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Norina L. Columbaro

Catherine H. Monaghan
Cleveland State University

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Employer Perceptions of Online Degrees: A Literature Review

Norina L. Columbaro and Catherine H. Monaghan
Cleveland State University, USA

Abstract: This literature review explores the research about the perception of online degrees by potential employers or "gatekeepers" in comparison with those earned in a traditional format. This is important because these perceptions can affect the employment opportunities or lack thereof of students and, in turn, institutions.

Introduction

With fluctuations in the economy, increased technological competence, fast-paced lifestyles, geographic dispersion, and the need for workers to possess new skill sets and credentialing, the demand for online degrees has grown over the past decade (Conceição, 2007). Institutions offering online degrees have proliferated the adult and higher education landscape to meet these needs. According to eLearners.com, there are currently over 170 "accredited" U.S. online colleges and universities that offer online Bachelor's, Master's and Doctoral degrees in numerous fields (Elearners.com, 2007). Adams and DeFleur (2005) state, "although there are some 678 non-resident degree programs available online, only a handful of these are fully accredited or taught from recognized institutions" (p. 72).

Furthermore, students individually invest thousands of dollars each year obtaining higher education. Increasingly, they select online degrees to reach that goal with the expectation of a sound return on investment. Adult students primarily choose online degrees to obtain credentialing for promotions and employment, as well as to cultivate life-long learning while overcoming such potential barriers as full-time work responsibilities and remote geographic location. Nance (2007) suggests that minority students may also select online learning after experiencing racially discriminatory treatment in the traditional classroom. Despite the increasing drive toward this means of credentialing, the economic climate causes students to place a high premium on whether online degrees translate into jobs or careers based on the current hiring practices that are influenced by the organization's hiring "gatekeeper's" view.

Purpose and Literature Selection

This literature review explores the research about the perception of online degrees by potential employers or "gatekeepers" in comparison with those earned in a traditional format. The guiding question for each study and article is: What does the current literature say about hiring gatekeepers' perceptions of online degrees and how they influence their assessment of the candidate's employment qualifications?

To answer the research question, literature was reviewed within four databases: Academic Source Complete, Education Source Complete, Business Source Complete, and ProQuest Dissertations & Theses Abstracts. The keywords used were "online degrees," "higher education," "virtual college," "hiring," "perceptions," and "academic degree programs." The initial search resulted in 11 academic journal articles, 18 dissertations, two unpublished manuscripts, three books, and two online articles. The literature selected for this review was then evaluated and chosen based on pertinence to the topic of employer views toward online degrees

in North America. This review will discuss the following: characteristics of distance learning degrees, definition of hiring gatekeepers, empirical study results comparison, popular media and communications, and typical employer concerns and commendations regarding online degrees, as supported by the literature.

Characteristics of Distance Learning Degrees

Today's post-secondary degrees are offered in various delivery modes. According to the 2005 Sloan Consortium report, the following describes the standard academic degree program configurations:

- Traditional or Web-Facilitated: No online technology used or 1 to 29% of course content is online through a course management system (such as Blackboard or WebCT) to support the primary use of the face-to-face format.
- Hybrid: 30 to 79% content covered online such as online discussions and readings; supplemented by occasional face-to-face classroom experience.
- Online: 80% plus of course content is delivered online. (Allen & Seaman, 2005, p. 4)

Many online institutions espouse the comparable quality of their degrees to traditional institutions. In response, many traditional institutions have also adopted online degree programs as part of their strategic direction. According to Allen and Seaman (2005), "Forty-four percent of all schools offering face to face Master's degree programs also offer them online." (p. 1). The National Center for Education Statistics (2003) states that 90% of public four-year institutions provide online bachelor degrees (as cited in Adams and Eveland, 2007).

Hiring Gatekeepers

Hiring "gatekeepers" are defined as, "…anyone who stands between you and the person who might want to hire you. Gatekeepers come in many forms, including receptionists, HR recruiters, and resume screeners" (Mitchell, 2003, ¶1). Throughout the literature review, a variety of "gatekeepers" served as participants. For example, in some studies, the "gatekeeper" participants were HR managers and recruiters; some were actual managers for the position in which a candidate would be hired.

As cited in Peat and Helland (2004), "…individuals who perceive distance learning as ineffective may attend only to information that supports their beliefs and a negative perception toward a phenomenon such as distance education may predispose a person to act negatively toward that phenomenon (Pinder, 1998)" (p. 939).

Literature Findings

Within this literature search, there were four published and two unpublished complete empirical research studies regarding prospective employer's perceptions of a job candidate's online degree achievements. Studies conducted by Eduventures and Vault.com, while highly relevant to this topic did not provide complete information to form an analysis. Because they are private research firms and their projects are commissioned by specific organizations and institutions, Eduventures and Vault.com do not provide particulars about their methodology, samples, and results. Therefore, it was difficult to decipher aspects of their results to form a quality comparison.

The majority of the literature available was found in "popular" media (newspaper and trade magazines), web pages, and blogs. The purpose of many of these communications centered

around advising the public about whether or not to select the online option when one pursues a degree, as well as what to do and what to avoid when employers inquire about the nature of one's degree.

Empirical Studies

The initial study conducted by Chaney (2001) was informed by grounded theory and focused on the pharmaceutical industry. The findings from this study indicated that 87% of the respondents made no distinction between an online degree or a traditional degree when considering applicants in the hiring process. However, subsequent studies have found significant differences in the perception of hiring managers regarding an online degree versus a traditional degree. A limitation of the studies is that the information is based on what one would do, if faced with the decision, rather than on what might actually occur.

Research conducted by Adams and DeFleur (2005) indicate that, given the choice of selecting "hypothetical" candidates who possessed online or traditional doctoral degree credentialing, as many as 98% of 109 employers surveyed would prefer the candidate with the traditional degree. In the author's other published studies, this conclusion varies from 95% to 98% depending on the target industry and degree level (Adams & DeFleur, 2006; Adams, DeFleur, & Heald, 2007). While the other studies employed interviewing and surveys to assess perceptions, the three Adams and DeFleur studies were the only ones where participants actually looked at resumes for three hypothetical candidates with comparable experience but different degrees (online, hybrid, and traditional) and decided which they would hire for a specific job.

A later study by Flowers and Baltzer (2006) largely confirmed the above results, but utilized a survey based on perceptions only. Respondents ranked answers based on a Likert Scale and the findings revealed that participants in the sample were significantly less likely to hire a candidate with an online doctoral degree for a full time, tenure-track faculty position. Their findings were similar to Adams and DeFleur's (2006) study about the perceptions of academia about the validity of online doctoral degrees.

Carnevale (2007) cites Vault.com's study that indicated that only 55% of the 107 employers surveyed would select a candidate with a traditional degree over one who earned the degree online, and 41% would view both degrees equally. According to Nance (2007), Eduventures *2005 Continuing and Professional Education* report indicates that of 505 employers surveyed, 62% of employers feel that online instruction is the same or better than classroom learning. However, another publication attributed Eduventure's 62% acceptance claim to situations in which the employee was already working for the organization and completing the online degree to gain internal advancement (Hartman, 2007). Although Eduventure and Vault.com provide more encouraging results, because their clients have exclusive rights to the results and reporting, it was not possible to determine the specifics of the data gathering and analysis. As stated above the nature of these studies conducted by private research firms based on commissions from specific organizations lends itself to possible biases that would impinge on the reliability of the findings.

The latest study (Seibold, 2007) suggests that, even with the influx of online degrees and students over nearly a decade of research, perceptions still exist that traditional degrees are superior to online degrees in the hiring process, although hybrids are gaining acceptability. A limitation of all the studies is that the information is based on what one would do based on a hypothetical situation rather than studying what may have occurred in a real situation.

Newspaper, Trade Magazines, Online Journals, Websites, and Blogs

Countering some of these empirical studies, are the vast quantity of popular media and articles supporting online degrees as viable options, but also informing potential consumers of the risks associated with these educational options. Two articles, Caudron (2001) and Dolezak (2003) were directed toward employers. Although both discussed reactions to online degrees and what to evaluate in online degrees, an interviewee in the Dolezak (2003) article maintained that recruiters are not trained to discern online from regular degrees.

Articles directed mostly toward the public and online degree consumers appeared *in The New York Times*, *Wall Street Journal*, and *Chronicle of Higher Education* and provided balanced discussions of the pros and cons of online degrees and how they were perceived during the hiring process. For example, while Carnevale (2005) cites Adams and DeFleur's (2005) study that reflects a negative perception of online degrees in the hiring process, he provides anecdotal information regarding views of graduates and employers who have had positive experiences with online degree hires.

Websites such as collegeinpjs.com and eLearners.com provide positive reports of the prospects of online degrees. Mulrean's (2004) optimistic article, found through collegeinpjs.com, maintains that attitudes are changing and that the more employers are exposed to online degrees, the more accepting they will be. However, many sites and articles still recognize these biases in the hiring process. According to Montell (2003), candidates with online educational backgrounds were advised not to use the words "online" to describe their educational backgrounds and that they would need to defend the value of their degree. Mulrean (2004) also points out that if you attend a class at Columbia University, "There's no need to distinguish the degrees as having been earned online because they're identical to the courses delivered at the physical campus" (p. 1). Further, some college sites, such as Oregon State University website state, "Our accredited online degrees and programs appear the same on your OSU transcript as do on-campus degrees and programs at Oregon State University" (Retrieved on December 3, 2007 campus.oregonstate.edu/online-degrees). However, Glover (2005) urges other online degree graduates in her article,

> If questions about your online degree come up in an interview, be honest and state all of the reasons why your online degree is *more* valuable than a traditional one. Not only will this improve your immediate chances for getting the job, it is the only way we can change employers' lingering misperceptions of online education (p. 39).

Common Concerns and Commendations for Online Degrees

Throughout the literature, potential employers cited the following reasons for their reticence in accepting online degree credentials:

- lack of rigor,
- lack of face-to-face interactions,
- increased potential for academic dishonesty,
- association with diploma mills,
- concerns about online students' true commitment evident from regularly venturing to a college or university physical location, which some consider to be an important part of the educational experience**.**

On the other hand, some themes emerged from the literature supporting employer acceptance of online degree credentialing. Conditions that could influence online degree acceptance in the hiring process were:

- name recognition/reputation of the degree-granting institution,
- appropriate level and type of accreditation,
- perception that online graduates were required to be more self-directed and disciplined,
- candidates' relevant work experiences,
- and whether the online graduates were being considered for promotion within an organization or if they were vying for new positions elsewhere or in a new field.

Additional research is needed, however, to solidify these claims, as well as to investigate further hiring gatekeepers' acceptance rates concerning degrees that employ a mix of online and in-classroom delivery elements (hybrid).

Discussion and Implications for Further Research

This literature review spanning nearly seven years largely suggests that there still may be a marked stigma attached to online degrees throughout the hiring process. All scholarly research to date has concluded that the "gatekeepers" have an overall negative perception about online degrees. On the other hand, Russell's (2001) annotated bibliography of distance learning touts the comparability and, occasionally, superiority of online education. Perhaps as more potential employees attain their degrees online, acceptance will increase. In addition, factors besides education are often considered in the hiring process that may offset these perceptions (Singer & Bruhns, 1991). However, if potential employers continue to harbor negative perceptions about candidate's online degree credentials, quality of the actual learning and work experiences may take a back seat to these preconceptions throughout the hiring process.

Continued research in this area will provide insight for expanding student accessibility to quality online higher education, offering employer/recruiter education workshops (what to look for, how to break down any unfounded biases), continuing program improvement, and executing effective and ethical marketing practices (Adams, 2008). Further, results from continued scholarly work could help illuminate and mobilize higher education leadership and administration to make better-informed decisions regarding funding, managing, and evaluating the effectiveness and public perceptions of online degrees.

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A table providing a summary the empirical studies and a comparison of findings can be obtained at the conference session or by email from Norina Columbaro at ncr928@earthlink.net.