

# Indiana's "Eighth University"

Western Governors University brings its "competency-based" approach to the Hoosier state

Photos by Mary Ann Carter, Black Star, for CrossTalk

By Kathy Witkowsky

INDIANAPOLIS

**L**AST NOVEMBER, Indiana Governor Mitch Daniels sat down in his office with Western Governors University President Robert Mendenhall; former Utah Governor Mike Leavitt was on the phone. The purpose of the meeting was to discuss whether Daniels might consider joining WGU's board of trustees. At the time, Daniels knew next to nothing about WGU, a nonprofit, online institution founded in 1997 by 19 governors, including Leavitt and then-Indiana Governor Frank O'Bannon. Each of them contributed \$100,000 in state funds for startup costs. WGU now has 20 member governors, and sustains itself on tuition. Daniels had agreed to the meeting purely out of respect for Leavitt, an old friend and one of the key players in WGU's inception.

"I'd never heard of WGU, let alone that Indiana had actually put its name and money into the thing," Daniels said in a recent interview. Nor did he realize that there were already nearly 250 Indiana residents enrolled in WGU, which offers more than 50 accredited degree programs in four high-demand areas—teaching, healthcare, information technology and business—and claims 21,000 students from all 50 states and the District of Columbia. But it didn't take long for Daniels to appreciate WGU's "competency-based" approach, which measures and rewards what students know, without regard to where or when they learned it. Think of it as digital versus analog learning—a way to focus only on

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the educational gaps, rather than having to follow a prescribed series of courses from start to finish.

"We hold the learning constant and let the time vary, as opposed to the traditional approach, which holds the time constant and lets the learning vary," said Mendenhall.

That's particularly appealing to working adults, because it means they don't have to waste time or money reviewing material they've already mastered: WGU charges just under \$2,900 tuition (\$3,250 for its nursing and M.B.A. programs) for six months enrollment; the average time to a bachelor's degree from WGU is 30 months, roughly half the national average.

It was appealing to Governor Daniels, too, who saw that

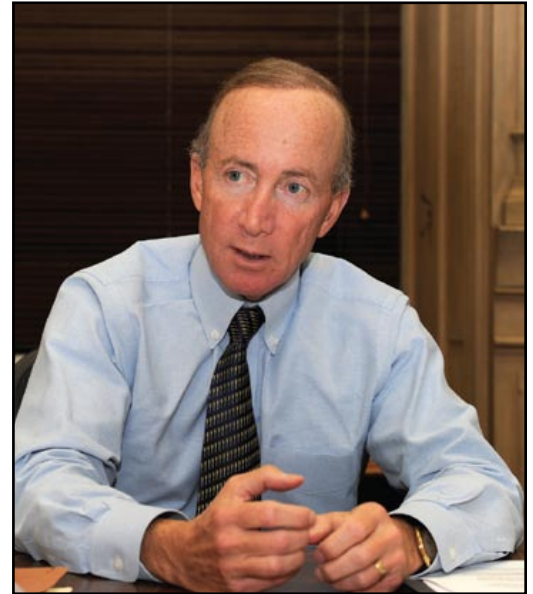
with the right kind of marketing, the model could help Indiana climb out of the higher education pit that it's in. The state ranks 45th in the nation in terms of the percentage of adults with a bachelor's degree or higher, a statistic that troubles the governor. "Left unattended, it'll be a real problem for Indiana," Daniels said.

Historically, Indiana's heavy manufacturing base provided decent incomes even for those with only a high school diploma. But many of those jobs no longer exist. The Indiana Commission for Higher Education says the state will need to increase

annual production of postsecondary degrees and certificates by more than 6,000 through the year 2025 to meet workforce needs.

So by the end of the meeting that November, Daniels had not only agreed to join the board of WGU, he was also asking whether the school had ever considered re-branding or "private labeling" itself as a state program. Thus was born the idea for what Daniels now refers to as Indiana's "eighth university": WGU Indiana, a wholly owned subsidiary of WGU, which Daniels established by executive order in June, without any legislative action, state funding, or substantial political pushback.

By then, WGU Indiana had rented office space in a downtown Indianapolis high-rise and hired a chancellor—Allison Barber, a former teacher and native Hoosier (see page X) with public relations and communications expertise—to oversee its branding and marketing. To date, WGU has stuck mainly with Internet advertising. But armed with \$1.75 million in seed money from the Lumina, Lilly, and Bill & Melinda Gates foundations, WGU Indiana has rolled out a million dollar marketing campaign that extends well beyond the Internet, to billboard, bus, print, radio and television advertising. The governor appears in the school's materials and on its website, and was featured in its first radio and television ads. "Indiana needs more college grads. And you deserve the greater opportunities that a college degree can bring," Daniels said in the television spot, before encouraging



**"WGU fits Indiana like a tailored suit," says Governor Mitch Daniels, who convinced Western Governors University to consider re-branding itself as a state program.**



**Robert Mendenhall, president of Western Governors University, reminded the small crowd at WGU Indiana's first graduation ceremony that there was only one graduate at WGU's first commencement.**

viewers to “check out WGU Indiana today.”

Daniels wasn't the first person to suggest private labeling WGU. The school has been looking at ways to expand and export its educational model, which is markedly different than traditional online programs.

WGU has been in conversations with a half dozen states, but Governor Daniels was “unique,” said Mendenhall: “He got it immediately, wanted to do it, and invested a significant amount of his own time and effort in making it happen.”

Fast forward to an unseasonably warm, windy day in late October of 2010. Inside an airy atrium of the Indiana state capitol, about 100 smiling onlookers enjoyed a classical string trio before Daniels delivered the commencement address to the first graduates of WGU Indiana. Because the school just started enrolling students in July, all the graduates were

former WGU students who, by virtue of their Indiana residency, had automatically been transferred to WGU Indiana once the school was established.

The commencement was designed in part for the graduates and their families, and in part to generate “earned media coverage”—essentially unpaid advertising for the fledgling institution. “Everything I do better have some media visibility, because it's the only way I'm going to educate the state about the

opportunities for higher education with WGU Indiana,” said Chancellor Barber.

That there were only 16 graduates—only seven of whom were in attendance—didn't discourage Barber in the slightest. After all, as Mendenhall reminded the crowd, there was only one graduate at WGU's first commencement a decade ago;

this fiscal year, the school expects to graduate between 3,300 and 3,400 students.

“Today is a one-of-a-kind occasion, to be followed by many more,” Daniels told the crowd. He had good reason to be optimistic. Already, WGU Indiana has enrolled more than 450 students, who now represent about ten percent of all new WGU students. With enrollment increasing a whopping 30 percent annually, WGU is predicting it will grow from 21,000 students to 30,000 within the next few years. About 5,000 of those students are expected to be enrolled at WGU Indiana. Said Daniels: “WGU fits Indiana like a tailored suit.”

What the governor means is this: Only about a third of the state's adults hold an associate's degree or higher. But 22 percent of the state's adult population—about 730,000 people—have some college under their belt. And that's exactly the population that WGU—and now WGU Indiana—targets. Those adult students, many of whom have families and other ties to the state, are far more likely than younger, traditional-age college-goers to remain in the state once they've completed their degrees, said Scott Jenkins, the governor's senior policy director for education. With startup and future marketing costs covered by foundation grants, and operational costs covered by tuition, “the profits are returned to the state in terms of degrees,” Jenkins explained.

WGU Indiana functions exactly like WGU. It charges the same tuition; carries the same course offerings; uses the same faculty “mentors,” who follow students through their programs, maintaining a one-on-one relationship with them throughout their educational career; and offers the same opportunities to complete programs at a pace that would be impossible at a more traditional institution. Dawn Hanson of Greenfield, Indiana, for instance, received her bachelor's degree in nursing in August—just four months after she enrolled in WGU with an associate's degree from Ivy Tech, Indiana's statewide community college.

“I'm grateful to WGU for providing the opportunity for me, a working wife and mom, to finish her education without sacrificing precious time with my family,” the 39-year-old Hanson said during her commencement address, which followed the governor's. She shared a quotation by George Washington Carver, “When you can do the common things of life in an uncommon way, you will command the attention of the world,” and then expressed her hope that, “in years to come, this graduation ceremony will be full of fellow Hoosiers, ready for their time to shine, their time to command the attention of the world.”

Among those moved by her words was Kara Tanner, 47, of Noblesville, Indiana, a new WGU Indiana student who has been using her associate's degree in information technology in her current job as a software analyst. With her daughter, whom she raised as a single parent, about to finish high school, Tanner decided to finally pursue her lifelong dream of teaching.

“The time had come to lead by example and show her that you can live your dream,” said Tanner. But at the same time, she said, “The idea of going to school for eight years in the evenings part-time was just overwhelming.” She is hoping that she can leverage her knowledge of literature and history to get through WGU Indiana's program in just three years.

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**Western Governors University offers more than 50 accredited degree programs in four high-demand areas—teaching, healthcare, information technology and business.**

The graduation ceremony, she wrote in a follow-up e-mail, “really inspired me to continue to reach toward my goal, knowing that others have achieved their dreams, and so can I.”

Had she known about the school, Tanner, like other Indiana residents, could have enrolled at WGU in the past. By branding it as a

state institution, Indiana has made it possible for students to use state financial aid to help pay for tuition, although so far that does not appear to be a large factor in attracting students: Only ten percent of those enrolled have done so. Many working adults, like Tanner, don’t qualify for aid. But if they do, federal Pell grants often cover most of the cost of WGU’s tuition.

More importantly, the state version of WGU raises its profile and its credibility, and creates a local presence. WGU Indiana has hired 70 mentors and counselors who work out of the downtown offices; they won’t necessarily work exclusively with Indiana students, and WGU Indiana students may wind up with out-of-state mentors, but it’s good to have in-state employees. “People want to be connected to their neighbor,” noted Barber. WGU Indiana appeals to that desire.

“It’s the ’57 Chevy that’s been sitting in someone’s garage for a while until someone realizes you can make it work,” said Jenkins.

And Daniels wanted to get that car on the road in a hurry. “We always say here we like to move at the speed of business, not the speed of government,” he said.

When it came to getting WGU Indiana up and running, it helped that Daniels happened to be located in the same city as the Lumina Foundation for Education, which focuses on access and success in higher education; its “big goal” is to increase the percentage of U.S. adults with a college degree or credential from 39 percent to 60 percent by 2025. “If we’re going to get to that goal, we need to expand the understanding of what higher education is,” said Jamie Merisotis, president and CEO of the foundation.

As founding president of the Institute for Higher Education Policy, Merisotis was familiar with WGU even before he took the helm of the Lumina Foundation for Education in 2008, and he had wondered why it hadn’t gotten to a bigger scale. He had even discussed a state-by-state model with WGU President Mendenhall. So it wasn’t difficult to convince Lumina, which previously had funded research to look at the effectiveness of WGU, to provide \$500,000 in startup funding for WGU Indiana. (At about the same time, the Bill & Melinda Gates Foundation, which focuses on low-income young adult students, agreed to provide \$750,000.

Some months later, WGU Indiana received an additional \$500,000 from the Lilly Foundation, which, like the Lumina Foundation, is based in Indianapolis and often funds projects there.) “From Lumina’s perspective, this is testing whether it can be a model,” Merisotis said, adding that it was nice to do so in Lumina’s home state.

In part, WGU Indiana is being used as a tool to put pressure on the state’s other institutions to find ways to both increase degree production and shorten the time it takes to complete degrees. “A little competition is healthy,” said Daniels, who has encouraged those institutions to offer accelerated programs that allow students to earn an associate’s degree in just one year and a bachelor’s degree in just three. Over the past few years, the state has also adopted performance funding that rewards its institutions for degree production, on-time degrees, low-income degrees and completed credit hours.

But mostly, WGU Indiana is being promoted, and perceived, as a complementary educational offering, and a way to increase Indiana’s educational attainment—without the use of taxpayer money.

“They’re not competing for scarce dollars,” pointed out Indiana Commissioner of Higher Education Teresa Lubbers. “They’re competing for growing numbers of students. So that made it easier to roll this out.” At its June meeting, the Commission for Higher Education unanimously approved a resolution in support of the governor’s executive order that recognized WGU Indiana and instructed the commission to integrate the school’s programs into the state’s higher education policy and strategy.

More recently, Lubbers penned an opinion piece for Indiana newspapers in which she highlighted WGU Indiana as a flexible approach that “allows motivated students to earn their degrees faster and cheaper than they could otherwise.”

WGU Indiana is also receiving a boost from the Indiana Department of Workforce Development (DWD), which Daniels’ executive order directed to “explore methods for promoting online competency-based educational opportunities like WGU Indiana” for the dislocated workers and others it serves. In accordance with that order, the department is trying to ensure that its counselors know about WGU Indiana, and why it might be appropriate for their clientele, thousands of whom are eligible for federal Trade Adjustment Assistance



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# Allison Barber

## WGU Indiana's chancellor leads a public relations campaign

**A**LLISON BARBER is back in her home state of Indiana after 18 years in Washington, D.C., and she's fired up about her position as the first chancellor of WGU Indiana, which the governor has dubbed the state's "eighth university."

Her job description is as non-traditional as Western Governors University, the nonprofit, online, competency-based institution she's working for, which administers WGU Indiana's programs. She doesn't deal with academics. She's meant to market WGU Indiana to potential students, academic partners and employers, in the process transforming it into a major player within the state's educational landscape.

So Barber's speech is peppered with phrases that most chancellors have never uttered: force multipliers; earned media; and of course, "campaign"—not a political campaign, but a public relations one.

"I am on a campaign to help Hoosiers get educated," Barber explained. In particular, she's trying to convince adults with some postsecondary education to return to school and complete their degrees, or earn new ones. "We're selling a life-changing experience," she said. "That's not an easy sell."

But it's the sort of challenge that Barber embraces. A former teacher who has run her own public relations firm, served as deputy assistant secretary of defense for internal communications as well as Department of Defense public liaison, and helped the White House establish communications in Iraq, there's not much that Barber likes more than work.

"I love trying to make a difference," said Barber. She was slightly baffled when she first returned to the midwest, where people take the weekends off, waiting until Monday to return calls. "I thought my iPhone was broken," she recalled, laughing.

The pace of life may be slower in Indiana, but Barber, who started as chancellor at the end of May, does not appear to have adjusted her speedometer. She uses her iPhone plus two Macintosh laptop computers, which sit side by side on her desk in her tenth-floor

**Allison Barber's job is to market WGU Indiana to potential students, academic partners and employers, transforming it into a major player within the state's educational landscape.**

downtown Indianapolis office, to keep tabs on WGU Indiana's million-dollar marketing campaign, which includes online, bus, radio, billboard, print and television ads.

"Eyeballs matter," Barber said. So she has made sure that WGU Indiana has been visible in the community, with tables at the Indiana State Fair, the Gary South Shore Air Show, the Black Expo, the TechPoint Innovation Summit, and on the

community college and hospital campuses. Barber has spoken at the Indiana Association of Cities and Towns and met with the Indiana congressional delegation, and plans to speak at chambers of commerce and Rotary Club meetings. "We're trying to figure out where the force

multipliers are," she said—in other words, who is most likely to pass the word about WGU Indiana.

Then there's generating "earned media"—coverage due to an event. On the day that this reporter visited, for instance, Barber was on the phone with WGU Indiana's public relations representative, hammering out details of the school's upcoming graduation commencement. She wanted to make sure the Indianapolis news bureaus got a press release, that the Associated Press received a photo, and that local radio stations were alerted about graduates from their areas. How about a post-

commencement e-newsletter? And had there been any "bounce" from the radio interview she did last week? The school now has 125 friends on Facebook, she mentioned, adding ruefully, "That's pathetic."

Then she was on to an e-mail from the vice president of workforce development at Vincennes University, letting her know that both

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the school's president and provost liked her idea to partner with Vincennes, which was founded in 1801, to offer tuition discounts and an application fee waiver to their graduates who want to earn more advanced degrees through WGU Indiana. "That rocks!" Barber exclaimed, delighted. Her plan is to promote the relationship as Indiana's newest university partnering with Indiana's oldest.

Also on her agenda that day: finishing up paperwork sealing a deal with Dollars for Scholars, which provides money to college-bound high school seniors, to promote WGU Indiana to their parents. Through this new sponsorship, parents of Dollars for Scholars recipients who want to return to college are eligible for scholarships from WGU Indiana. The idea is to tap into families that obviously already value education, Barber said.

Meanwhile, she was preparing for a web-seminar with Indiana's Department of Workforce Development, so that their employees could promote the school to the thousands of displaced and unemployed workers they counsel. Barber is also crafting a pledge for a coalition of Indiana companies who would help promote WGU Indiana to their employees, and promise to consider hiring WGU Indiana graduates.

"We're going deep with our relationships with leaders of the state," Barber said. "And that is the advantage we have as a state model."

—Kathy Witkowsky



*"I am on a campaign to help Hoosiers get educated," says Allison Barber, chancellor of WGU Indiana. "We're selling a life-changing experience."*

money, which could conceivably cover the entire cost of a WGU degree. “In this business of a transforming economy, you’ve got to constantly adjust your portfolio of tools,” said DWD Commissioner Mark Everson. “So we’re delighted we’re going to give this an emphasis.”

Also happy is Tom Snyder, president of Ivy Tech, which earlier this year had approved an articulation agreement with WGU, prior to the establishment of WGU Indiana. Ivy Tech’s enrollment has doubled in the past five years, to 110,000, and it transfers 10,000 students annually; the hope is to double that number. “We’re going to do everything we can to

encourage students to pursue this,” Snyder said. One way the schools are working together: WGU Indiana will waive the \$65 application fee and give a five percent tuition discount to Ivy Tech transfers.

“It’s a great option for our students,” said Sandy Ward, director of the transfer center at Ivy Tech-Central

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Indiana, in Indianapolis, where WGU Indiana promotional materials are prominently displayed. And it helps that WGU Indiana has a local recruiter who’s often on campus, she said, because many of Ivy Tech’s students are first-generation college-goers who aren’t always comfortable negotiating a path to higher education. “Our students want that one-on-one contact,” Ward said.

Ward’s ties to WGU may soon go beyond the students that come into her office seeking to transfer. Although she had never heard of WGU until WGU Indiana was established, she quickly became so enamored with its approach that she recommended it to her 29-year-old son, who attended but never graduated from Ivy Tech; now he’s planning to enroll as soon as January. Ward also said she’d heard of some Ivy Tech instructors who were planning to enroll at WGU Indiana to earn their master’s degrees. “There’s a lot of interest,” she said.

But within the halls of the state’s other institutions, there hasn’t been much buzz about WGU Indiana, said Jo Ann Gora, president of Ball State University, which has a significant online presence, with 20 online degree programs and 6,600 students. The governor advised the state’s institutional leaders about his plans for WGU Indiana prior to announcing them, but since then, “there really hasn’t been much conversation about it,” Gora said. “I think everybody is used to the idea that there will be alternate providers.” And if more providers mean more degrees, then that’s a good thing, she said.

Still, the governor’s public endorsement of WGU Indiana did raise a few eyebrows. “Some people have questioned why he would tape a commercial for one public university

and not another,” Gora said. Given his role on WGU’s board of directors, and his commitment to providing more online options within the state, she doesn’t see his actions as inappropriate. But, she added, “I’d love the governor to come on the air and promote our program.”

Some legislators were also taken off guard by the governor’s press conference announcing the establishment of the state’s “eighth university.”

“People were like, ‘Huh?’” said state Representative Peggy Welch, a Democrat from Bloomington who serves on the bipartisan budget committee that oversees state expenditures. At the committee’s September meeting, members from both parties expressed concerns, she said. They wanted to know whether any state dollars were being used for this online university “that’s called Western Governors University,” Welch added (with emphasis on “western”), and whether WGU Indiana would compete with the state’s existing institutions. Those questions and concerns were addressed in the October

meeting, Welch said, when Barber gave a presentation explaining that no state dollars were used to create or sustain WGU Indiana, and that the school is meant to complement, not compete with, the state’s existing institutions.

“I still have questions about limited resources and how we’re using those, but I don’t know that I have a problem with WGU,” Welch said. “If it’s helping people achieve the education and training they need to get a job and rise up the ladder, so be it.”

That is WGU’s overarching goal. WGU is, first and foremost, “about demonstrating a new model of higher education that is more efficient and more effective,” said Mendenhall, who has been with WGU since 1999, and whose leadership there recently earned him the prestigious Harold W. McGraw Prize in Education. “We’d love to have [this model] serve millions of students,” he said. That’s far more than WGU alone can handle, but however it’s done, Mendenhall said, “I do think other states will adopt this model, or something like it, because it makes so much sense.” ♦



**Kara Tanner is hoping that she can leverage her knowledge of literature and history to get through WGU Indiana’s program in just three years.**

Freelance writer Kathy Witkowsky lives in Missoula, Montana.