

# Revenue Growth Initiatives in Postgraduate Course Development at The University of Sydney

## CASE STUDIES

Prepared by

ITEV/SPECIAL PROJECTS UNIT

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**The University of Sydney**

# 1 Case Studies

Case studies on six postgraduate courses offered among the three colleges of the University of Sydney have been prepared by staff of the Special Projects Unit.

## 1.1 Methodology

SPU staff invited the managers of several client programs to a symposium at the unit to discuss the preparation of case studies. Each manager gave a presentation to the group. That generated considerable interest in differing aspects of course development and delivery between courses. A number of course coordinators followed up with individual meetings.

Following the first symposium the newly-appointed Senior Projects Officer, Mr Gordon Pender, met with each of the management teams individually to better understand how they operate. Notes of each meeting were prepared and sent to each manager for checking. Corrected notes provided the initial basis for the case studies.

A second symposium at the SPU was attended by both individual managers and some team members. The elements identified by SPU as precursors for likely success – outlined in the previous chapter – were discussed in a group session. The meeting also provided guidelines for the type of information to be gathered and shared.

Gordon Pender then prepared an *Excel* spreadsheet template that was sent to each manager or team, with a request for comments and the supply of data from each program. The completed data formed the basis for the detailed information in the case studies that follow.

The SPU acknowledges with thanks the time and effort contributed by client program managers in providing the data, and for their positive responses.

Case studies are presented for the following programs.

- Graduate Program on Sexual Health – Faculty of Health Sciences
- Project Management Graduate Programme – Faculty of Engineering
- Veterinary Public Health Management – Faculty of Veterinary Science

The following programs, on which less detailed information is available, are summarised in the fourth combined section of this chapter.

- Master of Medicine (Pain Management) – Faculty of Medicine
- Master of International Public Health – Faculty of Medicine
- Master of Education (International Education) – Faculty of Education and Social Work.

The Sydney Professional Master of Medicine Program being developed in the Faculty of Medicine has also been involved in the case study program to a limited extent.

The data from the case studies is compared and discussed in Chapter 4.

## **1.2 Graduate Program in Sexual Health**

### **1.2.1 The Program**

The Graduate Program in Sexual Health (GPSH) is offered by the School of Biomedical Sciences in the Faculty of Health Sciences.

It is administered by a Management Committee within the school comprising Dr Patricia Weerakoon (Academic Coordinator), Dr Gary Lee (Project Manager) and Dr Peter Knight (Marketing Manager).

### **1.2.2 History and iTEV Involvement**

Dr Weerakoon has a national and international reputation as an expert in sexual health. She recognised the opportunity for a postgraduate course to be developed and offered nationally and internationally. She was supported by Gary Lee and Peter Knight – senior lecturers in the school, but not experts in the subject. Together they have managed the development and introduction of this successful program.

The perceived demand was partly based on that for the Postgraduate Diploma in Sexual Health offered by two industry associations: the Australian Society for Sex Educators, Researchers and Therapists (ASSERT) and the Australian College of Sexual Health Therapists (ACSHP). Both associations supported the development of a graduate program at Sydney University and collaborated in its development, as did the Sexually Transmissible Infections Research Centre (STIRC) at the University of Sydney. Several international experts in sexuality and sexual health also supported the development of the program.

In June 2003 the Management Committee produced a Business Plan for the proposed course. It is an excellent example of best practice according to iTEV's model for commercial aspects of course development. The team also prepared a submission to the Academic Board for the new program.

The business plan estimated that it would cost a total of \$195,877 to prepare 11 units of study and for the development and marketing of the course, spread over the second half of 2003 and the first half of 2004. The plan sought financial assistance from the University to the school for that amount.

The proposal was considered by iTEV on behalf of the Vice-Chancellor's Strategic Development Fund. In discussions with the Faculty and the school it was agreed that iTEV would contribute \$100,000 in two tranches of \$50,000, to be matched by \$100,000 from the Faculty. In addition, iTEV negotiated for the deferral of the "top slice" of tuition fees payable to the Centre for the first two years of delivery of the course, 2004 and 2005. The average top slice percentage covering both domestic and international students was estimated at 28% of total tuition fees.

In August 2003 iTEV drew up a draft agreement reflecting these arrangements. Though not signed, it became the basis for the development of the program and iTEV transferred \$50,000 to a special account. The agreement was reviewed in May 2004 in the light of the initial success of the course. The second tranche of \$50,000 was transferred in September 2004.

The business plan estimated new enrolments each year beginning at 18 in 2004, rising to 27 in 2005, then remaining constant at 34 for the next three years. In fact, 24 new enrolments were attracted by census date in semester 1 of 2004, with a further 10 in semester 2. Actual enrolments were therefore nearly 100% above the forecast level.

In May 2004 iTEV arranged two seminars with the management team. They reviewed the progress of the course, worked towards developing vision and mission statements, and discussed the use of the “balanced scorecard” approach as a reporting tool. iTEV then engaged a consultant to work with the team to make recommendations for further assistance. They included appointing a part-time project manager.

The Management Committee, however, decided to appoint Dr Lee as project manager with increased teaching release. iTEV engaged an instructional designer to review the requirements of the course and prepare a report, but the Management Committee preferred to handle issues regarding instructional design in a different way.

However, the committee decided to increase the enrolment target, as discussed at the iTEV seminars, from the estimates in the original business plan. It nominated total enrolment levels (as opposed to new enrolments) increasing from 30 in 2004 to 60 in both 2005 and 2006, then 90 in 2007 and 100 in 2008. It is not clear what target figures for **new** enrolments are needed to achieve these **total** enrolment numbers. iTEV will work with the project manager to better understand the projections.

### 1.2.3 Program Details

The program offers awards with the following study requirements in terms of credit points (CP).

- Graduate Certificate 24 CP
- Graduate Diploma 36 CP
- Masters 48CP
- Conversion – existing Diploma to Masters 24CP
- Some non-award courses and individual subjects are also offered.

The program offers seven core units of study (UoS) – six of four CP each and one of six. An additional four elective subjects have been developed for this program, while a further 14 elective subjects are available from other courses. All elective subjects are four credit points each.

Of the 25 UoS available, 19 are delivered only in distance/on-line mode, five (including one core subject) only in face-to-face mode (requiring attendance at Lidcombe campus), and one core subject in residential plus on-line mode.

### 1.2.4 Enrolments and Attrition

Being a new course, the following information refers only to the students who initially enrolled in semester 1 of 2004.

#### Enrolled for Award:

Graduate Certificate	0
Graduate Diploma	6
Masters conversions	5
New Masters students	15

#### Geographical Distribution:

Sydney	46%
Other Australia	38%
Asia/Pacific	8%
Other international	8%

#### Attrition Rates:

Enquiries	80
Applicants	30
Offers	30
Enrolments	26
Number at Census	24

Students are expected to study 12 credit points per semester, so a Masters' degree will take four semesters, or usually two years, to complete.

### 1.2.5 Tuition Fees and Distributions

Fees are quoted per 24 credit points – usually one year of part-time study.

The following tuition fees, and distributions of those fees, currently apply for GPSH. Note that these numbers ignore deferral and waiver of slices described elsewhere.

	<b>Australian</b>	<b>International</b>
<b>Tuition Fees:</b>		
Fees for 24CP (AUD)	\$5,000	\$10,000
Cost of Masters award	\$10,000	\$20,000
<b>Distributions:</b>		
Top slice to Centre	26%	35%
Faculty slice	10%	10%
Retained by school	64%	55%

### 1.2.6 Income and Expenditure

The original business plan estimated that, apart from establishment costs of \$196,000, the program's income would exceed its expenditure from 2005. In other words, it would achieve an operating surplus in its second year of delivery.

The financial projections were revised in 2004 based on the higher than anticipated enrolments in 2004 and the new higher target for growth in enrolments to 2008. The new projections include the deferral of the top slice and the waiver of the Faculty slice for 2004 and 2005. The results are an operating surplus of \$24,500 in the first year – 2004 – increasing to \$142,900 in year 2 – 2005. That healthy financial result will enable repayment of the financial support from both the Centre and the Faculty from Year 2. The first repayment will be made in March 2006 out of the 2005 surplus.

The success of the program has enabled the appointment of a new academic to the program, starting in late 2004. The appointment will assist handling the increased student load, as well as supervising the increased numbers of research students expected to result from the program. The teaching component of the new academic's salary is included in the operating costs from 2004, outlined above. The appointment is thus a direct result of the success of the program.

The development budget was also revised in mid-2004. The original total of \$196,000 was revised to \$183,000 and the development period extended beyond the first half of 2004. It basically supports the original request for \$200,000 in assistance.

### **1.2.7 Business Characteristics**

iTEV's philosophy involves – in part – regarding the development of academic programs as akin to the development of small business ventures. These case studies therefore incorporate an analysis that compares elements of each program with the best practice commercial characteristics identified by iTEV.

It includes an analysis of the strengths and weaknesses of the internal operations of the program; the opportunities and threats it faces externally; and suggested strategies for the further development of the program as a commercial business venture.

For the GPSH program, seminars and meetings between iTEV staff, the management committee and industry supporters led to the derivation of the following Mission and Vision Statements to guide the development of the program as a business venture.

#### **MISSION STATEMENT**

*The program provides the opportunity for individuals to become part of an enduring professional network that extends beyond the program, and across geographic and professional boundaries. This community of practice provides professionals with valued access to others with common interests.*

#### **VISION STATEMENT**

*The Graduate Program in Sexual Health is commercially viable and attracts strong enrolments of local and international students from diverse professional backgrounds.*

*The quality of the program is based on educational excellence, benchmark standards of student service and links between the coursework program and interdisciplinary research.*

*The program is recognised within the market for its professional benefit/career opportunities, for its creative and innovative approaches to program design, delivery and management, and for its international collaborators and research mentors.*

iTEV's view of the internal strengths and weaknesses – together with the external opportunities and threats facing the program – are summarised in the typical commercial-style SWOT analysis that follows.

#### **STRENGTHS**

- The Academic Coordinator, Dr Patricia Weerakoon, is a recognised expert in sexuality and sexual health, both nationally and internationally. She has great enthusiasm and demonstrable entrepreneurial flair
- The small management committee complements the entrepreneurial style with strong management skills and dedication
- Collaborative support from two national industry associations, others within the University, and several international experts
- Pedagogical course design largely suited for larger scale international delivery

#### **WEAKNESSES**

- Reliance on external industry associations for delivery
- Some core and elective subjects only face-to-face delivery at Lidcombe
- Limited management supervision of program/project management team
- Stretched academic and administration resources; limited central support

#### **OPPORTUNITIES**

- Strong, low cost growth opportunities through industry associations
- Large, untapped potential national markets in many health disciplines
- Larger potential markets internationally
- Potential support for program and students from international agencies

#### **THREATS**

- Some services, eg enrolments, increase program resource needs and costs
- Growth limited by core (Masters) subject requiring clinical placements
- University fees pricing policy may dampen demand from low-income earners

### **1.2.8 Comparison with Best Practice**

A comparison follows of iTEV's assessment of the performance of the GPSH program with the key elements of best practice for program development identified by iTEV.

#### **PLANNING**

The business plan prepared in June 2003 is an excellent document; equal to the best that iTEV has reviewed.

## **MARKET RESEARCH**

Little formal market research was undertaken. However the management team – and particularly Dr Weerakoon – have a thorough understanding of the market for the program, both nationally and internationally. That knowledge is reinforced by the strong support for the program of the two national industry associations, who have provided practical assistance in promoting the program to their members.

## **MARKETING**

The program's marketing has been limited but successful. The success is evidenced by the higher than anticipated level of enrolments in 2004. Now that the target for future years has been increased, there is a need for a marketing strategy to be developed to ensure the targets are met.

## **INSTRUCTIONAL DESIGN**

iTEV has provided advice on instructional design elements of the program by way of commissioning a review by a qualified professional. However, the management team prefer an approach that differs from that recommended in the report.

One concern is that some of the units of study are only delivered face-to-face, which presents a barrier to participation by students remote from the Cumberland campus.

## **1.3 Project Management Graduate Program**

### **1.3.1 The Program**

The Project Management Graduate Program (PMGP) is offered by the Department of Civil Engineering. It is one of the biggest and most successful postgraduate coursework programs within the University of Sydney. It currently has 169 enrolled students, some 45% of whom are international. The program is delivered solely on-line apart from a one-week residential Master Class for those in the Master's award.

The program is managed by Associate Professor Chris Stevens and an administration team of 2.5 FTE staff. It also has a Strategic Advisory Panel of industry experts who guide its development and oversee its management – an unusual and effective form of governance for a postgraduate program within the University.

### **1.3.2 History and iTEV Involvement**

The program was developed in 1998 by Professor Ali Jaafari. A report<sup>1</sup> prepared by iTEV in 2002, after being involved with the program for nearly two years, stated, “the Programme has grown from just a handful of students in 1999 to over 800 enrolments in 2002 with further, exponential growth anticipated for 2003 and beyond.” Note that the figure for “enrolments” referred to the number of modules (or units of study) undertaken by students. If each student undertakes four modules a year (or slightly less on average) that suggests a total of less than 200 students, or an intake level of about 50 new students each semester, in 2002.

The report estimated the cost of iTEV's involvement in the two years to August 2002 at \$41,048. That was mostly made up of fees paid to consultants for nine separate elements of the review of the Project Management Outreach Program (PMOP, as it was then called). It included a market research report<sup>2</sup> commissioned from NextEd in December 2001 that described the market in China and outlined a marketing strategy for that and other markets for the program.

The iTEV report made the following recommendations.

- Conduct an academic review of the Programme
- Implement improved learning models
- Move rapidly to an efficient business model and operation
- Put in place an appropriate governance structure recognising ownership, oversight and guidance roles to be performed at the University, College, Faculty and Department levels.

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<sup>1</sup> “iTEV Engagement with the Project Management Outreach Programme”, September 2002

<sup>2</sup> “Project Management Programmes in Mainland China – A Market Research Report for the University of Sydney”, NextEd, December 2001

iTEV's work did indeed provide the catalyst for changing and improving the program. The changes were the direct result of the recommended academic review. A new Director, Associate Professor Chris Stevens, was appointed to manage the project. He has since undertaken a complete revision and relaunched the program under its new name of the Project Management Graduate Program (PMGP).

The fourth recommendation has also proved effective. The program's Strategic Advisory Panel has made a real contribution to its governance and to its international standing.

The consultant who undertook most the work for iTEV, Mr Michael Knapp, has since further contributed as an adjunct member of the teaching staff and subject coordinator.

At a recent function when the Vice-Chancellor relaunched the new program the Director, Associate Professor Stevens, warmly acknowledged the contribution made by iTEV – and in particular it's Director, Ms Anne Forster – to the restructuring of the program. Its success was marked by the announcement at that function of the program being winning two prestigious awards.

Further assistance from iTEV may now be warranted to assist the program with the necessary planning to handle the expected increase in student enquiries, processing and enrolments.

### 1.3.3 Program Details

The program offers awards with the following study requirements in terms of credit points (CP).

- Graduate Certificate 24 CP
- Graduate Diploma 36 CP
- Masters 48CP

The program offers four core units. Nine elective units have been developed, of which students must complete four. All units of study are six credit points each.

Of the 13 UoS available, 12 are delivered only in distance/on-line mode. One core subject in the Master's award requires attendance at a one-week residential at the Engineering campus in Darlington.

### 1.3.4 Enrolments and Attrition

#### Enrolled for Award:

Graduate Certificate	34
Graduate Diploma	13
Masters	122

#### Geographical Distribution:

Sydney	23%
Other Australia	13%
Asia/Pacific	39%
Other international	9%
Int'l students onshore	16%

**Attrition Rates:**

Applicants	83
New Students	32
Number at Census	169

Students study on average 9.8 credit points per semester. However, a proportion are granted exemptions for prior study, so a Masters' degree will take four semesters, or usually two years, to complete on average.

**1.3.5 Tuition Fees and Distributions**

Fees are quoted per module (or unit of study).

The following tuition fees, and distributions of those fees, currently apply for PMGP. However, the Director advises that he expects the top slice percentage to increase.

	<b>Australian</b>	<b>International</b>
<b>Tuition Fees:</b>		
Fees per module (AUD)	\$2,640	\$2,640
Cost of Masters award	\$21,120	\$21,120
<b>Distributions:</b>		
Top slice to Centre	35%	35%
Faculty slice		
Income to Program	65%	65%

**1.3.6 Income and Expenditure**

The level of income and expenditure for PMGP for recent years is shown in the following table. The figures are rounded to thousands of dollars.

Note that expenses include a provision – of 15% of the program's net income – for the ongoing re-development of units of study.

**PMGP Income and Expenditure**

Gross Fees from Students	1,300
Less: Top slice to Centre	455
Net Income to Program	845
<b>Expenses:</b>	
Variable costs of delivery	226
Fixed costs of administration	300
Less: Provision for re-development (15%)	127
<b>Net surplus from program</b>	<b>192</b>

The whole program has been revised and re-launched in 2004. The Director prepared a new budget for the “new” course. It does not include any on-going fees from existing students. They are regarded as a legacy from the “old” course that effectively provided the funds for the re-development. That cost is estimated to be of the order of \$270,000 for the complete revision of 11 units of study.

The Director has provided iTEV with the detailed budget on which the “new” course was approved. iTEV in turn has provided some input regarding the forecasting methodology. Annual numbers of new students are forecast to increase from 160 in 2004 to 310 in 2008. The new course – ignoring legacy fees from existing students – was expected to operate at a deficit in 2004 of about \$324,000, to make a small profit in 2005, and to produce a surplus for the program of \$472,000 by 2008.

The projections assume a top slice paid to the University of 50% for the new course. The return to the University over the five years of the forecast is \$5.8 million. It is thus expected to be a very profitable exercise for both the University and the program.

### **FINANCIAL MODELLING**

iTEV has produced a general spreadsheet model of the financial operation of a postgraduate course. The provision to iTEV of the detailed budget for PMGP enabled iTEV’s model to be compared and checked against a real case. That proved very beneficial.

It is hoped that the development of a general financial model will prove of benefit to the development of other postgraduate courses at the University.

### **1.3.7 Business Characteristics**

iTEV’s philosophy involves – in part – regarding the development of academic programs as akin to the development of small business ventures. These case studies therefore incorporate an analysis that compares elements of each program with the best practice commercial characteristics identified by iTEV.

PMGP is among the best examples of the management of a course as a business venture. Like many successful small businesses, it was started by someone with outstanding entrepreneurial flair as well as distinctive technical competence. To these, Professor Jaafari adds a high academic reputation, international standing in the project management profession, dedication and a great capacity for hard work.

Like many high-growth business ventures, that growth produced its own problems requiring structural change toward a less entrepreneurial and more conventional style of management. The transition was catalysed by iTEV’s involvement, and accomplished by University management through an academic review.

The result was the appointment of a professional Director, together with a Strategic Advisory Panel (similar to a Board of Directors) with extensive industry expertise. That structure is similar to those imposed by venture fund managers on developing businesses in which they invest.

The subsequent revision of the course and its relaunch in 2004 complete the second phase of the development of the course as a business venture. At the same time, its success has been recognised internationally. By analogy with a business venture, PMGP is now set to achieve substantial growth in enrolments.

The sound financial management of the program means that it can achieve high gross margins and net profits in that growth phase, essentially by ensuring that its delivery costs are strictly variable, and its fixed overhead costs controlled.

The business analogy can be extended as follows. The third phase of development calls for an emphasis on the development of good systems and procedures to handle the growth efficiently. From a pedagogical point of view, the course must be designed to be easily scaleable, ie to be able to accommodate higher student numbers without overloading delivery systems. Marketing strategies may need to be developed to attract enquiries, and to handle their transition to enrolments with the minimum attrition, to generate increasing fee income year by year. That may also indicate the need for professional market research, though the managers clearly understand their market and the profession very well.

Aspects of administration are considered most likely to present barriers to growth. As the Director has pointed out, they include developing an efficient interface between the program's financial control system and the University's *PeopleSoft* system. That work is underway. There is also the widely-recognised need for additional resources within individual programs to handle enrolment procedures efficiently in conjunction with the University's centralised systems. Response times are slower, and systems less automated, than those of competing institutions. These must be considered competitive disadvantages when targeting high-fee-paying students internationally.

It is possible that iTEV may be able to provide further assistance to PMGP to address these important elements of its growth strategy and to ensure its success.

These considerations are incorporated into the SWOT analysis that follows.

#### **STRENGTHS**

- Like many successful business ventures, PMGP was established by an academic with great entrepreneurial flair, reputation and dedication
- Its transformation to more conventional management has included the appointment of a professional Director and Strategic Advisory Panel
- The course has been re-developed and re-launched, using funding from the "old" course, and its success has been recognised internationally
- Sound financial management should provide good returns to both the program and the University from strong growth in enrolments in the next phase

#### **WEAKNESSES**

- The program had lower than planned enrolments in 2004, but will benefit in future years from international recognition and awards

- Preparation of a marketing plan, possibly incorporating professional market research, might be of benefit to ensure that growth targets are met
- The need for campus attendance for one core subject limits scalability
- Financial systems and enrolment procedures may need further development

#### **OPPORTUNITIES**

- Strong growth possibilities from international recognition of the course
- Large and growing potential markets internationally
- University of Sydney is a strong brand name, allowing premium pricing

#### **THREATS**

- the market for education in project management is very competitive
- central systems are slow and cumbersome compared with other institutions
- many international students prefer local delivery and/or group meetings

### **1.3.8 Comparison with Best Practice**

iTEV's assessment of the performance of PMGP compared with the key elements of best practice for program/venture development are summarised as follows.

iTEV was instrumental in catalysing important structural changes to the program in 2003. They have resulted in best practice in structure, management, financial control and reporting. The pedagogical excellence of the program has been acknowledged internationally, based on the learning experience and success of its graduates.

The program has a very strong base in its discipline, a sound understanding of its professional market, and a successful marketing approach based on support from employers and the industry. There may be scope to improve the marketing strategy and prepare a marketing plan based on professional market research.

Further support may be needed to reach best practice standards in some administrative areas that involve interfacing with central university systems. The highest standards in all areas should be pursued in order to maximise financial returns and to enhance the reputation of the University and the brand name that underpins the expected returns.

### **1.3.9 Conclusion**

If the program Director and Strategic Advisory Panel wish, iTEV in conjunction with the Deputy Vice-Chancellor, Academic, could consider providing further assistance in areas that would help the program to attract and effectively manage planned strong growth in enrolments from 2005 onwards.

iTEV has developed an assistance strategy that involves either or both direct financial assistance to the program and/or the deferral of top slice fees to the University in the initial years of the program. That may enhance the success of this landmark program.

## **1.4 Veterinary Public Health Management Program**

### **1.4.1 The Program**

The Veterinary Public Health Management Program (VPHMgt) is offered by the Faculty of Veterinary Science.

The program is unusual in that its development was supported financially by private sponsors – the Vincent Fairfax Family Foundation and Meat & Livestock Australia – as well as by the Faculty and iTEV. The need for the course was identified by industry groups and seminars, which is also unusual.

### **1.4.2 History and iTEV Involvement**

The following text draws heavily on a report<sup>3</sup> in February 2002 by the former Academic Program Manager of the VPHMgt program, Dr Joan Lloyd that describes its history and iTEV's contributions to its development, and a further report<sup>4</sup> in February 2004 by the Chair of the program, Professor Richard Whittington.

The program was developed in 2002 and first offered in semester 1 of 2003. iTEV was largely involved in the development, management and marketing of the project in 2002, including practical assistance in recruiting 18 enrolments for the first year.

The program originated in a workshop of Rural Lands Protection Board veterinarians in 2000 that identified the skills that vets would need to meet the future needs of the animal production industries in Australia. A report on the outcomes of the workshop resulted in support from Meat & Livestock Australia for a new Chair in Farm Animal Health in the Faculty and a new postgraduate training course in epidemiology.

The Director of iTEV, Ms Anne Forster, was involved in a meeting in February 2002 with Faculty and industry representatives to plan the new course. As a result, iTEV entered into a partnership arrangement with the Faculty to assist its development. It was stated, “iTEV brought to the project expertise in developing commercially focussed education programs that use innovative technologies, something the Faculty lacked. As this would also be the first coursework postgraduate degree program for the Faculty it also lacked experience in this area.”

Ms Forster convened a planning meeting in March 2002 with representatives from the Faculty, the University library and the Institute of Teaching and Learning (ITL). One result was that iTEV employed an Instructional Designer, Ms Ruth Laxton, to assist the course developers in the design of the program for predominantly distance delivery. Ms Kim McShane from ITL also provided help, especially in relation to educational quality standards and course evaluations. Both contributed to the submission of a detailed proposal for the new course to the Academic Board prepared by the Faculty academic staff. Approval from the Academic Board was obtained in September 2002.

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<sup>3</sup> “Contributions of iTEV to the development of the [VPHMgt] program”, Dr Joan Lloyd, Faculty of Veterinary Science, February 2003.

<sup>4</sup> “Report to the Vincent Fairfax Family Foundation”, Professor Richard Whittington, Faculty of Veterinary Science, February 2004

iTEV employed a Project Manger, Mr Gary Timm, to assist the new Academic Program Manager, Dr Joan Lloyd, appointed by the Faculty. Gary's work included developing vision and mission statements for the program, a communications plan, quality plan and a comprehensive business plan.

Good responses were generated by advertisements in the *Australian Veterinary Journal* and iTEV employed a Project Support Officer, Mr Jeremy Pearson, to work with the Academic Program Manager to handle and process the enquiries. He proved an excellent marketer and administrator, and even designed a logo for the program that remains in use. Their work resulted in 18 enrolments in semester 1 of 2003 – about twice as many as were originally anticipated.

The report prepared in February 2003 concluded, "By any measure, the partnership between iTEV and the Faculty of Veterinary Science for the development of the Veterinary Public Health Management program would be gauged a success."

Early in 2003 Dr Lloyd and Jeremy moved from iTEV's office back into the Faculty. Some difficulties arose, however, and Dr Lloyd resigned from the University during first semester. Jeremy left shortly afterwards, and the program administration was taken over by Ms Hannah Forsyth. Instructional Designer Ms Ruth Laxton has remained a consultant to the program and the original Project Manager employed by iTEV, Mr Gary Timm, became the subject coordinator for the project management subjects in the course.

iTEV's contribution to the development of the program in 2002 and 2003 is estimated at \$122,000 in the cost of services provided by staff that iTEV paid for. No formal agreement existed for repayment of the money to the iTEV fund, and the Faculty were unwilling to recognise any debt as owing. The February 2004 report to the Vincent Fairfax Family Foundation made no reference to support for the program from iTEV.

iTEV did not agree with the reduction in the administrative and marketing support for the program within the Faculty, and considered that enrolments would suffer. This did not happen when 17 new students enrolled in 2004. However, it appears to have happened since, with significantly fewer expected in 2005, despite the academic success of the course and the very positive assessment of the students.

The VPHMgt management team has now requested further assistance from iTEV in attracting students for 2005. That request is being considered, but is complicated by the fact that the Deputy Vice-Chancellor (Academic) insists that the cost of any assistance from iTEV be repaid by the Faculty out of the fees received from students.

At the time of preparing this report, staff of the Special Projects Unit were involved in providing marketing assistance to the course coordinator, but no consultants employed.

### **1.4.3 Program Details**

The program offers awards with the following study requirements in terms of credit points (CP).

- Graduate Certificate 24 CP
- Graduate Diploma 36 CP
- Masters 48 CP
- Some individual subjects are also offered on a non-award basis.

The program offers 10 core units of study (UoS) of three credit points each and also requires a research project of six or 12 credit points to be undertaken. Six elective subjects of three CP each have been developed for program, of which students must complete three for a Master's degree.

Of the 16 UoS available (excluding the research project), 13 are delivered only in distance/on-line mode, and three in residential plus on-line mode.

#### 1.4.4 Enrolments and Attrition

The new course attracted 18 enrolments in 2003, of which 16 completed the year, and a further 17 new enrolments in 2004, for a total of 33 enrolled students.

##### Enrolled for Award:

Graduate Certificate	6
Graduate Diploma	5
Masters	19
Non-award	4

##### Geographical Distribution:

Sydney	24%
Other Australia	36%
Asia/Pacific	18%
Other international	21%

##### Attrition Rates:

Enquiries	60*
Applicants	18
Offers	18
Enrolments	18
Number at Census	16
* Estimate	

Students study on average nine credit points per semester, so a Masters' degree will take five semesters, on average, to complete.

#### 1.4.5 Tuition Fees and Distributions

The following tuition fees, and distributions of fees, currently apply for VPHMgt.

	Australian	International
<b>Tuition Fees:</b>		
Fees per CP (AUD)	\$350	\$375
Cost of Masters award	\$16,800	\$18,000
<b>Distributions:</b>		
Top slice to Centre	32%	0%
Faculty slice	5%	0%
Retained by school	63%	100%

### **1.4.6 Income and Expenditure**

Details of income and expenditure for the program – including results for 2002 and 2003, and projections to 2006 – are included in the report of Professor Whittington to the Vincent Fairfax Family Foundation. They have been provided to iTEV on a confidential basis, and so their details are not divulged here.

The program was a significant beneficiary of assistance from the Foundation totalling hundreds of thousands of dollars (from 2002 to 2005), together with sponsorship by MLA in 2003 and 2004. iTEV's contribution to program development, marketing and administration in 2002 and 2003 is estimated by the Faculty at \$122,000 but iTEV's financial records show a greater amount.

In general terms, that financial assistance effectively paid for the development and establishment of the program. The total estimated cost to develop 16 units of study (excluding research UoS) is estimated at \$309,426 – equivalent to a little less than \$20,000 per unit of study. All coursework units of study are of three credit points. Another estimate of program development costs for VPHMgt, prepared in an iTEV format to allow comparison between courses, is \$34,200 per equivalent 6CP UoS.

The present Program Administrator, Ms Hannah Forsyth, made a presentation to an iTEV symposium of its client program managers on May 31, 2004. It suggested that, when both outside support and development are finished by 2006, the program should show a small surplus of income over expenditure. That estimate is based on planned growth in new enrolments until at least 2005.

### **1.4.7 Business Characteristics**

iTEV is concerned that the Faculty's cut-back in administration and marketing support since mid-2003 may make the enrolment growth target hard to achieve, and hence create some uncertainty that the program will remain financially viable. Further assistance in marketing the program is being provided, as discussed above.

iTEV's philosophy involves – in part – regarding the development of academic programs as akin to the development of small business ventures. These case studies therefore incorporate an analysis that compares elements of each program with the best practice commercial characteristics identified by iTEV.

A strategic analysis of the program as a business venture is set out below. It summarises what are seen as the major strengths and weaknesses of the program, together with the main opportunities and threats it faces from external sources.

#### **STRENGTHS**

- Demand for course established by industry; support and financial assistance from industry for development and establishment of the course
- The reputation of both the University and the Faculty creates a strong marketing brand name, leading to premium pricing and growth opportunities
- Inclusion of leadership, project management and policy development subjects are attractive to both potential students and their employers

- High levels of satisfaction among the original students, and their employers, should enhance the reputation and growth of the program

#### **WEAKNESSES**

- The program lacks the drive and entrepreneurial flair of some other courses – a characteristic identified by iTEV as often leading to high income and growth
- It is difficult to drive growth in enrolments with the reduced administration and marketing support compared with 2002-03
- The University's central enrolment systems significantly increase the work required to enrol students remote from the campus
- The need to attend residential classes on campus may limit the potential market, particularly for overseas students

#### **OPPORTUNITIES**

- Increasing industry and government concern worldwide for public health issues creates a large potential market internationally
- The benefits of distance learning with flexible delivery, together with a wide diversity of students working together, rates highly in student satisfaction
- It may be possible to share administration and marketing resources with new postgraduate coursework programs developed within the Faculty

#### **THREATS**

- Industry sponsors appear to favour attracting Australian students over international students, possibly limiting growth and income
- Some central University services, such as enrolments and IT, are not competitive with other institutions, and may deter potential students
- If student numbers were to decrease, student satisfaction may also decrease due to less interaction and less diversity of experience in some classes

### **1.4.8 Comparison with Best Practice**

A comparison follows of iTEV's assessment of the performance of the VPHMgt program with the key elements of best practice identified by iTEV, based on commercial experience and comparison with other iTEV client case studies.

#### **LINKS WITH INDUSTRY**

The program and the Faculty have excellent links with relevant industry leaders, government authorities, industry associations and international bodies. It is outstanding in this regard.

## **PLANNING**

The program was well planned and developed within quite a short period, with considerable assistance from iTEV. The planning documents developed at that time – a business plan, quality plan and communications plan – remain in use. They were in addition to the Faculty's proposal to the Academic Board.

From a business perspective the program has benefited from professional planning. The original plans have since been updated with annual account summaries (referred to as financial acquittals), revised budgets and forecasts till 2006. This sound business practice is unusual for postgraduate course management in some other parts of the University.

It has enabled financial data on program development to be incorporated by iTEV in a general model – described in a later section – that will hopefully be of benefit to the wider University community for development of high-growth, flexible postgraduate courses.

## **INSTRUCTIONAL DESIGN**

The instructional designer employed by iTEV for the development of the units of study – Ms Ruth Laxton – has remained with the program into its delivery phase. That has ensured a high standard and consistency of design for the whole program.

It is reflected in the high level of satisfaction of the students with all subjects delivered in distance mode, as well as their enjoyment of the residential elements and the effectiveness of the delivery for support and learning between students.

## **MARKET RESEARCH**

The successful marketing of the program for 2003 and 2004 to potential students and employers used the Faculty's extensive data bases and industry contacts. It is important for the continuing viability of the program that the information is kept up-to-date and can be used to promote the program each year in a professional way.

## **MARKETING**

The marketing strategy developed in 2002 proved sound with approximately double the level of expected enrolments in the first year of delivery - 2003. That continued, with iTEV funding the work of the Project Support Officer to mid-2003, resulting in strong enrolments again in 2004.

Further support may be needed to maintain those levels. The development of an annual marketing plan may assist that, together with some additional resources in second semester each year at the time of peak "selling" activity to prospective students and their employers.

## **1.5 Other Case Study Programs**

iTEV has been involved in a number of other programs, though to a lesser extent than the three described in the preceding parts of this section. In some cases iTEV previously prepared reports and made recommendations, but has not been closely involved since. Some attended iTEV's case study symposia and some contributed data in a format to enable direct comparison between programs. That included structural aspects – such as credit points and enrolments – and, in some cases, detailed costs of development and delivery of programs. The comparisons are discussed in chapter 4.

Four programs that fall into these categories are described here, but in less detail than the preceding three case studies. They are:

- Master of Medicine in Pain Management
- Master of International Public Health
- Master of Education in International Education, and
- Sydney Professional Master of Medicine Program.

### **1.5.1 Master of Medicine in Pain Management**

The Master of Medicine in Pain Management (MMPM) is offered by the Pain Management Research Institute at the Royal North Shore Hospital.

This successful program has been in operation for seven years. It offers articulated Graduate Certificate, Graduate Diploma, Masters and Masters (Honours) awards. 65 students are currently enrolled, making it one of the bigger postgraduate coursework programs outside the Faculty of Economics and Business. 133 students have taken the articulated courses since 1988, of which 13% have been international students.

The program was reviewed in 2000 and again in 2003-2004. It was then revised into units of study of six credit points, starting in 2005. Masters students undertake eight units of study, for a total of 48 CP, including four core subjects and four electives out of eight electives offered. Masters (Honours) students also submit a 12CP treatise.

The program is administered by a team including the Program Director, IT Director, Instructional Designer, the Program Director (part-time), IT Director, Materials Developer, Student Liaison person (currently shared position) and Administrative Officer. Some assistance is also provided by a departmental librarian. The Program Director reports to the Director of the Pain Management Research Institute, and has an Advisory Panel as well as being advised by teaching faculty.

The multidisciplinary course attracts students from many professions including several medical disciplines, dentists, nurses and other paramedical staff.

All units of study are delivered on line via WebCT. The program is a recipient of an Exemplary Course Award from WebCT. The revised course included improvements to the design, pedagogy and delivery of all units of study.

In 2002 iTEV commissioned a report<sup>5</sup> in the form of a business scoping document, prepared by an independent consultant. It pointed to the prospects for increasing enrolments, particularly of international students, based on the competitive advantage of the program and the reputation of the Pain Management and Research Centre.

It identified factors that may limit growth prospects. They included administrative systems, particularly enrolment procedures, and some inflexibility in the way the program “batch processes” students in cohorts.

iTEV was not further involved in the implementation of the report and its recommendations. The program was subject of an academic review in 2003 which proposed in its basic redevelopment into 6CP units of study rather than a mixture of 2 and 4 CP units as before. The program managers have estimated the cost of re-developing the whole course at \$115,500 – just less than \$10,000 for each of 12 units of study. Delivery and administration of the program continued during the year of redevelopment.

### **ENROLMENTS AND ATTRITION**

The following data was correct at the end of semester 1, 2004.

#### **Enrolled for Award:**

Graduate Certificate	13
Graduate Diploma	40
Masters	11
Non award	1
Total	65

#### **Geographical Distribution:**

Local (Australia)	80%
International	20%

#### **Attrition Rates:**

Enquiries	100
Applicants	40
Offers	30
Enrolments	28
Number at Census	25

Students study on average 12 credit points per semester, so a Master’s degree will take four semesters, on average, to complete.

### **TUITION FEES AND DISTRIBUTIONS**

The following tuition fees, and distributions of fees, currently apply for MMPM.

	<b>Australian</b>	<b>International</b>
<b>Tuition Fees:</b>		
Fees per CP (AUD)	\$300	\$525

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<sup>5</sup> “Master, Pain Management – a confidential report”, September 2002

Cost of Masters award	\$14,400	\$25,200
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**Distributions:**

Top slice to University	25.56%	0%
Faculty slice	10%	15%
Retained by school	64.44%	85%

In the first few years following start-up, a reduced university and Faculty slice was negotiated to help defray substantial start-up costs and to recognise the significant infrastructure and salary costs contributed from non-University sources.

For the last two years, the University has not agreed to extending this arrangement which has substantially lifted the number of students required to reach break-even point. This has meant exploring other avenues of generating income to maintain the viability of the Program. The Centre uses the same administration structure to deliver multidisciplinary symposia and short courses to medical and paramedical professionals – another source of income.

**THE MMPM PROGRAM AS A BUSINESS**

The program is a successful, self-funding business with a high reputation, attracting a regular intake of 20 to 25 students a year from a variety of professional disciplines. Its recent redevelopment seems likely to assure it will remain competitive.

The financial success is due, in part, to the fact that many eminent teachers in the program are not paid for their services, as is traditional in medical schools. That also creates a barrier to growth if driven by the desire for revenue and profit. Respected clinicians are unlikely to agree to the extra workload, with no reward, for that reason alone.

Rather, the program management have identified two other pathways to growth. One is to collaborate with an overseas university and earn royalties from their delivery of MMPM units of study. This option is being pursued.

The second strategy is to offer symposia and short courses, based on the research-driven expertise that characterises the Centre. They might be regarded as other “products” in the business of pain management education. It appears to be a practical and successful strategy, also capable of extension to other markets.

The Master of Medicine in Pain Management is therefore not a candidate for further assistance from iTEV to pursue a strategy of high growth in course enrolments. It remains a flagship program within the University and a model of flexible, distance education in a market where the Centre and the University have proud reputations.

**1.5.2 Master of International Public Health**

The Master of International Public Health (MIPH) is offered by the School of Public Health within the Faculty of Medicine.

The program is a client of iTEV to the extent that an iTEV report<sup>6</sup> in November 2002 considered all six graduate coursework programs offered by the School, of which MIPH is one. In 2004 the Course Coordinator, Professor Richard Taylor, and the Head of the School, Professor Bruce Armstrong, were involved in iTEV symposia and meetings and contributed data for these case studies.

MIPH is a successful program that has grown strongly since first offered in 2000. New enrolments grew to 85 in 2003 with total enrolments of 115. New students can begin the course in either first or second semester, and most complete it in two or three semesters. 50% of students are international, though all students attend classes at the Camperdown campus. Visa conditions provide for international students to undertake only full-time study. Local students – mainly from NSW and ACT – may study on a part-time basis.

The program offers articulated courses of a Graduate Diploma (36CP), Masters (48CP) and Masters (Honours) (60CP including a 12CP treatise). The MIPH program offers six core subjects and 15 electives while a further 18 electives are available to MIPH students from other programs within the School. Most units of study are of 4CP but some smaller ones are 2CP.

By April 2004 there were 122 graduates of the program of which 44% were international students. All Graduate Diploma students upgraded and graduated with a Master's degree. It is an impressive performance within the University of Sydney.

### **STUDENT PROFILES**

The program has published the following data concerning its students since the course began.

#### **Geographical Distribution:**

Australia/New Zealand	52%
Asia	27%
North America	13%
Other international	8%

#### **Disciplinary Background:**

Medicine	31%
Other Health Care	15%
Humanities/Soc Science	20%
Sciences	34%

### **ATTRITION RATES**

The program reports attrition rates only as the number of enrolments compared to the number of applications, expressed as a percentage in the following table.

<b>Local</b>	<b>International</b>
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<sup>6</sup> “Leveraging Flexible Delivery Opportunities – School of Public Health”, November 2002

2001	65%	33%
2002	69%	20%
2003	58%	25%

### **TUITION FEES AND DISTRIBUTIONS**

The following tuition fees, and distributions of fees, currently apply for MIPH.

	<b>Local</b>	<b>International</b>
<b>Tuition Fees:</b>		
Fees per CP (AUD)	\$300	\$500
Cost of Masters award	\$14,400	\$24,000
<b>Distributions:</b>		
Retained by school	64%	51%
	<b>Gross</b>	<b>Net to School</b>
<b>Total Fee Income ('000)</b>		
2001	563	307
2002	959	525
2003	1,502	810

### **MIPH AS A BUSINESS**

The importance of the MIPH program as a business may be judged from a comment made by its Course Coordinator, Professor Taylor, to an iTÉV symposium. He said that it underpins the financial viability of the School of Public Health.

The program has experienced strong and steady growth in enrolments since its establishment. It is a major source of revenue from international student fees.

From a marketing perspective, its success is influenced by the efforts of the program managers to ensure that students enjoy the program. Activities include special seminars, a careers evening, and sporting and social events with a strong international flavour. The effectiveness is measured by questionnaires, focus groups and surveys – both on entry and exit – in addition to informal feedback. These are classic elements of marketing and market research that undoubtedly underpin the success of the program.

One concern from a business perspective is the low conversion rate from applications to enrolments, particularly for international students, which is only about 25%. Discussion with the Course Coordinator and Dean pointed to delays in processing applications that are greater than for other universities. Given the competitive market for such courses – in Australia and internationally – the University's central systems appear to put postgraduate courses at a considerable commercial disadvantage.

The attraction for overseas students includes the experience of living in Sydney as well as gaining a valuable qualification. The value of the award should be matched by the "service" offered to those who apply to pay \$24,000 for a year's study. The practice of processing international enrolment applications after all others compares poorly with other institutions that can process online applications within a week.

The School did not take up the recommendations in the iTEV report of November 2002, which were essentially for iTEV to help in defining the growth strategy for all programs as a precursor to developing a formal business case for the development of one or more postgraduate programs. It pointed to the possibility of converting the face-to-face presentation on campus into a flexible, distance learning mode. Professor Taylor mentioned the interesting possibility of offering both formats as alternatives.

The School has since appointed an Instructional Designer to assist the preparation or conversion of postgraduate courses into flexible delivery modes. However, it is understood that such work will concentrate on programs other than MIPH.

iTEV seems unlikely to be involved in further development of the MIPH program, but appreciates the cooperation of the program managers in contributing information and data to the case studies in this report.

### **1.5.3 Master of Education in International Education**

The Master of Education in International Education program (MEIE) is one of several postgraduate coursework programs offered by the Faculty of Education and Social Work.

MEIE has not been an iTEV client in the past but has recently sought assistance in extending the international marketing aspects of the program. This is currently being considered, and some assistance might be provided to assist enrolments for 2005.

The program was developed by three members of the Faculty and has been offered for four years. It comprises three core and five elective units of study, each of six credit points. Students may also undertake electives from the other Master's programs offered by the Faculty, to a total of eight subjects, equivalent to 48CP. A treatise or research project worth 6 or 12 CP is another option.

New enrolments totalled six in semester 2 of 2003 and 12 in semester 1 of 2004, at which time a total of 15 students were enrolled in the program. As the managers point out, it is difficult to assign student numbers to specific courses within the Faculty because of the flexibility offered to students to take courses from other areas. It is thought that all but one of the students will proceed to a Master's award; the other is a Graduate Certificate candidate. Most students progress at 12CP each semester, and therefore usually complete a Master's degree in four semesters.

Tuition fees are \$160 per credit point, equivalent to \$7,680 for a Master's degree, for both local and international students. Those are the lowest of any fees amongst the iTEV case studies. The managers point out that there are restrictions on fees within the Faculty of Education and Social Work, and that students – mainly teachers or administrators in poorer countries – are unable to afford high fees.

iTEV is not in a position to comment on the course from a business perspective until an evaluation is carried out, in conjunction with providing any marketing assistance.

### **1.5.4 Sydney Professional Master of Medicine Program**

The Sydney Professional Master of Medicine Program (SPMMP) is a prestigious postgraduate coursework program being developed by the Faculty of Medicine. The first intake is planned for semester 2 of 2005.

SPMMP is not an iTEV client. iTEV has provided limited assistance to the managers of the program, and reviewed its excellent Business Plan dated November 2003. A former iTEV consultant, Mr Michael Knapp, was employed directly by the Faculty to assist in the preparation of financial forecasts. iTEV has since provided limited comment on the figures in the Revised Briefing Paper dated May 2004.

The Dean of the Faculty approached the Vice-Chancellor directly for funding from the Vice-Chancellor's Strategic Development Fund for the development of the program. The Vice-Chancellor approved funding of \$250,000 directly. iTEV has had minimal involvement in any aspect of the program before or since.

SPMMP is included in this case study summary only as a matter of record.

### **1.5.5 Other iTEV Clients**

Since 2000 iTEV has provided assistance, among the 25 reports it has prepared, to a number of postgraduate programs – both existing and under development – that are not included as case studies in this report. They include:

- Master of Tax Online – pilot project
- StudyAge Online – pilot project and program development
- Herbal Medicines Research & Education Centre – business scoping document
- Faculty of Rural Management – opportunities for growth and flexible delivery
- CHASS Hub – shared services for use of ICTs in teaching and learning