VII.   STANDING COMMITTEES

A. Academic and Student Affairs Committee

Basic Economics of Online Learning

For information only.

Attachment

Basic Economics of Online Learning

Interactivity forms the basis of education, including the interplay between faculty/students and students/students. Lectures, texts, videos, wikis and other forms of information simply serve as the starting point for this interactivity.

Online classes have certain benefits and cost savings compared to onsite courses taught in the classroom. Many times, an online class does not require a physical facility except for exams that provide student authentication. It also provides students with the ability to study and interact with faculty and students from a home computer, saving gas and reducing the carbon footprint and permitting students to juggle multiple responsibilities (work, family, etc.) more easily. By allowing time- and work-constrained students to access needed classes, online learning courses speed the time to degree.

On the other hand, online courses have certain costs generally not associated with onsite courses. They have a somewhat costly development and revision process, have expenses for new technologies and subsequent technical support and have the same faculty costs for delivery.

Bottom line, online courses cost at least the same amount and possibly more than onsite courses, depending upon the technologies used and various other factors.

Cost Comparison Per Course

	Online	Onsite
Faculty-Course development	$10,000	$10,000
Instructional Designer/Technologist – Course development	$14,000	-
Server space	$500	-
Technology for delivery	$2,000 (est.)	-
Learning Management System	$400	-
Faculty for teaching	$15,000 (est.)	$15,000 (est.)
Technologist for troubleshooting	$2,000	
Facility costs	$200 (exams only)	$3,000
General UW Overhead	$6750 (credit course with 40 students)	$6750 (credit course with 40 students)
Program Administration	$4,000	$4,000
Totals	**$54,850**	**$38,750**

The Development Process for Online Classes

Average Cost per Course: $24,000 to $100,000

Unlike an onsite course, online classes have a development process, which involves faculty, instructional designers and technologists. This process ensures that the course provides user-centered-tested content and texts, interactivity between the students/faculty and students/students and a reliable technology framework. The cost for this development can be amortized over the life of the course. However, most classes need at least minor revisions within one to three years.

Online Design Process Considerations

Faculty, an instructional designer, and a technologist determine

- o List of course goals/outcomes;
- o Lesson outline/course objectives;
- o Lesson description/lesson-level objectives;
- o Type of course formats (video-streamed, voice-over PowerPoint, graphics, print, virtual world, audio, etc.);
- o Types of interactivity tools (discussion boards, e-portfolios, group projects);
- o Technology needed (e.g. Adobe Connect, Microsoft Sharepoint, Video Capture, etc.);
- o Learning Management System (LMS) for online course delivery;
- o Textbook selection;
- o List of materials that need permission from publisher/author for inclusion in the course;
- o Description of student activities (labs, exercises, assignments, etc.) for each lesson;
- o Description of assessments tools (exams, projects, research papers) used for the course; and
- o List of graphs, diagrams, animations, and other media that may be used in the course.