languages and people via an international cohort and/or outbound mobility
	13. Social – organised social clubs and associations covering hobbies, special interest subjects, political organisations and organised activities
	14. Sport – sporting activities undertaken both on a competitive and non-competitive basis

The campus experience of most modern international higher education institutions, including Navitas college's attempts to provide the full range of the activities identified in the table above. Online delivery addresses only some of the academic and administrative requirements of a higher education program. Students seeking the broader extra-curricular experience or requiring significant learning support are likely to be unsuitable for online study.

The online student

Online courses have a terrible reputation when it comes to attrition. The latest phenomenon regarding MOOCs has seen less than 5% of students' enrolled complete a single subject. A fully online course with a greater than 50% pass rate is considered high as compared to a standard Navitas college which typically has pass rates greater than 90%.

There are often important and flawed assumptions underpinning the Gen Y and younger demographic and these are that they are:

- i. Adept at using online learning; and
- ii. That they will acquire knowledge and skills more easily online.

In practice, neither of these assumptions hold true. Emersion in technology does not automatically make online learning the most suitable mode. For example, Navitas international students require immersion and physical engagement in all aspects of an Australian higher education experience. Many would find difficulty in succeeding in a western education without the broader level of engagement and support that a campus model offers. Despite their high levels of technology use, for many international students, online learning would generally be an inappropriate mode of delivery.

Other Challenges

There appears to be a number of limitations to online education becoming a mass education model serving the majority of higher education needs and these include:

- The quality assurance and accreditation framework – this is inevitably expensive and may not recognise some online equivalents.
- The ability to undertake practical work – a range of professions (nursing, medicine, veterinary science, allied health etc.) have mandated practical component.
- Regulatory face-to-face requirements such as visa compliance for international students.
- Recognition by professional bodies – Stanford may well have the best business program in the world however it means little for someone seeking to be recognised as a qualified accountant in Australia. Most professional bodies around the world have educational prerequisites that are an impediment to unified, mass online delivery.
- Student support – there are a large proportion of the student body that require significant academic support to complete their studies. These students would be unable to complete their courses entirely via a self-paced online model as would be undertaken for example in a MOOC.

In order to harness the potential benefits posed by the development of online higher education, a number of challenges will have to be addressed.

- It is clear that a key element in maximising the potential benefits to Australian students and the Australian economy will be ensuring appropriate investment in IT and Communications infrastructure. Capacity and continuity of service will be

vital. The technology and infrastructure requirements of online delivery will require significant investment in IT and communications infrastructure, both for institutions and for a distributed set of learners. This will have implications for network connections and ensuring access costs are not an impediment.

- Furthermore, investment in capability development for teachers, learners and learning/instructional designers, from basic technology literacy through to pedagogy and practice in teaching and learning online will be required on a substantial scale.

Learning design for online teaching can be a fundamentally different process, as compared to that associated with traditional models of delivery, and may therefore require different skill-sets and capabilities. This requires a significant investment in professional development for teachers in a range of new subject areas covering learning design, programming and online assessment and testing.

- It is important not to underestimate the 'whole of institution' structural, cultural and pedagogical elements that may be challenged and would need to be addressed in concert with any move towards significant online learning models. In particular, the interconnectedness of content 'creation' and its delivery will lead to the need to address intellectual property and copyright related issues as the sourcing and sharing of third party content becomes the norm.
- Another key challenge will be to 'normalise' online learning in the context of the overall delivery of education and outcomes for a variety of stakeholders. This is particularly the case with regard to online learning's value proposition for both students and employers. It will be important to avoid the creation of a disconnect between online education as distinct from other delivery models. This needs to be the case in relation to policy, standards, quality, accreditation, and reporting and regulatory requirements.

5.0 Assess what policy measures are required to capture the benefits for Australian students and the economy, including:

- a. How to deal with accreditation.**
- b. How to best assist Australian providers.**
- c. How to capture the opportunities that international institutions provide while fostering Australian ones.**
- d. What other regulatory changes are required to capture the benefits of the emerging environment.**

As has been suggested in addressing sections above, it is important that online learning is not treated as special or different to other study stream in higher education. As has been commented on by a number of prominent leaders in the Australian higher education sector, accreditation needs to facilitate and support best practice and not be unnecessarily burdensome or an obstacle to innovative practice. This means developing a quality and accreditation framework that accommodates higher education delivery in all its forms including online learning. Out-dated concepts such as mandating contact hours and other measure focussed on process should be replaced with measures that assess the quality of outcomes.

Navitas is supportive of a regulatory framework around accreditation and award recognition, and for international education, the new Streamlined Visa Processing (SVP) requirements. This type of regulation is essential to ensure Australian higher education maintains its enviable reputation as a quality destination for international students.

Any additional regulation, whether pertaining to online learning or not, would not be considered necessary or advantageous to the higher education sector. In fact the very nature of online learning means that regulation or policy seeking to impact delivery beyond the boundaries of Australia is likely to be meaningless and may simply inhibit the competitiveness of Australian institutions.

6.0 Determine how Australia's tertiary institutions can best capture the growing online international market, particularly in Asia. This would include:

- a. Assessing the size of the opportunity.**
- b. Determining how Australia can grow an online international market without compromising our on-shore market.**
- c. Determining what measures should be put in place to help capture the opportunities.**
- d. Identifying regulatory barriers that need to be addressed.**

Generally online education, or at least a fully online course is incompatible with international education. Mass delivery online has been in existence for more than 20 years and in that time there has been no broad scale higher education venture that has succeeded online, servicing an international student market. And this is not because the concept has not been attempted. Initiatives such as University of Phoenix international enrolments, Universitas 21 and Informatics have all attempted to garner a mainstream international student cohort with limited success. Despite the borderless nature of online delivery, the vast majority of students studying via online are domestic students.

Success in online international markets has generally been small scale, often limited to niche courses and programs generally serving a coursework masters segment of the market. In other words, a mature learner in a course that can be delivered and assessed using online materials and assessment tools. The online MBA is probably one of the most dominant courses in this category, although for many the inability to network with peers in the program would be regarded as an important limitation.

Navitas is the most significant institution in international education in Australia. Navitas delivers to international students across the traditional sectoral boundaries that define higher education, vocational, English and secondary education offering Australian Qualifications Framework (AQF) qualifications from Certificate I through to Masters Degrees. In addition, we have one of the largest international education presences with operations across more than 40 countries. From this vast experience and depth of understanding Navitas has concluded that in general:

- i. International students are seeking an immersive experience. International education is both about gaining western qualification but also about a cultural exchange and experience.
- ii. Because of the language and cultural issues, online delivery is not well suited to international higher education markets.

Navitas has significant online delivery capacity and has looked to utilise this in support of international student recruitment. For example, through our China based subsidiary, EduGlobal we have provided in-country English language support and testing, all fully online. We are also exploring other online options in-country to potentially reduce the overall cost for international students coming to Australia. From our experience, most students (primarily in fact parents) who are committed to an international education are not attracted to online alternatives and are focussed on a traditional, campus based Australian education experience.

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About Navitas

Navitas is a global education provider that offers an extensive range of educational services for students and professionals including university programs, English language training and settlement services, creative media education, workforce and professional education, and student recruitment.

More than 80,000 students and clients learn with Navitas across a network of over 100 colleges and campuses in 23 countries. Navitas is an Australian publicly listed corporation which is included in the ASX 200 index.

Navitas is an industry leader in pre-university and university pathway programs, and managed campuses. It offers university programs from colleges in Australia, UK, US, Canada, Asia and Africa.

English Language training includes the provision of English as second language courses for international students and English language, settlement and work preparation programs for migrants and refugees.

Navitas Workforce provides quality higher education and vocational training, with aligned employment and placement services in areas of key demand. Focusing on meeting business and industry needs for skilled human resources, it provides the capabilities that find, train and place “work ready” skilled employees.

Via SAE and Qantm Navitas is a leader in creative media education offering audio, film and new media qualifications around the world.

Navitas also offers student recruitment services in India and China for universities and other educational institutions in Australia, Canada, US and UK.

Further details about Navitas are available at www.navitas.com.