Partnering With an Online Program Management Company: Heresy, Innovative Entrepreneurship, or an Evolving Mind-Set?

Many colleges and universities are seeking alternative strategies to bolster enrollment and revenue as a result of the shifting demographics, shrinking number, and regional maldistribution of high school graduates seeking entry into postsecondary education (The Chronicle of Higher Education, 2016). Online education recently has been given considerable attention as an option to attract students and expand enrollment. Without the expertise or the resources to manage an online program, many colleges and universities look toward online program management (OPM) companies.

OPM providers are companies that partner with academic institutions to support online education. As partners in the academic enterprise, OPM providers bring expertise in the areas of marketing, enrollment management, and instructional design, and faculty members serve as content or subject matter experts (McKenzie, 2018). OPM companies are known to bolster enrollment because as for-profit companies, they have the resources (bandwidth) to offer seamless high-quality marketing and enrollment management strategies that often exceed the strategies and resources of the academic partner.

The OPM business model is a revenue-sharing financial model where the company invests the upfront capital to either develop a new program or revamp an existing program and receives a share of the tuition revenue over a 7- to 10-year period to recover their initial investment costs (Kim, 2018b). The revenue share from the tuition can vary from 30% to more than 50% (Kim, 2018b).

Some OPM companies offer services as one bundled package (marketing and enrollment management, as well as instructional design), whereas others offer a cafeteria-style portfolio that allows the academic partner to select specific services (McKenzie, 2018). Some OPM companies have specific niches; for example, one company works collaboratively with academic partners to secure clinical faculty and with health care organizations for clinical placement sites (Kim, 2018b). With the unprecedented interest and demand for the nursing major, one can easily see how presidents and provosts would have a high degree of interest in capturing prospective applicants via online education managed by an OPM provider.

Consider OPM companies and nursing education. Although opinions may vary regarding whether a not-for-profit academic institution should partner with a for-profit OPM company, most would agree that the environment in which we administer nursing education programs has changed. It has become increasingly more difficult to find qualified faculty, secure clinical sites, recruit preceptors, and have adequate classroom space to accommodate the increased demand for nursing along with the growing enrollment.

Despite state authorization reciprocity agreements, schools continue to face increased scrutiny by state departments of education regarding an educational presence in the state without a physical presence. The concern is the consequent absorption of clinical placement resources from schools located within the state. Also, there is the Sawyer Initiative (https://sawyerinitiative.com/), a grassroots effort directed toward ensuring that academic institutions bear the sole responsibility for student clinical placements and preceptor assignments.

These examples evidence the slowing building crises not only in online education programs with a clinical component but also in nursing education in general. More so, the management of academic nursing may have reached a level of complexity that has not been encountered previously.

Could OPM companies help with some of the long-standing and emerging challenges in nursing education? Should consideration be given to OPM companies that have greater bandwidth than most resource-constrained academic programs? Is it time to consider how the work of administering nursing education programs can change without changing the nature of the work? Are we possibility-oriented thinkers who are able to act on the changing conditions, seek new opportunities, and engage in smart and focused experimentation that upholds and enhances academic program quality? Kim (2018a) suggested pondering the following questions when considering an OPM provider:

- What is the general thinking among faculty about partnering with a for-profit provider for online and clinical education services? Is there enough buy-in?
- What are the concerns about outsourcing areas that have been under the strict purview of academic institutions (e.g., student recruitment, enrollment management, and academic advising)?
• How would you know which OPM to choose?
• Do you know how the OPM company, if used by peer institutions, has fared?
• Do you have comparison data and projections for working with an OPM partner as opposed to doing everything in-house?
• Does it make sense to engage in a long-term contractual agreement?
• Quality matters—will a venture-backed company (with pressure from its investors to grow) influence or sacrifice academic quality and student profiles? Is this a manageable risk?
• Should the academic institution build the infrastructure needed to support online education rather than share revenue with an OPM partner? Are there resources to do so?
• How would you determine the growth strategy and by whose standards?
• Because OPM companies are known to bolster enrollment, could the added revenue provide funding for new and innovative initiatives, and would this funding go to the university or to the nursing education program?

Everyone has an opinion about the wisdom of schools partnering with for-profit providers to launch or run online and clinical education programs (Kim, 2018c). In any case, the journey should begin with determining how consistent a partnership of this nature is with the institutional mission, and what impact, if any, the partnership will have on the institution’s mission and the students served. Determinations should be made regarding whether (or not) the faculty has the appetite for this type of initiative; the right amount of enrollment growth to ensure a quality program, the metrics to ensure academic quality, and how and when those measures will be assessed when outsourcing program components.

References

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