

## Why Online Learners Drop Out

High dropout rates are e-learning's embarrassing secret. Here's what you can do about it.

**By Karen Frankola**

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**C**reating an online orientation course for new hires seemed like a great idea for GE Capital. Employees could be brought up to speed quickly and economically, leading to big gains in productivity. There was just one problem. Even though the course was supposed to be a requirement, only about half the participants actually finished it.

Welcome to the problem a lot of people in the e-learning industry don't like to talk about -- high dropout rates for online courses. There are no national statistics, but a recent report in the *Chronicle for Higher Education* found that institutions report dropout rates ranging from 20 to 50 percent for distance learners. And administrators of online courses concur dropout rates are often 10 to 20 percentage points higher in distance offerings than in their face-to-face counterparts.

In 1999, IHEP, the Institute for Higher Education Policy, did a comprehensive review of the research on the effectiveness of distance learning. It found evidence of higher dropout rates for distance learners, but concluded, "The research does not adequately explain why the dropout rates of distance learners are higher."

But experts in the industry have no shortages of theories, some backed by new research. Corporate University Xchange, an education and research-consulting firm, recently studied corporate e-learners who've taken both asynchronous and synchronous courses offered either by their companies or external vendors. The e-learners were asked what they wanted from their courses. Their wish list: Credentials as an outcome -- college credit or a certificate, an active correspondence with an online facilitator who has frequent virtual office hours, 24/7 technical support, and the ability to start a course anytime.

### Reasons for High Dropout Rates

- Students don't have enough time
- Lack of management oversight
- Lack of motivation

- Problems with technology
- Lack of student support
- Individual learning preferences
- Poorly designed course
- Substandard/inexperienced instructors

These corporate e-learners said their top reason for dropping a course was lack of time. Many had trouble completing courses from their desktops because of frequent distractions from co-workers. Some said they could only access the courses through the company's intranet, so they couldn't finish their assignments from home.

### **Laissez Faire management hurts**

E-learning guru Elliot Masie of the Masie Center believes another big reason corporate e-learners drop out is lack of managerial oversight. When someone is sent to a classroom-based course, a manager generally has to sign off on it. But Masie says online courses can fall below a manager's radar.

That's what GE Capital thinks happened to many of its new employees taking its online orientation course. When the company discovered only half of its new hires completed the five to ten hour course; it launched a Six Sigma study (a statistical quality control analysis) to determine the difference between those who finished the course and those who didn't.

Mike Markovits, who manages GE Capital's Center for Learning and Organizational Excellence, says the difference had nothing to do with technology or instructional design. Markovits says, "It all had to do with how much motivation the employees got from management."

The study found finishing the course was dependent on whether managers gave reinforcement on attendance, how important employees were made to feel, and whether employee progress in the course was tracked.

Markovits says GE Capital made several changes in the program as a result of the study. Managers received kits to help them explain the importance of the course to employees. And GE Capital put together a much better tracking process and trained managers in it. Markovits says they're now studying whether the changes will improve the course completion rate.

### **Motivation from within**

Corporate e-learning is particularly susceptible to high dropout rates. A student who voluntarily enrolls in an online course because she's hoping an advanced degree will land her a better job is a much different learner than

someone who is told to take an online course at work. If a corporate e-learner isn't internally motivated, a company will have to step in.

Corporate e-learners also face the same challenges all online students deal with. Some of the major reasons given for dropping online courses are fairly obvious: technology problems, lack of support, poorly designed courses, and inexperienced or incompetent instructors. Individual learning preferences also come into play.

But in just a short time, e-learning providers have learned a great deal about how to meet those challenges. At the Penn State World Campus, the online course completion rate for Fall 2000 was 95%, up from 80% in Spring of 1998. Jean McGrath, the Director of Student Services for World Campus Distance Education, says completion rates have typically not been a problem, probably because most students are highly motivated.

McGrath says few students take classes for mere self-improvement; most do it to improve their situation in the job market. Most World Campus courses are asynchronous-only (no live instruction), leading toward a degree or certification. Most students enroll individually, although many companies pay for employee tuition.

### **Realistic expectations**

McGrath attributes the improving completion rate to managing student expectations up front, better course design, and instructors getting better with professional development and experience. Penn State used to advertise that a degree was "just a click away," which underestimated the rigor of Penn State's online courses. Those courses required much work as traditional classes -- about ten to twelve hours a week. New students can also prepare for their first online course by taking [World Campus 101](#).

McGrath says students also benefit from high interactivity with faculty and among each other. Classes vary in the types of communication, with heavy use of bulletin board discussions and e-mails. The instructor monitors participation and e-mails students who aren't contributing. McGrath says instructors are key to the success of the World Campus. "You can have best course out there, but if you don't have instructors working with students, people will drop out," she says.

UCLA is also proud of its completion rate for online courses. It's now at 85 to 89%, compared to 50-60% in 1996. UCLA's e-learners enroll via corporations and individually. Like Penn State, most courses are asynchronous-only and rigorous, requiring ten to twelve hours of work weekly.

UCLA also has high interactivity between students and instructors, but Kathy McGuire, the Director of Distance Learning, says the biggest reason for improving completion rates is what she calls their "concierge service" -- course

managers who act as a student resource for questions. They notice if students are going into the course and send reminders if they can't find them -- acting as "canaries in the mine."

Course managers handle technical issues themselves and may refer course content questions to instructors. If a question is about an instructor, it's referred to an administrator. McGuire says it doesn't work for instructors to do this kind of handholding because they want to get to content. "The only way you can get an online venue to work is if it's seamless and transparent for both the instructor and the student," McGuire says.

UCLA also has an extensive, five to six week training program for online instructors. No one can teach online unless they've participated in it. And even though there are course managers, McGuire says instructors generally log on five to seven times a week, several times a day, to respond to students' threaded discussions. She says students can't sleep in the back of an online class.

Sun Microsystems Inc. also found out how crucial interactivity can be in the success of a course. Company studies show only 25% of employees finish learning content that's strictly self-paced. But 75% finish when given similar assignments and access to tutors through e-mail, phone or threaded discussions.

The challenge of getting students to complete online classes is also a major focus for us at NYUonline, the first for-profit e-learning subsidiary of a major American university, New York University. Last summer, NYUonline conducted pilots with corporate learners; purposely making sure participants weren't offered any incentives for completing the course. Some e-learners took only a stand-alone, nine-hour asynchronous course; while others were also offered live sessions in addition to the self-paced course.

### **The power of live sessions**

NYUonline found that e-learners who took only the asynchronous course were much less likely to complete it than e-learners who also participated in live sessions. And the kind of session made a difference as well. Two-thirds of the learners who discussed topics covered in the self-paced portion of the course (high-integration sessions) finished the course, a much higher rate than those who discussed general topics during the live sessions (low-integration sessions).

NYUonline also found that more than half of the e-learners who participated in the high-integration live events were sufficiently motivated to take the optional final examination and receive a grade for the course. In the group taking the low-integration live events, just over ten percent risked taking a final exam.

David Hawthorne, senior vice president of learning environments for NYUonline, hypothesizes that not only do live events lead to a higher rate of completion, but those who participate in highly-integrated live events are far

more confident of their knowledge -- that is, more willing to use the knowledge in situations where they might be judged. "If you want people to actually change their behavior as the result of learning, you must do more than transfer knowledge," Hawthorne says. "You must also build their confidence to use the new knowledge. "

NYUonline asked the participants in its pilot study what incentives they thought would make a difference in helping them to complete an online class. The only incentive they all agreed would help is personal feedback from the instructor. Hawthorne agrees that a personal connection is the most important factor in boosting completion rates. He says it's a powerful motivator when an instructor tells a student, "You're really getting this."

This kind of research has helped NYUonline develop best practices to ensure high completion rates for the corporate e-learner. Some are no-brainers; a well-designed course, an experienced and engaging instructor, a high level of technical support, and a detailed pre-course orientation. But the two areas that appear to be most critical are high interactivity and managerial oversight.

The best kind of interactivity not only creates a sense of community for participants; it also stimulates learning through discussing ideas and practicing skills. Blending highly integrated live sessions with an asynchronous course may well be the gold standard when it comes to keeping e-learners motivated and involved. NYUonline's research shows that providing a one-hour live session for every four hours of self-paced study appears to be a highly effective mix.

### **The social factor**

Studying in cyberspace can be lonely and isolating. Bringing people together for live discussions not only results in learning during the actual synchronous sessions, but makes it much more likely students will persevere through the self-paced portions of the course. Students in NYUonline's pilots admitted live sessions could be inconvenient, but were well worth the effort.

Nearly all the NYUonline students who completed the course said the live sessions provided an emotional lift. Hawthorne says the emotional connection between instructor and student may be even more important for online courses than in the classroom. Hawthorne says there is always personal recognition for an online student, which may not be the case for many classroom students. And online instructor must learn a student's name, which is very satisfying to most people.

But it's not always possible to deliver synchronous, live sessions. So, if a course is to be entirely self-paced, it's important to build asynchronous forms of interactivity such as e-mail and threaded discussions on bulletin boards. Tutors, or course facilitators, can be a more cost-efficient way to provide interactivity than having an instructor do it all. Student-to-student interactivity is also a

powerful aid to learning. In online MBA programs, teams are often seen as more valuable to learners than interaction with faculty.

To make interactivity between students and instructors cost-effective, instructors need to work at more efficient ways to respond to students than personal e-mails. Some instructors develop an online database of responses to frequently asked questions. Others use automatic e-mail response systems that tell students their question or assignment has arrived, with an estimated response time. One instructor of an introductory computer class says his completion rates jumped from 62 to 90 percent when he switched to a more interactive Internet program that allowed him to hold regular chats and organize e-mail messages more efficiently.

More advanced software can also help instructors track student progress. A program called Archipelago allows instructors to see when students log on and off the course and how much time they spend on each assignment. Instructors or tutors can pinpoint potential dropouts and send them e-mails.

Simple strategies include answering individual questions for the entire class on a bulletin board or requesting the class respond to a question, which leverages the power of group interaction. Instructors can even set up phone trees so students get to know each other.

But even a highly interactive course with a great instructor can go by the wayside if a company fails to provide sufficient oversight and incentives. Too often, companies dump courses on their employees and then wonder why they don't finish them. Or they expect an external vendor to run everything, but that doesn't work since their employees don't report to the e-learning provider. Company managers must supervise e-learning the way any other important initiative must be managed.

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*Karen Frankola led NBC's first e-learning initiative before becoming e-Learning Solutions Manager at NYUonline.*

**Next Article: [1. Tips for Increasing E-learning Completion Rates](#)**

Develop a culture that takes online learning just as seriously as classroom training.

## **Tips for Increasing E-learning Completion Rates**

Develop a culture that takes online learning just as seriously as classroom training.

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**H**ere are some strategies your company can use to help ensure a high course completion rate from Augusto Failde, senior vice president of global development at NYUonline:

**Develop a culture that takes online learning just as seriously as classroom training.**

An employee who goes to a classroom or training lab to learn usually won't be interrupted for routine matters, even if the classroom is on site. But employees who learn at their desktops often face constant distractions. A professionally made "Do Not Disturb" sign can help, especially if a manager respects an employee's e-learning time.

Many corporate e-learners say they would rather leave their desks entirely to go to a training lab. If that's not possible, designating several workstations for e-learning at least allows participants to leave their own desks. For many e-learners, studying at home is best. Whenever possible, offer courses through the Internet or provide intranet access at home. Employees studying on their own time will more than cover any added costs involved.

**Do individual comparisons.**

A company's competitive culture can be leveraged by showing charts of "percentage completion" by each student for all participants (where they stand compared to other participants). Use weekly e-mail updates to communicate the results. Online education providers should be able to support companies by sending the charts to project managers and administering a provider-based database or sending weekly email updates. However, email from a manager at the participating corporation is usually more effective.

A Fortune 50™ Company has created an internal competition to complete and pass online management courses. Managers on all levels compare their "time scores" and use these as a means of pride. This competition was again initiated at senior management levels, and shared with employees via internal newsletter, e-mails, Web site, etc.

**Hold managers accountable for the success of their employees.**

For example, Dell Computer managers get personal e-mail from CEO Michael Dell if the online course completion rate in their divisions isn't 100%. Senior management should also act as role models, taking and completing online courses themselves.

**Use managers as role models.**

If senior managers and business unit managers take and complete the online courses in a reasonable time, employees feel that they can do it, too.

**Create a social dimension to e-learning.**

Elliot Masie of the Masie Center says it's important for companies to find ways to provide social interaction alongside the e-learning experience. He suggests assigning pre-work that requires e-learners to interact with colleagues, requiring team projects during class, and providing an at-work coach who can help students with course content. You can also provide perks like a free lunch to employees taking the same online course to foster discussion about course topics.

**Make expectations clear up front.**

Often, employees simply have to be told by a supervisor that it's important for them to finish the course. One of NYUonline's clients had its vice-president of training meet

personally with participants prior to a course launch to explain the importance of the course. It's always better to positively reinforce course completion. Tell employees it will be looked upon favorably in their evaluation, rather than threatening punishment.

**Provide formal rewards.**

Financial incentives seem to work best for people taking their first online course. Once they finish a course they often return. For example, 60% of e-learners at TransAmerica Financial Services, which has been offering financial incentives, return for another course. Professional certificates or credit are also an important motivator. If the course itself doesn't offer a college credit, the company can provide a certificate. Highlighting "individual" employee rewards from online education -- aside from the obvious knowledge and training serves as an incentive to employees to complete courses. Better career prospects, personal fulfillment, more bankability, are such rewards.

**Track performance.**

As GE Capital discovered, performance tracking is crucial. A supervisor who doesn't know whether an employee has progressed through a course can do little to motivate or help them. When supervisors check performance, they can intervene if an employee is lagging behind. For example, the supervisor can find out if the employee is suffering from too many distractions.

Managers can also use performance-tracking data to create and post dashboards - regular reports on progress through a course. Dashboards can show the average student's progress or the entire range of individual progress. (But never identify lagging e-learners by name -- public humiliation is not a good way to motivate.) If an e-learner who has fallen behind sees she's in the bottom ten percent or is five lessons behind the average student, that alone can be a power motivator. Dashboards can also be used for team or individual competitions. The first e-learner who hits the midway portion of the course can get a free dinner, or a team can win T-shirts.

**Get personal.**

Business unit managers and direct supervisors can send individual e-mail to participants who are behind in course completion, asking how the course is going, and if they need any help or assistance. Online education providers, such as NYUonline, should be able to provide companies with a draft of such e-mails.

**Hold a team competition.**

Dividing eLearners into teams of two or more -- by business units; geographic location, etc. and pitting team against team in a "course completion competition" leads to a spirited sports-like rivalry between teams and lower drop-out rates.

**Launch a communications campaign.**

Use e-mails, newsletters, and Web sites to highlight employees taking online courses. Have top e-learning performers give advice to others taking courses.

The bottom line is companies must manage e-learning and not expect that all employees can complete courses without any support. External vendors can't do the job of management, although a good e-learning provider can certainly provide consulting services on how best to manage the online experience.

As e-learning matures, will we see course completion rates rise to the level of classroom education? Probably, but the future of e-learning shouldn't focus on trying to replicate the classroom experience. Retention studies show people attending a lecture remember only five percent of what they've heard. E-learning can do much better through simulations, probing discussions, and practicing skills.

The e-learning industry is moving toward a future in which the most important product is not a course, but learning objects, the building blocks of a course. Learning objects are small chunks of instruction that take about 15-20 minutes of study. They are easy to revise and update so learning becomes much more topical and relevant. You can mix and match learning objects to create a course. E-learners are already creating their own courses by deciding which learning objects they need to learn a particular skill. What used to be just-in-case learning has become just in time, and in the future we can expect learning that is just-for-me.

As students take responsibility for their learning, the whole concept of a course will become less relevant, and with it, the dropout rate. But engaging and satisfying the e-learner will always be crucial. Good companies that recognize the importance of human capital must motivate and support employees as they develop a commitment to life-long learning.

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