



# Return on Investment in International Education Workshop

*Presented by:*

**Dr. Kathryn Chang Barker**

**FuturEd Inc.**

F u t u r E d



# Workshop Agenda

1. Introductions and objectives
2. Introducing ROI
3. ROI in IE project overview
4. Applying ROI to IE
5. Practicing and discussing
6. Wrap up and next steps

**Do you all know each other?**



# BC Centre for International Education

- **mandate**
- **past achievements**
- **current priorities**
- **interest in ROI**





# Background Work

## Materials

- *Consumer's Guide to ROTI (handout)*
- Environmental Scan / Background Paper
- *Why Train?*  
at [www.futured.com](http://www.futured.com)
- Project Paper (coming)

## FuturEd Inc.

- **Guide / workshops**
- **Case studies**
  - **training, IE**
- **Workbook**
- **Ongoing Research**

**Background: Training, LFD, literacy, PLA, etc.etc.**



# Shared Objectives?

- 1. provide new and useful ROI knowledge, skills and tools**
- 2. share and critique research project**
  - quality evaluation
  - ROI in IE
- 3. extend our thinking on “intangibles”**
- 4. plan and support more ROI initiatives**
- 5. other?**



## 2. Introducing ROI

- Terminology
- Purposes
- Perspectives
- Details





# ROI Basics

## Definition

- Accounting-based evaluation method

## Process

- Translate all costs and benefits into financial figures
- Expressed as a percentage

$$\frac{\text{Returns}}{\text{Investment}} \times 100 = \text{ROI}$$

## Outcome

- For every dollar spent, how much money is returned? (perspective?)
  - Is it good enough?
- Not a quality assessment; other forms of evaluation required

***Not all education or training can or should demonstrate ROI.***



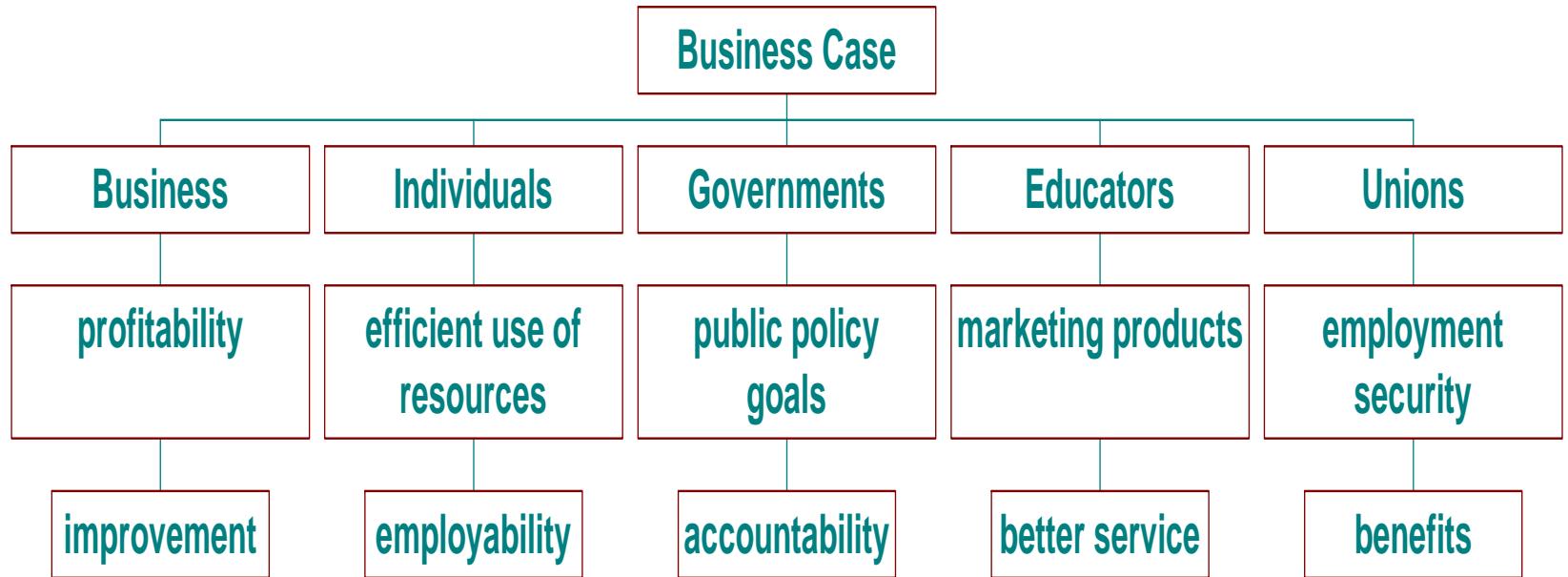
# Why ROI analysis in education/training?

- demonstrate that E/T is an investment
- **maximize returns on E/T budgets**
  - document positive change in performance
- **benchmark success**
  - improve attitudes toward E/T
- **measure effectiveness and efficiency**
  - demonstrate accountability for policies
- **make the “business case” for programs or innovations**





# ROI Perspectives

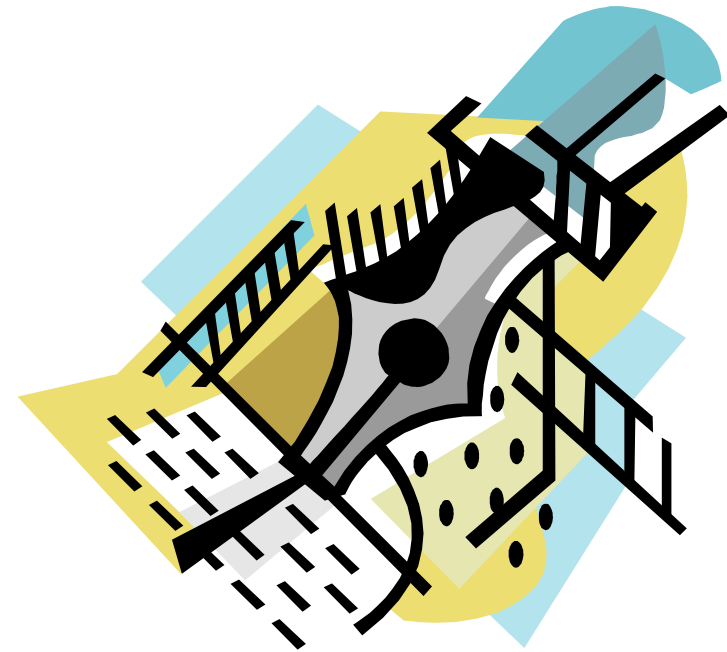


**BCCIE perspective? Your perspective?**



# Societal Benefits to Education and Training OECD

- **better public health**
- **lower crime**
- **concern for environment**
- **better parenting**
- **more political and  
community participation**
- **greater social cohesion**





# The Details

## INVESTMENTS AND RETURNS CAN BE...

- **Tangible** (e.g., contracts, fees) and/or
- **Intangible** (e.g., connections, learning)

**Focus of ROI is the “tangibles”  
– the monetary.**

## Unit of Analysis:

- **One-time** (e.g., curriculum) or
- **Per offering** (e.g., instruction) or
- **Per participant** (e.g., fees, materials), or
- **Annual offerings.**



# To make matters **more complex...**

## Costs and Returns may be:

- **immediate** and/or **evolving**
- **positive** and/or **negative**
- **short-term** and/or **long-term**
- **planned** and/or **unplanned**
- **once-off** and/or **ongoing**
- **targeted to new** or **existing clients**
- **of equal value** or **prioritized in importance**
- **essential** and/or **optional**





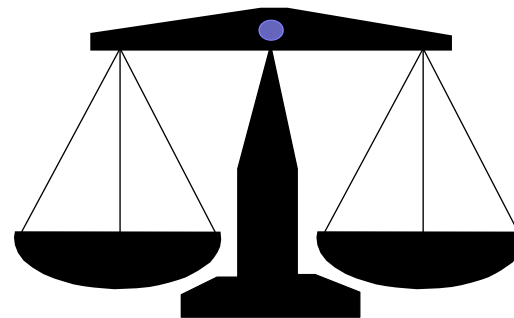
# Sample ROI Elements

## Costs

- course development or purchase
- instructional materials
- equipment, hardware
- facilities
- travel, lodging, meals
- salary (instructor and support staff); and
- administrative support
- marketing
- evaluation

## Returns

- student fees
- research funds
- quantity
- quality



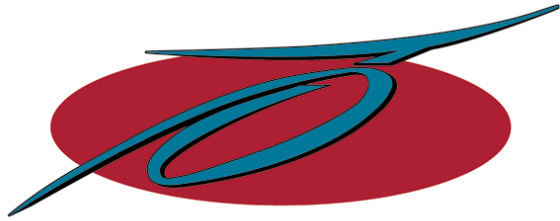


## 3. ROI in IE Research Project

- **BCCIE hosting**
- **HRDC funding**
- **FuturEd Inc.**
- **Advisory Committee**
- **3 months**
- **3 case studies**
- **outcome: an ROI beginning**

### Issues and choices

- **Orientation: public**
- **Geography: BC**
- **Types of IE: 3**
- **Levels of provision: 3**
- **ROI perspectives: 1**
- **Data types**
- **Data sources**
- **Unit of analysis**



# Types of IE

F u t u r E d

- **international students coming to Canada** (full courses / programs)
  - Canadian students abroad (partial programs)
- student exchange (short-term)
  - staff exchange
- research projects
  - Canadian courses delivered abroad
- e-learning courses for Canadians
  - e-learning courses for international students
- internationalizing local curriculum
  - internationalizing the institution
- international office for student advising, e.g., immigration
  - **international internships (work / study abroad)**
- volunteer programs
  - **contract training**
- sale of curriculum
  - consulting and advising
- institution building



# Quality Criteria for ROI Analysis / Research

- ✓ **utility**
- ✓ **feasibility**
- ✓ **ethicality**
- ✓ **accuracy**
- ✓ **acceptability**
- ✓ **efficiency**
- ✓ **adaptability**
- ✓ **inclusiveness**
- ✓ **flexibility**
- ✓ **effectiveness**
- ✓ **credibility**





# Research Focus

<b>Public sector, institutional perspective</b>	<b>Level of provision (all for credit)</b>	<b>Type of IE</b>	<b>Unit of analysis</b>
<b>Simon Fraser University</b>	<b>adult PSE (university)</b>	<b>Student mobility Field School</b>	<b>Per year for individual and collective field schools</b>
<b>Richmond School District</b>	<b>K-12 (secondary school)</b>	<b>Recruitment of Foreign Students</b>	<b>Per school year</b>
<b>BC Institute of Technology</b>	<b>adult training (career college)</b>	<b>Contract training outside Canada</b>	<b>Per session</b>



# Investment Categories

- administration (management and clerical)
- marketing (materials and travel)
- delivery (instruction salaries and benefits; facilities)
- communications
- specialized curriculum
- student services (office and staff for orientation and debriefing, counseling, financial assistance)
- extra program costs as required
- faculty supervision of program
- partnership development and maintenance
- evaluation

**ALL !!**



**The more, the  
better ROI.**

# Potential Return Categories

- fees paid (registration, tuition, extra)
- curriculum and materials for resale
- professional development (in lieu of contractual)
- FTE grant
- human capital assets



# Data Gathering

- **Sources**: Informed individuals, institutional perspective
- **Types**: actual figures and professional estimates
- **The easy part**: investment categories and amounts
- **Concerns**: confidentiality, types of returns, negative ROI



# Actual ROI and Issues

<i>Case Study</i>	<i>ROI</i>	<i>Issues</i>
<i>SFU Field School</i>	<b>180%</b>	<ul style="list-style-type: none"> <li>• new vs. long-term</li> <li>• ROI for non-IE</li> </ul>
<i>RSD Foreign Student Recruitment</i>	<b>185%</b>	<ul style="list-style-type: none"> <li>• increasing ROI</li> <li>• business plans</li> </ul>
<i>BCIT Off-shore Contract Training</i>	<b>138%</b>	<ul style="list-style-type: none"> <li>• trade secrets</li> <li>• interrelated costs</li> </ul>



# Making Intangibles Tangible

- **contributing to long-term stability**
- **increasing institutional reputation**
- **professional development for staff**
- **human capital assets development**





## 4. ROI Practice

1. Name a type IE you want to focus on.
2. List reasons why you want to analyze the ROI.
3. Think about perspective and unit of analysis.
4. Estimate measurable costs; list intangible costs.
5. Estimate monetary returns; list non-monetary.
6. Calculate ROI.
7. Judge our work and its “legs.”
8. Push the envelope with intangibles.



# Critical Issues

- **Actual returns (attribution)**
  - Measurement tools (reliability, validity)
- **Focus (different IE objectives)**
  - Benefits – accruing over time (costs are upfront)
- **Sample, don't saturate**
  - Be conservative





# FuturEd Recommendations

- **Use standard ROI method/models**
- **Use consistent methods for comparison**
- **Expand on existing research**
- **Build solid policy arguments for good practice**



# Wrap-up

## Next steps:

- **Something or nothing?**
- **Joint or separately?**
- ***Who wants to know what?***

- 1. BCCIE?**
- 2. Province?**
- 3. Institutions?**
- 4. other?**



For more information,  
contact:

# FuturEd Inc.

*...helping change learning systems  
for the future*

**101 - 1001 West Broadway, pod 190**

**Vancouver, BC V6H 4E4**

***phone: 604-873-4700***

***e-mail: kbarker@futured.com***

***website: www.FuturEd.com***