



Online Education: Focusing on Growth and Quality

Colleges and universities have to embraced and expanded online offerings significantly in the last few years, taking many out of their comfort zones. And yet, online education emerged with campus stakeholders perceiving it more favorably than before and embracing the online learning experience as a viable opportunity to foster growth and innovation.

Now, with the top 10 online-only institutions [enrolling 20% of online-only students in the U.S.](#), many state systems and individual institutions are trying to differentiate themselves by enhancing the quality of the online education they deliver and determine their optimal approach to growth. Consider these trends:

- Sixty-four percent of college students polled this spring strongly agree or somewhat agree that they prefer the option to take in-person and online courses, [up from 57% in fall 2021.](#)
- More than half of adults in 2022 believe that the quality of online instruction is the same or better as in-person instruction, [up from just over one-third in 2021.](#)
- Labor market changes and increasing workforce automation are fueling demand for online or hybrid learning and microcredentials, with [the market expected to grow 17% annually to \\$117 billion by 2025](#) as illustrated in figure 1.

Forecasted Online Growth

With an average annual growth rate of 17%, the online degree and micro-credential market is expected to grow to [\\$117 billion](#) in 2025.

Figure 1. Online degree and microcredential market forecast from 2020-2025

Credit: [HoloniQ, "Global Online Degree and Micro-Credential Market to Reach \\$117B by 2025"](#)

Here are three ways colleges and universities can carve out a meaningful position in a growing market.

- **Find the best fit:** There are many ways to enable growth and innovation in online education. Some institutions may focus on assessing current capabilities to determine necessary investments and organizational changes to drive growth organically and enhance quality. Others

may choose to strategically partner with online program management (OPM) companies or other collaborators. At the same time, others may pursue inorganic growth via acquisition. In all cases, organizational and mission alignment is key.

- **Focus on quality:** Growth in online offerings and quality can coexist. Ensure that growth does not come at the expense of quality teaching and pedagogy related to online learning best practices. Involve and support faculty in curriculum development and instructional delivery, and track learning outcomes with disciplined reporting. Proven quality can be a competitive advantage for more traditional institutions.

· **Retain new students:** Much of the conversation about online education focuses on acquiring new students. Seek ways to build affinity with online students and provide ways for stopout students to reenroll with ease. Efforts to enhance online student retention and satisfaction will pay off, as nearly half of online program graduates say they are “likely” or “very likely” to return to their institution for another program.



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