

Strategies for Building Online Learning at Regional Universities

How Once Strictly Place-Based Institutions
Can Grow into Their Next Era of Development

By Jeffrey Selingo

Foreword

Despite the steady drumbeat of stories about the decline of American higher education, students are enrolling in record numbers in online classes at institutions in their backyards—regional public universities (RPUs). Who these students are—and how they learn—is different than the traditional college student living in a residence hall. Because of their attention to these differences, RPUs have blazed a trail in defining success for online education.

A look at the numbers shows the reach of these programs. In 2022, RPUs awarded 67% of bachelor's and 68% of master's degrees from public four-year institutions. Nearly all RPUs (99%) offer online courses, and 77% have fully online undergraduate programs. Among RPU undergraduates, 71% take online classes, with 19% studying exclusively online—far surpassing non-RPUs on all counts.

These programs are thriving because students enrolled in online classes and programs at RPUs get the best of both worlds: the convenience of online education and the flexibility it affords to meet work and family demands, paired with meaningful engagement and access to in-person resources. As the higher education landscape changes, RPUs are also evolving to provide timely and relevant programming.

Online education is not only good business for RPUs—it empowers them to fulfill their mission to serve their local communities. Arkansas State University System, where I

served as president for 13 years before my current role, exemplifies this.

A-State Online was launched in 2008. It was created to serve adult students who found it challenging to transfer from two-year to four-year institutions, working adults, first-generation and underrepresented students. It has constantly evolved and adapted to fill the various gaps preventing or discouraging individuals from pursuing a degree or completing their postsecondary education. And it is thriving: first-generation undergraduate transfer enrollment jumped 54% from 2018 to 2022. Since the fall of 2018, A-State Online has also increased its Black student population by 50% and tripled its Hispanic population.

For online education to be truly effective, it must be intentionally structured around students' needs and different learning styles all while maintaining academic rigor. RPUs have embraced this important component of the academic curriculum—proving that online education can be rigorous, accessible, and deeply connected to student success.



Charles L. Welch

President and CEO
of the American Association
of State Colleges and Universities
(AASCU)

Higher education has long been a localized market. Some 70 percent of students go to college within 50 miles of home, according to the Institute for College Access and Success.¹ For time-pressed adult students—who now make up the majority of higher education learners—a college’s location is even more critical in their decisions about where to enroll. And for employers looking for talent, regional colleges and universities provide ready partners, not only for their graduates but also on curricular collaborations that drive innovation.

Online education was originally envisioned as a means to eliminate geographic barriers, going back to its origins in the days of correspondence courses as the original form of distance education. Starting in the early 2000s, some universities began to use online learning as a way to develop a national footprint, and today, several of those institutions are among the biggest players in the space, including Western Governors University, Arizona State University, and Southern New Hampshire University. But in addition to these big national players, many smaller institutions also have jumped into the game to offer their own online degrees (see Figure 1).

The story of online education today is the story of the regionalism of higher education. There will always be a handful of universities with national and international brands. But the fact is that the reputation of a college is strongest with prospective learners and the employers that hire them in their own local and regional geographies. This gives regional institutions a huge edge in grabbing market share in online education.

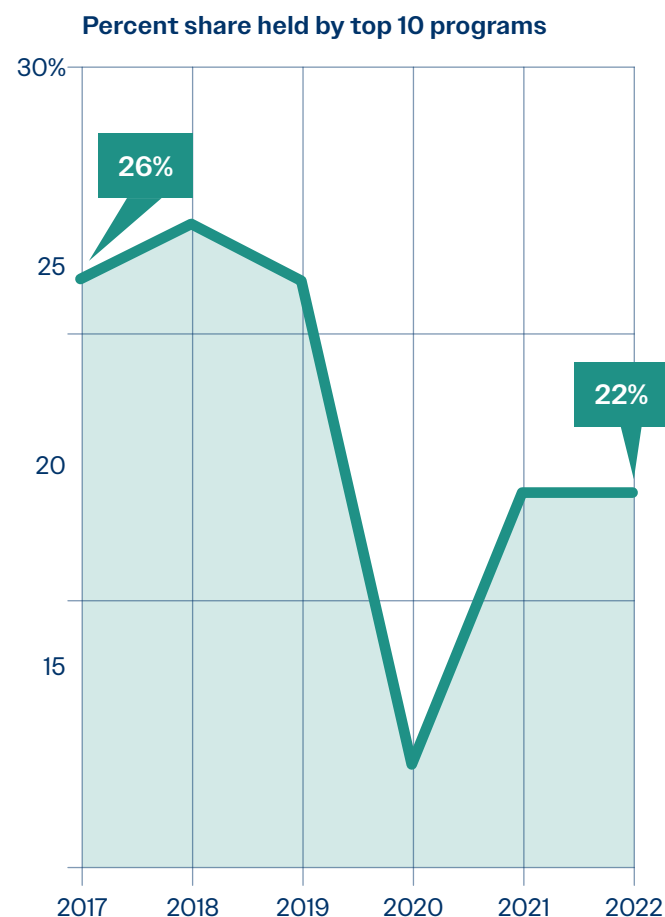
As a result, more and more regional institutions have been expanding—or starting—online programs in recent years, taking advantage of their place-based identities, industry connections, and community engagement to build programs that cater to the needs of local students.

In this first part of this three-part series, we explore why the time is right for regional institutions to go online and outline two student segments that need to be addressed. The second part of this series will look at how to shift the culture on campuses for online innovation. And the third part will sketch out an approach for a successful online strategy.

FIGURE 1

Still Time to Jump Into the Online Market

Despite conventional wisdom, the bulk of online-only graduate enrollment isn’t provided by a few national brands. Indeed, the ten biggest online graduate programs command a steadily declining share of the overall market since 2017, as overall enrollment grows and more institutions enter the market. That means there is not only room for existing universities to ride the wave of overall enrollment growth, but also for new players to get into the game.



Note: 2022, most recent year available

Source: Author analysis of data from Integrated Postsecondary Education Data System (IPEDS) and Phil Hill & Associates

Online: The Next Evolution of Regional Institutions

Throughout history, regional colleges and universities have played a key role in the growth of American higher education.

Many public regional colleges trace their origins to “normal schools” that transitioned to teachers colleges in the 1930s and then comprehensive universities in the 1960s, to accommodate a huge surge in students going to college. Among private regionals, many started to serve specific religious communities or as colleges to educate the local workforce, especially teachers and nurses, and, like their public counterparts, they grew significantly in the 1960s.²

Regional institutions have often been described as higher

ed’s version of the neighborhood school. Their mission has mostly focused on workforce development tailored to local economic needs. Regional institutions’ place-based orientation has always allowed them to build strong ties to local businesses, governments, and civic organizations.

However, as undergraduate enrollment has fallen some 14 percent overall in the past decade (and the growth of graduate enrollment has slowed), regional institutions, which depend on both segments of students, need once again to reimagine who they are.³ Much like when they transitioned from colleges focused on largely one occupation (teaching or nursing), regional institutions are going through another evolution—this time, it’s happening online.

The Shift Toward Online Learning

The popular narrative in higher education these days is one of decline. Yes, the traditional pipeline from high school to college is slowing. In the fall of 2024, enrollment among freshmen in college was down 5 percent compared to the previous year, with four-year colleges in both the public and private sectors seeing even bigger declines. While graduate enrollment is up slightly in 2024, the proportion of bachelor’s degree holders who enroll in graduate school has steadily fallen in recent years.⁴

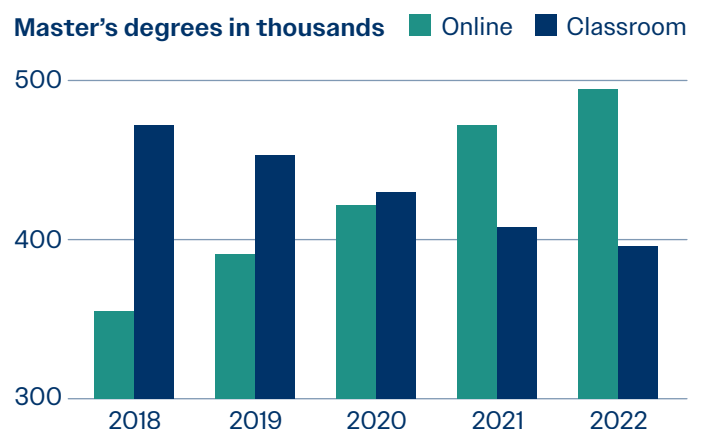
But within those headlines are enrollment numbers that show a different way forward for colleges. For one, overall undergraduate enrollment grew in the fall of 2024, the result of students who left short of a degree returning to college and dual-enrollment students from high schools. Second, enrollment in short-term credentials grew the most of all segments, some 7 percent in 2024 over 2023.⁵ Third, even as graduate education grows, it’s shifting from in-classroom instruction to online (*see Figure 2*).

What these three trends show is that the demand for higher education is there, but students are forgoing enrolling if the

FIGURE 2

Moving Online

The number of master’s degrees from online programs now surpasses those awarded from brick-and-mortar classroom programs.



Note: 2022, most recent year available

Source: Integrated Postsecondary Education Data System (IPEDS), RNL.



If regional colleges and universities developed other products, particularly online education, to meet demand, the evidence seems to strongly indicate that their overall enrollment would grow.

program doesn't meet their needs. We tend to think there is an oversupply in higher education because many colleges have empty seats in classrooms. But the reality is that we have an oversupply in just one category of higher education—and that's full-time, in-person residential education.

This is a product-market fit problem to be solved. If regional colleges and universities developed other products, particularly online education, to meet demand, the evidence seems to strongly indicate that their overall enrollment would grow.

Just look at the growth in online learning over the last decade. Not only is online graduate education growing, but future students in the pipeline to graduate programs show a preference for online learning. The proportion of undergraduates enrolled in at least one online course has risen from 26 percent to 53 percent since 2019.⁶

While early adopters of online learning were often national institutions, it's regional colleges now largely driving

enrollment upward. Students are increasingly choosing online programs within 50 miles from their home, which suggests that, despite the growing availability of fully online programs from national universities, many students prefer to enroll in institutions with which they feel a local or regional connection.⁷ The growth of online learning at regional institutions is also boosted by student demand for flexibility. Working adults, parents, and those in rural areas are drawn to online options, especially from institutions they already trust and know within their region, and where, in a pinch, they can visit the physical campus.

The COVID-19 pandemic accelerated this transition to online learning for regional universities, forcing them to quickly innovate and invest in new technology infrastructure. As a result, many regional institutions experienced a marked increase in the number of students enrolling in online programs. For example, some Midwestern and Southern public universities have reported a doubling of their overall online student enrollment from 2019 to 2021, with projections for continued growth.⁸

Advantages of Regional Institutions in the Online Learning Space

Though regional colleges may not have the marketing reach or brand recognition of national online institutions, my research uncovered four critical advantages these universities have in the online space, allowing them to compete effectively against often bigger competitors. These advantages stem from their deep-rooted community ties and focus on accessibility, affordability, and place-based relevance.

1. Regional Focus and Relevance

One of the greatest strengths of regional universities is their ability to design programs that directly respond to the economic needs of their region. Whether it's creating a program in advanced manufacturing for a region with a

strong industrial base or developing courses that focus on regional public health challenges, these institutions can offer curriculum and credentials tailored to local industry needs, thus attracting both traditional and nontraditional students looking to enhance their skills without leaving their community.

Regional colleges and universities often have established relationships with local employers, a significant advantage over national online institutions. These connections enable regional institutions to offer internships, job placements, and networking opportunities that are directly tied to the local economy.

By maintaining and expanding these relationships, especially

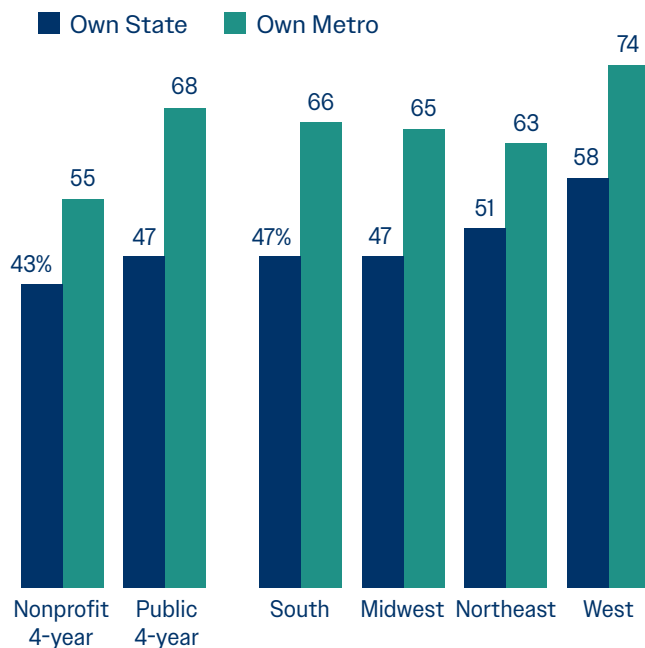
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for online students, regional universities can create a bridge between education and employment that is difficult for larger, far-away institutions to replicate. On average, about half of college graduates work in the same metro area as their college, while two-thirds work in the same state, according to the Upjohn Institute for Employment Research (see Figure 3). So it's advantageous for students to attend an institution with local employer connections. What's more, employers may be more likely to trust graduates from local institutions, knowing they have been trained with an understanding of the regional economic landscape.

FIGURE 3

The Regionalism of Higher Ed

Beyond the small group of wealthiest and most selective institutions, the majority of higher ed is a local and regional business. As this chart shows, most college graduates stay close to their alma maters to work, providing a built-in market for those institutions for their online graduate programs. What's more, research from the Upjohn Institute reveals that students prefer brands in the metro areas and states where they live.



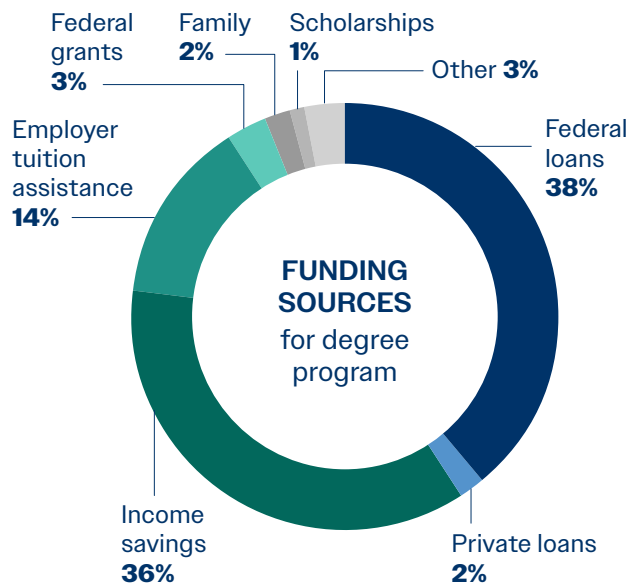
Source: W.E. Upjohn Institute for Employment Research, 2024

2. Affordability Affordability has always been a hallmark of regional institutions, and this remains true for their online programs. A survey by Ipsos, the national polling firm, and Risepoint on the ROI of degrees from a set of regional institutions found that the tuition costs for the programs studied were around \$21,000. But more importantly, just over half of the students didn't take on any student debt to pay for their programs. And the average first-year salary increase of nearly \$13,000 for graduates allowed them to pay back tuition in less than two years (see Figure 4).

FIGURE 4

Affordability Matters

Graduates of online programs report that affordability is their No. 1 priority when they chose a university. Tuition at regional institutions tends to be more affordable than at national universities. What's more, when tuition is affordable, graduates take on less debt and increase their return on investment.



Note: Based on a survey of how graduates of Risepoint-enabled online degrees paid for their programs.

Source: 2024 ROI Study: Research Among Recent Graduates of Risepoint-enabled Programs, Ipsos

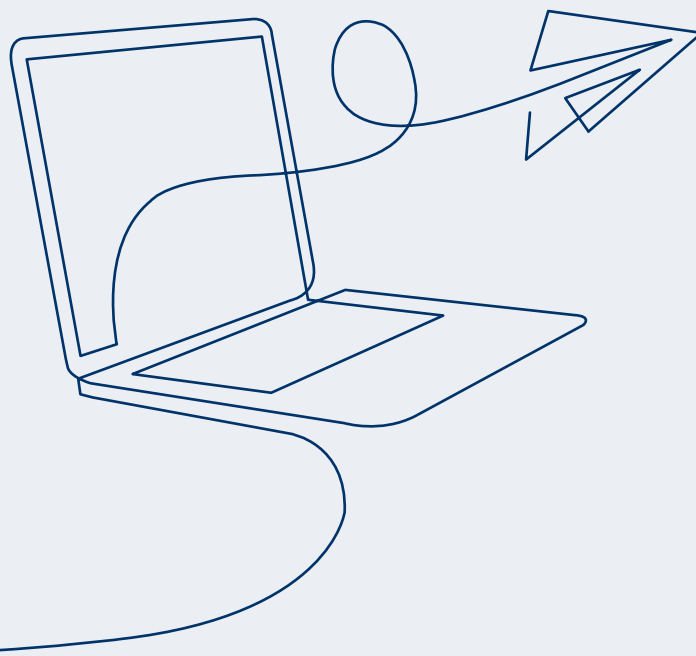
3. Community Community is a key aspect of the regional university experience. Even in the online environment, regional institutions can foster a sense of belonging through virtual student organizations, networking events, and local meetups. Because students who enroll in regional online programs often remain part of the community, these graduates can more easily create lasting connections.

4. Access to Onsite Facilities and Support Even though students may enroll in fully online programs, many still value access to campus resources, such as libraries, research centers, career counseling services, and student support services. Regional universities are able to offer their online students opportunities to use these physical resources, attend campus events, and meet with faculty and peers in person if needed. This model can provide a stronger sense of community and support than what students might find at purely online institutions.

Playbook: Leveraging Online Learning for Strategic Enrollment Growth

Success in online education is far from straightforward. An institution grappling with enrollment challenges will discover that it needs to change the way it's always done things. The section that follows provides short profiles of the online journey at two institutions.

These are not comprehensive case studies nor a list of best practices. They are meant to be a glimpse inside how different institutions achieved enrollment growth in moving online. The profiles provide a framework for moving online, given that these institutions adopted two different strategies, and, according to my research.





INDIANA TECH:

The Adult Learner Specialist

Some institutions have traditionally focused on serving working adult learners and are now broadening their appeal through flexible online programs. Expanding their portfolio to include online programs doesn't change the type of learners these institutions serve. Rather, it allows them to penetrate the regional adult learner population more effectively by meeting the needs of students who might have previously been unable to attend due to logistical challenges, such as schedule conflicts, travel to campus, or childcare.

An example is Indiana Institute of Technology (Indiana Tech), a private university in Fort Wayne, Indiana, founded in 1930 specifically to serve working adult learners. Indiana Tech was an early adopter of online programs, launching its first online offerings in the early 2000s.

"For us, the target audience at that time for online was already a demographic we were reaching. This was just a new delivery mode for us," said Steve Herendeen, senior vice president for strategic enrollment management.

Indiana Tech's online enrollment has grown steadily, and its presence has extended deeper into its region. "What online did for us is that it increased accessibility," Herendeen said.

Herendeen attributes Indiana Tech's success in the online space partly to the institution's commitment to student success, with personal advising and 24/7 support capabilities for learners. He also noted that a significant portion of the school's recent online enrollment growth has been driven by corporate partnerships, with an emphasis on STEM degree programs. Corporate partnerships not only offer an effective marketing channel for Indiana Tech's online programs but also contribute to the programs' overall affordability.

Strategically managing the academic portfolio is critical to growth for regional institutions, said Indiana Tech's president Karl Einolf. That means making sure the curriculum is continually updated to remain relevant to the working learners and new programs are added to keep up with local employment trends. This is where regional institutions can outperform bigger online players, Einolf said. For one, their leaders are closest to local industry. Second, regional universities tend to be more nimble in adding programs than larger institutions.

The working learner "is all about convenience, price, but their time horizon is also short," Einolf said. "They're looking for a promotion or new job soon, not years from now. The more relevant we can be to them, the more we get those enrollments."



WILLIAM PATERSON UNIVERSITY:

Nontraditional Expanders

The “nontraditional expander” institutions had historically focused on traditional-aged students but are now reaching a wider audience by leveraging online programs to attract working adult learners. By offering flexible online degree options, these colleges and universities are diversifying their student body and growing enrollment by connecting with a segment of the population they may not have targeted in the past.

Widening their scope to a new demographic of students was the primary goal for William Paterson University, a public university in Wayne, New Jersey, when it launched online degree programs in 2020.

“We recognized we had to diversify our student base from a sustainability model going forward, but also to meet, frankly, a state need and a national need,” said Joshua B. Powers, provost and senior vice president for academic affairs. “There are a lot of adults out there that have some college, no

degree, or want to have a bachelor's and want to get a master's degree.”

In less than five years, William Paterson has grown its online enrollment from zero to more than 4,000, composed almost exclusively of working adult learners.

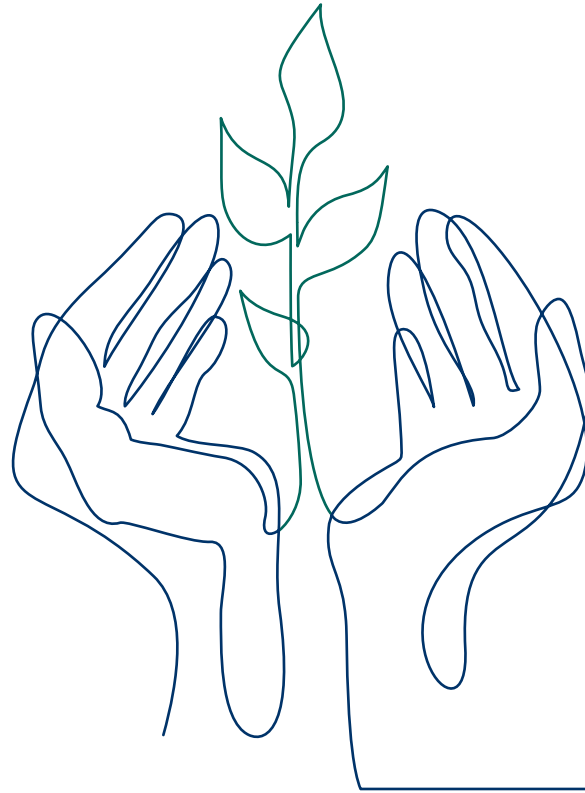
Powers noted that William Paterson’s online MBA and nursing programs have been key drivers of growth, and he highlighted the university’s affordability and industry partnerships as distinctive program features that contributed considerably to their success. William Paterson has also made strategic policy and design decisions to minimize online programs cannibalizing its in-person offerings. “At the undergraduate level, you cannot be online unless you’re two years out of high school,” Powers said. “We made a conscious choice that we want to provide students opportunities to meet others, and frankly, have all the wonderful array of things that a college offers.”

The Last Word:

Seizing the Opportunity for Growth

While large, national online institutions have garnered considerable attention and substantial enrollment growth, it's not too late for regional universities to carve out a significant place in the online education market. Many smaller players are successfully operating and growing their online operations. There is room for more, especially among regional institutions willing to fill demand from learners who are looking for something different than traditional colleges offering place-based programs.

Regional institutions have key advantages that can allow them to thrive, either by widening their appeal to working adults or by deepening their focus on this population. By zeroing in on their regional economic relevance, leveraging local employer connections, offering affordable tuition, and fostering community, these institutions can successfully build strong online programs that meet the needs of a wider range of students. With strategic expansion of an online presence, these once strictly place-based institutions can continue their legacy of service within their region.



ENDNOTES

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² Schneider and KC Deane, eds., *The University Next Door: What Is a Comprehensive University, Who Does It Educate, and Can It Survive?* (Teachers College Press, 2015).

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⁸ Author calculations from Integrated Postsecondary Education Data System (IPEDS).



ABOUT THE AUTHOR

Jeffrey Selingo is an higher education author and strategist who has written three New York Times bestselling books. His latest book, *Who Gets In & Why: A Year Inside College Admissions*, was published in 2020 and was named among the 100 Notable Books of the year by the The New York Times. A regular contributor to The Atlantic and The New York Times, Jeff is a special advisor for innovation and professor of practice at Arizona State University. He also co-hosts the podcast, Future U. and writes a regular newsletter called Next.

You can find out more about him at jeffselingo.com.



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