EdX Stays Committed to Universities, Offering Credits for MOOCs

Coursera and Udacity appear to have found an answer—for now—to the business model questions that have plagued MOOC providers: partner with companies, such as AT&T and Google, design courses that support much-needed skills, then charge students to take them. The promise of marketable knowledge motivates students to complete the classes; top performers may even land jobs.

Investors are cheering: together, Coursera and Udacity have won more than $300 million in investments—a signal that investors feel the potential for returns is significant.

So where does that leave the nonprofit edX, considered one of the "Big Three" MOOC providers?

With over 90 partner institutions, $60 million in funding and more than six million learners, the last few years have marked a time of intensive experimentation for edX and its partner institutions, many of whom had never offered courses online.

Close to a third of edX's partners are now approaching the end of their three-year contracts with the Boston-based organization. As they reevaluate those contracts, which range from free to millions of dollars, the schools and edX are asking tough questions about what kind of impact and revenue the MOOCs are generating for the institutions and for their students.

New Intentions for edX

"The first three years of edX 1.0 was experimental, let 1,000 flowers bloom," edX chief executive Anant Agarwal told EdSurge.

But that experimentation has led to little assessment of the "actual impact on educational outcomes," according to Fiona Hollands, Associate Director of Center for Benefit-Cost Studies of Education at Columbia University's Teachers College. And given that MOOCs are expensive for universities, costing anywhere from **$39,000 to $325,000 to produce**, "the return on investment [measured in dollars and in impact] is questionable," said Hollands, in an interview with EdSurge.

Changes are afoot, and edX aims to shift that ROI equation going forward. Its strategy: double down on creating higher quality, personalized and virtually proctored learning experiences that can be offered for credit to learners on a path towards a degree.

In short, Agarwal summarizes his aspirations for edX 2.0 as a "transition from a 'curiosity' platform to an essential pathway for learners in their education." And one of the more obvious ways to become that mainstream pathway is to build in credits.

"It's taken us three years to arrive at more focused intentions," Agarwal explains, "but learners want credit, and to provide credit we must create quality learning environments that meet the needs of diverse learners, and are recognized by institutions and employers." And it's no secret that credit is a bridge to financial sustainability for edX and its partner universities.

Pathways to Credit

The next wave of experimentation for edX involves creating those for-credit pathway programs. EdX announced three in the last six months, including two just in the last four weeks:

- **Global Freshman Academy**: A complete freshman year offered on edX by Arizona State University which had a soft launch this year. The program is available worldwide to anyone, has no admissions requirements and will award full university credit when students pass courses. Each credit will cost $200, but students won't pay until they pass the course. This program, coupled with other ASU initiatives, **redefines what "elite" should mean** and begs the question: What if we judged our schools not by the number of students that they turn away but by their ability to grant access and ensure student success?
- **ACE Alternative Credit Project**: An initiative to help millions of nontraditional learners gain a college degree launched by edX in October. By taking select online courses with edX, adult learners can aggregate credits for general education courses that will transfer directly into participating colleges. The program can save learners money and offer the flexibility needed by many nontraditional learners who are working while learning.
- **Micromasters** will allow learners worldwide to take a semester's worth of courses in its top-ranked, one-year Supply Chain Management (SCM) master's program that launches online in February. Students can complete an MIT master's degree, if they choose, by then spending a single semester on campus.

Coming Full Circle

EdX launched with the grand ambition of democratizing education by serving learners anywhere in the world, as long as they had a connection to the internet. But over the past three years edX discovered they were mostly serving the elite.

Pathways to degrees have the potential to bring edX full circle, opening the door to universities previously out of reach for many learners.

But what indicators will the industry use to measure whether these programs are delivering on that promise? Completion rates may be a good start, but just because students finish a course doesn't mean they have learned anything. The ultimate test may be how students do once they arrive on campus (when that is the next step), or how they perform in subsequent courses.

For substantive learning to take place, the edX courseware must morph from a content delivery platform into a rigorous learning experience. Critics, including Hollands, are skeptical: "Unless these programs have a model of student support," she says, "and unless the courses include people who know something on the subject interacting regularly with students, I'm not confident the outcomes will be positive."

As edX pivots to focus on quality and credit, it is also signaling that it wants to be more—not less—intertwined with traditional institutions of learning. This runs counter to the approach taken by Coursera and Udacity, which are distancing themselves from the higher ed's brick and mortar system. Looking three years down the road Agarwal hopes MOOCs catalyze universities "to become more porous" so learners can take a campus course, MOOC or some other learning experience and "have them be interoperable." The big question is how this approach will impact learners and the institutions that serve them.