



**Cost Benefit Analysis**

**of the**

**ALPS Programme**

**Briefing**

**(June 2010)**



## **Assessment & Learning in Practice Settings (ALPS)**

### **ALPS Cost Benefit Analysis**

In 2009, ALPS commissioned The ROI Academy to undertake a Cost Benefit Analysis (CBA) of innovative assessment and learning approaches arising from the ALPS programme of activity. This CBA would be a key input into the evaluation of the Value for Money achieved from the HEFCE investment of £4.8 million in the five ALPS partner Higher Education Institutions (HEIs). The CBA looks at the benefit accruing from the investment to date, and indicates the likely benefit accruing in the future.

The ROI Academy have delivered the final CBA report with the clear message that ALPS has produced a return on investment higher than envisaged at this stage of the programme. The original business case did not envisage substantial value arising from deployment until after the five year development phase. The fact there is current payback at March 2010 of around 49% is more than had been expected. ALPS, as a learning and teaching project, can both demonstrate a return on investment of approximately 50% of the original investment and evidence that a cost benefit analysis has taken place. These are significant achievements in themselves.

ROI highlight that the greatest return at this stage has been the human capital asset base of expertise in collaborative, interdisciplinary and interprofessional working skills and expertise in mobile, e-learning and development of shared services. The methodology (the Performance Pound™) which ROI used demonstrates that the greatest impact has been made at an institutional and staff level. In a programme of change, which ALPS aims to be, it is expected that change would have to take place at these levels first, before students could then benefit. The return on investment for students has started to be realised and could be significantly increased by a number of factors including capital reinvestment and making assessments compulsory.

#### **The ALPS programme has two distinct phases in terms of benefit analysis:**

##### **1. Development**

The development phase has created a strong asset base including the specific outputs such as the Common Competency Maps, online assessments and technology assets. Most importantly, this phase has created a human capital asset base of expertise in collaborative, inter-disciplinary and interprofessional working skills, as well as expertise in specific areas such as mobile and e-learning, and the development of shared services. This expertise is transferable to other staff within the partner HEIs. This phase is nearing completion, and has resulted in substantial benefits accruing to the HEI partners, independent from the specific outputs from deploying ALPS tools and processes.

##### **2. Deployment**

This phase is only just commencing and will require further investment to upgrade the mobile devices for full deployment. To date, the benefits arising from deployment are limited because of the relatively few students using the online solutions. This is not unexpected as the original budget did not envisage substantial value arising from deployment until after the five year development phase (i.e. until after 2010).

This CBA uses the Performance Pound™ methodology to create value models to capture a range of different qualitative and quantitative benefits arising from the programme. The value models incorporate cash and cash equivalent benefits alongside intangible benefits that have been quantified, but cannot be directly valued.

The Performance Pound™ models the maximum benefit the programme could have expressed in terms of 100p in the £. The actual scores (expressed in figure 2) show how much this benefit has been delivered so far, and what opportunity there is for further benefit. Four Performance Pound™ models were created for this CBA to reflect the value accruing across diverse stakeholders: HEI, Tutor, Student and Service User.

Figure 1: Current payback at March 2010 is around 49% of original investment. Full payback based on the asset base alone will occur in the next 12-24 months.

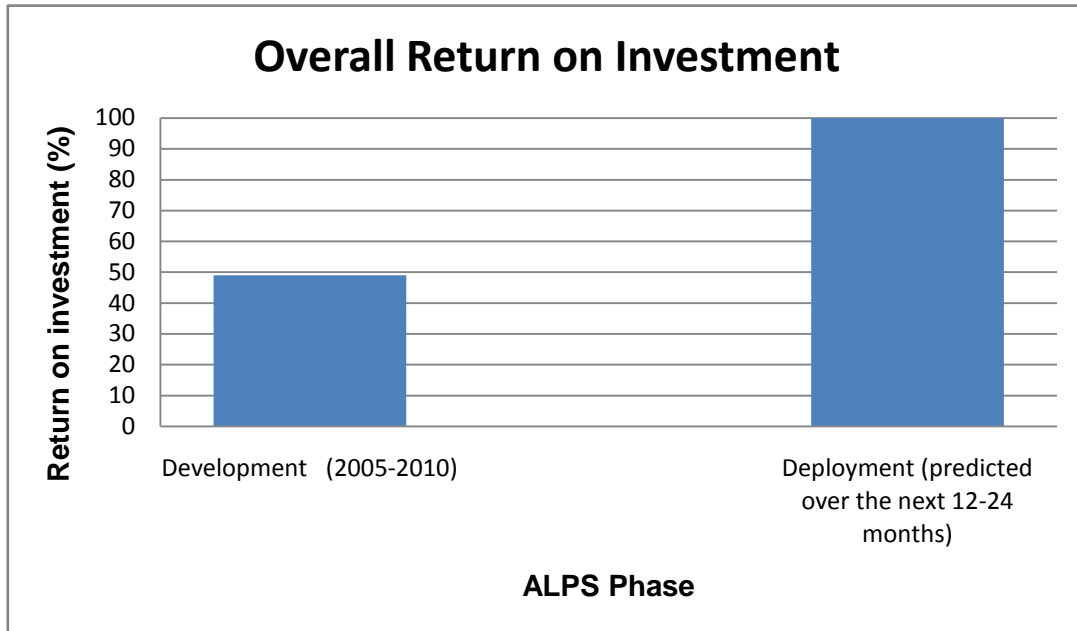
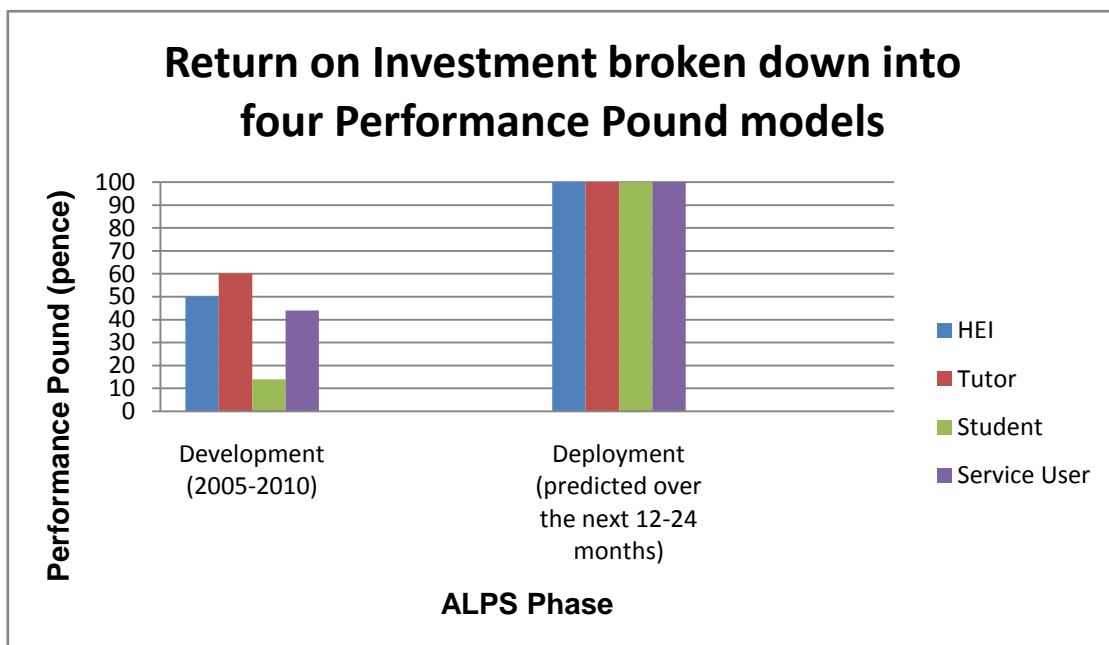


Figure 2: These results show the impact ALPS has already had on creating value through tutors and directly within HEIs, as well as indicating the substantial potential to create value for students (and hence employers) on wider deployment.



**Background**

The ALPS CETL is a collaborative programme between five Higher Education Institutions: University of Bradford, University of Huddersfield, University of Leeds, Leeds Metropolitan University and York St John University. The programme's overall purpose is to create more **competent and confident** graduates across 16 health and social care professions.