Chapter 2: COSTS, EFFECTS, QUALITY

10. While we can frame deceptively simple questions, asking whether distance teaching makes economic and educational sense for higher education, it is much more difficult to find clear answers. One of the difficulties is simply that we are short of data. Many distance teaching institutions have been working for too short a time to yield good figures on their graduation rates and few cost studies have been published. We are particularly short, too, of data on the new technology. Both the University of the South Pacific and the University of the West Indies have experience in using satellites but detailed costings which could guide policy for others are not yet available.

Difficulties of Interpretation

11. There are further difficulties in interpreting such evidence as we do have. Some are common to all costing of higher education: we need, for example, to attribute costs to research and to teaching. But there are other difficulties peculiar to the costing of distance education. First, we are seldom in a position of comparing like with like. If we want to compare the effectiveness of distance education as a mode of study we are often forced into comparing the work of mature part-time students working at a distance with that of younger students working full-time and face-to-face. Second, there are particular costing difficulties in the mixed-mode institutions which teach both at a distance and face-to-face: in a number of cases universities have not yet got agreed procedures for allocating costs where the same staff and same institution are working in more than one mode. Third, it is misleading to assume that all distance-teaching institutions are similar in their teaching methods and so in their likely costs. They differ in size, in teaching methods, and in the number of students enrolled in any one course over its lifetime. Even if we leave aside highly specialised courses like those at the Dundee College of Education, there is a dramatic difference between foundation courses at the British Open University, which may have over 100 000 students before the course is revised, and the average number of students on a course in Australia where some 15 000 students have a choice of 870 courses.

12. Some of these problems of interpretation may be insurmountable. No amount of arithmetic can turn apples into oranges. But we are hampered by the lack of an agreed procedure for costing and further work could usefully be done on this.

Cost and Effects

13. Despite the difficulties, some cost information is available and Appendix 4 sets out data on costs and success rates in distance teaching at tertiary level. The fullest figures come from the British Open University where between 55 and 60% of students eventually graduate and do so at a cost of about 62% of the cost of producing a similar graduate through a conventional university. In Australia it is said that there are demonstrable savings through using distance teaching for the TAFE sector. Some very small distance-teaching projects in Britain appear to have favourable costs per graduate.

14. A possible weakness of these comparisons is that they use as a criterion of success the eventual graduation rate. In other words, the assumption is that all the benefits of studying at a distance are gained by those who successfully complete their course and that no costs should be attributed to those who give up part-way, on the grounds that they receive no benefits from their study. The assumption makes calculations easier, but is unacceptable to some educators. One alternative approach suggested was to look at the amount of work done by students and use this as a measure of educational activity. This would, however, be useful for comparative purposes only if we had similar measures for students studying conventionally.

15. It is clear that one should expect a lower graduation rate from students studying part-time at a distance than from those studying full-time and face-to-face. But one small piece of evidence from Macquarie University in Australia is interesting. Macquarie University offers part-time courses both face-to-face and at a distance and finds similar satisfactory completion rates for both groups. The finding suggests that students of distance-teaching projects achieve lower graduation rates not because of their mode of study, but because of their working part-time and as adults, combining study with work and family life.

16. Conclusions are necessarily tentative but two generalisations are possible. First, while graduation rates for distance-teaching projects are generally lower than those for conventional education, both large and small scale projects suggests that one can achieve graduation rates of between 50 and 60% in tertiary education. Second, both large and small scale projects have found that it may be possible to produce graduates at a cost of between half and two-thirds of the cost for a student at a conventional institution. More dramatic savings than these do not appear to have been reported.

17. In looking at the costs and effects of distance education we were concerned that research should not be conceived in too narrow terms and we agreed that educators and evaluators concerned with distance education are urged to encourage and support research and evaluation,

17.1 to address broad issues of educational policy and education effectiveness;

17.2 to examine issues involved in co-operation between institutions;

17.3 on measures to improve access.

We also recommended that the Secretariat should develop further and make available techniques for assessing costs, cost-effectiveness and educational effectiveness, paying attention to the particular needs of mixed-mode institutions.

Chapter 3: TRAINING AND STAFF DEVELOPMENT

18. Staff working in distance education often need training. This is partly because the techniques of teaching, administering or writing