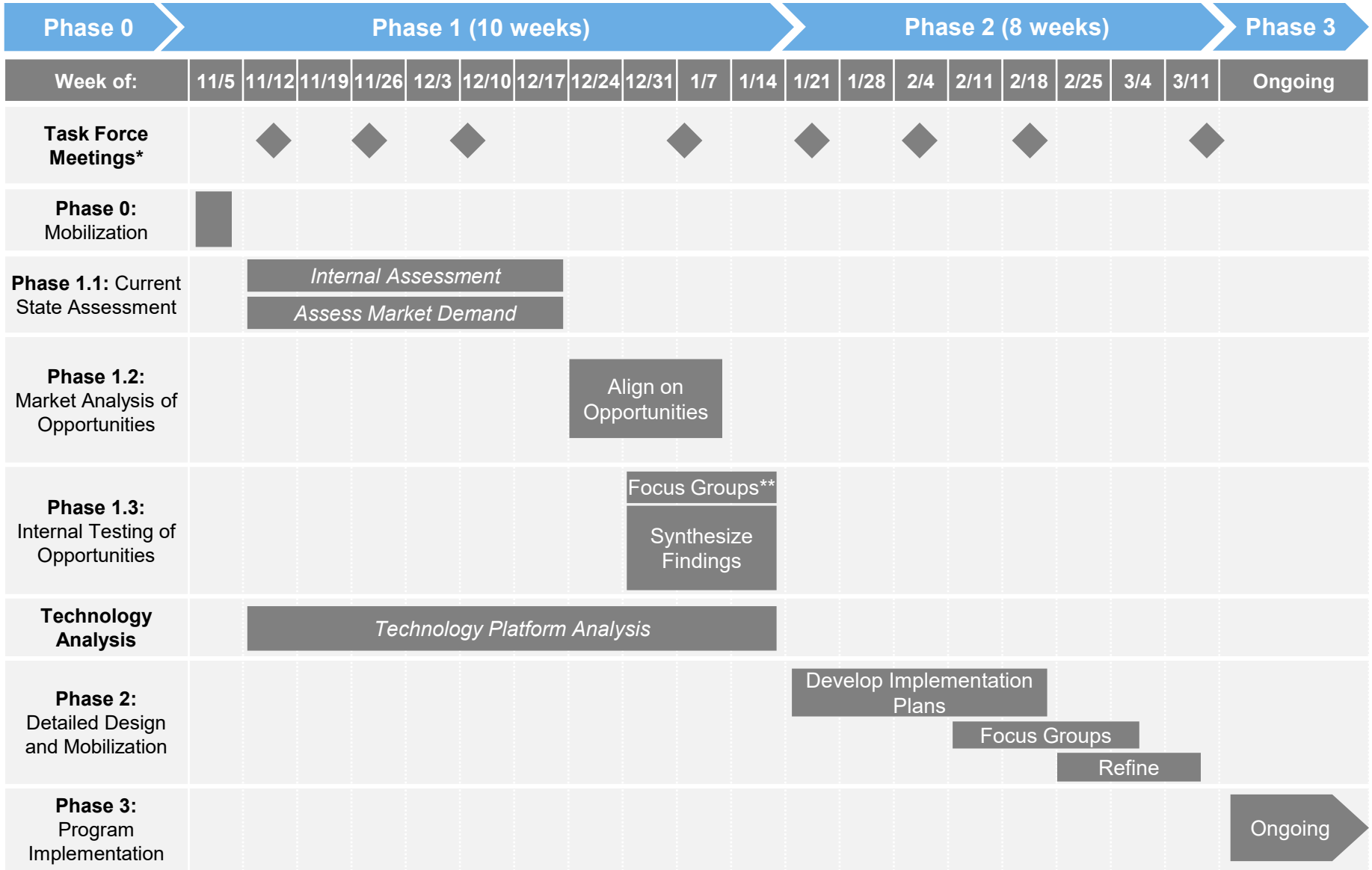
University of Missouri
eLearning Learning Strategic Planning

Project Kickoff—Update to Curators

November 15, 2018

Our project plan consists of multiple phases, with key activities and deliverables in each phase

1 Project Overview
2 Market Trends
3 Online Program Vision



Note: *EY-Parthenon will have bi-weekly touchpoints with the program management team; **Denotes optional activities

In Phase 1, EY-Parthenon will identify and evaluate various options for growth, while Phase 2 will focus on the design of an operating model

1 Project Overview
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Phase 0	Phase 1		Phase 2	Phase 3
Mobilization (1 week)	1.1 Current State Assessment (6 weeks)	1.2 Market Analysis of Opportunities (4 weeks) 1.3 Internal Testing of Opportunities (4 weeks)	Detailed Design and Mobilization (8 weeks)	Implementation (as needed)
	Information gathering and evaluation of technology platforms		Plan performance tracking and management	

1.1 Current State Assessment

Key Activities:

- Evaluate University of Missouri's **existing online / distance learning programs**
  - Identify strengths and weaknesses of programs
  - Compare key metrics to national best practices
- **Asses demand for online education within MO** and region, and UM's "right to win" among this population

1.2 and 1.3 Market Analysis and Internal Testing of Opportunities

Key Activities:

- **Identify potential options and opportunities** for expanding online / distance learning programs
- Assess viability of each opportunity using **evaluation framework**
- Assess how the various growth opportunities align with **internal University of Missouri capabilities**

Evaluation of Technology Platforms

Key Activities:

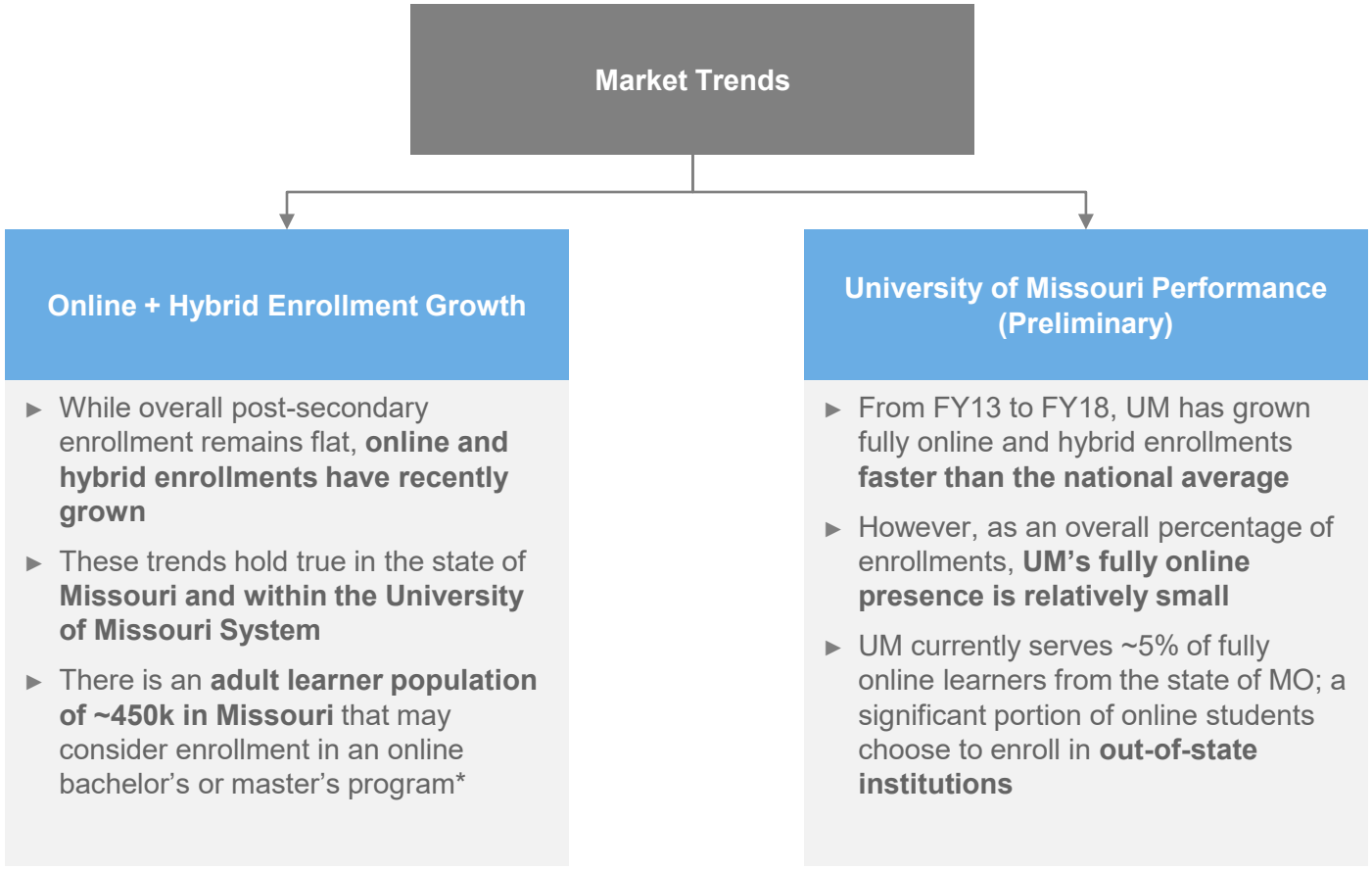
- Create a current state **online technology map**
- Identify **common practices** across peers
- **Facilitate discussions** to select preferred technology model
- **Recommend technology platforms** to manage expansion of online / distance learning programs

Phase 2: Detailed Design of Operating Plan

Key activities:

- **Develop operating model**, which includes financial modeling of investment required, revenues expected, and associated costs
- Develop **implementation and go-to-market plan**
- Test and refine recommendations

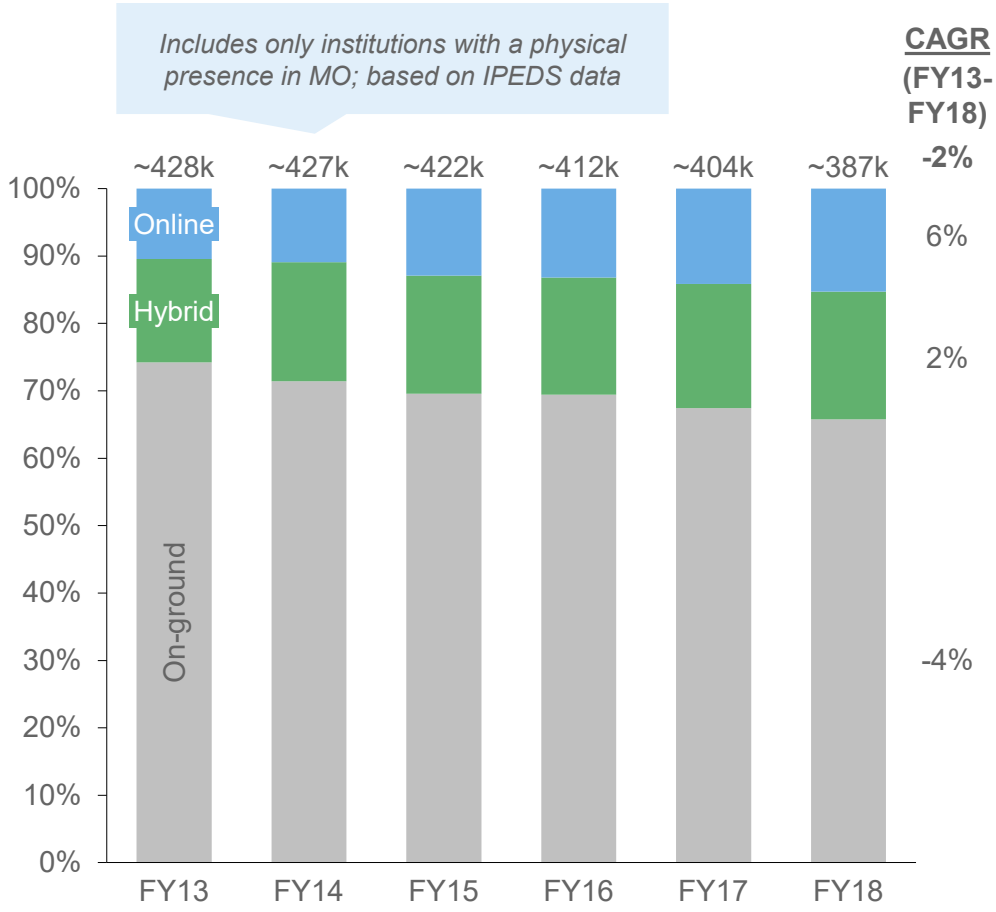
Online and hybrid enrollment is driving growth; through strategic planning, University of Missouri can remain competitive



*Note: The 450k differs from the 750k referenced in the MoExcels Request for Proposals due to slight differences in methodology: the MoExcels number is inclusive only of the adult population with "Some college, no degree," and assumes all are addressable; EY-P considers those with Bachelor's and Associate's degrees (in addition to "Some college, no degree") and applies an addressability cut based on the estimated % likely to enroll in an higher-ed degree program

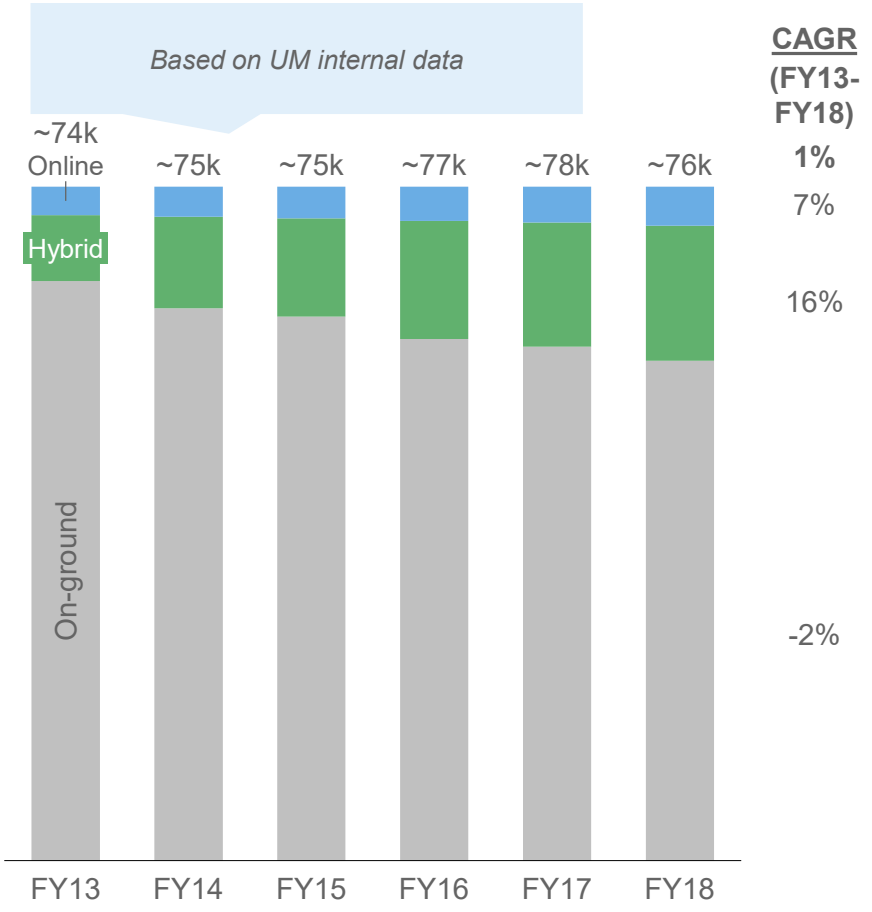
The University of Missouri System mirrors the broader state in terms of growth in exclusively online enrollments and decline in on-ground enrollments

Enrollment Totals for Institutions within Missouri by Delivery Modality,
FY13 – FY18



	FY13	FY14	FY15	FY16	FY17	FY18
% Online	10%	11%	13%	13%	14%	15%
% Hybrid	15%	18%	17%	17%	18%	19%

Enrollment Totals for University of Missouri (System) by Delivery Modality,
FY13 – FY18

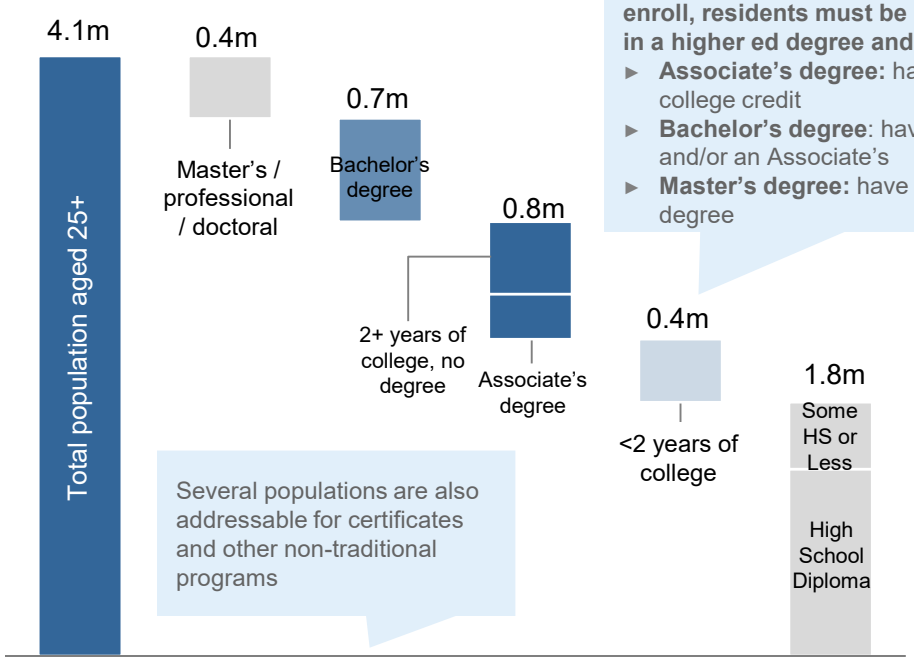


	FY13	FY14	FY15	FY16	FY17	FY18
% Online	4%	4%	5%	5%	5%	6%
% Hybrid	10%	14%	15%	18%	18%	20%

Source: NCES IPEDS; Internal Data

Potential demand for online learning is strong; there are ~450k adult learners aged 25+ in Missouri who could be addressable for online bachelor's and master's degrees

Missouri Population Aged 25+, by Educational Attainment and Degree Addressability
FY17



To meet the necessary characteristics to enroll, residents must be considering enrolling in a higher ed degree and:

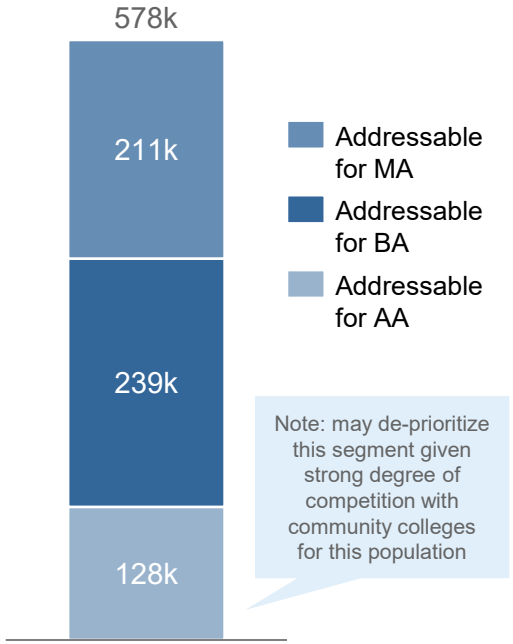
- **Associate's degree:** have obtained some college credit
- **Bachelor's degree**: have obtained 60+ credits and/or an Associate's
- **Master's degree:** have received a Bachelor's degree

Several populations are also addressable for certificates and other non-traditional programs

% considering enrolling in higher-ed degree program*		30%	30%	30%	

Note: 30% is an estimation based on benchmarks and past EY-P work in higher education online learning; actual Missouri population may yield different numbers

Population Aged 25+ in Missouri Considering Higher-Ed Degree Enrollment,
FY17



Note: may de-prioritize this segment given strong degree of competition with community colleges for this population

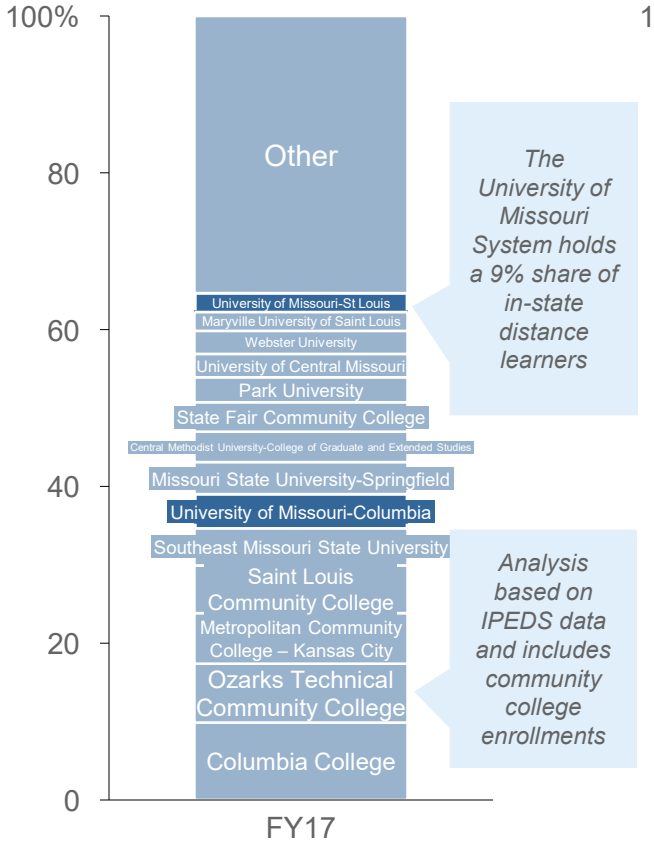
*Note: Estimated addressability based on benchmarks and past EY-P work in higher education online learning
Source: US Census Bureau; EY-Parthenon analysis

While demand for online education among Missouri residents is high, ~20k choose to enroll in out-of-state institutions, suggesting opportunity for UM to gain share

1 Project Overview
2 **Market Trends**
3 Online Program Vision

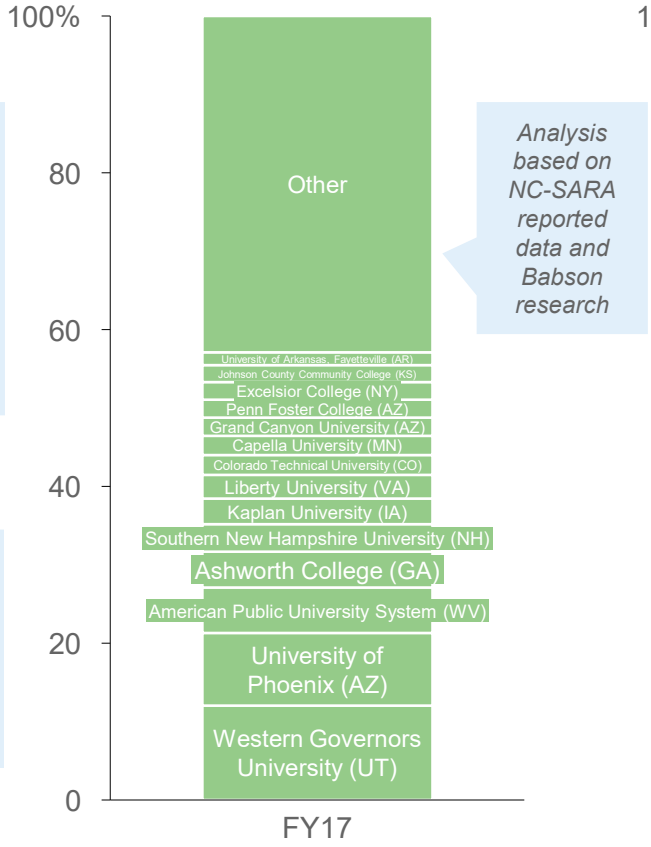
Missouri residents enrolled in online programs at *in-state institutions*

~32k students



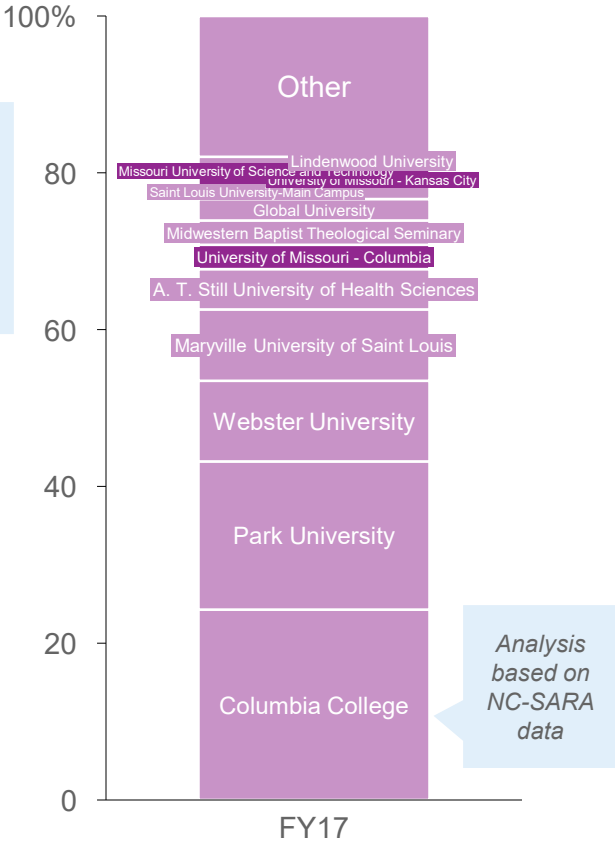
Missouri residents enrolled in online programs at *out-of-state institutions*

~21k students



Out-of-state residents enrolled in online programs at *Missouri institutions*

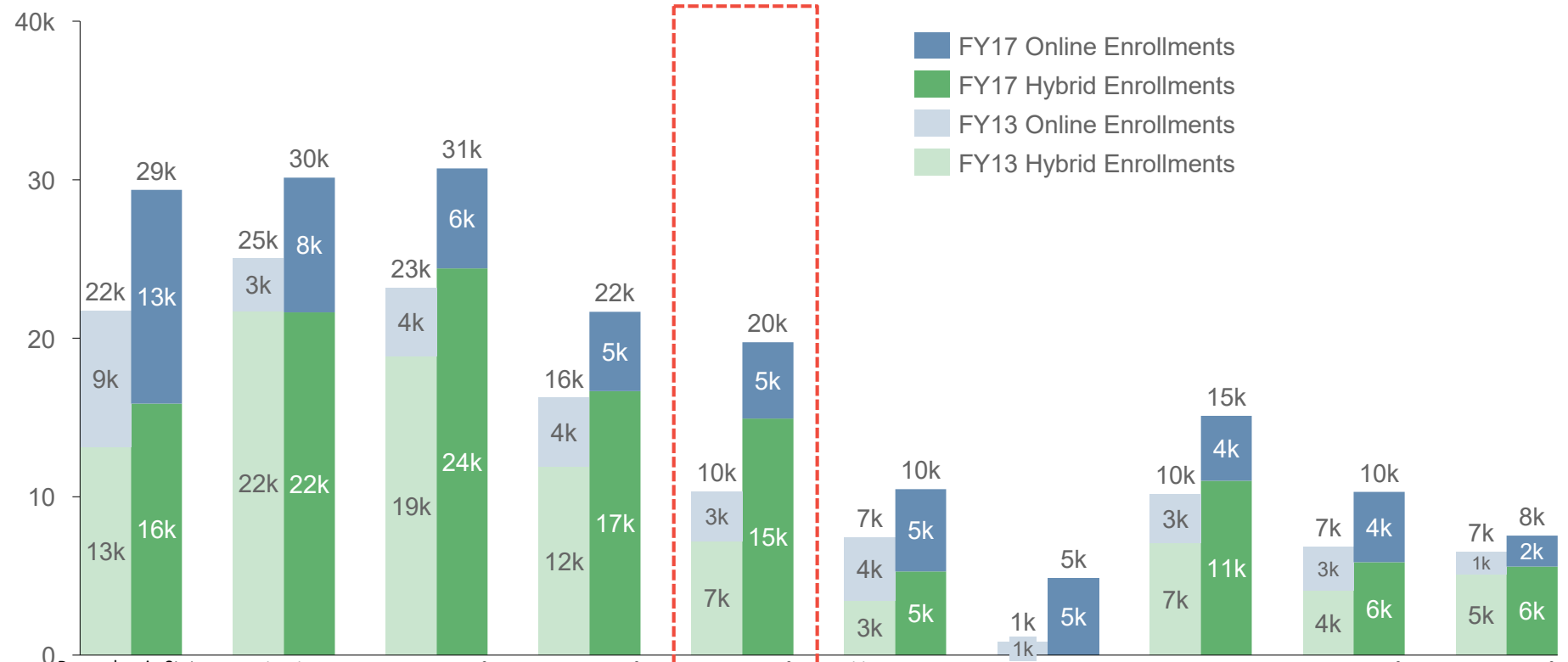
~25k students



Note: data represented represents students who are exclusively distance learners
Source: National Council for State Authorization Reciprocity Agreements (NC-SARA); NCES IPEDS

UM's online learning programs have made strides since FY13, and are "middle of the pack" relative to peer institutions

Enrollment Totals for University of Missouri System and Select Peer Institutions by Delivery Modality,
FY13 – FY17



% Online	12%	19%	5%	12%	6%	9%	6%	7%	4%	7%	5%	7%	1%	7%	4%	6%	4%	6%	2%	3%
% Hybrid	18%	22%	29%	30%	26%	34%	16%	23%	10%	21%	5%	7%	0%	0%	10%	15%	6%	8%	7%	8%

Note: select peer institutions with most online and hybrid enrollments depicted
Sources: NECS IPEDS, Internal Data

To guide the focus of our work, it is helpful to understand the overall vision and scope of the desired online program for the University of Missouri

University of Missouri Online Program Vision: For Discussion

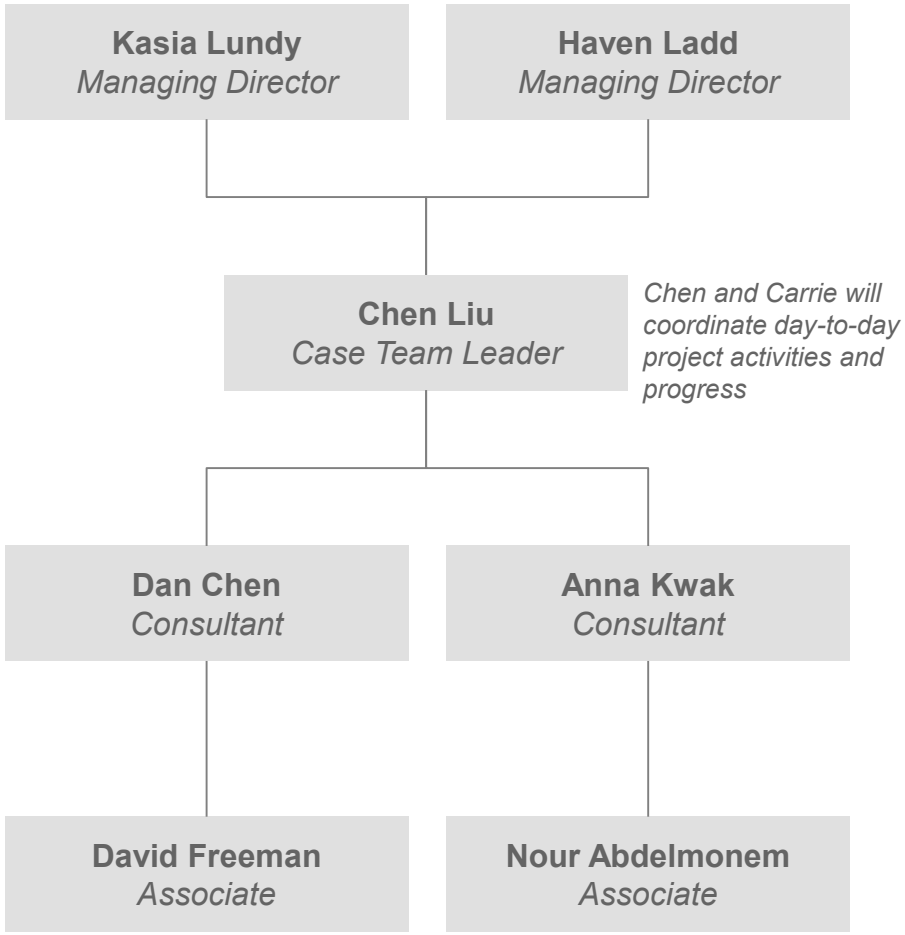
Program Characteristic	Key Questions for Discussion	Initial Perspectives from Interviews
1 **Scope, Scale and Timing**	► What target enrollments or revenue should UM try to achieve? ► Is there a short-term goal to keep in mind, and what is the timeline to reach this goal?	**Multiple stakeholders suggest that 25k enrollments in 5 years is an ambitious but reasonable medium-term target** ► An aggressive timeline may be challenging, but there is a sense of urgency given the rapidly changing competitive landscape
2 **Geographic Focus**	► Is UM trying to serve a national population? ► Is a regional focus on MO and surrounding states preferred over a national focus?	**Preliminary perspectives support prioritizing Missouri and the surrounding region before moving nationally** ► Increasing access to education within Missouri aligns with the state's broader mission for the UM system ► The opportunity to be a national player should not be overlooked
3 **Population Focus**	► Is UM placing emphasis on serving "traditional" students? Adult learners? Other?	**Stakeholders largely agree that "adult learners" are the most attractive target to bring incremental enrollments to UM** ► Interviewees perceive this population to be large and underserved in MO and surrounding regions
4 **Degrees Offered**	► Should the new program additions focus on undergraduate degrees? Graduate degrees? Certificates?	**Given the target population, most interviewees suggest that a focus on undergraduate degrees and certificate programs is logical** ► The population of working adults with some college credit are most addressable for these programs ► Others suggest more breadth of offerings as per the ASU model

Sources: EY-Parthenon interviews

Appendix

Our team will work closely together with University of Missouri's eLearning Task Force throughout the project

EY-Parthenon Team



University of Missouri Team

University of Missouri eLearning Task Force	
Gary Allen	VP for Information Technology, UM System
Barb Bichelmeyer	Provost, UMKC
Mun Choi	President, UM System
Kelvin Erickson	Professor of Electrical and Computer Engineering, S&T
Dale Fitch	Associate Professor, Director, School of Social Work, MU
Steven Graham	Senior Associate VP, Academic Affairs; Task Force Chair, UM System
Christine Holt	Chief of Staff, UM System
Robert Marley	Provost, S&T
John Phillips	Vice Chair, Board of Curators
Latha Ramchand	Provost, MU
Ryan Rapp	VP for Finance and CFO, UM System
Amber Reinhart	Faculty Fellow, Associate Chair of Communication, UMSL
Kristen Sobolik	Provost, UMSL
David Steelman	Chair, Board of Curators
Ajay Vinze	Dean of the College of Business, MU
Marilyn Yoder	Associate Professor, Division Head, School of Biological Sciences, UMKC
Project Manager	
Carrie Nicholson	Research Consultant II; Project Manager, UM System

Today's top online programs at public systems have used a variety of paths to reach their scale positions; nearly all operate a standalone campus

Growth options

Top Public Online Institutions by Number of Students Exclusively in Distance Education in 2016

Institution	Number of Students Exclusively in Distance Education	Percent of Students Exclusively in Distance Education	Path to Scale	Time to Scale*	Operating Structure
University of Maryland-University College	44.3k	77%	Internal build	25 years	Standalone
University of Central Florida	10.3k	16%	Internal build	22 years	Part of system
Pennsylvania State University-World Campus	13.4k	100%	Internal build	20 years	Standalone
The University of Texas at Arlington	15.4k	34%	Partner	10 years	Part of system
Colorado State University-Global Campus	11.6k	100%	Internal build	10 years	Standalone
Arizona State University-EdPlus	24.6k	94%	Partner	8 years	Standalone
Purdue Global University**	38.3k	89%	Acquisition / Conversion	0 years	Standalone
University of Missouri System	4.5k	6%			

For discussion: what operating structure is preferred to best support University of Missouri's online program expansion?

*Note: "Time to Scale" defined as time to today's scale / steady state enrollments
**Note: Purdue Global University is the new name of Kaplan University after being acquired by Purdue; number and % of students reflect IPEDS 2016 data for Kaplan University campuses
Source: NCES IPEDS; Institution websites; EY-Parthenon analysis