The Internet’s explosive growth during the 1990s provided a compelling new vehicle with which colleges and universities could extend the reach of their institutions. Web-based technologies introduced dynamic new teaching and learning environments while setting a new threshold for interactivity in distance-learning courses and programs. Web-based distance learning—defined as instruction delivered at a distance via the World Wide Web, primarily in the form of credit-based courses as part of programs leading to a certification or degree—has achieved strong growth in a short time. Eduventures’s analysis indicates that more than 350,000 students were enrolled in fully online distance-learning programs during 2001–2002, a figure representing growth of more than 40 percent annually.

Many institutions, ranging from prominent public universities to community colleges, have achieved success serving geographically dispersed students over the Web. Their experiences demonstrate that nearly any institution can achieve success in Web-based distance learning by engaging the organization in a deliberate process to evaluate and develop an institutional online distance-learning strategy.

Executive Summary

Strategic Considerations

Strategies for Supporting Off-Campus Growth highlights four strategic considerations:

◆ Vision/mission—Successful programs must be closely aligned with the institution’s vision/mission.
◆ Financial goals—Clearly articulated financial goals are important, and the program’s structure must align with these objectives.
◆ Market reach—Institutions must identify and agree on a target audience.
◆ Reputation/brand—An institution’s brand reputation must be considered when devising a distance-learning strategy.

These considerations serve as the critical foundation on which institutions establish distance-learning program models. In addition, six institutional competencies are critical to success:

◆ leadership/management,
◆ capital financing,
◆ technology management,
◆ marketing,
◆ partnership ability, and
◆ institutional and faculty flexibility.

Colleges and universities must evaluate these six critical institutional competencies...
to foster online success. This means determining whether they can access them by leveraging existing internal capabilities, developing the competencies, or outsourcing to secure the skills.

Colleges and universities should review these issues and factors prior to launching a Web-based distance-learning initiative or when auditing an already established program. Institutions will then identify one of four principal organizational models—distance-learning division, for-profit spin-off, enterprise model, or single-school model—that best fits their objectives and resources. Each model has distinct advantages and challenges that institutions should be aware of when developing or modifying their distance-learning unit.

This analysis prepares an institution for outlining an implementation plan to launch a Web-based distance-learning initiative or to modify an existing program that has not met expectations. Colleges and universities will discover a plethora of discrete questions and activities that must be addressed to launch an online program. Several of these issues will prove more pressing than others; they include developing incentives to encourage faculty participation, implementing comprehensive student support services, and establishing processes for measuring and tracking program success. Moreover, during this self-assessment, institutions should recruit Web-based distance-learning advocates at all levels of the organization, to ensure broad-based commitment from faculty, staff, and administrators.

**Case Studies**

It’s easier to understand and evaluate the strategic considerations and key institutional competencies by investigating specific examples. The study includes detailed case studies of four university efforts: Penn State University’s World Campus, Nova Southeastern University’s “centralized-decentralized” model, Eastern Oregon University’s Division of Distance Education, and Cornell University’s eCornell. Along with recommendations, each case offers insight into the genesis of the institution’s distance-learning efforts, key elements of the organizational model for online efforts, and evaluation of the strategic considerations and critical competencies. In addition, a composite case study drawing on the experiences of seven community colleges offers further insight into the efforts of institutions that have embraced Web-based distance learning to meet their mission of service to their local communities while contending with fiscal challenges and heightened competition from for-profit providers.

**Structure and Sources**

After a brief introductory section that provides background and context for the
current Web-based distance-learning landscape, readers will find the following discussions:

◆ **Research Methods and Market Sizing Assumptions**—Describes the scope and objectives of the study and the methods used to produce it. This section also details Eduventures’s methodology for establishing the current size of the postsecondary enrollments in online Web-based distance education.

◆ **Driving Web-Based Distance-Learning Success**—Furnishes a detailed analysis of the strategic considerations and internal competencies. This section also describes the principal distance-learning organizational models—their benefits and challenges—and the leading implementation issues facing institutional leaders.

◆ **Making the Transition from Strategy Development to Program Execution**—Profiles the Web-based distance-learning efforts of four universities and seven community colleges. The strategic considerations and internal competencies are evaluated within the context of current institutional practices, and each case furnishes numerous tactics that should help college and university leaders chart a course for their unique institutional efforts.

◆ **Bibliography**—Provides a collection of articles, monographs, and reports for readers interested in a more detailed treatment of selected issues addressed in this study.

The analysis and findings in the study draw extensively from conversations with higher education administrators, faculty, and staff; senior executives at postsecondary businesses; and other industry observers. This qualitative, interview-based methodology results in an issues-oriented analysis of key concepts and questions concerning Web-based distance learning and is less dependent on quantitative survey data and other statistical analyses. The analysis and findings are therefore drawn not only from the interviews conducted for the express purposes of this research endeavor but also from hundreds of interviews and conversations conducted by Eduventures analysts concerning online learning and Web-based distance-learning programs. In addition to leaders from institutions profiled in the specific case studies, Eduventures spoke with senior officials of Apollo Group, Collegis, DeVry University, eCollege, Great Hill Partners, Michigan Virtual University, SCT, and WebCT.