

The Cost of online MSW degrees: Breaking the Bank?

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This Presentation

- Introduction
- Cost Variables in developing and maintaining a quality program
 - In-house vs. Contracted
- Current Tuition & Fees of Online MSW programs
 - (Not a complete list)
- Student loans and repayments
- Some takeaways



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Introduction

- Exponential increase in online MSW programs
 - Currently at around 30 programs and growing
 - Most asynchronous
 - Some asynchronous with a couple of synchronous sessions each class
 - Very few purely synchronous
 - Some have residency (1-2 weeks)
- Reasons for growth
 - Access for students (Rural; Non-traditional)
 - Core faculty interest in online pedagogy
 - Push by unit leader to satisfy a need
 - Push by university administration for increased enrollments



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Models of operation

- Mainly three models of operation
 - In-house development and management
 - Some aspects contracted to vendor (Mainly marketing, recruitment, retention)
 - All aspects contracted to vendor (including instructional design, field contracts, etc)
- Choice depends on:
 - Expertise available
 - Resources available



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Typical Costs to develop, launch and maintain

- **Personnel**
 - Faculty (including adjuncts)
 - Coordinator of online program (Faculty or Staff?)
 - Field coordinator for online program
 - Instructional designer
 - Admissions staff (also responsible for yield and retention)
 - Staff for implicit curriculum (Social media; engagement, socialization, etc)
- **Course Development Cost**
 - Typically \$1,500 a credit (In-house development)
 - Additional costs for online materials like videos; simulation; etc



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Typical Costs to develop, launch and maintain

- **Field related costs**
 - Travel for field coordinator to set up sites (can also be done remotely)
 - Payment of field instructors (Some programs do this)
 - Internship management software
- **Other costs**
 - State authorizations (Usually the university handles this)
 - Residency program costs
 - Training of faculty & adjuncts
 - Course delivery platform (Usually handled by the university)
 - ADA costs (accommodating students with special technology needs: Close captioning videos; transcriptions etc)



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In-house Development

- Need at-least a couple of faculty who have the expertise to conceptualize and develop online courses
- Need **FULL** support of upper administration
 - Resources need to be laid out for 3-5 years
- Need good technology infrastructure at the university
- Need support for marketing, recruitment, & retention
- If done well, will be the least expensive option



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Outside contractors/vendors

- Many “national” programs are going this route
- Much or all of operations contracted out
 - Faculty retain curricular decisions
- Vendors look after marketing, recruitment, retention of students
- Some provide learning platform and instructional design
- Contracts range from 50%-80% of student fee
- Very structured – Have heard about needing admission decisions to be made in a weeks time! Year round admissions. Typically 8 week sessions



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Current funding of online programs

- No different than an on the ground program. Fixed budget based on student FTE
 - Some programs receive .75 cents of every dollar of tuition
- A special fee or differential fee is added per credit for online program (Ranges from \$60-\$275 per credit; Additionally the program might charge a “field” fee)
- Packaged fee (one amount charged for in-state or out-of-state students)



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Current Trends in Tuition

- See handout



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Combined 2012 Undergraduate/Graduate Debt



Jason Delisle: The Graduate Student Debt Review (2014)



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Student Debt – An Example

	Stafford Loan (7%)	Perkings Loan (5%)	Grad Plus (8.8%)
Annual Salary/ Paying back 10% of Monthly Salary	\$45000/\$375	\$45000/\$375	\$45000/\$375
\$75,000 Loan	Total \$82,500 (18.3 years to pay off)	Total \$78,750 (17.5 years to pay off)	Total \$97,920 (21.76 years to pay off)



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The elephant in the room

- What is the true cost for students seeking a social work education?
 - Add opportunity cost of lost work hours due to unpaid internships
- Do we honestly talk to students about the burden of debt they will incur at high cost programs?
 - Most students are passionate about social work but not necessarily logical in their thinking about the cost and what it means to have a high debt burden
- Is it really to the benefit of the students that we charge a high price and give 50% of it to a vendor?
- Can we control costs by doing programs in-house with same quality?
- Can we go back to the basics that DE is about providing access to disadvantaged students who otherwise will not be able to get a degree?



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Some ideas to cut cost

- Use university divisions (IT/Learning Center/Legal/Instructional design/Marketing) to get your program going
- Hire Ph.D level students from Education, specializing in online teaching and learning to help faculty with instructional design when needed
- Hire Computer Science students to help faculty with IT needs
- Recruit and RETAIN faculty and adjuncts to each in the program over a long period of time
- Use robust, open-source systems to implement your learning platform (If your university does not have one)
- One **does not need** proprietary software to deliver a sound program
- Always...Always...remember **the context of your program** and who you want to serve



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Future Trends

- In the next 5 years, the market will be saturated and the prices will come down with better competition, quality and management, but the rat race would have begun to start online BSW programs as feeders to the online MSW program.



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Questions / Comments



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