TOPcast Episode #174:
Get “All [Phil]’d Up” On LMS/Online Enrollment Insights

Narrator: When you know what you want for the future, you need the present to line up with your goals. UCF Online offers more than 100 fully online programs in healthcare, engineering, criminal justice, and more, so you can get to your future and beyond.

(*Musical Intro*)

Kelvin: From the University of Louisville's Delphi Center for Teaching and Learning…

Tom: And the University of Central Florida's Center for Distributed Learning…

Kelvin: I'm Kelvin Thompson.

Tom: And I'm Tom Cavanagh, last time I checked.

Kelvin: [Laughs] You're just going to derail our whole opening, because now I'm worried we're going to need to do a dementia intervention or something. “The last time I checked…”

Tom: [Laughs]

Kelvin: And you, unfortunate listener, are listening to TOPcast, the Teaching Online Podcast.

I'd ask you how you are, Tom, but now I'm worried about the response.

Tom: I'm excellent, Kelvin. I'm in a lovely mood here this afternoon as we are recording.

Kelvin: [Laughs]

Tom: That might be the first time I've ever done something different in the intro. I'm sorry, I think I threw you there.

Kelvin: Hey, I'm with you. I'm like Pecos Bill, I'll ride the tornado. It'll be okay.

Tom: [Chuckles] We're 174 episodes in. Got to keep it fresh.

Kelvin: That's right. And you, dear listener, not really unfortunate at all, if you're new to TOPcast, welcome. This isn't 100% how we do things, but it's a little bit how we

do things. This is a twice monthly collegial conversation about strategic, impactful, online, or blended, or digital teaching and learning conducted over a shared cup of coffee, about a half an hour of your time. So please, feel free to pull up a virtual chair to our online table anytime. All are welcome. Right, Tom?

Tom: All are welcome at our table. Absolutely. So, it is usually over a shared cup of coffee, and I see you drinking out of your Halloween mug. Belated happy Halloween.

Kelvin: Yes, belatedly. It's a little late, but hey, we'll take it when we can get it.

Tom: We'll take it. You're probably still eating the candy.

Kelvin: [Chuckles]

Tom: And then I have a mug, and before I ask you what's in your thermos, I thought I'd share… or cup, what's in mine.

Kelvin: Yes.

Tom: Mine is not thematically selected, but it was intentionally selected. So, I have some Starbucks Maple Pecan ("pehkhan") coffee. Because listener, if you listened to our last episode…

Kelvin: [Guffaws] Here we go.

Tom: ...We had a bit of a debate about the proper pronunciation of pecan ("pehkhan") versus pecan ("peecan"). This is what happens in between episodes. Kelvin and I had a bit of a text war of authorities online on how to pronounce it, so I brought my coffee to reinforce that.

Kelvin: [Laughs] Well, text war might be a little extreme.

Tom: [Laughs]

Kelvin: I think I just snapped a photo of the menu at the brew pub where I was enjoying an evening repast, and I was very amused by the local craft beer, that its name was "It's Pronounced Peecan." That is the name of the beer, because it was some sort of a pecan porter or something, something, something, something. So, I couldn't resist…

Tom: If you just search it on Google, the pronunciation comes back pecan ("pehkhan") without asking, how do you pronounce it. It was like, that was the default.

Kelvin: That just shows you the bias that is inherently…

Tom: [Chuckles] On the internet.

Kelvin: ...built into our algorithms. That's right.

Tom: All right. Enough of this nonsense. Kelvin, what's in your Halloween mug?

Kelvin: My coffee today, Tom, is a small lot light roast coffee from the grocery store shelf. Now, I'm not usually much of a grocery store shelf kind of a person, as you might've figured out through the years, but perhaps not all grocery store coffees are the same. For instance, this coffee is from Trader Joe's, with their store brand right there on the coffee bag. And it is a somewhat recently roasted whole bean light roast, these are all markers, single origin, in this case, Mexico, La Concordia coffee. So, this grocery store is obviously trying to bring a higher end coffee to their mass market store shelves. A bit of a different strategy than some other grocery store chain coffees. So, the coffee, I think, is tasty. I wonder if you can find some kind of a connection to today's episode topic.

Tom: I wonder if I can, too.

Kelvin: [Laughs]

Tom: I'm going to go with the grocery store aspect, a big commodity delivery mechanism, which is potentially a piece of what we talk about today. I don't know.

Kelvin: That's right.

Tom: Am I in the ballpark?

Kelvin: That's right. The words that stood out to me, I was thinking concepts were, just like you said, commoditization, differentiation, mass market, strategy. I was trying to just circle the airport a little bit. I might not be able to get it on the ground, but you can at least wave to me up in the sky. [Chuckles]

Tom: Sounds good.

Kelvin: So, Tom, you recently interviewed our colleague, educational technology consultant Phil Hill, known by many across the online and digital higher ed community for his analysis-based insights of various industry trends. Through the years, his work has been known in association with brands such as the "PhilOnEdTech" blog, the "eLiterate" blog, MindWires Consulting, and now "Phil Hill & Associates," and the "OnEdTech Newsletter." We've certainly name-checked Phil Hill many times on TOPcast. And earlier this year in our episode about trusted sources of data, which was Episode #159, "'Adjusting Your Sails' in Online Ed Based On the Data," we called out Phil's work specifically.

Tom, is there anything you want to say about this interview before we cut to it?

Tom: Not a lot. I think it stands on its own. Phil's a long-time friend and been in this space a long time. I always learn something every time I talk to him or read some of his work. I will say this, that when he started his podcast with Neil Mosley and Glenda Morgan, “Online Education Across the Atlantic,” that I congratulate him, I wished him luck on LinkedIn, and said, "We need to have a crossover episode." And we didn't quite have that yet, but we've had Neil on the podcast, now we've had Phil. And so, Morgan, we're coming for you. You will be next. [Chuckles]

Kelvin: In a good way.

Tom: In a good way, yes. Coming for your knowledge and experience.

Kelvin: That's right.

Tom: I'm not kidding.

Kelvin: [Laughs]

Tom: At some point, we will get Morgan on. But for now, Phil. I think it's a really great conversation. Phil's got a ton of insights into this space, and I think everybody's going to really be interested in what he has to say.

Kelvin: Well, via the modern technological marvel that is podcast time travel, here is your interview with Phil Hill.

(*Musical Transition*)

Tom: Phil, thank you so much for being on TOPcast.

Phil Hill: Hey, I'm looking forward to it, even though I don't have any exotic coffee in front of me.

Tom: [Chuckles] I don't think I do, either. I have a glass of water. But I've had a couple of cups already today, so I think I'm all filled up on coffee. Kelvin will have enough coffee for all of us, I think.

All right. So, a couple of things I thought might be interesting to dig into. You and Morgan have just come out of LMS conference season, and I thought this might give you a nice retrospective perspective of what you're seeing in the market, new trends. I'm sure AI is in there somewhere. It's on everybody's list. But observations that you have about the state of the LMS market, I think, might be an interesting place to start.

Phil: Sure. Happy to talk about that. And you're right, we had the three big conferences in July, and then Morgan's actually at the Moodle conference right now in Mexico as we speak. But happy to go through that.

Tom: Sure. All right. So, I don't know where you want to begin, but maybe, I don't know, is there any commonalities between, let's say, the big three of Instructure, D2L, and…

Phil: Anthology.

Tom: Anthology. Thank you. I keep wanting say Blackboard, but Anthology.

Phil: Well, it's a product line, it's a company. It's fair. Well, actually, the way I would phrase coming out there is for decades, people have wanted to say the LMS is a commodity; they're all becoming the same. And from a checklist perspective, if you're running a request for a proposal and doing a 200-count feature checklist, you're going to get the same checks on all of them. But probably I've been fighting against that argument for a while, but it's becoming even more apparent this year. I define a commodity as something that's fungible. You could change from one system to the other, and no different. Maybe you save money, but it's the same system. No performance changes. That's where the LMSs are not. They are not commodities because each company has its own strategy towards where education's going, how to provide the services, and generative AI moving forward.

So, it's actually, you could say the feature list is a commonality, but the strategies are quite different between the company. If you switch from Blackboard to Canvas, or Moodle to D2L, from any of them to another, you will see a difference in faculty adoption, and how the depth of what they use, what's possible, you will see differences. So, my biggest point is that they're not commodities.

So, let me just give you a nutshell definition, really not to say one's better than the other, but to describe how they're different. So, Anthology bought Blackboard, so Anthology Blackboard, that company, what makes them unique are two things from what I saw this year. One is they're taking the approach that it's a combined student information system, CRM and LMS company. It's got it all together in one company. I've argued against that strategy saying, I'm not sure how much it helps you, but that's who they are. And so, they bring data from multiple sources, and they try to leverage one system to help out the other. So, it's more of a multiple system company that attacks the problem from multiple angles.

And then the other more interesting part is the fact that they're going all in on generative AI. They're making it a core definition of who they are and how they're going to differentiate. So, they've put the most investment in AI features, a course builder, and data interpreter, and various things, and they want that to be their differentiator. And I have to say, to date, and I wrote this, is that they are the

market leader. Blackboard's not been known to be a market leader in much lately, but they are in generative AI. They have more features and more of a vision than their competitors. And a quick story on that, if you don't mind.

Tom: Sure.

Phil: I'm at EDUCAUSE right now, and while I was talking to somebody in another booth... And they're right next to Anthology. And then in the middle of it, they looked up, and pointed, and they said, "Hey, there you are, Phil." I'm like, "What?" We turned and we looked at the Anthology booth, and big on 10-foot wall or eight-foot wall, they have a quote from one of my newsletters saying what I'm telling you, that they're the most invested in AI and have the strongest strategy. And so, I have this huge quote on the Anthology booth, which was interesting. But I don't endorse one over the other. But when you take a creative comments mindset to data, I said, "Hey, if they quote me accurately, give attribution, they can do what they want."

Tom: Sure. Well, we know they listen to this podcast, at least some people there do, so maybe you get quoted again.

Phil: Exactly. [Chuckles] So, any case, that's Anthology. If you go to D2L, D2L is going very heavy into the interactive and engaging content creation side. So, we're an LMS, but we're really going to help faculty and course designers, not just create content, but we're going to create interactive content. It's an engagement play is their course strategy. And in the summer, they announced that they acquired H5P, which is a very well-known system that's very... It's LMS agnostic, and will remain that, but it helps create interactive content. And that was the big surprise, the news at their conference; they bought it. You combine that with D2L creating Creator+, which is a separate product that helps create content to augment the LMS, and that's where they're going, into interactive content creation.

Instructure is really doing... Well, of those three, they're doing the least in terms of generative AI. They have a partnership with Khanmigo, and they have a nice framework that looks at how schools can build AI, but they're not doing a whole lot there. What they're doing is they've always had a priority on ease of use and intuitive design, and they also have a strong ability recently to buy other companies that fit together in an ecosystem, like Parchment. They bought Parchment, and they bought Concentric Sky that has Badgr years before. So, their approach is ecosystem, is really the lead.

Moodle, that Morgan's at right now, they've always been open source. They have, by far, the largest installed base in the world and largest system outside of North America, and they remain that. So, it's open source, large international installed base.

So, that gets back to my main point. All four of these are dramatically different in strategy and identity and who they are, even though they have a common checklist of features that they provide.

Tom: That's interesting. So, you always hear the phrase, the LMS is just plumbing. But it's not, right? To your point, depending upon what you want to do, one might be better for your particular strategy than another. That's really interesting.

Phil: It's really become a market that's important to align your institution strategy to the strengths of the vendor roadmaps and where they're going. Now, there are differences. Win rates vary between them, so I'm not saying pick your strategy, and it's clear this is the only way to go. You can pick another vendor because it's a better LMS, and it's good enough for your strategy. But they're very different these days. And that's probably the biggest thing that struck me this year, is that that separation and strategy is even greater than before.

Tom: Well, and the cost of switching is still really high as far as just effort and time.

Phil: I had a conversation about that today. It's high, but it's not what it was 10 to 15 years ago.

Tom: That's true.

Phil: Back in the days before LTI was standard and back before cloud-based systems, it was much more difficult then, because it might take you six months. Back in 2008, if you switched from one LMS to another, you would probably, an institution, spend six months setting up the hardware to host the new system, testing out initial integrations, and then you could do a pilot with a school. These days, I've seen schools start pilots within a month of picking a new system. So, it's dramatically different.

But the counter argument, and this is the conversation I had today, LMS, it is existential to universities. It is the home of where students digitally experience most of their education, so you've got to make sure you... It is a big investment to change your virtual presence. So, it's a change management issue, whereas 15 years ago, it was much more an IT issue to switch.

Tom: I totally agree. When I think about if we ever switch, and after we have switched since I've been here, it's more about faculty, and training, and getting them on board and all of that.

All right. So, I'd like to maybe jump into a slightly different topic, as long as I've got you, about enrollment trends. I'm always fascinated whenever you publish your IPEDS analyses or you list the top 20 biggest schools, and I always look for where UCF is, and we're generally in that list somewhere, and I'm like, "All right, where does Phil have us?" [Chuckles] And I'm wondering what you're seeing,

because it seemed like we were bouncing around after coming back from COVID for a little while. Have we settled down into a more predictable trend, or do you think some stuff has changed?

Phil: Well, you guys didn't do yourselves many favors to take care of the COVID bump because you were already doing a lot of online. So, there a lot of other schools…

Tom: We were fortunate in that sense, that we were already pretty at scale when COVID happened.

Phil: So, UCF was steadier than most schools in terms of online adoption. But the short answer to your question is yes, I think we've settled down into a new steady state. Steady state not as in there are no changes, but it's post-pandemic. We've gone through the rapid increase of "Zoom University." We've gone through the pullback into, "Hey, we have to get our face-to-face classes going again." And then you do have a lot of budget problems. But we're through those spikes that we were having 2020 through 2022, maybe the beginning of 2023. And I do think we're now in a more steady area.

One of the things that I pointed out is I did a straight-line graphic because online's been growing. Whether it's just a couple of online classes in a face-to-face program or a fully online program, that enrollment's been growing nationwide for at least 12 years. And actually, before the COVID, it was very linear, its growth, and then COVID changes everything. But I did a straight-line projection of the past linear trend to today, and showed that we've now settled into a state where it's greater than it would've been if we had just kept going on without COVID. So, in other words, COVID had its spikes, but it also pushed the online course and online program enrollment up, particularly as a percentage of student enrollments. That's the net result.

It's interesting to me because there was so much to discussion during COVID about how students hated online, hated "Zoom University," and faculty hated... There was a lot of press about, "Oh, they finally see how bad it is." It's the opposite. People finally realize, this is what online can do. But a lot of times, faculty are saying, "Well, I see what online can do. I wish it would do this better." But instead of just saying online's bad, now they're saying, "Help me make something even better." So, I realize it sounds a little bit too optimistic, but I think people are now like, "Let's figure out how to make it better." And it's increased.

Tom: I think that's true. Certainly, your observation about enrollment has been our experience. Because I've done that. If you take out the spikes, and you just look at where we were in 2019 and where we are now and drew a line, it's a straight line, but I think it has bumped it a little. When we spiked during COVID, I don't think we settled back to where the waterline was. We were above that, and then we continued on that trend.

And to your point about faculty, it's interesting. Kelvin and I recently recorded the podcast about CHLOE 9, and in it, the respondents, two-thirds of chief online learning officers said that students want more online options, which doesn't really surprise me. But what did was half of COLOs said that faculty want more online options, and that seems like a qualitative change from pre-COVID to post-COVID. It's certainly something we've seen here, where faculty got a taste of remote instruction, maybe who hadn't been exposed to it before, who appreciate the convenience aspect for them. And it feels like maybe sentiment is changing a little bit with faculty. I don't know if you can comment on that.

Phil: No, I definitely think so. And I would attribute it to two factors. One is, it's one thing to criticize something that you don't know. And I think we saw a lot of that pre-COVID. Faculty who had never taught online, and complained about online, how it's not as good as face-to-face. Heck, we just saw an op-ed, on Inside Higher Ed last week that made that same argument. Although it was somebody who tried one course.

Tom: It's always somebody who just tries one course who writes…

Phil: I know. And then it's like, let me write... I've spent more time writing about it than figuring out how to design my course properly. But you had a lot of that. Well, with COVID, the vast majority of faculty actually taught courses for even multiple terms. They learned what it can and what it can't do. And now when they criticize it, it's more from a perspective of experience. And not everybody, obviously. But even when there are criticisms now, quite a bit of the criticism is, "I'd like to do this better. Can we improve this?"

The other aspect of why I agree with your description is it gets down to Everett Rogers. If you look at technology adoption curve, early adopters, early majority, late majority, those types of things, there's a pretty significant basis when you get above 20% to 30% adoption. You start getting into new dynamics as the majority digest what they could do. And my argument is, if you look at the numbers with COVID in particular, we're pushing past that early adopter stage for faculty teaching online, and we're getting into majority type of aspects. And it's just a different set of dynamics, and so it's a different perspective. So, I agree with you, and those are the two reasons.

Tom: That's really interesting. I hadn't thought of it like that, but that makes a lot of sense. So, in just the minute that we have left, are there any enrollment trends or things that you've seen in the market that you think are worth mentioning that our listeners would be interested in?

Phil: Well, there are multiple things, but the one I'll choose is... And we've talked about it. We are in a rich get richer type of environment right now, particularly when you add in regulatory changes that are happening. Yes, across the board, online is increasing, but all the changes that are happening are making it more and more

difficult for institutions with a small online presence to compete with those that... Not just a large presence, but take UCF, somebody who's been doing it for years and years, and has figured out how to support students adequately. So, that gap of the rich get richer, the poor get poorer, is actually getting worse or better. I guess it depends on your perspective. But the market is separating, is the other thing I would add to it.

Tom: I totally agree. As you know, I've emailed you about this, and I agree. It concerns me just because of the state of the market and the ecosystem and all schools. I don't particularly like that trend, but I agree.

Phil: Yeah, it's happening. And one thing I would add to it, it's not just in online. I'm starting to see the same type of effect with generative AI, the fact that that is likely to lead to a rich get richer situation. I think AI is going to accelerate this trend that is concerning to you.

Tom: Wow, interesting. Well, I hate to end on a bummer like that, but I'm looking at the clock. [Chuckles]

Phil: Wait, you're at UCF. You guys are doing well, so we'll phrase it that way.

Tom: Honestly, I hate to say this, but I think we'll be okay. It's some other schools that I'm a little more concerned about. And the overall health of the space that, I think, is not served by the rich get richer trend.

Phil: Well, I'll end with a positive note. I think a lot of smaller programs and less developed online programs are realizing this task they have in front of them, and they're starting to ask some tough questions about, “How can we do this different? How can we do it better?” And there might even be some leapfrogging that we see that smaller schools say, "Hey, we got to take a big bet. Look, we're actually now doing better than some of our established competitors." So, I think it might improve online learning delivery moving forward.

Tom: All right. I like it.

Phil: That's my positive spin.

Tom: Yeah, no, it's good. I like it. I appreciate that. So, that's awesome, Phil. Thank you so much for being on TOPcast.

Phil: Well, thank you for inviting me. I love being here.

(*Musical Transition*)

Kelvin: Well, Tom, that was your interview with legendary consultant, Phil Hill.

Tom: It was. It's funny, it seems like a lot of times when I'm at a conference or something, you get there a little early, and you go grab a bite to eat after you check into the hotel, or while you're waiting for your room. There's probably been two or three times where I have wandered over to whatever the closest burger joint is to the hotel, and there's Phil. [Laughs] We have crossed paths in burger joints all over the country, it feels like. Anyway, that's neither here nor there to the interview.

We did cover two broad topics. Could have talked to Phil about any number of things. He's done a ton of work in the policy space. We've talked about that recently. He's done a ton of work with the FAFSA fiasco, and all kinds of other stuff, but tried to keep it more isolated just in the online learning space. He and Morgan have come just out of the summer LMS user conference circuit, and I thought it would be a good opportunity to have him reflect on that. And then he is always looking at online enrollment trends. I really appreciate his IPEDS analysis and other kinds of things that he does, and so, I thought it might be worthwhile to talk about those two things. I don't know. Hopefully you and our listeners found it worthwhile.

Kelvin: I was intrigued with the angle that he took about company purpose, or strategy as a differentiator in the LMS market, and that institutions might choose to align with that, or not, in terms of their goals. I thought that was interesting.

Shameless plug. We've had past TOPcast episodes devoted to the topic of the LMS twice before. They are way back in the beginning. Episode #12, “The LMS: Past, Present and Future;” and more recently, Episode #110, “The LMS: Institutional ‘Linchpin.’” And I don't know. At times, we might have even lapsed into the perspective that Phil eschewed, that it's not just value-neutral plumbing or utility. There's more to it. So, I thought all that was interesting perspective.

Tom: I did, too. Because I've heard the theory, and maybe even potentially in my own career ascribed to it, of LMS as commodity. It's like an SIS or an ERP or something. There are differences between them, but at the end of the day, they're essentially the same thing, you just do the same things in different ways. And what Phil was getting at is that they're starting to separate based upon feature sets, and purpose, and strategy, and that some may be actually a better fit for some institutions than others. And not necessarily one is better than another, but maybe one is better for your institution than another. And I thought that was really interesting. I had not heard that perspective before.

Kelvin: I also thought between the two of you, made a good point of changing LMSs, not without its challenges, might be a little easier these days than some years ago. But I love the insight that some years ago, it might've been more of an IT thing, an IT issue, but now it would be more of an institutional change management issue. And I thought that was also insightful.

Tom: And I 100% agree with that. You and I have been through that process, and it is as much about change management as it is about technology. That is for sure. All right, you want to move on to the online enrollments discussion?

Kelvin: Yeah, yeah, yeah. Good stuff in there.

Tom: Yeah. And he validated my own sense that post-COVID, yes, online enrollments have dropped, but they haven't dropped back down to the level that they would've... We've had a net lift of a point or two, or whatever it is, compared to where we would've been prior to COVID, and that seems to fit with my own experience here.

Kelvin: I was inspired by or stole, I don't remember which now, a line from Phil, something that he wrote. Many times, I have said, "Well, the waters have receded, but they're higher than they were before." [Chuckles]

Tom: That's right. That's right.

Kelvin: I've said that many times. But I liked two things that were related. His statement that we seem to be at what he referred to as a “steady state” after COVID era disruption and change, and that if we were to cut and paste out the COVID era, if you were just looking at projections, we're higher in online enrollments now than we would've been if we didn't have that. That's an interesting... I'm still pondering that. I'm like, "Huh. That's an interesting milestone."

Tom: And he talked a little bit about the faculty, something you and I talked about with the CHLOE discussion in the previous episode, where it feels like not just students are gravitating more towards online, but COVID may have taken the mythology of bad quality off of online for a lot of faculty, who now appreciate it. And that number seems to be growing, of faculty that are coming around and actually wanting to teach online.

Kelvin: I am still pondering also, and was intrigued by Phil's invocation of Everett Rogers' Diffusion of Innovation work. And it's just an interesting angle that when you get to 20% to 30% of faculty to institution, you're arguably getting past early adopter into early majority status for online education at the institutional level. And maybe by extension, across the sector of higher education broadly as well. I'm aware of those percentages, but I haven't really thought about applying them in that context.

Tom: And it may be slightly related to the comment about as institutions grow or choose to grow, combined with potential regulatory changes, the rich get richer concern, I think, is real. We've talked about this before. I think it's hanging out there, and it's something we're going to have to watch.

Kelvin: And just to say, Phil may be prescient. We'll see. This idea of institutions leapfrogging, like some sort of developing nation that skips wired infrastructure and goes straight to wireless. He's saying that there's going to be a small subset of folks who may be behind, but they're going to leapfrog ahead. I'm intrigued to watch that and see if that happens.

Tom: That's a great point. He's probably right. He's probably right. Because if you've invested a lot in some sort of legacy thing, you're going to feel more compelled to keep using it as opposed to go to the next thing. Cool. All right. So, I'm going to try and land this plane here.

Kelvin: Please.

Tom: Fair to say, broad industry perspectives combined with deep analytical insights, such as those contributed by colleagues like Phil, are really valuable sources of data for all of us in online education as we seek to strategically serve our students well.

(*Musical Outro*)

Kelvin: Well, Tom, it's been a pleasure, as always. Phil, thank you for joining us. Until next time, for TOPcast, I'm Kelvin.

Tom: And I'm Tom.

Kelvin: See ya.