

The Value of an Online Degree in Hiring Gatekeepers' choice for Employment

Abstract

Due to its flexibility and convenience, online education has become a feasible alternative for students looking to obtain a degree. Although online courses and programs have their benefits, there is still ongoing debate on issues related to credibility, quality, and acceptability among stakeholders such as faculty, administrators, and employers. The current study focuses on one group of stakeholders-employers. Specifically, the objective is to explore employer acceptability of online degrees as a credential for employment. Study results indicate that while a shift in acceptability of online degrees exists, employer attitudes are more positive when they have had a personal experience with online learning. Overall, employers tend to favor more applicants who obtained their degrees as a result of enrollment in traditional face-to-face courses as against online courses even in cases where the online degree is earned from a prestigious traditional institution.

Introduction

Higher education is undergoing a profound transition. That is to say education is moving from a historic classroom model to teaching and learning in an online environment. This transition should come as no surprise with the advancement and ease of access to educational technology. In fact, students are now demanding more flexible learning opportunities with unlimited geographical borders. Allen and Seaman (2011) report that more institutions are offering online courses as more students seek to online learning opportunities. Currently, over 6.1 million students are enrolled in at least one online course which characteristically involves at least 80 percent of the course content being delivered online.

While these changes in education continue, certain concerns remain. Among these concerns are issues related to the quality, effectiveness, acceptability and comparability between traditional classroom education and online education. So far the research on one of these areas, the acceptability of online learning, has failed to receive much attention. Particularly, not much is known about employer reactions to online learning and how hiring decisions are made when an online degree is presented as an employment credential. As students continue to make decisions for online education it is essential that employer thoughts surrounding credibility, value, effectiveness, and comparability to a traditional classroom learning experience be explored and updated. In a 2006 study, Adams and DeFleur's (2006) noted that many hiring gatekeepers remained reluctant to employ individuals who earned their degrees from online programs. It is important to find out whether these attitudes still persist especially with more prestigious traditional colleges and universities, from private to public, offering online programs.

Research question of interest include the following:

1. What are employers' current perceptions regarding online education?
2. How do employer views compare for candidates who earned their online degrees from online institutions and from prestigious traditional institutions?
3. To what extent do employer views regarding online and traditional degrees earned from prestigious traditional institutions differ?

Methodology and Procedures

Research Design & Participants

A qualitative design as suggested by Merriam (2009) was applied in this study as employer attitudes and beliefs regarding online education and online degrees were sought. Participants comprised of hiring gatekeepers in the business industry and were selected through purposeful sampling (Edmonson & Irby, 2008). Other sampling criteria included the participant's position as well as their responsibility within their company. For instance, the study participant must have direct experience and responsibilities with regard to searching, interviewing, and hiring employees for their company. A final sample of four hiring gatekeepers (three in media and one in manufacturing) offered to participate in the study. Participant demographics are presented in Table 1 below.

Table 1

Hiring Gatekeeper Demographics

Participant Name	Company Type	Participant Position	Years in Position
Jennifer	Software Development	Director Administrative Services	7
John	Technology	Chief Executive Officer	10
Sarah	Network Television	Human Resource Generalist	2.5
Paula	Manufacturing & Product Development	Human Resource Business Partner	4

Data Collection and Analysis Techniques

A semi-structured interview protocol was designed and administered in one-on-one interviews with the participants. The interview guide consisted of 17 research-based items and was assessed for content validity by education professionals.

Upon completion of the interview process, the interviews were transcribed and the participants were given the opportunity to member-check the data and researcher interpretations for accuracy. The researcher analyses were also peer-reviewed by experts in the field.

Responses among participants were assessed, analyzed, and coded to identify generate common themes and also to determine similarities and differences across the hiring gatekeepers. Coffey and Atkinson (1996) detail this approach as involving summarizing, coding and breaking down and synthesizing the interview data collected from the participants into themes. In the process, theoretical frameworks such as Distance Learning Theory, legitimacy theory, and screening theory were applied to the data. According to Brown (2006), rooted in the conceptual framework of educational screening theory (and/or legitimacy theory) is the idea of *credentialism*. *Credentialism* encourages discourse on degree standardization and quality. According to Stiglitz (1975), "One of the most important kinds of information concerns the qualities of a factor or a commodity" (p. 283). Ultimately, the concept of

“quality” provides the theoretical framework for educational screening theory and legitimacy theory and offers logically consistent ideas to establish functional relationships between online learning and value.

Findings

Participant Profile

1. John: John is the Founder/CEO of StreamInc. (pseudonym), the first video evaluation platform for advertising agencies and marketers located in a large Midwestern city. Prior to StreamInc., John was VP of Platform Development at TubeInc. (pseudonym) where he was dedicated to enhancing online video for advertisers. He has also served as Vice President and Director of Digital Innovations at an advertising agency. John is responsible for making all hiring decisions at StreamInc.

2. Sarah: Sarah is the acting director for administrative services for a mid-size software development company. The company is based also based in the same large city in the Midwest as John’s company. The company develops innovative software tools and decision-making processes for senior financial and operational decision-makers in the healthcare industry. One of Sarah’s responsibilities includes acting as the company’s “hiring gatekeeper”. Sarah reviews the resumes of all applicants and is involved in company hiring decisions.

3. Jennifer: Jennifer is a human resource generalist at a television network. Her office is located in the same Midwestern city as John’s and Sarah’s companies. Jennifer’s responsibilities include: hiring, sitting in on exit interviews, new hire orientations, recruiting, addressing employer questions/concerns (i.e. commuter packages, 401k benefits, address & phone changes). Jennifer is also working on a graduate degree in Industrial Organization Psychology part-time at a university. It is important to note that as a part-time graduate student Jennifer had previously enrolled in an online course. She indicated positive experiences associated with her online coursework.

4. Paula: Paula is a human resource business partner at a Fortune 150 manufacturing and product development company located in the Midwest. Her responsibilities include everything from talent acquisition/recruiting to talent management, leadership development and performance compensation. Her client group currently supports approximately 250 employees, and she is constantly recruiting, interviewing, and making hiring decisions to fill open company positions. Paula has had previous academic experience with online education in her undergraduate and graduate studies.

Employer General Perceptions Regarding Online Education

When questioned about their perceptions regarding online education in general, the participants’ responses reflected an overall and clear doubt for the rigor of online courses and programs with a perceived limitation in peer collaboration and instructor interaction. John said, “When I think about online degrees, I think of a less intensive education...I think of it as less of an education. I also think of less collaboration with students and potentially not an opportunity to have one-on-one interaction with their professors...”. Sarah added, “I think of it as second tier...It [online degree] is easy to get...It [online course or program] is not as challenging.”

In trying to explain her point further, Sarah said: *With an online degree you can sit in your pajamas, go to class and not really have a lot of the group interaction and teamwork interaction that you would have in your real job place. Having that experience rather than actually going and participating in groups and being a part of the college experience is something that is really negative in our minds.*

Again, this comment demonstrates the notion that in the mind of the business employer, online degrees do not ‘measure up’ to the traditional style of learning in anyway. The conception of what constitutes learning stands out in the comments made. That is, learning needs to be do not need to appear flexible and easy such that one can ‘sit around’ in their night clothes to partake in. Learning needs to be solemn and serious!

Employer Views on Candidates with Online Degrees from Online Institutions versus Prestigious Traditional Institutions

The probability of the acceptance of an online degree as a credential for employment appeared to be next to never for most of the hiring gatekeepers. John said: *“I’ll be very honest. I’m not sure who I’ve hired that’s had online degrees. I could say from my recollection, I don’t believe I have hired anybody or seen a résumé that has an online degree”*. Jennifer also said: *I haven’t had many people, write on their resume, they graduated online or not ... even if they did, I think those (Big Ten Schools) are probably easier to pass along, then like Phoenix.*

Again, the interview data demonstrated that while all four participants or hiring gatekeepers made decisions based on a number of other criteria, they do place emphasis on the type of degree held by the job applicant. In discussing how their candidates with online degrees compared with those with traditional degrees, Paula offered this:

People at our company that went through traditional classroom base learning, they struggled, they studied hard...everyone had that stress, everyone felt it...they’re proud of themselves for overcoming it. Now, people that have taken online classes, I would probably say, that most of them felt that the class was easier.

Again, the comment goes back to the conception of learning being that thing that is full of stress and ‘pain’ that needs to be overcome. Additionally, these comments clearly encapsulate the viewpoint that a traditional degree is preferred to an online degree due to the perceived rigor of learning in the traditional environment. Essentially, from these comments one can conceive that an online degree candidate will certainly face more challenges and barriers in the hiring process than a candidate who possesses a traditional degree. In actual fact, throughout the interview, the participants stated several times that an online degree candidate would not even receive an initial interview in their company. It must be pointed out though that the level of hesitation to hire candidates with online degrees was not similar across all four participants. Comments made by Jennifer, who has a personal experience with online learning, suggested that she was more open to the idea of interviewing and hiring such candidates if that had the potential to be well received by her superiors. She said: *There is a bias (toward online education). It is not taken as seriously...If I see online (on a resume)...50/50 I am okay with it, but I know if I pass it on to a hiring manager they’d be like “no”*.

It is also important to highlight that as hiring agents, the participants place a great deal of value on the reputation of the institution from which the online degree was earned. The hiring gatekeepers defined the institution’s reputation by ranking in the US News Report and also by the perceived excellence of the program. One element that stood out in the participant definitions though was that they centered on “more traditional schools with the accreditation [employers] expect at the university level” and were “ones that can prove that it produces the highest quality students”.

Speaking on influence of this idea on the hiring decision, Paula noted: *One of the first things that pops into my head is the University of Phoenix. We would not hire a person with a 100 percent online undergraduate degree. I really think they (online degree programs) need to overcome this perception that*

online is easier and that you're not going to get as good of an education from an online course. She further put her statement into context when she said:

We [the company] place a lot of emphasis on a school an individual goes to...more importantly we place a higher emphasis on the advanced degree...If a candidate has a Bachelor's Degree from a smaller school...maybe a degree that isn't relevant for the position (but) they have an MBA from a top 25 program, then we would still consider the candidate.

Comparing Employer Views on Candidates with Online and Traditional Degrees from similar Prestigious Traditional Institutions

In an effort to understand hiring officer reactions to employees with online degrees compared to employee with traditional degrees from similar prestigious universities, a clear distinction in acceptability of two candidates from such backgrounds does exist.

Building on the value of an education from a prestigious institution and from the viewpoint of employers, it became clear that the reputation of the institutions could get the job candidate the first pass. For some companies, emphasis is placed on:

It matters as it's a factor in every decision I make. In fact, I recently had made a hire from someone who graduated from an Ivy League school and actually looking into those credentials swayed me into making a decision sooner... because you sort of knew that they (job applicant) were pre-vetted before as far as intelligence goes (John).

If you are at a top school, you automatically pass [the initial screening process](Jennifer)

Paula: I actually have encountered resumes from the University of Phoenix...It's actually a struggle with international students that we're finding. We have actually caught some individuals that have degree from schools that aren't accredited, yet they're saying they're accredited and we've had to terminate some individuals because they've lied on their resume.

Essentially, there is a possible issue of disclosure associated with job applicants who intentionally do not reveal on their resumes or applications that he/she obtained a degree online. According to Minton-Eversole (2010), in a survey of human resource professionals, sixty-two percent of respondents indicated that job applicants seldom or never disclose whether their degree was obtained through an online program. Jennifer did state that an online degree candidate from a traditional higher education institution (i.e. Big Ten School) would have a better chance of receiving an interview or employment than a candidate from a completely virtual university. However, she said that she would hope these types of job applicants are actually disclosing their degree was earned through an online program at a traditional and prestigious higher education institution. In comparing the two types of degrees (online and traditional) from a prestigious institution, John offered the following perspective using Harvard University as an example:

If I knew that Harvard had a rigorous selection process as they did for their 4-year on-campus education as they did for their online, I may consider that. But I don't have any perception of that brand's online campus so I don't know how to weigh that.

Further, Sarah and Paula voice their perspectives on traditional higher education institutions offering online degrees:

Sarah: I think that named schools it's a little different in the fact that you already have an established program that you know already works. You can see the results of the people that graduate with this degree inter of percentage of career placement. If a traditional school was to say let's do an online program that has the same curriculum that we know work and that follows that same core, then I think that's ok. I think the difference is those online places don't have established core curriculum. It's not reputable or nationally recognized...

Paula: A lot of MBA schools I recruited (at), the students are proactively approaching companies and saying, "How can we help you (the company)? Can we take out a consulting project for you? Can five of our students work on a huge initiative for you? I haven't personally seen any online program come to us and try to do some type of partnership/corporation student program...but that's what I'd really like to see...if the students (from online program) were successful helping our company...we would be much more likely to partner with them and potentially consider them for employment.

Further, John and Jennifer mentioned that employers are beginning to look at education in different ways, more specifically executive education (i.e MBA). John and Jennifer indicated several times that an online degree would also hold more value if it were obtained in an advanced or executive degree program such as an MBA (at a traditional higher education institution).

Also, Jennifer and Paula's perceptions of advanced online degrees were very similar to John's. When discussing her views on advanced online degrees she states:

Jennifer: I am assuming I feel a little different...If you are getting your master's, and it is distance learning, I mean, yes, it would matter what school you went to...but we are assuming you are a little bit older, you have families, it is not as easy to get to class, so I think it is a little bit more cushion in that sense.

Paula: Some people choose programs where 20 percent will be online and 80 percent would be classroom, we're completely fine with that. We understand that in today's economic environment you can be successful doing some online learning, but we do think that the majority of the learning happens in a collaborative classroom.

On the other hand, Sarah maintains:

Sarah: I think the University of Phoenix Online was built with the mission to provide education to people who couldn't get into a school like the University of Illinois...but at the same time I think they are a business and they want to be profitable, but the reputation they have gotten is not a favorable one in the workplace.

It is interesting to note that each participant used the University of Phoenix as a reference point to compare and contrast online degree programs and credibility. This may suggest that the University of Phoenix is a clear leader in online education brand recognition. However, this also reveals a lack of quality associated with the Phoenix brand. Essentially, only Paula mentioned even receiving an application with a Phoenix degree holder. Perhaps this is due primarily to job criteria/qualification requirements, but in an effort to more effectively determine degree value, it would be interesting to locate employers who actually have experience with online degree applicants/employees from the University of Phoenix.

Interestingly, John and Jennifer both indicated that their current views (and other employers) regarding the value of an online degree will continue to change and be re-evaluated in the next five to ten years.

John: *I think yes. The perception has evolved...Almost every major university has some sort of online campus. So I think that there has been a level of acceptance...*

Jennifer: *I think recruiters or HR representatives will have to take them (online degree applicants) into consideration...It is hard now because it is not as acceptable when there is a bias, but I am gonna say within five years, it will change...*

However, Sarah and Paula voiced a very different opinion on the overall employer acceptance of online degree programs in the next five to ten years.

Sarah: *I don't think the perception of online degrees will change over the next five years...if it comes to a point and there is some sort of shortage with people with technology backgrounds, I believe international candidates will just take the place of any need we are experiencing—not online degree recipients.*

Paula: *In the next five years, I really don't think so. I think the only way it's really going to change if companies continue to get—and the world continues to get more technological savvy and “saviness” to them.*

Essentially, John and Jennifer both believe that online institutions will continue to grow in popularity and eventually become more reputable. Additionally, Jennifer appears much more comfortable with at least passing along an online degree holder's resume to different hiring divisions within her company. Perhaps her level of comfort with online degree candidates is a result of her direct experience with online coursework. Sarah and Paula were clearly the least comfortable with online degree candidates. Ultimately, based on company policies and values, neither would even consider interviewing or hiring a candidate who possessed an online degree. Further, both respondents note their opinion on the value of an online degree and subsequent hiring practices will not be changing anytime soon.

Discussion and Conclusion

After careful analysis of participant responses, it was evident that many of the study's conclusions also corresponded with several of the primary studies conducted on this topic. Participants in this study, held views consistent with the findings of Adams and DeFleur's (2007) study indicating that that the applicant with a traditional degree was preferred by employers. Additionally, the findings support the concern voiced by the employers in Huss's 2007 study on employer reaction to online teaching preparation. That is the rigor of online teaching and learning and the educational value of online degrees. In short, the results of Huss's study revealed that the employer perception of an online degree in teacher preparation was overwhelmingly negative. Therefore, it is important for institutional stakeholders to design online courses and programs that match employer's expectations. Interestingly, the results of this study also indicated there have been, and also continues to be, a shift in the perception of online degrees and online degree job candidates among employers. However, excluding Paula, all participants noted that they had limited experience with online degree applicants. Additionally, all participants voiced concern with a lack of knowledge/disclosure from applicants who graduated from a traditional school of higher education but with an online degree. Although, John indicated that when conducted in the appropriate context or applicable niche, there is value in online education. Jennifer and Paula were also more comfortable with applicants who had earned an advanced degree through a partial online program at a traditional higher education institution. Therefore, it is important to address the perceived differences between an online degree from a traditional (or reputable higher education institution) to that of an online degree from a entirely virtual institution. All participants voice concern with the academic rigor and quality of an online degree. These negative viewpoints conflict with the evidence presented by Ary and Brune (2011) and Norton and Hathaway (2006) in their studies highlighting course quality and positive learning outcomes associated with various online learning models and tools.

In summary, results of this study demonstrate that employers evaluate the quality of a potential job candidate based upon a number of criteria including degree type (online or traditional). Additionally, there appears to be a specific set of criteria which must be met before a candidate is offered a position. One of these criteria is the reputation of the candidate's degree granting institution. If the institution is indeed deemed legitimate, then the candidate is assumed to hold the appropriate credentials for possible employer. This screening process can be linked back to *Legitimacy Theory* and the idea of *credentialism*. Currently, study respondents still voice significant doubt as to the academic credibility and institutional reputation of solely online degree granting institutions (i.e. University of Phoenix). However, online degree candidates from reputable and traditional higher education institutions may face less of a barrier with regard to employment. Ultimately, due to current perceptions and attitudes held by employers with regard to the reputation of online schools, online degree job candidates face far greater challenges and barriers in the hiring process than those who hold degrees from traditional institutions.

Implications

Why should we be applying academic rigor to this topic in the first place? Students are spending thousands of dollars annually for tuition applied to online degree programs in an effort to promote, enhance, or change their career path. These students expect a solid return on their educational investment (i.e. job or promotion). Therefore, it is critical from a conceptual perspective to examine the value of an online degree in the minds of employers and corporations in an effort to help online degree candidates understand the potential hiring barriers they may incur from employers. Consequently, from a practical viewpoint, online degree seekers will have more ability to protect themselves from making a poor financial decision if they have more knowledge and insight into the hiring attitudes and behaviors of an organization's hiring gatekeeper(s). Moreover, by implication, it may well be necessary for the Academy to educate hiring gatekeepers as to the benefits and compatibility of an online degree from a traditional institution with the classic bricks and mortar degree. Indeed, the Academy may owe its student constituency an ethical responsibility to educate hiring gatekeepers as to the efficacy of an online degree from a traditional institution. Although these issues are not the focus of this study, nevertheless, they deserve the attention of all educators and a meaningful dialogue among the various actors and constituents.

Recommendations for Future Research

Online education is a multifaceted industry. While there is a substantial amount of literature in general about online education, there is limited research conducted on the issue of employer acceptance of online degree job candidates. Further, as previously mentioned, although research regarding online education effectiveness is becoming a priority, there appears to be several re-occurring gaps present in the research. For example, much of the research does not examine post-graduate career success of those students who completed a degree (or classes online) as compared with those in traditional classrooms.

It is evident from current research completed by authors such as Adams and DeFleur (2006, 2007) that in general, hiring gatekeepers continue to have an overall negative viewpoint about the value of an online degree. Although, as highlighted in Dailin, Fengyan, Shaungxu, and Fenglong (2008) study, graduates from distance education institutions (such as China Central Radio and TV University) are earning excellent marks among employers in several different work related categories. Additionally, Kirtman's (2009) study concludes that student attitudes regarding online coursework appear to be positive. Results of this study also suggest that employers are more likely to favor those job applicants who have a combination of both traditional classroom exposure as well as some type of asynchronous online course work as opposed to simply an online degree candidate. Clearly, as more and more higher education institutions continue to create new opportunities for online learning and degrees programs, it is imperative that all stakeholders understand the potential hiring barriers online degree candidates may

incur from employers. This study was intended to explore the current attitudes and beliefs of employers with regard to online degrees from traditional higher education institutions. While study results indicate that employers preferred applicants with a traditional degree, a shift in the perception of online degrees and online degree job candidates among employers was also noted. Ultimately, this “shift” in perception opens a multitude of new opportunities in online education research.

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