

Part II

Introduction to Part II

The second part of the book comprises some of the case studies undertaken. Not all of them could be included, partly because the data set was less complete or did not easily lend itself to a presentation in the form adopted. However, this information was not lost but taken into account as far as possible. The objective of the case studies was mainly to identify benchmark costs per student learning hour per medium.

We present in part II a selection of eleven case studies, which cover a range of educational technologies and are taken from diverse institutional settings. The research for most case studies included a visit to the institution. It was tried to secure two interviews interspaced by a day or two to allow time to study whatever cost documentation was made available to us. In some cases we had to rely on interviews only.

We tried as far as possible to structure the case studies in a consistent manner. After a short description of the institution and the course under consideration in general, we deal with 'resource media: inputs and costs'. Here we include all the media used in the course. We try to separate fixed and variable cost elements and to identify the unit cost due to production and distribution. We then turn to 'student support: inputs and costs'. Support is generally provided through communication media, which means that the costs are to a large extent variable costs. The aim is to identify the average cost per student (i.e. unit costs) due to support. The unit costs of production and distribution together with the unit cost of student support allow us to identify the aggregate unit costs required for the cost analysis.

The last part of the case study generally is devoted to cost analysis. Here we bring the elements determined in the former sections together to identify the 'total direct costs' and the 'average costs per student'. Average costs are calculated on the basis of the number of students enrolled but if possible the average cost figure for the projected student enrolment at the end of the shelf life of the course is included. If, as it is often the case, courses have no specified lifetime but are changed on a rolling basis, we assume a five years lifetime and add the maintenance cost over five years to the development costs.

The last section of the cost analysis lists the different parameters of cost per student learning hours. These are:

Cost/SLH (course): This is defined as the fixed costs of course development divided by the overall number of student learning hours either identified by the provider or inferred from the CAT points of the course.

Cost/SLH (media): This is, unlike the first one, a bottom-up measure. The same fixed costs may be used but the student learning hours are based on the inputs provided. This is done on the basis of explicit conversion assumptions, e.g. 50 pages of print require 10 hours of student learning time.

Cost/SLH (print), cost/SLH (video) or cost/SLH for other media: These measures are defined as the fixed costs of development of the respective medium divided by the student learning time attributed to it. Similar explicit assumptions are used in order to relate media inputs to learning time.

The results are drawn together in the table summarising the case studies. We included in this table an explicit account of the average cost function since it conveys much more information than the average cost figure on its own. Most importantly it allows to identify the aggregate unit costs (i.e. the constant term of the average cost function). The aggregate unit costs define the line below which the average costs cannot fall. Therefore the comparison of the figure obtained for the given level of enrolment and the aggregate average costs give a measure of the yet-unrealised potential of scale economics. It also makes it possible to compare aggregate unit costs across the case studies. However, these figures have to be read against the level of the course, reflected either in the CAT value or the SLH of the course.

All the figures presented have to be considered as indicative rather than representative, in the sense that they are 'real world' figures drawn from individual case studies rather than a systematic sampling of Europe-wide experience. It would be useful to conduct a large-scale survey based on the adopted methodology.