

COST AND QUALITY

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The Cost Problem

1998-2008

Increase in Inflation.....30.6%

Increase in family income

Families with head 45-55.....29%

Increase in college costs (TUITION)

Private 4-year colleges.....67.2%

Public 4-year.....81.4%

Consequences

- Many learners must work full time while enrolled
- Many graduate with considerable debt
- Many from modest backgrounds are discouraged from applying
- Most institutions use tuition discounting to help learners pay higher tuition bills, thus reducing net revenue.

Traditional Ways to Lower Costs:

- Use more adjunct faculty
- Increase class sizes
- Increase the learner/faculty ratio
- Increase faculty contact hours
- Cut non-essential services
- Build more modest facilities

All Assumed to Erode Quality

Traditional Ways to Increase Quality:

- Enroll better learners
- Hire distinguished faculty
- Support faculty research
- Lower the learner/faculty ratio
- Lower class size
- Expand the library
- Upgrade the facilities
- Invest in high impact practices

All Entail Added Costs

Our Annual Dilemma

Increase tuition to invest in quality

OR

Keep tuition low to maintain affordability

Our Values

Quality drives everything

Our Response



We didn't moderate tuition increases.

Instead

We followed conventional wisdom:

More resources buys higher quality &
Higher quality attracts more resources

We Invested

We bought

Great faculty

Great learners

Small classes

We expanded

Curriculum

High impact practices

We built

Impressive facilities

It Worked !!

- Applications doubled
- Majority of applications from out of state
- Princeton Review: #1 2, Quality of learner life
- Reputation for quality expanded exponentially

The strategy is not sustainable

**We will reach the point when learners
can't afford to enroll
no matter how much value they
attach to the degree**

Continuing Concern about Affordability

CLASSIC DOUBLE BIND

Unwilling to cut costs if quality will suffer
and

Need to keep costs low to maintain enrollments

THE CHALLENGE

TO LOWER COSTS WITHOUT ERODING QUALITY



The Elephant in the Room

Cost structure of our academic programs

We don't want to talk about it because no one is prepared to sacrifice quality

When quality is defined as those things that cost money, efforts to reduce costs are doomed to failure

Defining Quality

We are shifting our paradigm

from one that equates quality with expenditures

to one that

defines quality in terms of outcomes

Critical Evidence

Dennis Jones and Jane Wellman found no consistent relationship between spending and performance whether that is measured by

- spending against degree production,
- measures of learner engagement,
- evidence of high impact practices,
- learners' satisfaction with their education,
- future earnings.

We Searched the Literature

**Looked for learning designs that
reduced costs and enhanced learning**

Tana Monaco

WILL DESCRIBE WHAT THE LITERATURE SAYS

ABOUT

PROMISING EFFORTS

TO REDUCE COSTS AND ENHANCE LEARNING

NEW DIRECTIONS

TO ACHIEVE COST-QUALITY GOALS



Changing the Educational Model

- Developing new delivery systems (e.g., online and blended offerings), and
- Innovating through newly-developed programs, processes and/or practices (e.g., competency-based)

Rather Than Doing What We've Been Doing

- Searching for new revenue streams
- Offering tuition discounts
- Finding funding for scholarships
- Increasing class size, or
- Using more adjunct faculty

**Because these do not fully address
cost-quality dilemma**

Common Characteristics of “Change” Models

- Driven by learning goals
- Provide extensive assessment and feedback to learners
- Involve active learning
- Leverage technology as enabler
- Focus on mastery learning

SOME PROS AND CONS OF THESE ALTERNATIVES



Develop New Delivery Systems

Pros

- Redesigning learning and teaching models can be constructive, healthy practice

Cons

- Could be difficult to ensure adequate resources, combined with institutional and faculty commitment, required for process to be successful

Outcomes-Based Innovation

Pros

- ❑ Leverages individual learning styles and skills and can lead to an accelerated learner progression

Cons

- ❑ Implementation can be complex and require new faculty model

In Summary

- There's a track record of success with these models (online and blended learning, competency-based)
- Institutions and academic disciplines vary widely so models may not all be an appropriate fit
- Models reflect a variety of values and processes that need to fit the culture

Aric Krause

WILL DESCRIBE OUR EXPERIMENT AT
WESTMINSTER COLLEGE

OUR EXPERIMENT: A PROJECT-BASED PROGRAM



The Program

- Has clearly articulated and defined program-wide learning goals and competencies
- To earn the degree, learners:
 - ▣ Complete projects to demonstrate learning mastery
 - ▣ Use learning resources delivered online
 - ▣ Are individually coached by Faculty members
 - ▣ Attend short residencies
 - ▣ Graduate when they've completed the full series of projects.

The Model

- Learning is clearly defined and measurable
- Technology is used to provide learning activities and resources to learners
- Faculty time is freed up
- More learners can be accommodated.

The Model: Cost and Quality

□ **Quality:**

- ▣ Program learning is clearly articulated
- ▣ Mastery of learning is required
- ▣ Projects require application and demonstration of mastery in interesting and engaging ways
- ▣ Learners graduate when they've demonstrated mastery of all program learning goals and competencies

□ **Cost:**

- ▣ Faculty “productivity” is increased without increasing formal faculty workload.

A Project

PROJECT 3-F Financial Forecasting and Planning

- Related Competencies:
 - ▣ Critical Thinking – analyzing various markets to find best opportunity
 - ▣ Evaluate Information – to base market assumptions and crunch data.
 - ▣ Global Thinking – international market considered required
 - ▣ Financial – build, read, and interpret financial reports.
 - ▣ Analyze Markets – from marketing and economics
 - ▣ Use analytical tools – Excel modeling required.
 - ▣ Presentation – final results must be presented to faculty, orally and in written form.

- ▣ **Learning breadth limited only by faculty creativity**

Learner Approach to the Project

- Attend residency
- Consider knowledge gaps – review rubric and related competencies
- Use online learning resources to fill gaps
- Consult Coach as needed
- Complete draft of project, and consult with Coach
- Receive detailed analysis back from Coach
- Correct problems, submit final version and make presentation
- Final performance evaluated, and repeated if necessary for demonstration of mastery

Program Performance - Evidence

- First iteration has been running one year:
 - All indicators suggest quality is at least as high as traditional programs, if not higher.
 - Cost data looks very promising as well; program will hit appropriate scale this year (2009-2010) to fully test.
- Second iteration rolling out this fall

Reviewing The Model

□ Essential Features:

- ▣ Clearly articulated learning goals/competencies
- ▣ Leverage technology as a learning enabler
- ▣ Faculty trained to coach, mentor, and evaluate learners

□ Result: Quality at a lower cost.

Limits of the Model

- Model may not fit all institutions or academic programs – need more data
 - ▣ Our Hypothesis: Essential features **should** work with nearly any program or pedagogy.
- Requires complete deconstruction of program into learning goals, competencies, and abilities...
 - ...Requiring institutional and faculty commitment.

Questions and Answers